

***REVISED AGENDA**

Item A.13 (added)

**NOTICE AND CALL OF SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES**

November 18, 2014

SPECIAL PRESENTATIONS – 5:30 P.M.

SPECIAL MEETING – 6:00 P.M.

City Council Study Sessions

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

City Council Meetings

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

City Council Closed Session

Immediately following Regular City Council Meetings and
Study Sessions, unless no Closed Session Items are Scheduled

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 Mark Sambito, ADA Coordinator, at 951.413.3120 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.

Jesse L. Molina, Mayor

Victoria Baca, Mayor Pro Tem
Richard A. Stewart, Council Member

George E. Price, Council Member
_____, Council Member

**AGENDA
SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
November 18, 2014**

CALL TO ORDER – 5:30 PM

SPECIAL PRESENTATIONS

- 1 Proclamations Recognizing Moreno Valley Morning Rotary Club and Moreno Valley Noon Rotary Club's Polio Eradication Efforts

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***REVISED AGENDA
SPECIAL JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
AND THE BOARD OF LIBRARY TRUSTEES**

***THE CITY COUNCIL RECEIVES A SEPARATE STIPEND FOR CSD
MEETINGS***

SPECIAL MEETING – 6:00 PM

NOVEMBER 18, 2014

NOTICE IS HEREBY GIVEN that a special meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and Board of Library Trustees will be held on November 18, 2014 commencing at 6:00 PM, in the City Council Chamber, City Hall, located at 14177 Frederick Street, Moreno Valley, California.

Said special meeting shall be for the purpose of:

CALL TO ORDER

(Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority 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

Saranasiriw Wathogala and Dhamapala Napalie - Moreno Valley Buddhist Temple

ROLL CALL

INTRODUCTIONS

AGENDA
November 18, 2014

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.)

Those wishing to speak should complete and submit a LAVENDER 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.

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.

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 City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority 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 OCTOBER 28, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted

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

Recommendations

1. Receive and file the Reports on Reimbursable Activities for the period of October 22 – November 11, 2014.

- A.4 PA13-0054 (PM 36625) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – PSIP INTEGRA MORENO VALLEY LLC, NEWPORT BEACH, CA, 92660 (Report of: Public Works Department)

Recommendations

1. Approve Parcel Map 36625 for PA13-0054, authorize the City Clerk to sign the map and transmit map to the County Recorder's Office for recordation.
2. Accept the Agreement and Security for Public Improvements for PSIP Integra Moreno Valley LLC.
3. Authorize the Mayor to execute the Agreement.
4. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
5. 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.5 ADOPT RESOLUTION NO. 2014-89 AUTHORIZING THE CITY ENGINEER TO REQUEST COOPERATIVE WORK AGREEMENT FUNDING EXTENSIONS AND RATIFY AN EXTENSION REQUEST FOR THE SR-60/NASON INTERCHANGE PROJECT(PROJECT NO. 801 0012 70 77) (Report of: Public Works Department)

Recommendation:

1. Adopt Resolution No. 2014-89. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the City Engineer to Request Cooperative Work Agreement Funding Extensions and Ratification of a Request for the SR/60-Nason Interchange Project.

- A.6 MARCH JOINT POWERS AUTHORITY AGREEMENT AMENDMENT #13 (Report of: Community & Economic Development Department)

Recommendation:

1. Approve the March Joint Powers Authority Agreement Amendment #13.

- A.7 AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO GRIFFITH COMPANY FOR CACTUS AVENUE EASTBOUND THIRD LANE WIDENING IMPROVEMENT FROM VETERANS WAY TO

HEACOCK STREET, STAGE II PROJECT NO. 801 0031 70 77
(Report of: Public Works Department)

Recommendations

1. Award the construction contract to Griffith Company, 12200 Bloomfield Avenue, Santa Fe Springs, CA 90670, the lowest responsible bidder, for the Cactus Avenue Eastbound Third Lane Widening Improvement from Veterans Way to Heacock Street, Stage II project; Waive minor, non-material bid irregularities within the lowest responsible bidder's bid proposal.
 2. Authorize the City Manager to execute a contract with Griffith Company.
 3. Authorize the issuance of a Purchase Order to Griffith Company, for the amount of \$2,161,679.35 (\$2,058,742.24 bid amount plus 5% contingency) when the contract has been signed by all parties.
 4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Griffith Company up to, but not exceeding, the 5% contingency amount of \$102,937.11, subject to the approval of the City Attorney.
 5. Authorize the re-appropriation of \$12,100.00 from Warner Ranch AD 96-1 Fund 3451 for Cactus Avenue Eastbound Third Lane Widening Improvement from Veterans Way to Heacock Street Stage II project (GL: 3002-70-77-80001, Project No. 801 0031 70 77).
 6. Authorize the re-appropriation of \$1,574.00 from Warner Ranch AD 96-1 Fund 3451 for administrative costs to close out the District (GL: 2006-30-79-25701-585020).
 7. Authorize the appropriation of revenue and expense budgets in the amount of \$54,878 in the Public Works General Capital Project Fund (3002) per the reimbursement agreement with the Eastern Municipal Water District (EMWD).
- A.8 APPROVE RESOLUTION NO. 2014-90 ADOPTING AN ENERGY RISK MANAGEMENT POLICY FOR MORENO VALLEY UTILITY
(Report of: Public Works Department)

Recommendation:

1. Approve Resolution No. 2014-90. A Resolution of the City Council of the City of Moreno Valley, California, Adopting an Energy Risk Management Policy for Moreno Valley Utility.

- A.9 ADOPT RESOLUTION NO. 2014-91, APPROVING AND AUTHORIZING THE EXECUTION OF AN INTERNAL FUND LOAN AGREEMENT TO FINANCE THE PURCHASE OF PROPERTY FOR A 115 KV SUBSTATION AND ADOPT RESOLUTION NO. 2014-92, DECLARING AN OFFICIAL INTENT TO ISSUE BONDS THROUGH THE MORENO VALLEY PUBLIC FINANCING AUTHORITY AND TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF THE INDEBTEDNESS
(Report of: Public Works Department)

Recommendations

1. Adopt Resolution No. 2014–91. A Resolution of the City Council of the City of Moreno Valley, California, Approving and Authorizing the Execution of an Internal Fund Loan Agreement to Finance the Purchase of Property for a 115 kV Substation.
2. Adopt Resolution No. 2014–92. A Resolution of the City Council of the City of Moreno Valley, California, Declaring an Official Intent to Issue Bonds Through the Moreno Valley Public Financing Authority and to Reimburse Certain Expenditures from the Proceeds of the Indebtedness.

- A.10 AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES TO CHARLES ABBOTT ASSOCIATES, INC. FOR NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT SERVICES
(Report of: Public Works Department)

Recommendations

1. Approve the Agreement for Professional Consultant Services with Charles Abbott Associates, Inc., 27401 Los Altos, Suite 220, Mission Viejo, CA 92691, to provide National Pollutant Discharge Elimination System (NPDES) inspection and NPDES administrative services to the Storm Water Management Program.
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with Charles Abbott Associates, Inc., subject to the approval of the City Attorney.
3. Authorize the issuance of a Purchase Order with Charles Abbott Associates, Inc., in the amount of \$73,485.03 as follows: \$53,956.73 for Fund 2008-70-29-20451 and \$19,528.30 for Fund 2008-70-29-20450, and authorize the Chief Financial Officer to approve subsequent purchase orders, including any exceeding \$100,000 in total, to Charles Abbott Associates, Inc., in accordance with the approved terms of the Agreement.

4. Authorize the City Manager to execute subsequent Extensions or Amendments to the Agreement, including the authority to authorize associated purchase orders (P.O.s) in accordance with the terms of the Agreement, subject to the approval of the City Attorney.

- A.11 APPROVE RESOLUTION 2014-93 IN SUPPORT OF MARCH AIR RESERVE BASE AND THE NAVAL SURFACE WARFARE CENTER CORONA
(Report of: City Manager Department)

Recommendation:

1. Adopt Resolution 2014-93. A Resolution of the City Council of the City of Moreno Valley, California, in Support of March Air Reserve Base and the Naval Surface Warfare Center, Corona Division.

- A.12 AMENDMENT TO ACCELA CONTRACT FOR AGENDA MANAGEMENT AND VIDEO WEBSTREAMING
(Report of: City Clerk Department)

Recommendations

1. Authorize the City Manager to execute a Contract Amendment with Accela, 2633 Camino Ramon, Suite 500, San Ramon, CA 94583, in the amount of \$185,150.00 (three year contract at \$55,050 per year plus \$20,000 (12%) contingency).
2. Authorize the Chief Financial Officer to issue a purchase order upon execution of the amendment to the above-referenced contractor not to exceed the amount of \$185,150.00.
3. Approve the Fiscal Year 2014/2015 budget appropriation as set forth within the Fiscal Section of this report.

- *A.13 APPROVE THE FIRST REVISION TO GENERAL MANAGEMENT POLICY #2.44 TO INCLUDE A SECOND OPTION FOR OFFICIAL CITY GROUPS DESIGNATION, DESIGNATE THE MORENO VALLEY CULTURAL ARTS FOUNDATION AS AN OFFICIAL CITY GROUP, AND APPROPRIATE SPONSORSHIP FUNDING
(Report of: Parks & Community Services Department)

Recommendations

1. Approve the first revision to General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated "Official City Groups," to allow a second option for "Official City Groups" designation.
2. Designate the Moreno Valley Cultural Arts Foundation as an Official

City Group under the second option for the Vanguard Art Gallery/Museum.

3. Approve a Fiscal Year 2014/2015 budget appropriation of \$5,000 from the Community Services District Zone A fund balance for the Official City Group sponsorship of the Moreno Valley Cultural Arts Foundation.

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 OCTOBER 28, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

B.3 APPROVE THE FIRST REVISION TO GENERAL MANAGEMENT POLICY #2.44 TO INCLUDE A SECOND OPTION FOR OFFICIAL CITY GROUPS DESIGNATION, DESIGNATE THE MORENO VALLEY CULTURAL ARTS FOUNDATION AS AN OFFICIAL CITY GROUP, AND APPROPRIATE SPONSORSHIP FUNDING

(Report of: Parks & Community Services Department)

Recommendations

1. Approve the first revision to General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated "Official City Groups," to allow a second option for "Official City Groups" designation.
2. Designate the Moreno Valley Cultural Arts Foundation as an Official City Group under the second option for the Vanguard Art Gallery/Museum.
3. Approve a Fiscal Year 2014/2015 budget appropriation of \$5,000 from the Community Services District Zone A fund balance for the Official City Group sponsorship of the Moreno Valley Cultural Arts Foundation.

C. CONSENT CALENDAR - HOUSING AUTHORITY

C.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

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- C.2 MINUTES - REGULAR MEETING OF OCTOBER 28, 2014 (Report of: City Clerk's Department)

Recommendation:

1. 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 OCTOBER 28, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

E. PUBLIC HEARINGS - None

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.

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)

- G.1.1 Report by Mayor Pro Tem Baca on March Joint Powers Commission (MJPC)

- G.2 REPORT FOR UTILIZATION OF THE FY 2014/2015 – OTS STEP GRANT AND REVIEW OF THE RESULTS FOR THE FY 2013/2014 CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS) – STEP GRANT & SOBRIETY CHECKPOINT GRANT.

(Report of: Police Department)

Recommendations That the City Council:

1. Receive and File the Police Department's report regarding utilization of the FY 2014/2015 California Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) grant, in the amount of \$170,000, for the period beginning October 1, 2014, and ending

AGENDA
November 18, 2014

September 30, 2015.

2. Receive and File the Police Department's summary of benefits the City of Moreno Valley realized from the FY 2013/2014 OTS Selective Traffic Enforcement Program and Sobriety Checkpoint grant.

- G.3 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 That the City Council:

1. Approve Resolution No. 2014-94. A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Rates for Moreno Valley Utility.

- G.4 ACCEPTANCE OF GRANT AWARD FROM THE AMERICAN SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS (ASPCA) – 2014 ASPCA RACHAEL RAY CHALLENGE
(Report of: Administrative Services Department)

Recommendation That the City Council:

1. Receive and accept a grant award in the amount of \$5,000 from the ASPCA for the Moreno Valley Animal Shelter's participation in the 2014 ASPCA Rachael Ray Challenge where the Animal Shelter exceeded its goal in the final placement of 333 more pets during June, July and August 2014 as compared to the same time period in 2013.

- G.5 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

- G.6 CITY ATTORNEY'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

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**CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL,
COMMUNITY SERVICES DISTRICT,CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY**

Materials related to an item on this Agenda submitted to the City Council/Community Services District/City as Successor Agency for the Community Redevelopment Agency, Housing Authority 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, City as Successor Agency for the Community Redevelopment Agency and Housing Authority 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(d)(1) - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

a Case: *Davis V. City of Moreno Valley*
Court: Riverside Superior Court
Case No: RIC 1311630

b Case: *Mobbs V. Walden Environment, et al.*
Court: Riverside Superior Court Case
Case No: RIC 1300161

c Case: *David Ray Dominguez V. City of Moreno Valley, et al.*
Court: Riverside Superior Court
Case No: RIC 1213377

2 SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (D) OF SECTION 54956.9

Number of Cases: 5

*The People of the State of California ex rel. Basil Kimbrew, Radene Ramos Hiers, and Deanna Reeder V. Yxstian Gutierrez
Riverside Superior Court Case No. RIC 1402956*

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3 SECTION 54956.9(d)(4) - CONFERENCE WITH LEGAL COUNSEL -
INITIATION OF LITIGATION

Number of Cases: 5

4 SECTION 54957.6 - LABOR NEGOTIATIONS

- a) *Agency Representative: Michelle Dawson & Thomas DeSantis;*
Employee Organization: MVMA

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

ADJOURNMENT

* Materials related to an item on this Agenda submitted to the City Council/Community Services District or Community Redevelopment Agency 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.

***DENOTES REVISION TO AGENDA**

CERTIFICATION: I, Jane Halstead, City Clerk of the City of Moreno Valley, California, certify that the City Council Agenda was posted in the following places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley
14177 Frederick Street

Moreno Valley Library
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center
25075 Fir Avenue

Jane Halstead, CMC,
City Clerk

Dated Posted: November 13, 2014

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MINUTES
CITY COUNCIL JOINT MEETING OF THE CITY OF MORENO VALLEY
October 28, 2014

CALL TO ORDER

SPECIAL PRESENTATIONS

1. Proclamation Recognizing Pastor Robert Mink - Discovery Christian Church
2. Proclamation Recognizing Epilepsy Awareness Month

**MINUTES
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES
MORENO VALLEY HOUSING AUTHORITY
MORENO VALLEY PUBLIC FINANCING AUTHORITY (MVPFA)
REGULAR MEETING – 6:00 PM
October 28, 2014**

CALL TO ORDER

The Joint Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Moreno Valley Housing Authority and the Board of Library Trustees was called to order at 6:02 p.m. by Mayor Jesse L. Molina in the Council Chamber located at 14177 Frederick Street.

Mayor Jesse L. Molina announced that the City Council receives a separate stipend for CSD meetings.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance was led by Mayor Molina

INVOCATION

Pastor Robert Mink - Discovery Christian Church

ROLL CALL

Council:

Jesse L. Molina

Victoria Baca

George E. Price

Mayor

Mayor Pro Tem

Council Member

Absent:

Richard A. Stewart

Council Member

MINUTES
October 28, 2014

Staff:

Michelle Dawson	City Manager
Suzanne Bryant	City Attorney
Jane Halstead	City Clerk
Tom DeSantis	Assistant City Manager
Ahmad Ansari	Public Works Director
Joel Ontiveros	Police Chief
Abdul Ahmad	Fire Chief
Chris Paxton	Administrative Services Director
Richard Teichert	Chief Financial Officer/City Treasurer
John Terell	Community and Economic Development Director
Ewa Lopez	Deputy City Clerk

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

David Lara Tellez

1. Recall

Jeffrey Giba

1. Measure M

Ruthie Goldkorn

1. Civic duty to vote
2. Measure M

Glenn Jacobs

1. Thanked veterans
2. City Council candidate for District 2

Donovan Saadiq

1. Election/City Council Candidate for District 5

Hans Wolterbeek

1. City Measure R

Marcia Amino

1. Election/City Council candidate for District 2

Michael McCoy

1. Warehouses/World Logistics Center
2. Election

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Tom Jerele Sr.

1. Thanked the City for acknowledging Pastor Robert Mink for his 30 years of service
2. Election/supports Jeffrey Giba for District 2
3. Measures M and R

Sherman Jones

1. Accusations of corruption and politics

Scott Heveran

1. Recall

Daryl Terrell

1. Election/Time to choose

Brian Dewispelaere

1. Supports Glenn Jacobs for District 2

Nikki Dewispelaere

1. Supports Glenn Jacobs for District 2

Roy Bleckert

1. Measure R and Measure M

Pete Bleckert

1. Measure R

Tom Thornsley

1. Measure R
2. Election

Joann Stephen

1. Recall/election
2. Logistic center
3. Measure M

Emil Dragovich Jr.

1. Moval Neighbors program utilizing NextDoor.com

Deanna Reeder

1. Money spent on recall/election

Kenny Bell

1. Promised jobs
2. Election

Louise Palomarez

1. Recall

Lori Nickel

1. City Council Candidate for District 4
2. Political campaign
3. Warehouses

LaDonna Jempson

1. City Council Candidate for District 5
2. Recall

Chris Baca

1. Election
2. Warehouses
3. Measure R and. Measure M

Madelene Muntz

1. City and schools - lack of cleanness
2. City Council Candidate for District 2
3. Measure M; Measures R and I and warehousing

Adolf Kruger

1. Truth, liberty and justice

Recess;
Reconvened

JOINT CONSENT CALENDARS (SECTIONS A-D)

Mayor Jesse L. Molina opened the agenda items for the Consent Calendars for public comments, which were received from Michael McCoy (Item A.7), Tom Jerele Sr. (geographic location; Item A.4), and Louise Palomarez (Item A.6).

MINUTES
October 28, 2014

A. CONSENT CALENDAR-CITY COUNCIL

A.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

A.2 MINUTES - REGULAR MEETING OF OCTOBER 14, 2014 (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 October 8 – 21, 2014.

A.4 AUTHORIZATION TO AWARD AGREEMENTS FOR PROFESSIONAL CONSULTANT SERVICES TO VARIOUS CONSULTANTS FOR ON-CALL ENGINEERING PLAN CHECK SERVICES (Report of: Public Works Department)

Recommendations

1. Approve each Agreement for Professional Consultant Services with Gong Enterprises, Bureau Veritas, Michael Baker/RBF, Hunsaker & Associates, HR Green, and Civil Source to provide on-call engineering plan check services to the Land Development Division.
2. Authorize the City Manager to execute each Agreement for Professional Consultant Services with Gong Enterprises, Bureau Veritas, Michael Baker/RBF, Hunsaker & Associates, HR Green, and Civil Source.
3. Authorize the Chief Financial Officer to approve any related purchase orders, including those over \$100,000, to Gong Enterprises, Bureau Veritas, Michael Baker/RBF, Hunsaker & Associates, HR Green, and Civil Source in accordance with the approved terms of the Agreements.
4. Authorize the Chief Financial Officer to make any necessary budget adjustment appropriations related to expenditures and offsetting revenues.
5. Authorize the Public Works Director to execute subsequent Amendments to the Agreements, subject to the approval of the City

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Attorney.

- A.5 AUTHORIZATION FOR THE TEMPORARY FULL ROAD CLOSURE OF JACLYN AVENUE FROM PERRIS BOULEVARD TO COLEMAN STREET FOR THE PERRIS BOULEVARD WIDENING FROM IRONWOOD AVENUE TO MANZANITA AVENUE,
PROJECT NO. 801 0024 70 77
(Report of: Public Works Department)

Recommendations

1. Authorize the temporary full road closure of Jaclyn Avenue from Perris Boulevard to Coleman Street, a distance of 160 feet, from November 3, 2014 to November 26, 2014, for the construction of roadway improvements.
2. Authorize the Public Works Director/City Engineer to allow for an additional 30 day extension to the proposed temporary road closure window if the project is delayed due to unforeseen construction issues.
3. Authorize the Public Works Director/City Engineer to approve additional short term closures as needed on this project, with the concurrence of the Fire and Police Departments.

- A.6 AUTHORIZE AGREEMENT FOR VETERINARY SERVICES FOR THE MORENO VALLEY ANIMAL SHELTER AND MORENO VALLEY ANIMAL CLINIC
(Report of: Administrative Services Department)

Recommendations

1. Approve agreement with Pedley Square Veterinary Clinic Inc. owned and operated by Dr. Marshall E. Scott, DVM for the three year period ending June 30, 2017.
2. Authorize the City Manager to sign the agreement and any additional amendments to extend the service for two additional one-year terms as appropriate.

- A.7 AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT TO RASMUSSEN BROTHERS CONSTRUCTION, INC. FOR THE TRANSPORTATION MANAGEMENT CENTER, PROJECT NO. 808 0005 70 76
(Report of: Public Works Department)

Recommendations

1. Award the construction contract to Rasmussen Brothers

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Construction, Inc., 40441 Gavilan Mountain Road, Fallbrook, CA 92028, for the Transportation Management Center.

2. Authorize the City Manager to execute a contract with Rasmussen Brothers Construction, Inc.
3. Authorize the issuance of a Purchase Order to Rasmussen Brothers Construction, Inc., for the amount of \$165,411 (\$143,836 bid amount plus 15% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Rasmussen Brothers Construction, Inc., up to, but not exceeding, the contingency amount of \$21,575, subject to the approval of the City Attorney.
5. Authorize the Public Works Director/City Engineer to record the Notice of Completion once he determines the work is complete and release the retention to Rasmussen Brothers Construction, Inc., if no claims are filed against the project.

A.8 APPROVE JOINT USE AGREEMENT BETWEEN SOUTHERN CALIFORNIA EDISON AND THE CITY OF MORENO VALLEY FOR TRANSMISSION FACILITIES ON THE WEST SIDE OF MORENO BEACH DRIVE BETWEEN BAY AVENUE AND 660 FEET SOUTH OF BAY AVENUE FOR THE TM 31618 FRONTIER HOMES PROJECT
(Report of: Public Works Department)

Recommendations

1. Approve a Joint Use Agreement with Southern California Edison (SCE) to relocate SCE's facilities on Moreno Beach Drive to facilitate TM 31618 Frontier Homes Project street improvements.
2. Authorize the City Manager to execute a Joint Use Agreement with SCE upon concurrence by SCE and the City subject to the approval of the City Attorney.
3. Authorize the Public Works Director/City Engineer to execute any subsequent related amendments to the agreement with SCE subject to the approval of the City Attorney.

A.9 RESOLUTION TO AUTHORIZE EXECUTION OF AGREEMENT TO PARTIALLY RESCIND AND TERMINATE THE JOINT FINANCING AGREEMENT AS TO IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 91-1 OF THE MORENO VALLEY UNIFIED

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SCHOOL DISTRICT AND CV COMMUNITIES, LLC.
(Report of: Financial & Management Services Department)

Recommendation:

Adopt Resolution No. 2014-86. A Resolution of the City of Moreno Valley, California, Authorizing the Execution of an Agreement to Partially Rescind and Terminate the Joint Financing Agreement as to Improvement Area No. 1 of Community Facilities District No. 91-1 of the Moreno Valley Unified School District.

- A.10 FIRST AMENDMENT TO AGREEMENT FOR LAW ENFORCEMENT SERVICES BETWEEN THE CITY OF MORENO VALLEY AND 2250 TOWN CIRCLE HOLDINGS, LLC
(Report of: City Manager Department)

Recommendations

1. Approve the First Amendment to Agreement for Law Enforcement Services between the City of Moreno Valley and 2250 Town Circle Holdings, LLC.
2. Authorize the City Manager to sign the amended agreement.

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 OCTOBER 14, 2014 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

- B.3 RESOLUTION TO AUTHORIZE EXECUTION OF AGREEMENT TO PARTIALLY RESCIND AND TERMINATE THE JOINT FINANCING AGREEMENT AS TO IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 91-1 OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT AND CV COMMUNITIES, LLC.
(Report of: Financial & Management Services Department)

Recommendation:

Adopt Resolution No. CSD 2014-23. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Authorizing the Execution of an Agreement to Partially Rescind and Terminate the Joint Financing Agreement as to Improvement Area No. 1 of Community Facilities District No. 91-1 of the Moreno Valley Unified School

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District.

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 OCTOBER 14, 2014 (Report of: City Clerk's Department)

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 OCTOBER 14, 2014 (Report of: City Clerk's Department)

Recommendation:
Approve as submitted.

Motion to Approve Joint Consent Calendar Items A.1 through D.2 by m/Council Member George Price, s/Mayor Pro Tem Victoria Baca

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

ADJOURNED THE MORENO VALLEY CITY COUNCIL MEETING TO THE SPECIAL MEETING OF THE MORENO VALLEY PUBLIC FINANCING AUTHORITY (MVPFA) AT 7:55 P.M.

SPECIAL MEETING OF THE MORENO VALLEY PUBLIC FINANCING AUTHORITY (MVPFA)

CALL TO ORDER

The Special Meeting of Moreno Valley Public Financing Authority (MVPFA) was called to order at 7:56 p.m. by Chairperson Jesse L. Molina in the Council Chamber located at 14177 Frederick Street.

ROLL CALL

Council:

Jesse L. Molina

Chairperson

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Victoria Baca
George E. Price

Vice Chairperson
Board Member

Absent:

Richard A. Stewart

Board Member

Staff:

Michelle Dawson
Suzanne Bryant
Jane Halstead
Tom DeSantis
Ahmad Ansari
Joel Ontiveros
Abdul Ahmad
Chris Paxton
Richard Teichert
John Terell
Ewa Lopez

City Manager
City Attorney
City Clerk
Assistant City Manager
Public Works Director
Police Chief
Fire Chief
Administrative Services Director
Chief Financial Officer/City Treasurer
Community and Economic Development Director
Deputy City Clerk

SPECIAL ORDER OF BUSINESS

G. REPORTS

- G.1 ADOPTION OF RESOLUTION OF THE BOARD OF DIRECTORS OF THE MORENO VALLEY PUBLIC FINANCING AUTHORITY, AUTHORIZING THE ISSUANCE AND SALE OF LEASE REVENUE REFUNDING BONDS TO REFUND CERTAIN OUTSTANDING BONDS; APPROVING THE FORMS OF A FIRST SUPPLEMENT TO MASTER TRUST AGREEMENT, A FIRST AMENDMENT TO MASTER FACILITIES LEASE, A FIRST AMENDMENT TO MASTER FACILITIES SUBLEASE AND A BOND PURCHASE AGREEMENT; APPROVING AN OFFICIAL STATEMENT DESCRIBING SAID BONDS; AND AUTHORIZING EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE ISSUANCE OF THE BONDS

(Report of: Financial & Management Services Department)

Recommendations That the City Council:

That the Mayor and City Council, acting in their respective capacities as the President and Board Members of the Moreno Valley Public Financing Authority, adopt Resolution No. MVPFA 2014-01. A Resolution of the Board of Directors of the Moreno Valley Public Financing Authority, Authorizing the Issuance and Sale of Lease Revenue Refunding Bonds to Refund Certain Outstanding Bonds; Approving the Forms of a First Supplement to Master Trust Agreement, a First Amendment to Master Facilities Lease, a First Amendment to Master Facilities Sublease and a Bond Purchase Agreement; Approving an Official Statement Describing

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Said Bonds; and Authorizing Execution of Documents and the Taking of All Necessary Actions Relating to the Issuance of the Bonds.

Chairperson Jesse L. Molina opened the agenda item for public comments, which were received from Deanna Reeder, Roy Bleckert, Pete Bleckert, Takiya Moore, and Louise Palomarez.

That the Mayor and City Council, acting in their respective capacities as the Chairperson and Board Members of the Moreno Valley Public Financing Authority, adopt Resolution No. MVPFA 2014-01. A Resolution of the Board of Directors of the Moreno Valley Public Financing Authority, Authorizing the Issuance and Sale of Lease Revenue Refunding Bonds to Refund Certain Outstanding Bonds; Approving the Forms of a First Supplement to Master Trust Agreement, a First Amendment to Master Facilities Lease, a First Amendment to Master Facilities Sublease and a Bond Purchase Agreement; Approving an Official Statement Describing Said Bonds; and Authorizing Execution of Documents and the Taking of All Necessary Actions Relating to the Issuance of the Bonds. by m/Board Member George Price, s/Vice Chairperson Victoria Baca

Passed by a vote of 3-0-1, Board Member Richard A. Stewart absent.

ADJOURNED THE MORENO VALLEY PUBLIC FINANCING AUTHORITY (MVPFA) SPECIAL MEETING TO THE CITY OF MORENO VALLEY REGULAR MEETING AT 8:20 P.M.

RECONVENED JOINT MEETING OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, MORENO VALLEY COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY AND THE HOUSING AUTHORITY AT 8:21 P.M.

E. PUBLIC HEARINGS

E.1 A PUBLIC HEARING FOR APPROVAL OF GENERAL PLAN AMENDMENT (PA14-0055) FROM RESIDENTIAL 20 (R20) TO RESIDENTIAL 30 (R30) AND CHANGE OF ZONE (PA14-0055) FROM RESIDENTIAL 20 (R20) TO RESIDENTIAL 30 (R30) FOR FOUR PARCELS TOTALLING 13.9 ACRES AT THE SOUTHEAST CORNER OF BOX SPRINGS ROAD AND CLARK STREET. THE APPLICANT IS OAK PARC PARTNERS, LLP.

(Report of: Community & Economic Development Department)

Recommendations That the City Council:

1. ADOPT a Negative Declaration for PA14-0055 (General Plan Amendment) and PA14-0054 (Change of Zone). The projects,

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individually and cumulatively, will not result in a significant effect on the environment.

2. ADOPT Resolution No. 2014-85. A Resolution of the City Council of the City of Moreno Valley, California, Approving PA14-0055 (General Plan Amendment) to change the land use from Residential 20 (R20) to Residential 30 (R30) for four parcels on approximately 13.9 acres (APNS: 291-050-003, 291-050-004, 291-050-012 and 291-050-013.) Located at the southeast corner of Box Springs Road and Clark Street.
3. INTRODUCE Ordinance No. 886. An Ordinance of the City Council of the City of Moreno Valley, California, Approving PA14-0054 (Change of Zone) changing the zoning from Residential 20 (R20) to Residential 30 (R30) on four parcels approximately 13.9 acres (APNS: 291-050-003, 291-050-004, 291-050-012 and 291-050-013) Located at the southeast corner of Box Springs Road and Clark Street.

Council Member George Price announced that he met with the applicant.
Mayor Pro Tem Baca announced that she met with the applicant.
Mayor Molina announced that he met with the applicant.

Mayor Jesse Molina opened the public testimony portion of the public hearing. Public testimony was received from Takiya Moore.

ADOPT a Negative Declaration for PA14-0055 (General Plan Amendment) and PA14-0054 (Change of Zone). The projects, individually and cumulatively, will not result in a significant effect on the environment. by m/Mayor Pro Tem Victoria Baca, s/Council Member George Price

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

ADOPT Resolution No. 2014-85. A Resolution of the City Council of the City of Moreno Valley, California, Approving PA14-0055 (General Plan Amendment) to change the land use from Residential 20 (R20) to Residential 30 (R30) for four parcels on approximately 13.9 acres (APNS: 291-050-003, 291-050-004, 291-050-012 and 291-050-013.) Located at the southeast corner of Box Springs Road and Clark Street. by m/Council Member George Price, s/Mayor Pro Tem Victoria Baca

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

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INTRODUCE Ordinance No. 886. An Ordinance of the City Council of the City of Moreno Valley, California, Approving PA14-0054 (Change of Zone) changing the zoning from Residential 20 (R20) to Residential 30 (R30) on four parcels approximately 13.9 acres (APNS: 291-050-003, 291-050-004, 291-050-012 and 291-050-013) Located at the southeast corner of Box Springs Road and Clark Street. by m/Mayor Pro Tem Victoria Baca, s/Council Member George Price

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION - none

G. REPORTS

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

G.1.1 a) Mayor Jesse Molina reports on Riverside Transit Agency (RTA)

Mayor Jesse Molina reported that RTA is in the process of adopting the Comprehensive Operational Analysis, or COA. This document will guide transit service for the next 10 years. Extensive public outreach has been conducted to get feedback from stakeholders, riders, and interested members of the community. Since the beginning of the study, over 40 community meetings have been held. The Public Hearing will close with the approval of the final Plan on January 22, 2015.

Based upon input RTA has received, the plan will improve service frequencies and connectivity, shorten passenger travel times, provide more late night service, and improve passenger amenities.

RTA announced the beginning of construction of eight new bus shelters and other upgrades at the Moreno Valley Mall. Construction will be completed in late December. Plans call for the replacement of two existing bus stop shelters with the addition of six new ones along the northeast mall entrance road, for the installation of digital signs that provide real-time bus arrival and departure information, and solar lighting for enhanced customer safety. During construction, the existing mall bus stops and park-and-ride area will be temporarily closed and relocated within the same parking lot area of the Mall.

AGENDA ORDER

Item G.3 was discussed before Item G.2.

G.2 APPROVAL OF FISCAL YEAR 2013/14 CARRYOVERS AND FISCAL

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YEAR 2014/15 BUDGET ADJUSTMENT RECOMMENDATIONS
(Report of: Financial & Management Services Department)

Recommendations That the City Council:

Adopt Resolution No. 2014-87. A Resolution of the City Council of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets For Fiscal Year 2014/15.

Recommendation That the City Council as Successor Agency

Mayor and City Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, adopt Resolution No. SA 2014-04. A Resolution of the City of Moreno Valley as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2014/15.

Recommendations That the CSD:

Acting in its capacity as the President and Board of Directors of the Moreno Valley Community Services District, adopt Resolution No. CSD 2014-24. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2014/15.

Recommendations That the Housing Authority:

Acting in its capacity as the Chairperson and Members of the Moreno Valley Housing Authority, adopt Resolution No. HA 2014-04. A Resolution of the Moreno Valley Housing Authority of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2014/15.

Mayor Jesse Molina opened the agenda item for public comments, which were received from Deanna Reeder, Roy Bleckert, Pete Bleckert, and Hans Walterbeek.

Adopt Resolution No. 2014-87. A Resolution of the City Council of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets For Fiscal Year 2014/15. by m/Mayor Pro Tem Victoria Baca, s/Council Member George Price

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

Acting in its capacity as the President and Board of Directors of the Moreno Valley Community Services District, adopt Resolution No. CSD 2014-24. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Adopting the

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**Revised Operating and Capital Budgets for Fiscal Year 2014/15.
by m/Board Member George Price, s/Vice President Victoria Baca**

Passed by a vote of 3-0-1, Board Member Richard A. Stewart absent.

Acting in its capacity as the Chairperson and Members of the Moreno Valley Housing Authority, adopt Resolution No. HA 2014-04. A Resolution of the Moreno Valley Housing Authority of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2014/15, by m/Vice Chairperson Victoria Baca, s/Board Member George Price

Passed by a vote of 3-0-1, Board Member Richard A. Stewart absent.

Mayor and City Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, adopt Resolution No. SA 2014-04. A Resolution of the City of Moreno Valley as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2014/15. by m/Mayor Pro Tem Victoria Baca, s/Council Member George Price

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

- G.3 ADOPTION OF RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE ISSUANCE BY THE MORENO VALLEY PUBLIC FINANCING AUTHORITY OF NOT-TO-EXCEED \$27,500,000 AGGREGATE PRINCIPAL AMOUNT OF LEASE REVENUE REFUNDING BONDS, SERIES 2014 TO REFUND CERTAIN OUTSTANDING BONDS; AUTHORIZING EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO MASTER FACILITIES LEASE, A FIRST AMENDMENT TO MASTER FACILITIES SUBLEASE AND A BOND PURCHASE AGREEMENT; APPROVING THE FORM OF OFFICIAL STATEMENT; AND AUTHORIZING EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE REFINANCING WITH THE MORENO VALLEY PUBLIC FINANCING AUTHORITY

(Report of: Financial & Management Services Department)

Recommendations That the City Council:

Adopt Resolution No. 2014-88. A Resolution of the City Council of the City of Moreno Valley, California, Approving the Issuance by the Moreno Valley Public Financing Authority of Not to Exceed \$27,500,000 Aggregate Principal Amount of Lease Revenue Refunding Bonds, Series 2014 to

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Refund Certain Outstanding Bonds; Authorizing Execution and Delivery of a First Amendment to Master Facilities Lease, a First Amendment to Master Facilities Sublease and a Bond Purchase Agreement; Approving the Form of Official Statement; and Authorizing Execution of Documents and the Taking of All Necessary Actions Relating to the Refinancing with the Moreno Valley Public Financing Authority.

Mayor Jesse Molina opened the agenda item for public comments, which were received from Roy Bleckert.

Adopt Resolution No. 2014-88. A Resolution of the City Council of the City of Moreno Valley, California, Approving the Issuance by the Moreno Valley Public Financing Authority of Not to Exceed \$27,500,000 Aggregate Principal Amount of Lease Revenue Refunding Bonds, Series 2014 to Refund Certain Outstanding Bonds; Authorizing Execution and Delivery of a First Amendment to Master Facilities Lease, a First Amendment to Master Facilities Sublease and a Bond Purchase Agreement; Approving the Form of Official Statement; and Authorizing Execution of Documents and the Taking of All Necessary Actions Relating to the Refinancing with the Moreno Valley Public Financing Authority. by m/Council Member George Price, s/Mayor Pro Tem Victoria Baca

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

G.4 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

City Manager announced that a special City Council meeting will be held on November 8. Information will be posted on the Web site.

Parks & Community Services will hold MoVal Hunting event and kids festival at the Cottonwood Golf Center this Friday, Saturday and Sunday. Details are available on the City's Web site.

Parks & Rec team sponsored summer movies in the park. Now they will be presenting movies in the CRC gym.

The City's annual Veterans Day sunset ceremony will be held on November 11 at 3:30 p.m. at the Veterans Memorial. Mayor Molina and Mayor Pro Tem Baca will participate, and the featured speaker will be State Senator Richard Roth; as always we appreciate the participation of the Moreno Valley Master Chorale and the members of the Knights of Columbus, AF Chelbana Assembly.

Hiked to the "M" with resident Juanita Cullen Austin who will be celebrating her 70th birthday soon. Thanked recreational Trails Board, and in particular Margie Breitreuz and Gilbert Brooks.

Introduced Julie Reyes, Sustainability & Intergovernmental Programs

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Manager, to show new Recycling PSA - 30 second commercial "Recycle Camp."

G.5 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

The City Attorney announced that on October 14, 2014 she reported that the case Thompson v City of Moreno Valley, Riverside Superior Court Case No. RIC 1306943, has settled for \$10,000. The City Attorney stated that she must also add that the City Council voted 4-0 in Closed Session on September 9 to authorize settlement.

H. LEGISLATIVE ACTIONS

H.1 ORDINANCES - 1ST READING AND INTRODUCTION

- H.1.1 INTRODUCE ORDINANCE 887. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADDING CHAPTER 6.14 TO TITLE 6 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE ESTABLISHING THE REGISTRATION OF RESIDENTIAL PROPERTY IN FORECLOSURE PROGRAM
(Report of: Community & Economic Development Department)

Recommendations That the City Council:

Introduce Ordinance No. 887. An Ordinance of the City Council of the City of Moreno Valley, California, Adding Chapter 6.14 to Title 6 of the City of Moreno Valley Municipal Code establishing the Registration of Residential Property in Foreclosure Program.

Continued Item to a study session.

H.2 ORDINANCES - 2ND READING AND ADOPTION

AGENDA ORDER

Item H.2.2 was discussed before Item H.2.1.

- H.2.1 ADOPT ORDINANCE NO. 881 OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, SIMPLIFYING THE BUSINESS LICENSE FEES FOR MULTIPLE SINGLE FAMILY RESIDENTIAL RENTAL PROPERTY (RECEIVED FIRST READING AND INTRODUCTION ON OCTOBER 14, 2014 BY A 3-0-1 VOTE, STEWART ABSENT) (Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Adopt Ordinance No. 881. An Ordinance of the City Council of the

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City of Moreno Valley, California, Amending Section 5.02.085 of Title 5 of the City of Moreno Valley Municipal Code Relating to the Separate Computation of License Fee and Tax – Branch Establishments. This amendment provides an exception for owners of single family residential rental properties who own ten or less properties and require that they only pay one business license fee, currently \$61, rather than one fee per property.

Mayor Jesse Molina opened the agenda item for public comments, which were received from Deanna Reeder.

Adopt Ordinance No. 881. An Ordinance of the City Council of the City of Moreno Valley, California, Amending Section 5.02.085 of Title 5 of the City of Moreno Valley Municipal Code Relating to the Separate Computation of License Fee and Tax – Branch Establishments. This amendment provides an exception for owners of single family residential rental properties who own ten or less properties and require that they only pay one business license fee, currently \$61, rather than one fee per property, by m/Mayor Pro Tem Victoria Baca, s/Mayor Jesse Molina

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

- H.2.2 ADOPT ORDINANCE NO. 882. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, PROVIDING FOR FUTURE ANNEXATION OF TERRITORY TO CITY OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) AND AMENDING AND RESTATING THE RATE AND METHOD OF APPORTIONMENT FOR THE DISTRICT TO DESIGNATE TAX RATE AREAS NO. LM-01 AND SL-01 (RECEIVED FIRST READING AND INTRODUCTION ON OCTOBER 14, 2014 BY A 3-0-1 VOTE, STEWART ABSENT) (REPORT OF: FINANCIAL & MANAGEMENT SERVICES DEPARTMENT)

Recommendations That the City Council:

Adopt Ordinance No. 882. An Ordinance of the City Council of the City of Moreno Valley, California, Providing for Future Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and Amending and Restating the Rate and Method of Apportionment for the District to Designate Tax Rate Areas No. LM-01 and SL-01.

Adopt Ordinance No. 882. An Ordinance of the City Council of the City of Moreno Valley, California, Providing for Future Annexation of

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Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and Amending and Restating the Rate and Method of Apportionment for the District to Designate Tax Rate Areas No. LM-01 and SL-01. by m/Council Member George Price, s/Mayor Pro Tem Victoria Baca

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

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

- H.2.3 ADOPT ORDINANCE NO. 884 REPEALING ORDINANCE NO. 25 AND ADDING CHAPTER 12.44 TO THE CITY OF MORENO VALLEY MUNICIPAL CODE PROHIBITING VEHICLES FOR SALE ON CERTAIN STREETS (RECEIVED FIRST READING AND INTRODUCTION ON OCTOBER 14, 2014 BY A 3-0-1 VOTE, STEWART ABSENT) (Report of: Public Works Department)

Recommendations That the City Council:

Adopt Ordinance No. 884. An Ordinance of the City Council of the City of Moreno Valley, California, Repealing Ordinance No. 25 and Amending the City of Moreno Valley Municipal Code by Adding Chapter 12.44 "PARKING RESTRICTIONS ON VEHICLES DISPLAYING FOR SALE SIGNS WHILE PARKED ON PUBLIC STREETS."

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

Adopt Ordinance No. 884. An Ordinance of the City Council of the City of Moreno Valley, California, Repealing Ordinance No. 25 and Amending the City of Moreno Valley Municipal Code by Adding Chapter 12.44 "PARKING RESTRICTIONS ON VEHICLES DISPLAYING FOR SALE SIGNS WHILE PARKED ON PUBLIC STREETS." by m/Mayor Pro Tem Victoria Baca, s/Mayor Jesse L. Molina

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

- H.2.4 ADOPT ORDINANCE NO. 885. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADDING CHAPTER 11.11 TO TITLE 11 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE PROHIBITING THE POSSESSION, STORAGE, SALE OR DISTRIBUTION OF INTOXICATING CHEMICAL COMPOUNDS KNOWN AS SYNTHETIC DRUGS

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(RECEIVED FIRST READING AND INTRODUCTION ON OCTOBER 14, 2014 BY A 3-0-1 VOTE, STEWART ABSENT) (Report of: City Manager Department)

Recommendations That the City Council:

1. Adopt Ordinance No. 885. An Ordinance of the City Council of the City of Moreno Valley, California, Adding Chapter 11.11 to Title 11 of the City of Moreno Valley Municipal Code Prohibiting the Possession, Storage, Sale or Distribution of Intoxicating Chemical Compounds Known as Synthetic Drugs.

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

Adopt Ordinance No. 885. An Ordinance of the City Council of the City of Moreno Valley, California, Adding Chapter 11.11 to Title 11 of the City of Moreno Valley Municipal Code Prohibiting the Possession, Storage, Sale or Distribution of Intoxicating Chemical Compounds Known as Synthetic Drugs, by m/Council Member George Price, s/Mayor Pro Tem Victoria Baca

Passed by a vote of 3-0-1, Council Member Richard A. Stewart absent.

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY

Mayor Pro Tem Victoria Baca

1. Stated that last week the Riverside County District Attorney lifted his previous requirement that the City of Moreno Valley preserves all documents. The city fully complied with the District Attorney requirement and went one step further by posting subpoena responses on the City's transparency Web page.
2. Responded to questions re reasons for recall and commented on recall attempts
3. Stated her priorities are education, public safety and jobs
4. Responded to speaker's comment - stated that she is participating in Joint School District Task Force meetings on a monthly basis
5. Attended Amazon.com Kindle donation event at TownGate Elementary School; Amazon donated Kindles and gift cards to special education class

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6. Attended Bright Angels at Heart grand opening, that also represent children with disabilities
7. Attended Lake Elsinore State of the City as WRCOG representative
8. Attended the Battle of the Cheer Teams at the Moreno Valley High School; teams were phenomenal; thanked for opportunity to participate

Council Member George Price

1. Emphasized that public comments should be directed to presiding officer or City Council; hopes speakers will follow rules
2. Attended Wake Up Moreno Valley; a very well attended event
3. Attended UCR School of Public Policy kick-off event
4. Participated in the Ride MoVal last week; thanked Chief and staff for stopping traffic along the way
5. Attended Zone 4 Policing meeting at Renaissance Village; thanked Chief and staff for being there and Renaissance Village for hosting the event
6. With Mayor Pro Tem, attended Amazon Kindle donation event at the TownGate Elementary School; great to see organizations being involved in the community
7. Responded to public comments regarding Measure R
8. Spoke with a resident living in Iris and Lasselle area regarding rush of breakings into mailboxes and stolen mail; warned residents to be cognizant and vigilant of that
9. Regarding election - is supporting Measure M and opposing I and R
10. Wished Council candidates best luck; will be out of the country and will be back November 18

Mayor Jesse Molina

1. Thanked everyone for being here
2. Is trying to keep positive; will let everyone speak.
3. Stated that he is against Measure M and against the amount
4. Was chosen by the Council to write an argument for Measure R, Directly Elected Mayor; opinion on the measure was written by the City Attorney
5. Emphasized that this is a very important election

CLOSED SESSION - canceled

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ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 10:14 p.m. by unanimous informal consent.

Submitted by:

Jane Halstead, City Clerk, CMC
Secretary, Moreno Valley Community Services District
Secretary, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
Secretary, Moreno Valley Housing Authority
Secretary, Board of Library Trustees

Approved by:

Jesse L. Molina, Mayor
President, Moreno Valley Community Services District
Chairperson, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
Chairperson, Moreno Valley Housing Authority
Chairperson, Board of Library Trustees

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Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: November 18, 2014

TITLE: CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Reports on Reimbursable Activities for the period of October 22 – November 11, 2014.

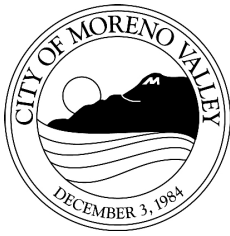
<i>Reports on Reimbursable Activities</i>			
October 22 – November 11, 2014			
Council Member	Date	Meeting	Cost
Victoria Baca	10/23/14	2014 Riverside/San Bernardino Economic Forecast Conference	\$100.00
	11/7/14	Moreno Valley Chamber of Commerce Celebrate Moreno Valley	\$65.00
	11/10/14	League of California Cities Riverside County Division Meeting	\$25.00
Jesse L. Molina	10/22/14	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley	\$15.00
	10/23/14	2014 Riverside/San Bernardino Economic Forecast Conference	\$100.00
	11/7/14	Moreno Valley Chamber of Commerce Celebrate Moreno Valley	\$65.00
	11/10/14	League of California Cities Riverside County Division Meeting	\$25.00

George E. Price	10/22/14	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley	\$15.00
Richard A. Stewart		None	

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

Department Head Approval:
Jane Halstead
City Clerk

\\zurich\shared\interdept\council-clerk\city clerk files\council office\lab 1234 reports\2014\staff report 2014_reimbursable activity 111814.doc



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: November 18, 2014

TITLE: PA13-0054 (PM 36625) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – PSIP INTEGRA MORENO VALLEY LLC, NEWPORT BEACH, CA, 92660

RECOMMENDED ACTION

Recommendations:

1. Approve Parcel Map 36625 for PA13-0054, authorize the City Clerk to sign the map and transmit map to the County Recorder's Office for recordation.
2. Accept the Agreement and Security for Public Improvements for PSIP Integra Moreno Valley LLC.
3. Authorize the Mayor to execute the Agreement.
4. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
5. 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.

SUMMARY

This report recommends approval of the agreement by the City of Moreno Valley and PSIP Integra Moreno Valley, LLC, to construct the required public improvements that are located on the south side of Newhope Drive between Elsworth Street and Veterans Way. The project is funded by PSIP Integra Moreno Valley, LLC.

DISCUSSION

On May 13, 2014, the City Council of the City of Moreno Valley approved Tentative Parcel Map No. 36625 (PA13-0054) and Plot Plan (PA13-0030). The developer proposes to construct a new 375,000 square-foot building located on the south side of Newhope Street between Elsworth Street and Veterans Way.

PSIP Integra Moreno Valley, LLC is the developer of this project and has completed an Agreement for Public Improvements. The developer agrees to perform and complete all of the required public improvements within twenty-four (24) months of the date the agreement is executed. The public improvements include, but are not limited to: asphalt, base, curb, gutter, sidewalk, driveway approaches, street lights, striping, signage, water and sewer laterals, catch basin, and storm drain laterals. The City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

Parcel Map No. 36625 is in substantial conformance with the approved tentative parcel map. The developer has requested that the map be approved for recordation. The Conditions of Approval for this project require that the developer provide surety for the required improvements. Public improvements are to be constructed along the east side of Elsworth Street, south side of Newhope Street and west side of Veteran’s Way.

Accompanying the agreement is a Faithful Performance bond in the amount of \$644,000 and a Material and Labor bond in the amount of \$322,000 issued by Philadelphia Indemnity Insurance Company.

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.

ATTACHMENTS

- Attachment 1 – Vicinity Map
- Attachment 2 – Agreement for Public Improvements
- Attachment 3 – Faithful Performance Bond
- Attachment 4 – Material and Labor Bond

Prepared By:
Vince Giron
Associate Engineer

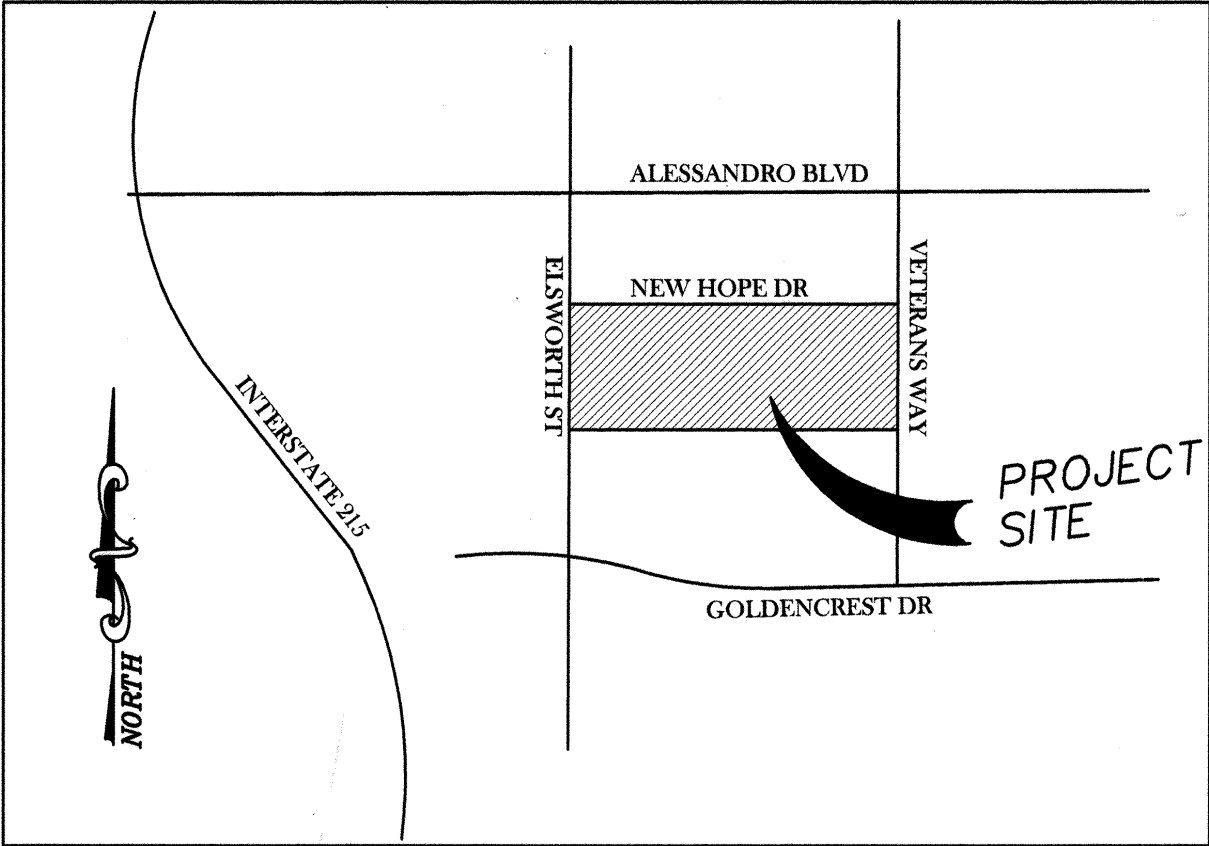
Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

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

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VICINITY MAP

N.T.S.



CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PA13-0054 (PM 36625)

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**AGREEMENT FOR PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA13-0054 (PM 36625)**

This Agreement, made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and **PSIP INTEGRA MORENO VALLEY LLC**, herein after 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, or that certain other land development project, known as **PA13-0054 (PM 36625)** 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 said project 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.

Security to guarantee the performance of this agreement shall be in the following amounts:

Faithful Performance security shall be in the sum of **SIX HUNDRED FOURTY FOUR THOUSAND AND NO/100** Dollars (*****\$644,000.00*****). The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A attached hereto.

Labor and Material security shall be in the sum of **THREE HUNDRED TWENTY TWO THOUSAND AND NO/100** Dollars (*****\$322,000.00*****). The estimated cost securing payment of labor and materials is fifty (50) percent of the total cost estimate of the improvements.

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. Upon entering the warranty period, the City shall retain ten percent of the original faithful performance security. 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 City Attorney.

SECOND: Developer agrees to file with City, prior to the date this Agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this Agreement, and good and sufficient security for payment of labor and materials in the amount 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. Developer agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amounts of said bond or bonds, or both, within ten (10) days after being notified by the City Engineer that the sureties or 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 said bonds. Developer reserves the right to substitute the form of security in accordance with the City's Municipal Code at anytime during the term of this agreement, subject to approval by the City Engineer and City Attorney.

THIRD: 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 bond 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 surety in addition to the face amount of 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.

FOURTH: 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.

FIFTH: 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.

SIXTH: 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 bonds securing performance of this Agreement.

SEVENTH: 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.

EIGHTH: If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute 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 all rights of the Developer because of such default. 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 surety or sureties on the bonds 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 surety or sureties on said bonds, Developer further agrees to maintain the aforesaid bonds 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:
PSIP INTEGRAMORENO VALLEY LLC
1300 N. Bristol Street
Suite 290
Newport Beach, CA 92660

IN WITNESS WHEREOF Developer has affixed his name, address and seal.

Date approved by the City: _____

PSIP INTEGRAMORENO VALLEY LLC:
Developer

BY: See attached Signature Page and
Notary Acknowledgment
Signature

Print/Type Name

Title

BY: _____
Signature

Print/Type Name

Title

ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY

By: _____
City Clerk

(SEAL)

CITY OF MORENO VALLEY

By: _____
Mayor

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.

SIGNATURES OF DEVELOPER MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY
ORIGINAL - CITY CLERK; PINK - DEVELOPER; GREEN - SURETY; BLUE - PROJECT FILE

AGREEMENT FOR PROJECT NO. PA13-0054 (PM 36625)

PUBLIC IMPROVEMENT - Additional Signature Page

PSIP INTEGRA MORENO VALLEY, LLC

BY: Integra Moreno Valley LLC, its Operations Member

BY: Newport Equity Advisors, Inc., its Member

BY:  _____

Charles E. Crookall, President

BY: Equity Building Services LLC, its Member

BY:  _____

Quinn J. Johnson, President

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Orange

On November 3, 2014 before me, Jill L. Marquez Notary Public
(Here insert name and title of the officer)

personally appeared Charles E. Crookall

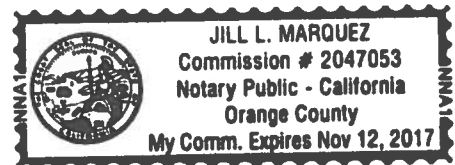
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

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

WITNESS my hand and official seal.

Jill L. Marquez
Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Agreement for Public Improvements
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 6 Document Date _____
(plus attachments)

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer
President, Newport Equity Advisors
(Title) Inc.
- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Orange

On November 3, 2014 before me, Jill L. Marquez Notary Public
(Here insert name and title of the officer)

personally appeared Quinn J. Johnson

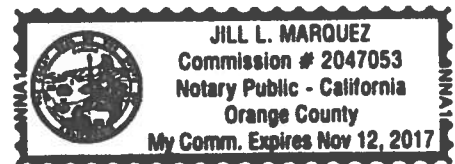
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

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

WITNESS my hand and official seal.

Jill L. Marquez
 Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Agreement for Public Improvements
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 6 Document Date _____
(Plus attachments)

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer

(Title)

- Partner(s)
- Attorney-in-Fact
- Trustee(s)

Other President, Equity Building Services, LLC

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- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
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 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

VBG
9/26/14

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 1 of 8

PROJECT: PA13-0030_PA13-0054

DATE: 09/23/14
PREPARED BY: Vince Giron

PUBLIC PAVEMENT SECTIONS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		1750 C.Y.	29.00	50,750
A.B. Class II - Street 1	1	Thickness (ft.)		
	31730	S.F.	2300 Ton	75,900
A.C. - Street 1	0.5	Thickness (ft.)		
	31730	S.F.	1150 Ton	92,000
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0 Ton	0
			80.00	0
			SUBTOTAL:	218,650

URS
9/26/14

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: PA13-0030_PA13-0054

DATE: 09/23/14
PREPARED BY: Vince Giron

PUBLIC STREET WORK

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
<i>Pavement</i>				
Grind & Pave 0.15'	12642	S.F.	3.25	41,087
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	1730	L.F.	3.00	5,190
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
A.C. Berm - 6"	0	L.F.	10.00	0
A.C. Berm - 8"	0	L.F.	15.00	0
Adjust M.H. to Grade	0	EA	800.00	0
Adjust Water Valve to Grade	0	EA.	400.00	0
Remove & Dispose Existing Pavement & Base	0	SF	3.00	0
Remove Existing Curb & Gutter	169	L.F.	12.00	2,028
<i>Concrete</i>				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	1413	L.F.	30.00	42,390
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	465	S.F.	10.25	4,766
Sidewalk	8000	S.F.	4.25	34,000
Sidewalk (DIF Street Name)	0	S.F.	7.00	0
Sidewalk (TUMF Street Name)	0	S.F.	7.00	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	1950	S.F.	10.50	20,475
Wheelchair Ramp	2	EA.	2,600.00	5,200
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
<i>Miscellaneous</i>				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Erosion Control		AC	5,000.00	0
Walls - Masonry; 6' Maximum	0	L.F.	100.00	0
Walls - Retaining; 6' Maximum	0	L.F.	150.00	0
Reinforced P.C.C. Retaining Walls	0	C.Y.	780.00	0
				0
			SUBTOTAL	155,136
Traffic Improvements (Plan Checked by Trans. Eng. Staff/Inspected by LDD Staff)				
Traffic Striping/raised pavement markers	1	L.S.	-	4,180
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	-	0
Street Name Sign	1	EA.	500.00	500
Stop Sign	0	EA.	200.00	0
Signs and Posts	1	EA.	200.00	200
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	1	L.S.	10,000.00	10,000
Traffic Control (DIF Street Name)	0	L.S.	10,000.00	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
			SUBTOTAL	14,880
Bondable Street Work Only (Not Plan Checked but Inspected)				
Undergrounding of Utilities	0	L.F.	203.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
			SUBTOTAL	0

VBC
3/26/14

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: PA13-0030_PA13-0054

DATE: 09/23/14
PREPARED BY: Vincs Giron

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	6560	S.F.	6.00	39,360
100W HPSV or Equivalent (9,500 Lumens)	0	EA.	5,000.00	0
200W HPSV or Equivalent (22,000 Lumens)	10	EA.	6,000.00	60,000
250W HPSV or Equivalent	0	EA.	8,000.00	0
100W LED or Equivalent	0	EA.	5,000.00	0
145W LED or Equivalent	0	EA.	5,000.00	0
SPECIAL DISTRICTS SUBTOTAL:				99,360
Morano Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	50.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0.00	0
Access Ramp PCC	0	S.F.	0.00	0
Low-Flow Pipe System	0	L.F.	0.00	0
Headwalls	0	EA.	0.00	0
Outlets	0	EA.	0.00	0
Risers	0	EA.	0.00	0
Forebay PCC	0	S.F.	0.00	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering (Plan Checked and Inspected by Transp. Eng. Staff)				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordination)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	50,000.00	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

VBSG
9/26/14

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: PA13-0030_PA13-0054

DATE: 09/23/14
PREPARED BY: Vince Giron

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	27	L.F.	160.00	4,320
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	1	EA.	5000.00	5,000
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	1	EA.	5500.00	5,500
Catch Basin (10')	0	EA.	6000.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21')	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (10') (DIF Street Name)	0	EA.	6000.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate Basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 6 of 8

VBSG
9/26/14

PROJECT: PA13-0030_PA13-0054

DATE: 09/23/14
PREPARED BY: Vince Giron

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	44	L.F.	25.00	1,100
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	36	L.F.	40.00	1,440
12" PVC C-900	10	L.F.	60.00	600
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0.00	0
Valves - Water System				
4" Gate Valve	2	EA.	715.00	1,430
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	1	EA.	1,500.00	1,500
12" Gate Valve	1	EA.	2,300.00	2,300
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	0	EA.	4,000.00	0
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w/ 5/8" Service	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	2	EA.	1,600.00	3,200
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0		750.00	0
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	2		525.00	1,050
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	3	CY	150.00	450
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	235.00	0
	0		0.00	0
			SUBTOTAL:	13,070

VBC
9/26/19

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: PA13-0030_PA13-0054

DATE: 09/23/14
PREPARED BY: Vince Giron

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	25.00	0
6" V.C. Pipe	78	L.F.	40.00	3,040
8" V.C. Pipe	0	L.F.	55.00	0
10" V.C. Pipe	0	L.F.	60.00	0
12" V.C. Pipe	0	L.F.	70.00	0
15" V.C. Pipe	0	L.F.	80.00	0
18" V.C. Pipe	0	L.F.	160.00	0
21" V.C. Pipe	0	L.F.	180.00	0
24" V.C. Pipe	0	L.F.	195.00	0
27" V.C. Pipe	0	L.F.	215.00	0
30" V.C. Pipe	0	L.F.	235.00	0
33" V.C. Pipe	0	L.F.	280.00	0
36" V.C. Pipe	0	L.F.	300.00	0
4" SDR - 35	0	L.F.	25.00	0
6" SDR - 35	0	L.F.	30.00	0
8" SDR - 35	0	L.F.	35.00	0
10" SDR - 35	0	L.F.	45.00	0
12" SDR - 35	0	L.F.	54.00	0
15" SDR - 35	0	L.F.	90.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie into Existing Manhole	0	EA.	2,100.00	0
Rechannel Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
Pavement around MH	0	S.F.	14.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	3,040

VR6
9/26/14

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: PA13-0030_PA13-0054

DATE: 09/23/14
PREPARED BY: Vince Giron

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	\$218,650
OFFSITE STREET WORK	\$155,138
SPECIAL DISTRICTS	\$99,380
MORENO VALLEY UTILITIES	\$0
WATER QUALITY BASIN	\$0
TRANSPORTATION ENGINEERING	\$0
STORM DRAIN SYSTEM	\$31,820
WATER SYSTEM	\$13,070
SEWER SYSTEM	\$3,040
TRAFFIC IMPROVEMENTS	\$14,880
MONUMENTS/OTHER	\$0

TOTAL COST (VALUE) OF IMPROVEMENTS: \$535,955

+20% CONTINGENCY: \$107,191

GRAND TOTAL: \$643,147

FAITHFUL PERFORMANCE SECURITY AMOUNT: \$644,000

LABOR & MATERIAL SECURITY AMOUNT: \$322,000

*The cost for securing payment of Labor and Materials is fifty (50) percent of the total cost estimate of the improvements.



FAITHFUL PERFORMANCE BOND

**City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)**

Public Improvements <u>\$644,000</u>	Project No. <u>PA13-0054 (PM 36625)</u>
Bond No. <u>PB00198300073</u>	Premium <u>\$12,880.00</u>
Surety <u>Philadelphia Indemnity Insurance Company</u>	Principal <u>PSIP INTEGRA MORENO VALLEY LLC.</u>
Address <u>One Bala Plaza, Suite 100</u>	Address <u>1300 N. Bristol Street, Suite 290</u>
City/Zip <u>Bala Cynwyd, PA 19004 - 1403</u>	City/Zip <u>Newport Beach, CA 92660</u>

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **PSIP INTEGRA MORENO VALLEY LLC**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA13-0054 (PM 36625)**, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and Philadelphia Indemnity Insurance Company, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of **SIX HUNDRED FOURTY FOUR THOUSAND AND NO/100 Dollars (**\$644,000.00**)**, lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND (Page 2 of 2)
PROJECT NO. PA13-0054 (PM 36625)

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to Surety's obligations hereunder and are hereby waived by Surety.

When the work covered by the agreement is complete, the City Council of the City of Moreno Valley will accept the work and thereupon the amount of the obligation of this bond is reduced by 90%, with the remaining 10% held as security for the one-year maintenance period provided for in the agreement(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named on November 3, 2014.

NAME OF PRINCIPAL: PSIP INTEGRRA MORENO VALLEY LLC.
Company Name

AUTHORIZED SIGNATURE(S): By

See attached Signature Page
Name Title
Name Title

NAME OF SURETY: Philadelphia Indemnity Insurance Company
Company Name

AUTHORIZED SIGNATURE: Aidan Smock
Aidan Smock ITS ATTORNEY-IN-FACT

**ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY**

Approved as to form:
Date: _____

City Attorney
City of Moreno Valley

PHILADELPHIA INDEMNITY INSURANCE COMPANY

231 St. Asaph's Rd., Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: that **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint: **RICHARD HALLETT, AIDAN SMOCK AND KATHLEEN VANDERSLICE OF BARNEY & BARNEY LLC.**

Its true and lawful Attorney(s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed **\$25,000,000.00**

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY at a meeting duly called the 1st day of July, 2011.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

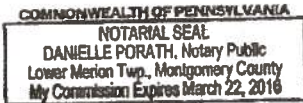
IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 7TH DAY OF FEBRUARY 2013.



(Seal)

Robert D. O'Leary Jr., President & CEO
Philadelphia Indemnity Insurance Company

On this 7th day of February 2013, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.



(Notary Seal)

Notary Public:

residing at:

Bala Cynwyd, PA

My commission expires:

March 22, 2016

I, Craig P. Keller, Executive Vice President, Chief Financial Officer and Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto are true and correct and are still in full force and effect. I do further certify that Robert D. O'Leary Jr., who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY,

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this _____ day of **NOV 03 2014**, 20_____.


Craig P. Keller, Executive Vice President, Chief Financial Officer & Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

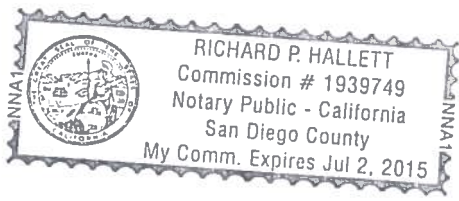
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

County of San Diego }

On NOV 03 2014 before me, Richard P. Hallett, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Aidan Smock
Name(s) of Signer(s)



Place Notary Seal Above

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

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

Witness my hand and official seal.

Signature [Handwritten Signature]
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

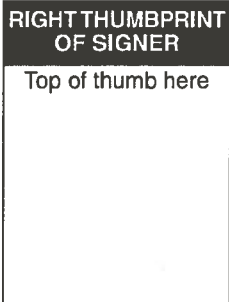
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

FAITHFUL PERFORMANCE BOND

PROJECT NO. PA13-0054 (PM 36625)

Additional Signature Page

PSIP INTEGRA MORENO VALLEY, LLC

BY: Integra Moreno Valley LLC, its Operations Member

BY: Newport Equity Advisors, Inc., its Member

BY:  _____

Charles E. Crookall, President

BY: Equity Building Services LLC, its Member

BY:  _____

Quinn J. Johnson, President

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Orange

On November 3, 2014 before me, Jill L. Marquez, Notary Public,
(Here insert name and title of the officer)

personally appeared Charles E. Crookall,

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

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

WITNESS my hand and official seal.

Jill L. Marquez
Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Faithful Performance Bond
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 7 Document Date 11-3-14

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

Individual (s)

Corporate Officer
President, Newport Equity Advisors Inc.
(Title)

Partner(s)

Attorney-in-Fact

Trustee(s)

Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

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- Securely attach this document to the signed document

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Orange

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(Here insert name and title of the officer)

personally appeared Quinn J. Johnson

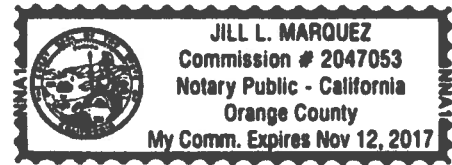
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WITNESS my hand and official seal.

Jill L. Marquez
Signature of Notary Public

(Notary Seal)



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DESCRIPTION OF THE ATTACHED DOCUMENT

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(Title or description of attached document)

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Number of Pages 7 Document Date 11-3-14

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer

(Title)

- Partner(s)
- Attorney-in-Fact
- Trustee(s)

Other President, Equity Building Services, LLC

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MATERIAL AND LABOR BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

Public Improvements \$322,000

Project No. PA13-0054 (PM 36625)

Bond No. PB00198300073

Premium included in performance bond

Surety Philadelphia Indemnity Insurance Company

Principal PSIP INTEGRA MORENO VALLEY LLC.

Address One Bala Plaza, Suite 100

Address 1300 N. Bristol Street, Suite 290

City/Zip Bala Cynwyd, PA 19004 - 1403

City/Zip Newport Beach,

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and PSIP INTEGRA MORENO VALLEY LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA13-0054 (PM 36625), which agreement is hereby referred to and made a part hereof; and,

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of THREE HUNDRED TWENTY TWO THOUSAND AND NO/100 Dollars (**\$322,000.00**), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

MATERIAL AND LABOR BOND (Page 2 of 2)
PROJECT NO. PA13-0054 (PM 36625)

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or the specifications accompanying the same shall in any manner affect its obligation on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. Surety further stipulates and agrees that the provision of Section 2845 of the Civil Code are not a condition precedent to the Surety's obligations hereunder and hereby waived by the Surety.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on
November 3, 2014.

NAME OF PRINCIPAL: PSIP INTEGRA MORENO VALLEY LLC.
Company Name

AUTHORIZED SIGNATURE(S):

See attached signature page
Name Title

Name Title

NAME OF SURETY: Philadelphia Indemnity Insurance Company
Company Name

AUTHORIZED SIGNATURE: Aidan Smock
Aidan Smock ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY

Approved as to form:

Date: _____

City Attorney
City of Moreno Valley

PHILADELPHIA INDEMNITY INSURANCE COMPANY
231 St. Asaph's Rd., Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: that **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint: **RICHARD HALLETT, AIDAN SMOCK AND KATHLEEN VANDERSLICE OF BARNEY & BARNEY LLC.**

Its true and lawful Attorney(s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$25,000,000.00

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY at a meeting duly called the 1st day of July, 2011.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

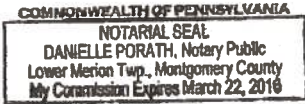
IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 7TH DAY OF FEBRUARY 2013.



(Seal)

Robert D. O'Leary Jr., President & CEO
Philadelphia Indemnity Insurance Company

On this 7th day of February 2013, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.



(Notary Seal)

Notary Public:
residing at: Bala Cynwyd, PA
My commission expires: March 22, 2016

I, Craig P. Keller, Executive Vice President, Chief Financial Officer and Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto are true and correct and are still in full force and effect. I do further certify that Robert D. O'Leary Jr., who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY,

NOV 03 2014

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this _____ day of _____, 20____.


Craig P. Keller, Executive Vice President, Chief Financial Officer & Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

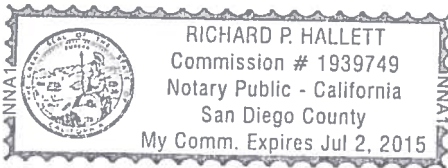
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

County of San Diego }

On NOV 03 2014 before me, Richard P. Hallett, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Aidan Smock
Name(s) of Signer(s)



Place Notary Seal Above

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

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

Witness my hand and official seal.

Signature [Signature]
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing:

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
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Top of thumb here

MATERIAL AND LABOR BOND

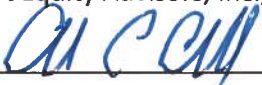
PROJECT NO. PA13-0054 (PM 36625)

Additional Signature Page

PSIP INTEGRA MORENO VALLEY, LLC

BY: Integra Moreno Valley LLC, its Operations Member

BY: Newport Equity Advisors, Inc., its Member

BY:  _____

Charles E. Crookall, President

BY: Equity Building Services LLC, its Member

BY:  _____

Quinn J. Johnson, President

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Orange

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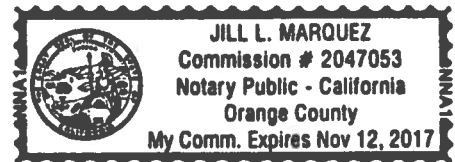
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(Additional information)

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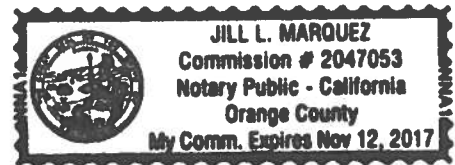
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Signature of Notary Public

(Notary Seal)



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Number of Pages 7 Document Date 11-3-14

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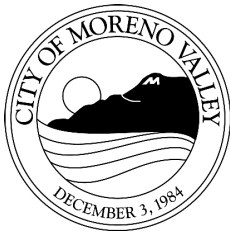
Other President, Equity Building Services, Inc

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: November 18, 2014

TITLE: ADOPT RESOLUTION NO. 2014-89 AUTHORIZING THE CITY ENGINEER TO REQUEST COOPERATIVE WORK AGREEMENT FUNDING EXTENSIONS AND RATIFY AN EXTENSION REQUEST FOR THE SR-60/NASON INTERCHANGE PROJECT (PROJECT NO. 801 0012 70 77)

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. 2014-89. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the City Engineer to Request Cooperative Work Agreement Funding Extensions and Ratification of a Request for the SR/60-Nason Interchange Project.

SUMMARY

This report recommends adoption of the proposed Resolution which will authorize the City Engineer to request Cooperative Work Agreement funding extensions, as needed, in a timely manner. This recommendation will streamline Moreno Valley's process as recommended by Caltrans for agencies with federally-funded and/or state-funded projects to better allow the City to meet the deadline for returning the extension requests. With this authorization, the City Engineer will be able to formally request that funding for projects be continued for up to two additional years and/or until such time that the project has been completed, and a final invoice for eligible expenditures can be fully reimbursed. Failure to act in a timely manner can result in a loss of funding. The Council is also asked to ratify an extension request for the SR-60/Nason Interchange Project to maximize receipt of federal funds.

DISCUSSION

For each federally-funded project, Caltrans requires that the City execute a Program Supplement Agreement (PSA). The PSA supplements the Administering Agency-State Agreement and formalizes the financial responsibilities for a specific project. Additionally, the PSA lists the types and amounts of Federal, State, and local funds used to finance a project and is done for each phase of work. The City is required to submit all invoices to the funding agency within the timeline outlined in the PSA in order to retain federal and/or state funds previously reimbursed. The request for extension to the reimbursement timeline is known as a Cooperative Work Agreement (CWA) extension. The CWA extension must include a copy of a Resolution approved by Council authorizing the requested extension or a Resolution granting delegation authority to the designee to request such an extension.

On a typical federally-funded project, funding expires in six years, including phase completion, invoicing, and reimbursement payout by Caltrans. As final financial closeout with Caltrans can take up to three years after the funded phase is complete, the state can approve up to a two-year extension, for a total duration of eight years. If funding is not extended, the City would be responsible for completing the encumbrance(s) using the City's own funds.

Previously, any CWA extension requests would be presented to the City Council on a project-by-project basis. The City has the opportunity to streamline this process by adopting a resolution authorizing the City Engineer to request CWAs as needed. This option is recommended by Caltrans for agencies with federally-funded and/or state-funded projects, as it will allow the City to more reasonably meet the deadline for returning the extension requests and greatly reduce the chance of losing project funding.

As the City will continue to construct public works projects receiving federal and/or state funding, to include the SR-60 Theodore Interchange and the Aqueduct Trail projects, the City Council is asked to adopt the proposed resolution authorizing the City Engineer to execute future CWA extensions.

The Council is also asked to ratify an extension request for the SR-60/Nason Interchange Project to maximize receipt of federal funds. In September 2014, this project received additional federal financing of \$767,770.00 through Caltrans in order to finalize reimbursement and close out the construction phase, which was completed in 2012. The City Council approved the budget adjustment increasing the FY 2014/15 Federal Reimbursements – Capital account as part of the Approval of Fiscal Year 2013/14 Carryovers and Fiscal Year 2014/15 Budget Adjustment Recommendations on October 28, 2014.

As the previous, older project funds were set to lapse in June 2015, Caltrans provided an opportunity for a 2-year extension to June 2017, with a submission deadline of October 24, 2014. Consistent with Caltrans procedures, the Public Works Director/City

Engineer submitted the request on October 23, 2014, subject to City Council ratification on November 18, 2014.

Therefore, City Council is respectfully requested to ratify the City Engineer's request for a CWA extension for the SR-60/Nason Interchange project in order to provide time for full reimbursement of both old and new funds.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this report. *This alternative will provide for the timely and expeditious requests for CWA funding extensions when needed.*
2. Do not approve and authorize the recommended actions as presented in this report. *This alternative could delay submitting CWA funding extensions and could result in a loss of project funding.*

FISCAL IMPACT

This resolution will not result in any additional cost to the City, but will result in maximizing project reimbursements.

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.

Public Facilities and Capital Projects.

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

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.

ATTACHMENTS

Attachment 1: Proposed Resolution

Prepared By:
Margery A. Lazarus
Senior Engineer, P.E.

Department Head Approval
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

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RESOLUTION NO. 2014-89

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE CITY ENGINEER TO REQUEST COOPERATIVE WORK AGREEMENT FUNDING EXTENSIONS AND RATIFICATION OF A REQUEST FOR THE SR/60-NASON INTERCHANGE PROJECT

WHEREAS, various public works projects are eligible to receive funding from a variety of federal and state funding sources; and

WHEREAS, payments of reimbursements for these projects are made available through a Program Supplement Agreement (PSA) to Administering Agency-State Agreement No. 08-5441 (Master Agreement) for Federal-Aid Projects between the State of California and the City of Moreno Valley; and

WHEREAS, the deadline for requesting full reimbursements under a PSA can be extended with a request for extension, known as a Cooperative Work Agreement (CWA) extension; and

WHEREAS, the Public Works Director/City Engineer submitted an extension request for the SR-60/Nason Interchange Project under deadline on October 23, 2014.

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

1. The City Engineer is authorized to certify and execute all Cooperative Work Agreement extension requests to Program Supplement Agreements to the Administering Agency-State Agreement No. 08-5441 (Master Agreement) for Federal-Aid Projects between the State of California, acting by and through the Department of Transportation, and the City of Moreno Valley.
2. The above-described extension request previously submitted is hereby accepted and ratified.

1
Resolution No. 2014-89
Date Adopted: November 18, 2014

APPROVED AND ADOPTED this 18th_day of November, 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-89²
Date Adopted: November 18, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-89 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 18th day of November, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

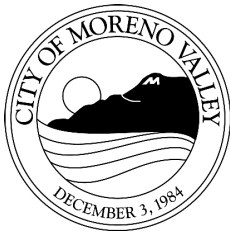
(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Resolution No. 2014-89³
Date Adopted: November 18, 2014

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: John C. Terell, Community & Economic Development Director

AGENDA DATE: November 18, 2014

TITLE: MARCH JOINT POWERS AUTHORITY AGREEMENT AMENDMENT #13

RECOMMENDED ACTION

Recommendation:

1. Approve the March Joint Powers Authority Agreement Amendment #13.

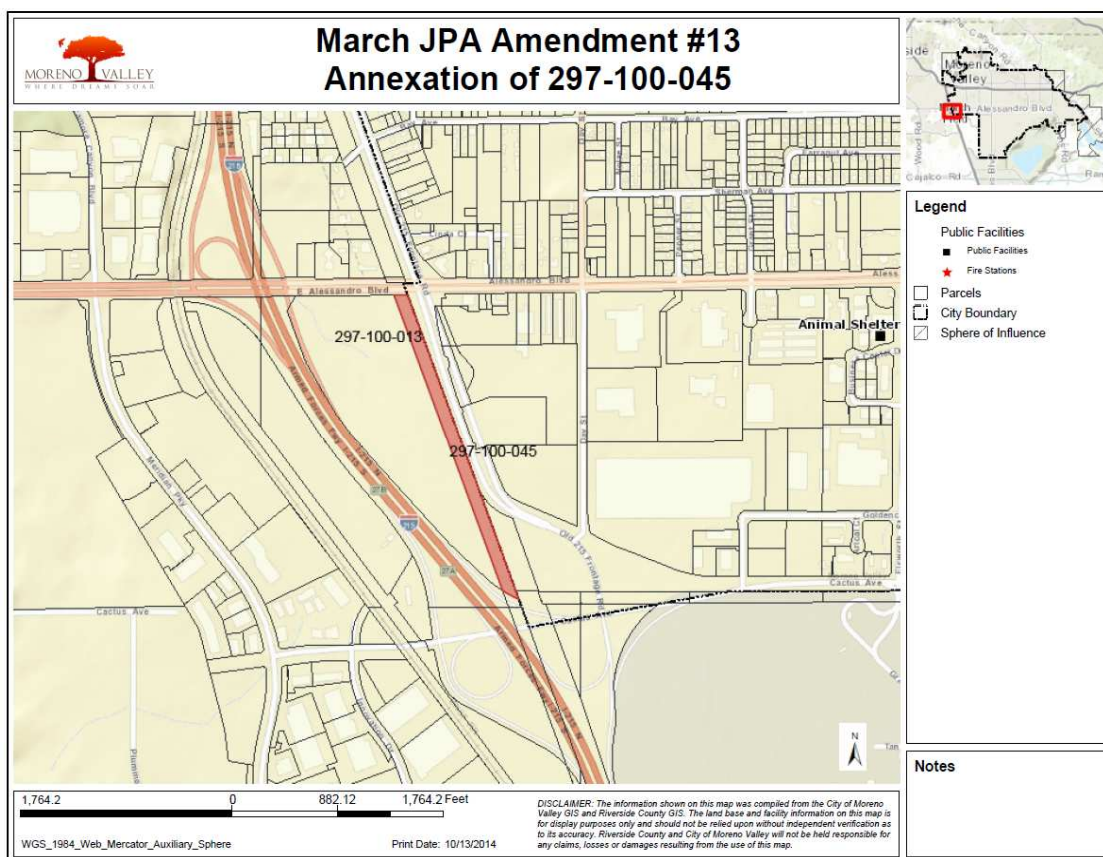
SUMMARY

This report recommends approval of the 13th amendment to the March Joint Powers Authority Agreement, which would grant land use review authority for a sliver of land located along Old 215 Frontage Road to the March Joint Powers Authority. This amendment has been approved by the March Joint Powers Commission.

DISCUSSION

The City of Moreno Valley is a member agency of the March Joint Powers Authority ("MJPA"), joined by the cities of Riverside and Perris, and the County of Riverside. The MJPA was formed by the adoption of the March Joint Powers Agreement ("Agreement"). The Agreement has been modified over the years since adoption to meet the needs of the MJPA.

This report recommends approval of a 13th amendment to the Agreement, to consolidate land use authority for a remnant parcel. The parcel is a sliver of land located between MJPA's Parcel D-3 East (owned by LNR) and Old 215 Frontage Road at Moreno Valley's western boundary between Alessandro Boulevard and Cactus Avenue. The parcel was created when the railroad tracks were relocated in conjunction with the realignment of the 215 Freeway in the 1990s. It is now also owned by LNR.



Currently, the subject parcel falls under the County of Riverside's land use authority. Rather than require the parcel owner to navigate two jurisdictions for land use approvals for the adjacent parcels, this Agreement amendment would authorize the MJPA to provide land use review of both parcels.

The following **bold/underlined** language is proposed to be added to the MJPA Agreement:

“Section I. Purpose... (f) Planning and implementing the development of land in the area covered by the March "Master Reuse Plan," Air Force Village West in its entirety, **and additional territory identified in Exhibit A, attached hereto and incorporated herein by reference**, including the preparation and adoption of a General Plan and/or a Specific Plan, the

preparation and adoption of zoning and other land development standards, the preparation and adoption of health and safety codes related to development activities, and the implementation of these functions through the creation of appropriate Boards and Commissions pursuant to California law.”

The proposed Agreement amendment was approved by the MJPA Commission at its meeting on October 15, 2014.

ALTERNATIVES

1. Approve the March Joint Powers Authority Agreement Amendment #13. *This alternative enables streamlined land use review by the March Joint Powers Authority, of which Moreno Valley is a member.*
2. Decline to approve the March Joint Powers Authority Agreement Amendment #13. *This alternative will prohibit enactment of the MJPA Agreement amendment #13 and will result in dual land use reviews by the County of Riverside and the MJPA.*

FISCAL IMPACT

Approving the March Joint Powers Authority Agreement Amendment #13 has no impact to the City's General Fund or other funds.

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.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

Attachment 1: March Joint Powers Authority Agreement Amendment #13

Prepared By:
Michele Patterson
Assistant to the City Manager

Department Head Approval:
John C. Terell, AICP
Community & Economic Development Director

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JOINT POWERS AGREEMENT

BETWEEN

THE CITIES OF MORENO VALLEY,
PERRIS AND RIVERSIDE AND THE
COUNTY OF RIVERSIDE

FOR

THE FORMATION OF A

JOINT POWERS AUTHORITY
TO FORMULATE AND IMPLEMENT
PLANS FOR THE USE AND REUSE
OF
MARCH AIR FORCE BASE

PROPOSED AMENDMENT #13
October 15, 2014

THIRTEENTH AMENDED JOINT POWERS AGREEMENT BETWEEN THE CITIES OF MORENO VALLEY, PERRIS AND RIVERSIDE AND THE COUNTY OF RIVERSIDE FOR THE FORMATION OF A JOINT POWERS AUTHORITY TO FORMULATE AND IMPLEMENT PLANS FOR THE USE AND REUSE OF MARCH AIR FORCE BASE

THIS JOINT POWERS AGREEMENT dated this 15th day of October, 2014, is made by and between the CITIES OF MORENO VALLEY, a general law city of the State of California, PERRIS, a general law city of the State of California, and RIVERSIDE, a charter city and municipal corporation of the State of California (hereinafter sometimes jointly referred to as “Cities”) and the COUNTY OF RIVERSIDE, a political subdivision of the State of California (hereinafter sometimes referred to as “County”).

WITNESSETH

WHEREAS, Cities and County and other governmental entities have met and discussed the present and future use and reuse of March Air Force Base, including the impacts associated therewith upon surrounding communities and upon region; and

WHEREAS, although Cities and County each have the authority and power to formulate and implement plans for the use and reuse of March Air Force Base, and to acquire, own, maintain and operate and airport in conjunction therewith, nevertheless it is apparent that no single existing local governmental entity or institution has the requisite capability to exercise such powers, hereinafter sometimes referred to as “the Joint Powers,” in a manner which would most efficaciously serve the interests of the Cities and County or of the region; and

WHEREAS, March Air Force Base is a federal enclave located in the western portion of the County of Riverside; and

WHEREAS, the Cities and certain unincorporated areas of the County are adjacent and in close proximity to March Air Force Base; and

WHEREAS, Cities and County desire to organize themselves pursuant to this Joint Powers Agreement, hereinafter referred to as “the Agreement,” to develop and formulate goals, objectives

and priorities, and thereafter, to amend this Agreement or to create an appropriate successor entity to implement such goals, objectives and priorities; and

WHEREAS, Cities and County (sometimes jointly hereinafter referred to as “Parties”) are authorized to contract with each other for the joint exercise of powers pursuant to Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California, hereinafter referred to as “the Act”;

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

Section 1. Purpose. This Agreement is made under the provisions of the Act and is made for the following express purposes: (a) Developing and formulating and implementing plans for the organization, development and establishment of program goals, objectives and priorities for the use and reuse of March Air Force Base; (b) Obtaining of funding and other resources, as is more specifically set forth in Section 6 herein; (c) Creating a Redevelopment Agency having all of the rights, powers, and duties related thereto and carrying out the necessary actions to form and implement a redevelopment project area; (d) Creating an “Airport Authority” having all the rights, powers, and duties related thereto; (e) Functioning as the single, local, representative of the region and the most affected communities in respect to formulating and implementing plans for the use and reuse of March Air Force Base; and (f) Planning and implementing the development of land in the area covered by the March “Master Reuse Plan”, Air Force Village West in its entirety, and additional territory identified in Exhibit A, attached hereto and incorporated herein by reference, including the preparation and adoption of a General Plan and/or a Specific Plan, the preparation and adoption of zoning and other land development standards, the preparation and adoption of health and safety codes related to development activities, and the implementation of these functions through the creation of appropriate Boards and Commissions pursuant to California law.

The purposes of this Agreement shall be accomplished and said common powers exercised in the manner hereinafter set forth, subject however to such restrictions as are applicable to County in its manner of exercising such powers, as required by Government Code Section 6509.

Section 2. Creation of the Authority. Pursuant to the Act, there is hereby created a public entity to be known as the “March Joint Powers Authority,” hereinafter referred to as “the Authority.” The Authority shall be a public entity, separate and apart from its members, and, as provided by law and not otherwise prohibited by this Agreement, shall be empowered to take such actions as may be necessary or desirable to implement and carry out the purposes of this Agreement.

Section 3. Term. The term of this Agreement shall commence upon approval and execution of this document by County and all three Cities and shall continue until terminated by the Parties hereto by their mutual written consent as provided in Section 4.

Section 4. Terminations and Amendments.

(a) Any Party to this Agreement may withdraw for any reason upon giving all other Parties sixty (60) days advance written notice of the effective date of such withdrawal, and this Agreement shall thereupon be deemed automatically amended to reflect the deletion of said Party from this Agreement.

(b) This Agreement initially contemplates a four-party Agreement. However, if any Party elects to withdraw during the term of this Agreement pursuant to Subsection 4 (a) above, the remaining Parties, if two or more in number, may elect to continue with the purposes of this Agreement and this Agreement shall be appropriately amended to reflect the change in membership.

(c) Provided there is mutual consent by the governing bodies of each of the Parties to this Agreement, evidenced in writing, this Agreement may be: (1) amended to extend the term thereof; (2) amended to add new Parties; or (3) amended to change any substantive portion of the Agreement, or any one or more of the foregoing, in accordance with all applicable laws, rules and regulations.

(d) The Parties to this Agreement specifically agree that this Agreement creates an entity which may acquire or hold property. If it is deemed that Sections 6511 and 6512 of the Act are applicable after completion of the purposes of this Agreement or upon termination thereof, any

property or assets acquired or surplus money on hand which was obtained pursuant to this Agreement and which is not required by law or contract to be distributed in a different manner, shall be returned to the then Parties to the Agreement in proportion to the contributions made. For purposes of this distribution, “contributions made” include unreimbursed in-kind services, materials and equipment provided by a Party.

Section 5. Creation of the Joint Powers Commission (“JPC”).

(a) Creation of JPC. In order to effectuate the purposes of this Agreement as set forth in Section 1 hereof and to accomplish the Action Steps described in Section 6 hereof, Cities and County agree to establish at the earliest possible date after commencement of this Agreement, a Joint Powers Commission (hereinafter referred to as “JPC”), which shall be the governing body of the entity created by this Agreement and all the powers of such entity shall be exercised by the JPC.

(b) Membership. The JPC shall initially be composed of eight (8) Members. Each Party to this Agreement shall be represented by two (2) JPC Members with each Member being entitled to one (1) vote. In the event only one Member or the Alternate is present representing the same Party, that Member or Alternate who is present may cast two (2) votes on behalf of that Party in any manner deemed appropriate by such Member or Alternate. In the event no Member or Alternate of a Party is present at the time that votes are cast on a matter, the votes of such absent Members or Alternate shall be considered as not having been cast.

(c) Designation of Representatives and Alternates. The governing body of each Member on the JPC shall appoint by resolution its Representatives and may appoint by resolution an Alternate to the JPC. A copy of the resolution shall be furnished to the JPC. Each Representative and Alternate must hold an elective office on the respective governing body appointing the Representative and Alternate. Alternates shall have the authority to act in a Representative’s absence. Representatives for the County of Riverside shall be the Supervisors of Districts I and V and the Alternate for the County of Riverside shall be the Supervisor of District III.

Representatives and Alternates shall serve on the JPC during the term for which they were appointed or until their successor has been appointed or their appointment has been revoked,

whichever is earlier. However, a Representative's or Alternate's position on the JPC shall automatically terminate if and when the term of the elected public office of such Representative or Alternate is terminated. When a vacancy occurs, it shall be the duty of the respective Party having the vacancy to promptly inform the JPC of the name of the replacement Representative or Alternate by forwarding a copy of the resolution appointing such replacement Representative or Alternate to the JPC .

(d) Quorum and Transaction of Business. The presence of five (5) Members of the JPC shall constitute a quorum of which a least four (4) Members shall represent each Party to this Agreement, provided, however, that there shall be no requirement for the presence of four (4) Members representing each Party if both Members of the Party are absent for two (2) successive meetings. A vote of five (5) Members shall be necessary for the transaction of business, except for adjournment of a meeting which shall require only a majority vote of those present. No proxy or absentee voting shall be permitted.

(e) Meetings. The JPC shall establish the time and place for its regular and special meetings. The dates, hour and location of regular meetings shall be fixed by resolution of the JPC and a copy of such resolution shall be filed with the governing body of each of the Parties and with each Party's designated Representatives. Special meetings and adjourned meetings may be held as required or permitted by law.

(f) Ralph M. Brown Act. All meetings of the JPC, including without limitation, regular, special and adjourned meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code).

Pursuant to Government Code Section § 54956.96, Members or Alternates may disclose information discussed in closed session that has direct financial or liability implications for any Party to this Agreement to the following individuals:

(1) Legal counsel of any Party to this Agreement for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Party.

(2) Other members of the legislative body of the Party present in closed session of that member Party.

Furthermore, any Alternate who is also a member of the legislative body of any Party and who is attending a properly noticed meeting of the JPC in lieu of a Member may attend closed sessions of the JPC.

(g) Officers. The JPC shall select a Chairperson and a Vice-Chairperson at its first meeting and at the first meeting held in each succeeding calendar year shall select or re-select its officers. In the event an officer resigns or ceases to be an officer, the JPC shall select a replacement therefor at the next regular meeting of the JPC. In the absence or inability of the Chairperson to act, the Vice-Chairperson shall act as Chairperson.

(h) Management, Staff and Support Personnel. Subject to the availability of funds, the JPC may contract for or employ such staff and support personnel as may be necessary or desirable in implementing and carrying out the purposes of this Agreement. Such staff and personnel shall exercise those powers, duties and responsibilities imposed or conferred herein or conferred thereon by the JPC.

Additional support personnel for the JPC may be provided by the staff of the Parties to this Agreement subject to such conditions as may be approved by the governing bodies of such personnel and by the JPC.

(i) Rules. The JPC may adopt, from time to time, such rules and regulations for the conduct of its meetings and affairs as it may deem necessary, including, without limitation, the designation of a person to record and transcribe the minutes of each public meeting of the JPC.

(j) Funding and Support. It is anticipated that the operating funds of the JPC will be derived from grants, donations, and from "in kind" contributions from the Parties to this Agreement.

The JPC, in the name and on behalf of the Authority, may apply for, accept, and utilize grants from any governmental or private source in order to implement and carry out the purposes of this Agreement.

After consultation with the JPC, any Party to this Agreement may apply for or accept grants, or other funds or resources for any purpose relating to the objectives of this Agreement and, unless otherwise approved by all members of the JPC, all obligations assumed thereunder shall be the sole obligations of the Party obtaining such monies or resources, and not the obligation of any other Party to this Agreement or of the JPC.

The JPC may request the Parties to this Agreement to contribute funds; provided, however, that any such contribution shall be on an equal basis as among the Parties unless such request by unanimous vote of all the Members of the JPC provides otherwise. Such funds may not be assessed or collected unless the governing body of each Party to this Agreement consents thereto.

Any revenue, rents, profits or issues derived by, or on behalf of, the JPC other than grants, donations and “on kind” contributions from the Parties to this Agreement and which are not required to implement and carry out the purposes of this Agreement, shall be shared and distributed equally to the Parties of this Agreement unless otherwise as directed by unanimous vote of all the Members of the JPC.

(k) Consultants. Subject to the availability of funds, the JPC may employ such consultants as are deemed necessary and desirable in implementing and carrying out the purposes of this Agreement.

(1) Fiscal Year. The fiscal year of the Authority shall be the period commencing on July 1 of each year and ending on and including the following June 30.

(m) Treasurer. The Treasurer of the Authority shall be a designated member of the Commission or the staff. The Treasurer shall have the custody of the Authority money and disburse Authority funds pursuant to the accounting procedures developed in accordance with the provisions of this Agreement, the Act, and with those procedures established by the JPC. The Treasurer shall assume the duties described in Section 6505.5 of the Government Code, namely: receive and receipt for all money of the Authority and place in the Treasury of the Treasurer to the credit of the Authority; be responsible upon an official bond as prescribed by the JPC for the safekeeping and disbursement of all Authority money so held; pay, when due, out of money of the Authority so held,

all sums payable, only upon warrants of the officer performing the functions of the Controller who has been designated by the Authority or JPC; verify and report in writing on the first day of July, October, January and April of each year to the Authority and to the Parties to the Agreement the amount of money held for the Authority, the amount of receipts since the last report, and the amount paid out since the last report; and perform such other duties as are set forth in this Agreement or specified by the JPC.

(n) Controller. The Executive Director, or another appointed person or a contracted private firm at the discretion of the Commission, shall be the Controller of the Authority. The Controller shall draw warrants to pay demands against the Authority when such demands have been approved by the JPC or by any other person authorized to so approve such by this Agreement or by resolution of the JPC. The Controller shall perform such duties as are set forth in this Agreement and such other duties as are specified by the JPC.

There shall be strict accountability of all funds and reporting of all receipts and disbursements. The Controller shall establish and maintain such procedures, funds and accounts as may be required by sound accounting practices, the books and records of the Authority in the hands of the Controller shall be open to inspection at all reasonable times by representatives of the Parties.

The Controller, with the approval of the JPC, shall contract with an independent certified public certified public accountants to make accountant or firm or an annual audit of the accounts and records of the Authority, and a complete written report of such audit shall be filed as public records annually, within six (6) months of the end of the fiscal year under examination, with each of the Parties. Such annual audit and written report shall comply with the requirements of Section 6505 of the Government Code. The cost of the annual audit, including contracts with, or employment of such independent certified public accountants in making an audit pursuant to this Agreement shall be a charge against any unencumbered funds of the Authority available for such purpose. The JPC by unanimous vote, may replace the annual audit with a special audit covering a two-year period.

(o) Technical Advisory Committee. There is hereby established within the Authority a Technical Advisory Committee. The members of the Technical Committee shall be as follows:

- (i) The Member of the United States House of Representatives who represents the Congressional District which includes March Air Force Base, or the designee of such Member;
- (ii) The City Manager of each of the cities which are parties to this Agreement, or the designee thereof;
- (iii) The Chief Administrative Officer of the County of Riverside, or the designee thereof; and
- (iv) Such other persons as the foregoing membership may select, including, without limitation, representatives of private and governmental entities.

The TAC shall also involve in its discussion non-voting “ex-officio” members. These members may be changed from time-to-time, but at a minimum the Executive Director of the Western Riverside Council of Governments and the Base Transition Coordinator shall be considered as “ex-officio” members of the TAC.

The Chairperson of the Technical Advisory Committee shall be the Member of the United States House of Representatives or the designee of such Member.

The duties of the Technical Advisory Committee shall be:

- (i) To act as an advisory body to the JPC in matters relevant to the purposes of this Agreement; and
- (ii) To undertake such other duties as may be assigned to the Committee by the JPC.

Section 6. Achievement of Purposes. In order to achieve the purposes set forth in this Agreement, the JPC shall convene as a body and shall be charged with the responsibility of hearing and reviewing oral and written reports, analyzing documentary evidence, engaging in discussions, making inspections, examining all relevant data as is more specifically set forth in the specific action steps hereinafter provided:

(a) Short Term Action Steps.

(1) Identify available funding, in accordance with Section 5(j), from available federal, state and private grants to aid in the financing of the work associated with the purposes of this Agreement.

(2) Coordinate the actions and plans of the Authority with other governmental entities and interested organizations.

(3) Investigate and recommend interim and permanent finance programs in order to serve the best interests of the affected communities and the region and to accomplish the purposes of this Agreement.

(b) Long Term Action Steps.

(1) Develop a cohesive plan for use and reuse of March Air Force Base and its surrounding environs to the extent such plan does not conflict with federal, state or local law.

(2) Serve as the single, local representative organization in working with the office of Economic Adjustment of the United States Department of Defense.

The listing of the above acts is not intended to indicate any priority of one act over another, nor is such listing intended to be all inclusive. The JPC may authorize other acts to be done in the accomplishment of the purposes of this Agreement. One or several acts may take place concurrently or in sequence as the JPC shall direct.

Section 7. JPC a Separate Entity; Liability; Immunity. The JPC shall be a public entity separate and apart from the Parties to this Agreement. However, each Party to this Agreement shall defend, indemnify and hold harmless each other party from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of, resulting from or in connection with the performance of this Agreement by any of its officers, employees or agents. Each Party's obligation to defend, indemnify and hold each of the other Parties to this Agreement harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property including the loss of use.

It is the intent of the Parties that, except as provided herein, the JPC cannot incur any debts, liabilities or obligations without the consent of the governing body of each Party to the Agreement; provided, however, any such debts, liabilities or obligations shall be shared, and otherwise apportioned, equally as among the Parties to this Agreement unless the JPC by unanimous vote of all the Members of the JPC directs otherwise. However, to the extent such are established pursuant hereto or by the final judgment of a court of competent jurisdiction, they shall constitute the debts, liabilities and obligations of the Authority and shall not constitute the debts, liabilities or obligations of the Parties to this Agreement or of any of them.

As to the officers, agents, Representatives, Alternates, and employees, if any, of the JPC or the Parties to this Agreement, the provisions of California Government Code Section 6513 are hereby incorporated into this Agreement.

Section 8. Successor Agency, Allocation of Assets and Liabilities Upon Dissolution of the March Joint Powers Redevelopment Agency. Upon dissolution of the March Joint Powers Redevelopment Agency (the “Agency”), the Authority is hereby designated the successor agency with all authority, rights, powers, duties and obligations previously vested with the Agency. Any and all assets and liabilities in possession of the Agency shall be transferred to the Authority, as the successor agency, upon the Agency’s dissolution.

Section 9. Severability. If any section, clause or phrase of this Agreement or the application thereof to any Party or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable and the remainder of the Agreement or the application of such provisions to the other Party or to other persons or circumstances shall not be affected thereby.

Section 10. Notices. Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid to said respective Parties, as follows:

- (a) March Joint Powers Commission
c/o Executive Director

2355 Meyer Drive
Riverside, CA 92518

- (b) City of Moreno Valley
c/o City Manager
P.O. Box 88005
Moreno Valley, CA 92553-0805
- (c) City of Perris
c/o City Manager
101 N "D" St.
Perris, CA 92570-1998
- (d) City of Riverside
c/o City Manager
3900 Main Street, 7th Floor
Riverside, CA 92501
- (e) Riverside County Board of Supervisors
c/o Clerk of the Board of Supervisors
County Administrative Center
4080 Lemon Street
Riverside, CA 92501

Section 11. Other Obligations. The responsibilities and obligations of each Party to this Agreement shall be solely as provided in this Agreement, or as may be provided for in supplemental agreements to be executed by the Parties.

Section 12. Other Agreements Not Prohibited. Other agreements by and between the Parties of this Agreement or any other entity are neither prohibited nor modified in any manner by execution of this Agreement.

Section 13. Powers Not Included in Agreement. It is contemplated that certain common powers of the Parties to this Agreement may be needed in the future, however, until such time as the Parties may deem otherwise and this Agreement is amended to specifically so provide, it shall not be construed or interpreted to mean that the Authority or the JPC possesses the power, right or authority to mandate the expenditure of funds by Parties to this Agreement, or to incur any obligation on behalf of any Party to this Agreement; provided further, however, in the event this Agreement is amended to provide for the regulation or control of land use, any Party may

disapprove any proposed regulation or control of land use affecting any real property which is within, or contiguous to, the jurisdiction of such Party.

Except as specifically provided to the contrary herein, this Agreement is not designed to, nor shall it be construed or interpreted to affect the rights of any Party to this Agreement. Furthermore, this Agreement shall not be construed to prohibit any Party from applying for or accepting any grants, funds or monies for any purpose when the obligations thereunder become the sole obligation of said Party.

Section 14. Non-Assignability. The rights, titles and interests of any Party to this Agreement shall not be assignable or transferable without the consent of the governing body of each Party hereto.

Section 15. Miscellaneous.

(a) Section Headings. The section headings herein are for convenience of the Parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Agreement.

(b) Laws of California. This Agreement is made in the State of California, under the Constitution and laws of such State, and shall be construed and enforced in accordance with the laws of such State.

(c) Construction of Language. It is the intention of the Parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

(d) Cooperation. The Parties recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement, including cooperation in matters relating to the public, accounting, litigation, public relations and the like.

(e) Future Amendments. To preserve a reasonable degree of flexibility, many parts of this Agreement are stated in general terms. It is understood that there may be Amendments to this Agreement which will further define the rights and obligations of the Parties.

(f) Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Parties hereto.

(g) Duplication Rights. Each Party shall have the right to duplicate, at its own expense, any and all documents and reports created or acquired, in the joint exercise of powers hereunder by the JPC or by any other Party hereto pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized as of the date first above written.

CITY OF MORENO VALLEY

BY: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM this

_____ day of _____, 2014

City Attorney

CITY OF PERRIS

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM this

_____ day of _____, 2014

City Attorney

CITY OF RIVERSIDE

BY: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM this

_____ day of _____, 2014

City Attorney

COUNTY OF RIVERSIDE

By: _____
Chairman

ATTEST:

Deputy

APPROVED AS TO FORM this

_____ day of _____, 2014

County Counsel

EXHIBIT A
ADDITIONAL TERRITORY COVERED BY AGREEMENT

1. The Railroad Strip Parcel

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:
PARCEL A: (APN: 297-100-045-8)

THAT PORTION OF SECTION 15, TOWNSHIP 3 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF; CONVEYED TO THE CALIFORNIA SOUTHERN RAILROAD COMPANY BY DEED RECORDED JANUARY 23, 1888, IN BOOK 69, PAGE 91 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 15, MARKED BY A 1-1/2 INCH BRASS DISC, STAMPED "RIV CO SUR-1985-SEC COR"; THENCE ALONG THE NORTH LINE OF SAID SECTION 15, NORTH 89° 52' 19" WEST, 1,461.68 FEET TO THE EASTERLY RIGHT OF WAY LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILWAY (FORMERLY CALIFORNIA SOUTHERN RAILROAD COMPANY) PER ABOVE LAID DEED AND TO THE POINT OF BEGINNING; THENCE COURSE "A", ALONG SAID EASTERLY RIGHT OF WAY LINE, SOUTH 19° 23' 12" EAST, 2678.25 FEET TO THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE UNITED STATES OF AMERICA BY DECREE OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 2, 1942, IN BOOK 532, PAGE 311, OFFICIAL RECORDS OF RIVERSIDE COUNTY, AND BY DECREE ON AMENDED DECLARATION OF TAKING, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 24, 1943, IN BOOK 571, PAGE 237, OFFICIAL RECORDS OF RIVERSIDE COUNTY, WITH THE WESTERLY RIGHT OF WAY LINE OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE STATE OF CALIFORNIA (STATE ROUTE 215), AS PARCEL NO. 35, IN DECREE OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 18, 1943, IN BOOK 580, PAGE 327, OFFICIAL RECORDS OF RIVERSIDE COUNTY; THENCE CONTINUING ALONG SAID EASTERLY RIGHT OF WAY LINE AND SAID WESTERLY RIGHT OF WAY LINE (STATE ROUTE 215), SOUTH 19° 23' 12" EAST, 82.79 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 875.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, FROM A TANGENT BEARING OF NORTH 66° 20' 39" WEST, THROUGH A CENTRAL ANGLE OF 9° 47' 09", AN ARC LENGTH OF 149.44 FEET TO THE WESTERLY RIGHT OF WAY LINE OF SAID ATCHISON, TOPEKA AND SANTA FE RAILWAY, SAID LINE BEING PARALLEL WITH AND 100.00 FEET SOUTHWESTERLY MEASURED AT RIGHT ANGLES TO THE ABOVE MENTIONED COURSE "A"; THENCE ALONG SAID WESTERLY RAILWAY RIGHT OF WAY LINE, NORTH 19° 23' 12" WEST, 2685.67 FEET TO SAID NORTH LINE OF SECTION 15; THENCE ALONG SAID NORTH LINE, SOUTH 89° 52' 19" EAST, 106.10 FEET TO THE POINT OF BEGINNING.

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: November 18, 2014

TITLE: AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO GRIFFITH COMPANY FOR CACTUS AVENUE EASTBOUND THIRD LANE WIDENING IMPROVEMENT FROM VETERANS WAY TO HEACOCK STREET, STAGE II
PROJECT NO. 801 0031 70 77

RECOMMENDED ACTION

Recommendations:

1. Award the construction contract to Griffith Company, 12200 Bloomfield Avenue, Santa Fe Springs, CA 90670, the lowest responsible bidder, for the Cactus Avenue Eastbound Third Lane Widening Improvement from Veterans Way to Heacock Street, Stage II project; Waive minor, non-material bid irregularities within the lowest responsible bidder's bid proposal.
2. Authorize the City Manager to execute a contract with Griffith Company.
3. Authorize the issuance of a Purchase Order to Griffith Company, for the amount of \$2,161,679.35 (\$2,058,742.24 bid amount plus 5% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Griffith Company up to, but not exceeding, the 5% contingency amount of \$102,937.11, subject to the approval of the City Attorney.

5. Authorize the re-appropriation of \$12,100.00 from Warner Ranch AD 96-1 Fund 3451 for Cactus Avenue Eastbound Third Lane Widening Improvement from Veterans Way To Heacock Street Stage II project (GL: 3002-70-77-80001, Project No. 801 0031 70 77).
6. Authorize the re-appropriation of \$1,574.00 from Warner Ranch AD 96-1 Fund 3451 for administrative costs to close out the District (GL: 2006-30-79-25701-585020).
7. Authorize the appropriation of revenue and expense budgets in the amount of \$54,878 in the Public Works General Capital Project Fund (3002) per the reimbursement agreement with the Eastern Municipal Water District (EMWD).

SUMMARY

This report recommends approval of a contract with Griffith Company to construct the widening of Cactus Avenue from Veterans Way to Heacock Street. The Project will widen Cactus Avenue, providing a third eastbound lane for additional vehicle capacity and level of service. The construction phase of this project is funded by Capital Projects Grant funds (Fund 2301), Public Works General Capital Projects funds (Fund 3002), and DIF Arterial Streets funds (Fund 3301).

The project is budgeted at approximately \$2.35 million, and has been approved in the 2014/2015 Capital Improvement Plan.

DISCUSSION

On September 10, 2013, the City Council authorized the submittal of an application for grant funds to the Riverside County Transportation Commission (RCTC) for their 2013 Multi-Funding Call for Projects program. The application was successful and on January 8, 2014 the City received notification that RCTC will provide \$1,527,500 in Regional Measure A (MARA) grant funding with a 35% local match of \$822,500 for a total construction amount of \$2,350,000 towards financing the construction to widen Cactus Avenue from Veterans Way to Heacock Street. On January 28, 2014 the City Council authorized the execution of Agreement with RCTC to construct the improvements and authorize an appropriation of funds. The City has executed the Agreement with the RCTC to receive reimbursement for project expenditures according to the terms and conditions as set forth in the Agreement.

This construction project involves the widening of approximately 6,800 linear feet of Cactus Avenue from Veterans Way to Heacock Street. The majority of the work will be along the southerly edge of Cactus Avenue. The proposed work includes the construction of street improvements; traffic signal modifications; pavement markers and striping; drainage improvements; retaining walls and compliance with existing ADA accesses. Construction will include coordination with Eastern Municipal Water District (EMWD), March Air Reserve Base (MARB), and March Joint Powers Authority (MJPA).

When completed, the Cactus Avenue Widening project from Veterans Way to Heacock Street will reduce congestion and increase the level of service from the I-215 Interchange off-ramp to Heacock Street. The Project will also enhance and facilitate access to MARB, at the Riverside Drive entrance.

On behalf of Eastern Municipal Water District (EMWD), the project also includes the relocation of several underground facilities as noted in the Additive Bid Alternate C (\$54,878). EMWD will be solely responsible for all costs associated with the construction of their facilities. EMWD will reimburse the City all said costs, and will deposit with the City, a sum in the amount of 90% of their total cost in advance of the construction per an existing reimbursement agreement.

On behalf of City's Special Districts Division (SDD), the project also includes the slurry seal of Warner Ranch alleyway as Additive Bid Alternate D (\$10,527.20). On June 25, 1996, the Council formed Assessment District 96-1 at the property owners' request to reconstruct and maintain a private alleyway. Parcels in the District were levied an annual assessment on their property tax bills to repay the costs to construct the improvements and for ongoing maintenance for the private alleyway. Reconstruction of the alleyway improvements were completed on August 29, 1996. Upon the completion of the initial improvements a balance of approximately \$13,674 remains in the District account. The alleyway slurry seal portion and project management costs to be provided by Capital Projects total \$12,100. The balance of \$1,574 will be used in the account close out process with the District.

A Mitigated Negative Declaration (MND) was approved by the City Council on February 9, 2010 and mitigation measures included in the Final Initial Study/Environmental Assessment were incorporated into the project specifications and will be implemented through the Mitigation Monitoring and Reporting Program to reduce all potential environmental impacts to an acceptable level.

The Notice Inviting Bids was advertised for the subject project and formal bidding procedures have been followed in conformance with Public Contract Code. The City Clerk opened bids at 2:15 p.m. on October 13, 2014 for the project. Five (5) bids were received as follows:

<u>CONTRACTORS</u>	<u>Verified Bid Amounts</u>
1. Griffith Company, Santa Fe Springs	\$2,215,538.64
2. Hillcrest Contracting, Corona.....	\$2,302,057.76
3. H & H General Contractors, Inc., Highland.....	\$2,466,151.28
4. All American Asphalt, Corona.....	\$2,550,750.00
5. Vance Corporation, Rialto	\$2,974,296.75

The lowest responsible bidder was determined by comparing the cumulative total for all bid items (Base Bid plus Alternate Nos. A, B, C, and D), as stipulated in the Bidding Documents. Staff has reviewed the bid of Griffith Company and finds it to be the lowest

responsible bidder in possession of a valid license and bid bond. Upon review of Griffith Company's bid proposal, two minor, non-material bid irregularities were discovered. Griffith Company failed to submit a signature notarization to accompany the completed Contractor's statement. Additionally, Griffith Company failed to list the total bid price in all requested locations in the bid proposal. Both of the irregularities are minor, non-material errors, and do not affect the total bid cost, therefore staff recommends waiving both of these bid irregularities. No outstanding issues were identified through review of the references submitted by Griffith Company in their bid.

Following the bid opening, staff reviewed the alternate bids and available funding, and is recommending the award of the Base Bid items, plus Alternates A (Detention Basin Drainage Bypass Line East of Graham), C (EMWD Improvements), and D (Slurry Seal AC Pavement between Perris Blvd and Sheila Street) and issuance of a Purchase Order to Griffith for \$2,161,679.35 which includes 5% contingency.

The Contingency of 5% of the Base Bid and Alternates A, C, and D (\$102,937.11) is needed to account for any latent or unforeseen circumstances encountered during construction. Unforeseen conditions may include unsuitable soils or hazardous wastes which need to be properly processed and removed. There also may be other conflicting appurtenance that will have to be addressed during grading and excavating the roadways.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will provide for the timely expenditure of grant funds and the construction of the Cactus Avenue Eastbound Third Lane Widening Improvement from Veterans Way to Heacock Street Stage II.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will result in delaying the timely construction of the project and possible loss of grant funds.*

FISCAL IMPACT

This project is included in the Fiscal Year 2014/2015 Capital Improvement Plan Budget and is financed by Capital Projects Grants Fund (2301). The MARA grant provides for reimbursement of up to \$1,527,500. The grant requires local matching funds of \$822,500 (35%) for the Cactus Avenue Widening Project from Veterans Way to Heacock Street. Matching funds are provided by the Measure A Fund (2001). Council approved the transfer of local match funds from the Measure A Fund to the Capital Projects Grants Fund with the approval of the Fiscal Year 2013/14 carryovers and Fiscal Year 2014/15 budget adjustments on October 28, 2014. There is no impact to the General Fund.

Once constructed, street maintenance costs over a 20 year period are estimated to average approximately \$15,500 per year. Maintenance costs are typically funded by Measure A or Gas Tax monies that the City receives on an annual basis.

Proposed Warner Ranch AD 96-1 Appropriation for Fiscal Year 2014/2015:

Cat.	Fund	Account No.	Type	Proposed Adjustment
Transfer Out	AD 96-1	3451-99-91-93451-903002	Exp	\$12,100
Transfer In	PW General Capital Projects	3002-99-99-93002-803451	Rev	\$12,100
Transfer Out	AD 96-1	3451-99-91-93451-692020	Exp	\$1,574
Transfer In	Special Districts Admin Fund	2006-30-79-25701-585020	Rev	\$1,574

Proposed Appropriation for Fiscal Year 2014/2015:

Category	Fund	Project Number (PN) GL Account (GL)	Type	Original Budget	Proposed Adjustment	Revised Budget
CIP	PW General Capital Projects (3002)	GL – 3002-99-99-93002-500600	Rev	\$0.00	\$54,878	\$54,878
CIP	PW General Capital Projects (3002)	GL – 3002-70-77-80001-720199 PN – 801 0031 70 77-3002A-99 PN – 801 0031 70 77-3002B-99	Exp	\$1,500,000 \$0.00 \$0.00	\$66,978 \$12,100 \$54,878	\$1,566,978 \$12,100 \$54,878

Fiscal Year 2014/2015 PROJECT BUDGET:

Capital Projects Grant Fund

GL Account No. 2301-70-77-80001

Project No. 801 0031 70 77-2301 \$2,350,000

DIF Arterial Streets Fund

GL Account No. 3301-70-77-80001

Project No. 801 0031 70 77-3301 \$1,330

Public Works General Capital Projects Fund

GL Account No. 3002-70-77-80001

Project No. 801 0031 70 77-3002A \$12,100

GL Account No. 3002-70-77-80001

Project No. 801 0031 70 77-3002B \$54,878

Total \$2,418,308

ESTIMATED CONSTRUCTION RELATED COSTS:

Construction Costs (includes 5% contingency) \$2,162,000

Construction Geotechnical Services \$40,300

Construction Survey Services \$62,500

Traffic Related Equipment \$70,000

Project Administration and Inspection \$83,000

Total Estimated Construction Related Costs \$2,417,800

ANTICIPATED PROJECT SCHEDULE:

Award Construction Contract November 2014

Complete Construction..... July 2015

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.

NOTIFICATION

The City provided information and outreach during the design phase of the project. An open house meeting to provide project information and feedback was conducted on September 18, 2014 at City Hall Council Chamber and resulted in positive feedback for the project.

ATTACHMENTS

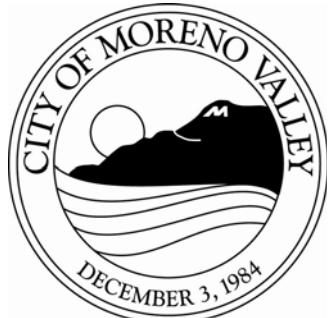
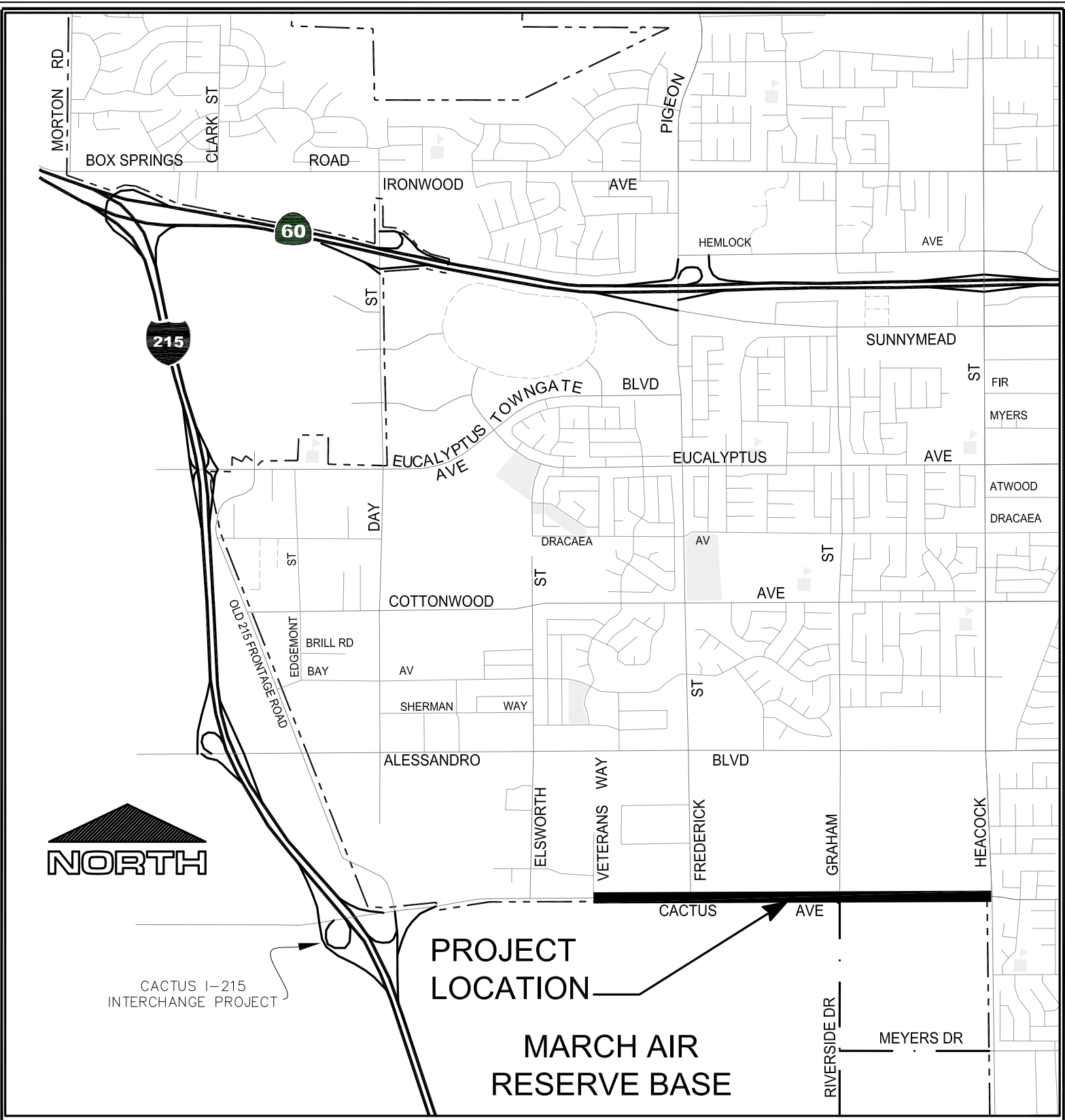
- Attachment 1: Location Map
- Attachment 2: Agreement with Griffith Company

Prepared By:
Guy Pegan
Senior Engineer, P.E.

Concurred By:
Candace Cassel
Special Districts Division Manager

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

Department Head Approval
Ahmad R. Ansari, P.E
Public Works Director/City Engineer



LOCATION MAP

Public Works Department
Capital Projects Division

Scale: None

ATTACHMENT 1

CACTUS AVENUE WIDENING PROJECT
FROM VETERANS WAY TO HEACOCK STREET
PROJECT NUMBER 801 0031 70 77

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Agreement No. _____

AGREEMENT

PROJECT NO. 801 0031 70 77

**CACTUS AVE EASTBOUND 3RD LANE WIDENING IMPROVEMENT
VETERANS WAY TO HEACOCK STREET STAGE II
Widen the Eastbound 3rd Lane between Veterans Way and Heacock Street**

THIS Agreement, effective as of the date signed by the City of Moreno Valley by and between the City of Moreno Valley, a municipal corporation, County of Riverside, State of California, hereinafter called the "City" and **Griffith Company**, hereinafter called the "Contractor."

That the City and the Contractor for the consideration hereinafter named, agree as follows:

1. CONTRACT DOCUMENTS. The Contract Documents consist of the following, which are incorporated herein by this reference:

- A. Governmental approvals, including, but not limited to, permits required for the Work
- B. Any and all Contract Change Orders issued after execution of this Agreement
- C. This Agreement
- D. Addenda Nos. 1 inclusive, issued prior to the opening of the Bids
- E. City Special Provisions, including the General Provisions and Technical Provisions
- F. Standard Specifications for Public Works Construction ("Greenbook") – latest edition in effect at the Bid Deadline, as modified by the City Special Provisions
- G. Reference Specifications/Reference Documents other than those listed in paragraph 2, below
- H. Project Plans
- I. City Standard Plans
- J. Caltrans Standard Plans
- K. EMWD Standards
- L. Riverside County Flood Control District & Water Conservation District (RCFCD&WCD) Standards
- M. The bound Bidding Documents
- N. Contractor's Certificates of Insurance and Additional Insured Endorsements
- O. Contractor's Bidder's Proposal and Subcontractor Listing

In the event of conflict between any of the Contract Documents, the provisions placing a more stringent requirement on the Contractor shall prevail. The Contractor shall provide the better quality or greater quantity of Work and/or materials unless otherwise directed by City in writing. In the event none of the Contract Documents place a more stringent requirement or greater burden on the Contractor, the controlling provision shall be that which is found in the document with higher precedence in accordance with the above order of precedence.

2. REFERENCE DOCUMENTS. The following Reference Documents are not considered Contract Documents and are made available to the Contractor for informational purposes:

- A. SWPPP/WPCP
- B. Geotechnical Reports

3. SCOPE OF WORK. The Contractor shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work described in the Contract Documents, except as otherwise provided in the Plans, Standard Specifications, or City Special Provisions to be the responsibility of others.

4. PAYMENT.

4.1. **Contract Price and Basis for Payment.** In consideration for the Contractor's full, complete, timely, and faithful performance of the Work required by the Contract Documents, the City shall pay Contractor for the actual quantity of Work required under the Bid Items awarded by the City performed in accordance with the lump sum prices and unit prices for Bid Items and Alternate Bid Items, if any, set forth the Bidder's Proposal submitted with the Bid. The sum of the unit prices and lump sum prices for the Base Bid Items and Alternate Bid Items, if any, awarded by the City is Two Million Fifty Eight Thousand Seven Hundred Forty Two Dollars and 24/100 (\$2,058,742.24) ("Contract Price"). The Alternate Bid Items selected by the City and included in the Contract are: A, C, and D. It is understood and agreed that the quantities set forth in the Bidder's Proposal for which unit prices are fixed are estimates only and that City will pay and Contractor will accept, as full payment for these items of work, the unit prices set forth in the Bidder's Proposal multiplied by the actual number of units performed, constructed, or completed as directed by the City Engineer.

4.2. **Payment Procedures.** Based upon applications for payment submitted by the Contractor to the City, the City shall make payments to the Contractor in accordance with Article 9 of the Standard Specifications, as modified by Article 9 of the City Special Provisions.

5. CONTRACT TIME.

A. Contract Time. The Contract Time shall be determined in accordance with the following:

Base Bid	160 Working Days
Alternate A	15 Working Days
Alternate B	5 Working Days
Alternate C	5 Working Days
Alternate D	5 Working Days

B. Initial Notice to Proceed. After the Agreement has been fully executed by the Contractor and the City, the City shall issue the "Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials." The date specified in the Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials constitutes the date of commencement of the Contract Time of **160 Working Days plus any additional time for the selected Additive Bid Alternates**. The Contract Time includes the time

necessary to fulfill preconstruction requirements, place the order of materials, and to complete construction of the Project (except as adjusted by subsequent Change Orders).

The Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials shall further specify that Contractor must complete the preconstruction requirements and order materials within **Twenty (20) Working Days** after the date of commencement of the Contract Time; this duration is part of the Contract Time.

Preconstruction requirements include, but are not limited to, the following:

- Submitting and obtaining approval of Traffic Control Plans
- Submitting and obtaining approval of the Stormwater Pollution Prevention Plan (SWPPP)/Water Pollution Control Plan (WPCP)
- Submitting and obtaining approval of critical required submittals
- Installation of the approved Project Identification Signs
- Obtaining an approved no fee Encroachment Permit
- Obtaining a Temporary Use Permit for a construction yard
- Preconstruction activities under Environmental Mitigation
- Notifying all agencies, utilities, residents, etc., as outlined in the Bidding Documents

If the City's issuance of a Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials is delayed due to Contractor's failure to return the fully executed Agreement and insurance and bond documents within ten (10) Working Days after Contract award, then Contractor agrees to the deduction of one (1) Working Day from the number of days to complete the Project for every Working Day of delay in the City's receipt of said documents. This right is in addition to and does not affect the City's right to demand forfeiture of Contractor's Bid Security if Contractor persistently delays in providing the required documentation.

C. Notice to Proceed with Construction. After all preconstruction requirements are met and materials have been ordered in accordance with the Notice to Proceed to Fulfill Preconstruction Requirements and Notice to Proceed with Order of Materials, the City shall issue the "Notice to Proceed with Construction," at which time the Contractor shall diligently prosecute the Work, including corrective items of Work, day to day thereafter, within the remaining Contract Time.

6. LIQUIDATED DAMAGES AND CONTROL OF WORK

6.1. Liquidated Damages. The Contractor and City (collectively, the "Parties") have agreed to liquidate damages with respect to Contractor's failure to order all materials in accordance with the Notice to Proceed with Order of Materials and/or failure to fulfill the preconstruction requirements, and/or failure to complete the Work within the Contract Time. The Parties intend for the liquidated damages set forth herein to apply to this Contract as set forth in Government Code Section 53069.85. Contractor acknowledges and agrees that the liquidated damages are intended to compensate the City solely for Contractor's failure to meet the deadline for completion of the Work and will not excuse Contractor from liability from any other breach, including any failure of the Work to conform to the requirements of the Contract Documents.

In the event that Contractor fails to order all materials in accordance with the Notice to Proceed with Order of Materials and/or fails to fulfill the preconstruction requirements and/or fails to complete the Work within the Contract Time, Contractor agrees to pay the City **\$1,800.00 per Calendar day** that completion of the Work is delayed beyond the Contract Time, as adjusted by Contract Change

Orders. The Contractor will not be assessed liquidated damages for delays occasioned by the failure of the City or of the owner of a utility to provide for the removal or relocation of utility facilities.

The Contractor and City acknowledge and agree that the foregoing liquidated damages have been set based on an evaluation of damages that the City will incur in the event of late completion of the Work. The Contractor and City acknowledge and agree that the amount of such damages are impossible to ascertain as of the date of execution hereof and have agreed to such liquidated damages to fix the City's damages and to avoid later disputes. It is understood and agreed by Contractor that liquidated damages payable pursuant to this Agreement are not a penalty and that such amounts are not manifestly unreasonable under the circumstances existing as of the date of execution of this Agreement.

It is further mutually agreed that the City will have the right to deduct liquidated damages against progress payments or retainage and that the City will issue a Change Order or Construction Change Directive and reduce the Contract Price accordingly. In the event the remaining unpaid Contract Price is insufficient to cover the full amount of liquidated damages, Contractor shall pay the difference to the City.

6.2. Any work completed by the Contractor after the issuance of a Stop Work Notice by the City shall be rejected and/or removed and replaced as specified in Section 2-11 of the Special Provisions.

6.3. **Owner is Exempt from Liability for Early Completion Delay Damages.** While the Contractor may schedule completion of all of the Work, or portions thereof, earlier than the Contract Time, the Owner is exempt from liability for and the Contractor will not be entitled to an adjustment of the Contract Sum or to any additional costs, damages, including, but not limited to, claims for extended general conditions costs, home office overhead, jobsite overhead, and management or administrative costs, or compensation whatsoever, for use of float time or for Contractor's inability to complete the Work earlier than the Contract Time for any reason whatsoever, including but not limited to, delay cause by Owner or other Excusable Compensable Delay. See Section 6-6 of the Standard Specifications and City Special Provisions regarding compensation for delays.

7. INSURANCE.

7.1. **General.** The Contractor shall procure and maintain at its sole expense and throughout the term of this Agreement, any extension thereof, Commercial General Liability, Automobile Liability, and Workers' Compensation Insurance with such coverage limits as described herein.

7.2. **Additional Insured Endorsements.** The Contractor shall cause the insurance required by the Contract Document to include the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), the Moreno Valley Community Services District (CSD), and the Riverside County Transportation Commission (RCTC), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives as an additional insureds. For the Commercial General Liability coverage, said parties shall be named as additional insureds utilizing either:

1. Insurance Services Office ("ISO") Additional Insured endorsement CG 20 10 (11/85); or

2. ISO Additional Insured endorsement CG 20 10 (10/01) and Additional Insured Completed Operations endorsement CG 20 37 (10/01); or
3. substitute endorsements providing equivalent coverage, approved by the City.

The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. The coverage shall contain no special limitations on the scope of protection afforded to such additional insureds. Coverage for such additional insureds does not extend to liability to the extent prohibited by Insurance Code Section 11580.4.

7.3. **Waivers of Subrogation.** All policies of insurance required by the Contract Documents shall include or be endorsed to provide a waiver by the insurers of any rights of recovery or subrogation that the insurers may have at any time against the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), the Moreno Valley Community Services District (CSD), and the Riverside County Transportation Commission (RCTC), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives.

7.4. **Primary Coverage.** All policies and endorsements shall stipulate that the Contractor's (and the Subcontractors') insurance coverage shall be primary insurance as respects the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), the Moreno Valley Community Services District (CSD), and the Riverside County Transportation Commission (RCTC), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives, and shall be in excess of the Contractor's (and its Subcontractors') insurance and shall not contribute with it.

7.5. **Coverage Applies Separately to Each Insured and Additional Insured.** Coverage shall state that the Contractor's (and its Subcontractors') insurance shall apply separately to each insured or additional insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage shall apply to any claim or suit brought by an additional insured against a named insured or other insured.

7.6. **Self-Insurance.** Any self-insurance (including deductibles or self-insured retention in excess of \$50,000) in lieu of liability insurance must be declared by Contractor and approved by the City in writing prior to execution of the Agreement. The City's approval of self-insurance, if any, is within the City's sole discretion and is subject to the following conditions:

1. Contractor must, at all times during the term of the Agreement and for a period of at least **one (1)** year after completion of the Project, and any extension of the one-year correction guarantee period in accordance with Section 6-8.1 of the City Special Provisions, maintain and upon Owner's reasonable request provide evidence of:
 - (a) Contractor's "net worth" (defined as "total assets" [defined as all items of value owned by the Contractor including tangible items such as cash, land, personal property and equipment and intangible items such as copyrights and business goodwill]) minus total outside liabilities must be reflected in a financial statement for the prior fiscal year reflecting sufficient income and budget for Contractor to afford at least one loss in an amount equal to the amount of self-insurance;

- (b) financial statements showing that Contractor has funds set aside/budgeted to finance the self-insured fund (i.e., Contractor has a program that fulfills functions that a primary insurer would fill; and
 - (c) a claims procedure that identifies how a claim is supposed to be tendered to reach the financing provided by the self-insured fund.
2. If at any time after such self-insurance has been approved Contractor fails to meet the financial thresholds or otherwise fails to comply with the provisions set forth in this Paragraph 7, at the option of the City:
- (a) the Contractor shall immediately obtain and thereafter maintain the third party insurance required under this Paragraph 7 and otherwise on the terms required above; or
 - (b) the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its officers, officials, employees and volunteers; or
 - (c) the Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration, and defense expenses.

7.7. **Insurer Financial Rating.** Insurance companies providing insurance hereunder shall be rated A-VII or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

7.8. **Notices to City of Cancellation or Changes.** Each insurance policy described in this Paragraph 7 shall contain a provision or be endorsed to state that coverage will not be cancelled without **thirty (30) days'** prior written notice by certified or registered mail to the City (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to the City), except that cancellation for non-payment of premium shall require (10) days prior written notice by certified or registered mail. If an insurance carrier cancels any policy or elects not to renew any policy required to be maintained by Contractor pursuant to the Contract Documents, Contractor agrees to give written notice to the City at the address indicated on the first page of the Agreement. Contractor agrees to provide the same notice of cancellation and non-renewal to the City that is required by such policy(ies) to be provided to the First Named Insured under such policy(ies). Contractor shall provide confirmation that the required policies have been renewed not less than seven (7) days prior to the expiration of existing coverages and shall deliver renewal or replacement policies, certificates and endorsements to the City Clerk within fourteen (14) days of the expiration of existing coverages. Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City Clerk copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

7.9. **Commercial General Liability.** Coverage shall be written on an ISO Commercial General Liability "occurrence" form CG 00 01 (10/01 or later edition) or equivalent form approved by the City for coverage on an occurrence basis. The insurance shall cover liability, including, but not limited to, that arising from premises operations, stop gap liability, independent contractors,

products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The policy shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 (11/85). Coverage shall contain no contractors' limitation or other endorsement limiting the scope of coverage for liability arising from pollution, explosion, collapse, or underground (x, c, u) property damage. Contractor shall provide Products/Completed Operations coverage to be maintained continuously for a minimum of **one (1) year** after Final Acceptance of the Work, and any extension of the one-year correction guarantee period in accordance with Section 6-8.1 of the City Special Provisions.

Contractor shall maintain Commercial General Liability insurance with the following minimum limits: \$1,000,000 per occurrence / \$2,000,000 aggregate / \$2,000,000 products-completed operations.

7.10. **Business Automobile Liability.** Coverage shall be written on ISO form CA 00 01 (12/93 or later edition) or a substitute form providing equivalent coverage for owned, hired, leased and non-owned vehicles, whether scheduled or not, with \$1,000,000 combined single limit per accident for bodily injury and property damage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

7.11. **Workers' Compensation.** Contractor shall comply with the applicable sections of the California Labor Code concerning workers' compensation for injuries on the job. Compliance is accomplished in one of the following manners:

1. Provide copy of permissive self-insurance certificate approved by the State of California; or
2. Secure and maintain in force a policy of workers' compensation insurance with statutory limits and Employer's Liability Insurance with a minimal limit of **\$1,000,000** per accident; or
3. Provide a "waiver" form certifying that no employees subject to the Labor Code's Workers' Compensation provision will be used in performance of this Contract.

7.12. **Subcontractors' Insurance.** The Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

8. **BONDS.** The Contractor shall furnish a satisfactory Performance Bond meeting all statutory requirements of the State of California on the form provided by the City. The bond shall be furnished as a guarantee of the faithful performance of the requirements of the Contract Documents as may be amended from time to time, including, but not limited to, liability for delays and damages (both direct and consequential) to the City and the City's Separate Contractors and consultants, warranties, guarantees, and indemnity obligations, in an amount that shall remain equal to one hundred percent (100%) of the Contract Price.

The Contractor shall furnish a satisfactory Labor and Materials Payment Bond meeting all statutory requirements of the State of California on the form provided by the City in an amount that shall remain equal to one hundred percent (100%) of the Contract Price to secure payment of all claims, demands, stop notices, or charges of the State of California, of material suppliers, mechanics, or laborers employed by the Contractor or by any Subcontractor, or any person, firm, or entity eligible to file a stop notice with respect to the Work.

All bonds shall be executed by a California-admitted surety insurer. Bonds issued by a California-admitted surety insurer listed on the latest version of the U.S Department of Treasury Circular 570 shall be deemed accepted unless specifically rejected by the City. Bonds issued by sureties not listed in Treasury Circular 570 must be accompanied by all documents enumerated in California Code of Civil Procedure Section 995.660(a). The bonds shall bear the same date as the Contract. The attorney-in-fact who executes the required bonds on behalf of the surety shall affix thereto a certified and current copy of the power of attorney. In the event of changes that increase the Contract Price, the amount of each bond shall be deemed to increase and at all times remain equal to the Contract Price. The signatures shall be acknowledged by a notary public. Every bond must display the surety's bond number and incorporate the Contract for construction of the Work by reference. The terms of the bonds shall provide that the surety agrees that no change, extension of time, alteration, or modification of the Contract Documents or the Work to be performed thereunder shall in any way affect its obligations and shall waive notice of any such change, extension of time, alteration, or modification of the Contract Documents. The surety further agrees that it is obligated under the bonds to any successor, grantee, or assignee of the City.

Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

Should any bond become insufficient, or should any of the sureties, in the opinion of the City, become non-responsible or unacceptable, the Contractor shall, within ten (10) Calendar Days after receiving notice from the City, provide written documentation to the Satisfaction of the City that Contractor has secured new or additional sureties for the bonds; otherwise the Contractor shall be in default of the Contract. No further payments shall be deemed due or will be made under Contract until a new surety(ies) qualifies and is accepted by the City.

Contractor agrees that the Labor and Materials Payment Bond and Faithful Performance Bond attached to this Agreement are for reference purposes only, and shall not be considered a part of this Agreement. Contractor further agrees that said bonds are separate obligations of the Contractor and its surety, and that any attorney's fee provision contained in any payment bond or performance bond shall not apply to this Agreement. In the event there is any litigation between the parties arising from the breach of this Agreement, each party will bear its own attorneys' fees in the litigation.

9. RECORDS. The Contractor and its Subcontractors shall maintain and keep books, payrolls, invoices of materials, and Project records current, and shall record all transactions pertaining to the Contract in accordance with generally acceptable accounting principles. Said books and records shall be made available to the City of Moreno Valley, Riverside County, the State of California, the Federal Government, and to any authorized representative thereof for purposes of audit and inspection at all reasonable times and places. All such books, payrolls, invoices of materials, and records shall be retained for at least three (3) years after Final Acceptance.

10. INDEMNIFICATION.

10.1. **General.** To the fullest extent permitted by law, the Contractor assumes liability for and agrees, at the Contractor's sole cost and expense, to promptly and fully indemnify, protect, hold harmless and defend (even if the allegations are false, fraudulent, or groundless), City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), the Moreno Valley Community Services District (CSD), and the Riverside County Transportation Commission (RCTC), and all of their respective officials, officers, directors, employees, commission

members, representatives and agents (“Indemnitees”), from and against any and all claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceeds, causes of action, demands, costs, judgments, liens, stop notices, penalties, liabilities, damages, losses, anticipated losses of revenues, and expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from, or in any way (either directly or indirectly), related to the Work, the Project or any breach of the Contract by Contractor or any of its officers, agents, employees, Subcontractors, Sub-subcontractors, or any person performing any of the Work, pursuant to a direct or indirect contract with the Contractor (“Indemnity Claims”). Such Indemnity Claims include, but are not limited to, claims for:

- A. Any activity on or use of the City’s premises or facilities;
- B. Any liability incurred due to Contractor acting outside the scope of its authority pursuant to the Contract, whether or not caused in part by an Indemnified Party;
- C. The failure of Contractor or the Work to comply with any Applicable Law, permit or orders;
- D. Any misrepresentation, misstatement or omission with respect to any statement made in the Contract Documents or any document furnished by the Contractor in connection therewith;
- E. Any breach of any duty, obligation or requirement under the Contract Documents, including, but not limited to any breach of Contractor’s warranties, representations or agreements set forth in the Contract Documents;
- F. Any failure to coordinate the Work with City’s Separate Contractors;
- G. Any failure to provide notice to any party as required under the Contract Documents;
- H. Any failure to act in such a manner as to protect the Project from loss, cost, expense or liability;
- I. Bodily or personal injury, emotional injury, sickness or disease, or death at any time to any persons including without limitation employees of Contractor;
- J. Damage or injury to real property or personal property, equipment and materials (including, but without limitation, property under the care and custody of the Contractor or the City) sustained by any person or persons (including, but not limited to, companies, corporations, utility company or property owner, Contractor and its employees or agents, and members of the general public);
- K. Any liability imposed by Applicable Law including, but not limited to criminal or civil fines or penalties;
- L. Any dangerous, hazardous, unsafe or defective condition of, in or on the Site, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors;
- M. Any operation conducted upon or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors under or pursuant to the provisions of the Contract or otherwise;
- N. Any acts, errors, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;

- O. Infringement of any patent rights, licenses, copyrights or intellectual property which may be brought against the Contractor or Owner arising out of Contractor's Work, for which the Contractor is responsible; and
- P. Any and all claims against the City seeking compensation for labor performed or materials used or furnished to be used in the Work or alleged to have been furnished on the Project, including all incidental or consequential damages resulting to the City from such claims.

10.2. **Effect of Indemnitees' Active Negligence.** Contractor's obligations to indemnify and hold the Indemnitees harmless **exclude** only such portion of any Indemnity Claim which is attributable to the active negligence or willful misconduct of the Indemnitee, provided such active negligence or willful misconduct is determined by agreement of the parties or by findings of a court of competent jurisdiction. In instances where an Indemnitee's active negligence accounts for only a percentage of the liability for the Indemnity Claim involved, the obligation of Contractor will be for that entire percentage of liability for the Indemnity Claim not attributable to the active negligence or willful misconduct of the Indemnitee(s). Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph 11. Subject to the limits set forth herein, the Contractor, at its own expense, shall satisfy any resulting judgment that may be rendered against any Indemnitee resulting from an Indemnity Claim. The Indemnitees shall be consulted with regard to any proposed settlement.

10.3. **Independent Defense Obligation.** The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnitee(s) shall be at Contractor's sole expense, and not be excused because of the Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively, or concurrently negligent, or which otherwise asserts that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. The Contractor shall respond within thirty (30) Calendar Days to the tender of any Indemnity Claim for defense and/or indemnity by an Indemnitee, unless the Indemnitee agrees in writing to an extension of this time. The defense provided to the Indemnitees by Contractor shall be by well qualified, adequately insured and experienced legal counsel acceptable to the City.

10.4. **Intent of Parties Regarding Scope of Indemnity.** It is the intent of the parties that the Contractor and its Subcontractors of all tiers shall provide the Indemnitees with the broadest defense and indemnity permitted by Applicable Law. In the event that any of the defense, indemnity or hold harmless provisions in the Contract Documents are found to be ambiguous, or in conflict with one another, it is the parties' intent that the broadest and most expansive interpretation in favor of providing defense and/or indemnity to the Indemnitees be given effect.

10.5. **Waiver of Indemnity Rights Against Indemnitees.** With respect to third party claims against the Contractor, to the fullest extent permitted by law, the Contractor waives any and all rights to any type of express or implied indemnity against the Indemnitees.

10.6. **Subcontractor Requirements.** In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such

Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Paragraph 11.

10.7. No Limitation or Waiver of Rights. Contractor's obligations under this Paragraph 11 are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Paragraph 11 are separate and independent from the insurance provisions set forth in the Contract Documents, and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Paragraph 11 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

10.8. Withholding to Secure Obligations. In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.

10.9. Survival of Indemnity Obligations. Contractor's obligations under this Paragraph 11 are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

11. SUCCESSORS AND ASSIGNS. The Parties bind themselves, their heirs, executors, administrators, successors and assigns the covenants, agreements and obligations contained in the Contract Documents. The Contractor shall not, either voluntarily or by action of law, assign any right or obligation of the Contractor under the Contract Documents without prior written consent of the City.

(SIGNATURE PAGE FOLLOWS)

CITY OF MORENO VALLEY, Municipal Corporation

Griffith Company

BY: _____
City Manager

License No./
Classification: _____

DATE: _____

Expiration Date: _____

Federal I.D. No.: _____

<u>INTERNAL USE ONLY</u>
APPROVED AS TO LEGAL FORM:

City Attorney

Date
RECOMMENDED FOR APPROVAL:

Public Works Director/City Engineer

Date

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

SIGNING INSTRUCTIONS TO THE CONTRACTOR:

Signature(s) must be accompanied by a completed notary certificate of acknowledgement attached hereto. A general partner must sign on behalf of a partnership. **Two (2)** corporate officers must sign on behalf of a corporation unless the corporation has a corporate resolution that allows one person to sign on behalf of the corporation; if applicable, said resolution must be attached hereto. The corporate seal may be affixed hereto.

CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT

SAMPLE

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

DESCRIPTION OF THE ATTACHED DOCUMENT

AGREEMENT SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

CONTRACTOR'S BONDS

PREMIUM \$ _____

**FAITHFUL PERFORMANCE BOND
(100% of Total Contract Price)**

PROJECT NO. 801 0031 70 77

**CACTUS AVE EASTBOUND 3RD LANE WIDENING IMPROVEMENT
VETERANS WAY TO HEACOCK STREET STAGE II
Widen the Eastbound 3rd Lane between Veterans Way and Heacock Street**

KNOW ALL MEN AND WOMEN BY THESE PRESENTS:

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City," has awarded to Griffith Company, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 801 0031 70 77**, and all Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond guaranteeing the faithful performance of said Agreement;

NOW THEREFORE, we the undersigned Contractor and _____, as Surety, are held and firmly bound unto the City of Moreno Valley, County of Riverside in the penal sum of _____ dollars, (\$ _____), lawful money of the United States, to be paid to the said City or its certain attorney, its successors and assigns; for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally liable (CCP 995.320 (a)(1)), firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bound Contractor, his or her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in said Contract Documents and any alterations thereof made as therein provided, on his or her or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect. In the event suit is brought upon this bond by the City and judgement is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

Contractor and Surety agree that this Faithful Performance Bond shall not be considered a part of the Agreement between Contractor and the City ("Agreement"). Contractor and Surety further agree that this Faithful Performance Bond is a separate obligation of the Contractor and its Surety, and that any attorneys' fee provision contained in this Faithful Performance Bond shall not apply to the Agreement. In the event there is any litigation between the parties arising from the breach of the Agreement, each party will bear its own attorneys' fees in the litigation.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract Documents or to the Work to be performed thereunder, or the Provisions accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Work or the Provisions.

(SIGNATURE PAGE FOLLOWS)

FAITHFUL PERFORMANCE BOND
00601-1

BOND NO. _____

IN WITNESS WHEREOF, we have hereunto set our hands, and seals on this _____ day
of _____ 20____.

CONTRACTOR (Principal)

SURETY

Contractor Name: _____

Name: _____

Address: _____

Address: _____

Telephone No.: _____

Telephone No.: _____

Print Name: _____

Print Name: _____

Attorney-in-Fact

Signature: _____

Signature: _____

Approved as to Form this

_____ day of _____ 20____

City Attorney
City of Moreno Valley

NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Bidder.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Bidder) and Surety may be served with notices, papers and other documents.
- The Bidder's and Surety's corporate seal may be affixed hereto.

**CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT**

SAMPLE

State of California
County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

**ADDITIONAL OPTIONAL INFORMATION
INSTRUCTIONS FOR COMPLETING THIS FORM**

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

DESCRIPTION OF THE ATTACHED DOCUMENT

FAITHFUL PERFORMANCE BOND SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ∨ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ∨ Indicate title or type of attached document, number of pages and date.
 - ∨ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

BOND NO. _____

PREMIUM \$ _____

**LABOR AND MATERIALS PAYMENT BOND
(100% of Total Contract Amount)**

PROJECT NO. 801 0031 70 77

**CACTUS AVE EASTBOUND 3RD LANE WIDENING IMPROVEMENT
VETERANS WAY TO HEACOCK STREET STAGE II
Widen the Eastbound 3rd Lane between Veterans Way and Heacock Street**

KNOW ALL MEN AND WOMEN BY THESE PRESENTS

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City", has awarded to **Griffith Company**, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 801 0031 70 77**, and Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond to secure the payment of claims of laborers, mechanics, materialmen, and other persons, as provided by law;

NOW, THEREFORE, we the undersigned Contractor and _____, as Surety are held and firmly bound unto the City of Moreno Valley, County of Riverside, in the penal sum of _____ dollars, (\$ _____), lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally liable (CCP 995.320 (a)(1)), firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said Contractor, his or her or its heirs, executors, administrator, successors or assigns, or subcontractors, shall fail to pay any of the persons described in the State of California Civil Code, Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Contractor and his or her subcontractors, pursuant to Section 13020, of the Unemployment Insurance Code, with respect to such work and labor, that the Surety or Sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In the event suit is brought upon this bond by the City or other person entitled to bring such an action and judgment is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

Contractor and Surety agree that this Labor and Materials Payment Bond shall not be considered a part of the Agreement between Contractor and the City ("Agreement"). Contractor and Surety further agree that this Labor and Materials Payment Bond is a separate obligation of the Contractor and its Surety, and that any attorneys' fee provision contained in this Labor and Materials Payment Bond shall not apply to the Agreement. In the event there is any litigation between the parties arising from the breach of the Agreement, each party will bear its own attorneys' fees in the litigation.

This bond shall inure to the benefit of any of the persons described in the State of California Civil Code Section 3181, to give a right of action to such persons or their assigns in any suit brought upon this bond.

(SIGNATURE PAGE FOLLOWS)

PAYMENT BOND
00602-1

BOND NO. _____

IN WITNESS WHEREOF, we have hereunto set our hands, and seals on this _____ day
of _____ 20____.

CONTRACTOR (Principal)

SURETY

Contractor Name: _____

Name: _____

Address: _____

Address: _____

Telephone No.: _____

Telephone No.: _____

Print Name: _____

Print Name: _____

Attorney-in-Fact

Signature: _____

Signature: _____

Approved as to Form this

_____ day of _____ 20____

City Attorney
City of Moreno Valley

NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Bidder.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Bidder) and Surety may be served with notices, papers and other documents.
- The Bidder's and Surety's corporate seal may be affixed hereto.

CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT

SAMPLE

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____

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

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

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be property completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, ~~is/are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ∨ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ∨ Indicate title or type of attached document, number of pages and date.
 - ∨ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

DESCRIPTION OF THE ATTACHED DOCUMENT

LABOR AND MATERIALS PAYMENT BOND
SIGNATURE PAGE

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E. Public Works Director/City Engineer

AGENDA DATE: November 18, 2014

TITLE: APPROVE RESOLUTION NO. 2014-90 ADOPTING AN ENERGY RISK MANAGEMENT POLICY FOR MORENO VALLEY UTILITY

RECOMMENDED ACTION

Recommendation:

1. Approve Resolution No. 2014-90. A Resolution of the City Council of the City of Moreno Valley, California, Adopting an Energy Risk Management Policy for Moreno Valley Utility.

SUMMARY

This report recommends approval of an Energy Risk Management Policy (Policy) to guide the Moreno Valley Utility (MVU) in managing and minimizing the risks associated with securing the energy to serve customers. The Policy describes acceptable risk parameters and limits, risk controls and reporting, and permitted transactions and product types. Once approved, the Policy will be reviewed annually for required updates.

On June 11, 2013, the City Council approved Resolution 2013-36 adopting a 10-Year Resource Plan for MVU. The Resource Plan quantified MVU's power supply needs over a 10-year period, prioritized resource preferences, and provided recommendations on the approval process for power purchases. In addition to the 10-Year Resource Plan, responsibly planning for and administering MVU's energy supply includes managing risks related to the purchase and sale of energy and related products. Examples of these types of risk include, but are not limited to, the following:

- Market Price Risk
- Credit/Counterparty Risk
- Delivery Risk
- Financial Risk
- Regulatory Risk
- Legislative Risk
- Weather/Volumetric Risk

DISCUSSION

The Policy shares the same goals as the 10-Year Resource Plan, but focuses on minimizing the risks associated with purchase and sale of energy and related products. These goals include: (1) providing stable electric rates for customers; (2) obtaining the best available price for power supply; and (3) managing energy procurement processes to promote administrative efficiency and cost-effectiveness. Highlights from the Policy are as follows:

- This Policy applies to all City of Moreno Valley employees, agents, contractors and/or consultants, who are engaged directly or indirectly with transactions in the energy markets on behalf of the City. It is expected that any City of Moreno Valley employee, agent, contractor and/or consultant who is involved with Energy Risk Management activities understand fully the extent to which his/her decisions and actions expose the City to risk.
- Authorized transactions are those directly related to the procurement and/or administration of electric energy, reserve capacity, transmission and distribution service, ancillary services, congestion revenue rights, renewable energy, renewable energy credits, scheduling activities, tolling agreements, and bilateral purchases of energy products from specific generating resources.
- Prohibited transactions are those not related to serving customers and/or reducing financial exposure. Examples include speculative buying and selling of energy products, transactions prohibited by federal, state, and/or local laws and regulation, and any financial derivatives.
- The transaction term shall be consistent with the recommendations described in the City's approved 10-Year Resource Plan.
- Competitive solicitations will be used to select the best price from a responsible bidder.
- All counterparties will be reviewed for creditworthiness.
- Exposure risk calculation shall be performed annually.
- Open position monitoring shall be performed on a monthly basis.
- Appropriate segregation of duties will be maintained to reduce risk.
- Once established, reserves will be monitored on an annual basis.

This policy does not address general business risks such as fire, accident, casualty, worker health and safety, and general liability.

This item was discussed at the Utilities Commission meeting on October 17, 2014, and the Utilities Commission recommended that the City Council approve the Energy Risk Management Policy.

ALTERNATIVES

1. Recommend approval of the Energy Risk Management Policy to the City Council. *Adherence to the Policy will help MVU to minimize risks associated with the purchase and sale of energy and related products.* Staff recommends this alternative.
2. Do not recommend approval of the Energy Risk Management Policy to the City Council. *The utility would not be operating under best business practices.* Staff does not recommend this alternative.

FISCAL IMPACT

There is no fiscal impact associated with this recommendation

NOTIFICATION

Publication of the Agenda.

ATTACHMENTS

- Attachment 1: Proposed Resolution
Exhibit A: Energy Risk Management Policy

Prepared By:
Jeannette Olko
Electric Utility Division Manager

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

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RESOLUTION NO. 2014-90

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING AN ENERGY RISK MANAGEMENT POLICY FOR MORENO VALLEY UTILITY

WHEREAS, the City of Moreno Valley (the "City") is authorized under various provisions of the California Constitution and the general laws of California (including, specifically, Article XI, Section 9(a) of the California Constitution, Public Utilities Code Section 10004, and Government Code section 39732(a)) to establish, purchase, and operate a public utility to furnish its inhabitants with, among other things, electricity; 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, it is the mission of the City of Moreno Valley Electric Utility to provide safe, reliable, and economical public electric service with a focus on customer needs, infrastructure enhancement, growth, and responsible resource management; and

WHEREAS, it is prudent electric utility planning to develop and implement an Energy Risk Management Policy to help ensure that Moreno Valley Utility operates in a manner that is consistent with its mission while adhering to financial policies established by the City Council, contractual commitments, and all applicable laws and regulations; and

WHEREAS, the City desires to develop and implement an Energy Risk Management Policy for Moreno Valley Utility that establishes the framework to manage and mitigate risks inherent in serving retail electric load which will be reviewed and updated as necessary, and approved by the City Council on an annual basis.

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

That the City of Moreno Valley Energy Risk Management Policy as set forth in Exhibit A is hereby approved and shall become effective pursuant to the terms contained therein.

1
Resolution No. 2014-90
Date Adopted: November 18, 2014

APPROVED AND ADOPTED this 18th day of November 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-90²
Date Adopted: November 18, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-90 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 18th day of November 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

3
Resolution No. 2014-90
Date Adopted: November 18, 2014

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I. Introduction

It is the mission of the City of Moreno Valley Electric Utility (hereinafter the “City” or “MVU”) to provide safe, reliable, and economical public electric service with a focus on customer needs, infrastructure enhancement, growth, and responsible resource management.

This Energy Risk Management Policy (Policy) has been developed to help ensure that MVU operates in a manner that is consistent with its mission while adhering to financial policies established by the City Council, contractual commitments (e.g. power supply; and distribution system operations and maintenance), and all applicable laws and regulations. This Policy is designed to establish the framework for MVU to manage and mitigate the risks that are inherent with serving retail electric load (e.g., residential and business customers using electric energy delivered by MVU). Examples of these types of risk include, but are not limited to, the following:

- Market Price Risk
- Credit/Counterparty Risk
- Delivery Risk
- Financial Risk
- Regulatory Risk
- Legislative Risk
- Weather/Volumetric Risk

The Policy focuses on the following:

- Acceptable risk parameters and risk limits;
- Risk controls and reporting; and
- Permitted transactions and product types.

Risk mitigation measures will be analyzed and implemented as appropriate. Annual review of this policy is recommended to measure its effectiveness in mitigating risks associated with the purchase and sale of energy and related products. Appendix A of this Policy provides a table identifying key risks that may impact MVU, including a detailed description of each risk, steps for identifying such risks, related mitigation measures, and allocation of management/staff responsibilities within MVU.

As noted, this Policy shall be formally reviewed and updated on an annual basis. Any modifications to the Policy must be approved by the City Council during the annual review cycle.

II. Energy Risk Management Approach

This Policy applies to all City of Moreno Valley employees, agents, contractors and/or consultants, who are engaged directly or indirectly with transactions in the energy markets on behalf of the City. The purpose of the Policy is to build and maintain risk awareness within the City and recognize the risks that may be faced during the purchase and sale of energy and related products. It is expected that any City of Moreno Valley employee, agent, contractor and/or consultant who is involved with Energy Risk Management activities understand fully the extent to which his/her decisions and actions expose the City to risk. This document serves as a vehicle to describe and define the Risk Management activities that are considered appropriate for MVU in the normal course of business.

Responsibly planning for and administering MVU's energy supply includes managing risks related to the purchase and sale of energy and related products in the wholesale market as well as, and in particular, through the California Independent System Operator ("CAISO"). Any activities that are not related to MVU's normal power supply business and have the effect or potential to increase risk without authorization shall be avoided. Risks associated with wholesale electricity contracts will be mitigated through diversified terms and conditions, contract periods and durations (e.g., short-, mid- and long-term), delivery points, counterparties, fuel sources (e.g., conventional and renewable), and product types (e.g., block, shaped/load following and as-available delivery profiles).

To the fullest extent allowed under California's Public Records Act, MVU employees shall maintain the confidentiality of strategic plans for competitive transactions as well as information exchanged with partners, suppliers, customers, and other entities that may competitively disadvantage the utility when transacting for requisite energy products. .

III. Energy Risk Management Objectives

There are three primary objectives that energy risk management activities strive to achieve: (1) provide stable electric rates for customers; (2) obtain the best available price for requisite power supply; and (3) manage energy procurement business processes to promote administrative efficiency and cost effectiveness. Normal power supply activities are to be focused around these objectives.

1. Stable rates – stable electric rates are extremely important to customers and to the City. However, energy prices in the wholesale market can be extremely volatile, especially during the summer months. Therefore, managing price volatility such that rates remain stable is of primary concern.

To achieve this objective, maintaining a Rate Stabilization Reserve Fund (“Fund”) is necessary. A Rate Stabilization Reserve Fund provides financial liquidity and flexibility when entering into shorter-term contracts and spot market purchases that may be necessary to meet the near-term energy demands of MVU customers. More specifically, the Fund, to the extent available, will help insulate MVU’s customers from unexpected increases in transaction costs (i.e., if/when near-term prices associated with electric energy abruptly and significantly rise due to unforeseen events, such as outages in backbone electric transmission infrastructure) that would otherwise impose upward pressure on retail electric rates. Other planning and procurement strategies currently observed by MVU, including fixed-price energy purchases for significant portions of MVU’s expected energy requirements, will effectively minimize potential rate impacts when used in concert with the Fund. Establishing a meaningful Fund balance is a matter of high priority for MVU – staff are currently developing a proposal for initial and ongoing Fund management, including minimum balance targets, conditions under which the Fund may be used, and incremental additions to the Fund balance.

2. Best available power supply price – MVU will work to reduce the utility’s exposure to potential adverse energy price movements and secure power supply contracts at the best possible price in accordance with the policies set forth in the 10-Year Resource Plan.
3. Best business practices – City staff will use business practices and controls to identify, evaluate, and manage risks associated with the purchase of energy. Development of such practices will take into consideration the availability of MVU staff and consultants/contractors, who may be involved in completing requisite tasks associated with the risk management function. In addition, staff will endeavor to streamline processes to ease the administrative burdens associated with planning and procurement activities as well as all applicable reporting requirements.

IV. Scope

This Policy shall apply to the resources and contracts of MVU and the enterprise funds that relate directly to the acquisition of energy resources.

This Policy prescribes the authority, processes, and tools to be used to monitor, measure, and control market risks to which the City is exposed in its normal course of business related to participation in wholesale energy markets and the provision of retail electric service as well as participation in capital projects and initiatives undertaken by joint powers authorities.

This policy does not address general business risks such as fire, accident, casualty, worker health and safety, and general liability.

V. General Transacting Policy

A. Authorized Transactions

1. Authorized transactions are those transactions directly related to the procurement and/or administration of electric energy, reserve capacity, transmission and distribution service, ancillary services, congestion revenue rights ("CRRs"), renewable energy, renewable energy credits ("RECs"), scheduling activities, tolling agreements, and bilateral purchases of energy products from specific generating resources.

2. All transactions must be consistent with this Policy.

B. Prohibited Transactions

1. Any transaction that is not related to serving retail electric load and/or reducing financial exposure. Speculative buying and selling of energy products is prohibited. Speculation is defined as buying energy not needed for meeting forecasted load or selling energy that is not yet owned by MVU. In no event shall speculative transactions be permitted.

2. Any transactions prohibited by federal, state, and/or local laws and regulations.

3. Any financial derivatives transaction including, but not limited to futures, swaps, options, and swaptions.

C. Transaction Terms

1. The term of any supply resource transaction shall be consistent with the recommendations described in the City's approved 10-Year Resource Plan. Specifically, transactions shall be staged such that purchases are diversified across varying contract lengths, resource types, and suppliers to minimize exposure to the volatility of energy prices.

2. Purchases of system energy will typically be for short and medium terms (< 5 years), while unit-specific and tolling agreements may be for short, medium, and long terms (which may extend beyond 10 years in duration).

3. Generally, competitive solicitations will be used to select the best price from a responsible bidder. For longer term purchases, a Request for Proposal ("RFP") may be used when a specific resource need is identified, sufficient time exists to conduct a RFP, and management believes that a RFP will yield the most competitive outcome. Bilaterally negotiated agreements in response to unsolicited proposals may be used for unique opportunities to the extent that the expected timeline associated with a RFP would prevent the execution of a beneficial opportunity. Shorter terms purchases from energy markets with sufficient market price transparency will typically be negotiated on a bilateral basis or through independent energy brokers as the result of a request for offers ("RFO"). The RFO process allows for maximum operational flexibility to manage supply and demand imbalances in an efficient manner.

D. Procurement Authority

The Procurement Authority guidelines as set forth in the 10-Year Resource Plan will govern this Policy.

E. Hedging

Hedging strategies reduce exposure risk and a lack of hedging activity can lead to additional transaction costs or future reduced benefits from leaving open positions in a volatile pricing environment.

F. Creditworthiness

1. All counterparties will be reviewed for public debt ratings as published by nationally recognized statistical rating organizations such as Standard & Poor's Rating Group ("S&P") and Moody's Investor Services ("Moody's").
2. The counterparty or its guarantor must possess a long-term, senior unsecured debt rating of at least BBB- (or its equivalent) from an acceptable rating organization or must post transaction security acceptable to MVU. If ratings differ between rating agencies, the lowest available rating will be used.
3. Counterparties accepted by the CAISO to provide electric capacity products in the CAISO markets to meet CAISO capacity requirement policies shall be considered acceptable counterparties by MVU for the purchase of such capacity products. The performance obligations and monetary sanctions applicable to CAISO electric capacity products are the responsibility of the seller of such electric capacity products as specified in Rules of Conduct, Section 37.2 and Resource Adequacy, Section 40.7 "Compliance" of the Conformed Fifth Replacement CAISO Tariff as of July 1, 2014. Thus failure to perform by the counterparty for electric capacity products in the CAISO markets will not increase MVU's financial liability to the CAISO or to the counterparty.
4. In order to reduce counterparty risk, MVU will conduct a thorough counterparty due diligence process for any newly identified counterparty. Such efforts include, but are not limited to a creditworthiness analysis, review of any outstanding and/or pending legal or litigation proceedings, reference checks and verification of past performance, as well as a general financial analysis.

VI. Risk Monitoring and Reporting

- A. Mark-to-Market Valuation – marking to market is the process of determining the current value of all transactions used to close inherent portfolio open positions over a defined period. Marking the portfolio to market identifies how the portfolio and individual transactions compare to market valuations at a given point in time. A mark-to-market shall be performed at least on a monthly basis.

B. Exposure Reporting – exposure risk calculates the notional dollar risk exposure of open portfolio positions using budget as compared to market prices. The exposure risk calculation shall be performed annually as part of the budgeting process.

C. Open Position Monitoring – on a monthly basis, MVU staff will calculate/monitor MVU’s open position for energy and capacity (resource adequacy) during the following calendar month (for example, MVU will determine its open position for May during the month of April). If an open short position is identified in excess of 10% for a specific energy or capacity product, MVU will procure the additional resources to ensure 100% coverage on a month-ahead basis. Open positions for renewable energy will be monitored on a semi-annual basis; any open positions will be addressed in consideration of MVU’s then current procurement policies focused on renewable energy, including pertinent cost containment provisions.

D. Reserve Requirement Targets – on an annual basis, MVU staff will monitor MVU’s operating reserve, emergency reserve, capital reserve, and rate stabilization reserve fund accounts to ensure that they meet the targeted thresholds. If MVU falls out of compliance with the established reserve targets, then MVU must develop a mitigation plan that provides the blue print for meeting the set thresholds in a timely manner. MVU has set the following reserve requirement targets:

1. Operating Reserve: set by a formula that multiplies MVU’s total annual operating expense by the ratio of sixty days cash and the total days in the year.
2. Emergency Reserve: set at 3% of MVU’s annual gross plant balance.
3. Capital Reserve: set at a one to one ratio of MVU’s annual depreciation expense.
4. Rate Stabilization Reserve Fund: as previously noted, MVU staff is currently developing a proposal for Rate Stabilization Reserve Fund management, including minimum balance targets, conditions under which the Fund may be used, and incremental additions to the Fund balance. Such proposal will be presented to the City Council for review and potential approval.

VII. Oversight

A. City Council

The City Council is responsible for making high-level broad policy and strategy decisions as contained in this Policy document. The Policy shall guide MVU's business practices relating to energy procurement, articulate the City's risk philosophy, and establish risk tolerances. The City Council shall adopt the Policy and delegate to the City Manager or his/her designee the authority to execute the Policy. The City Council shall review the Policy on an as needed basis.

B. Utilities Commission

The Utilities Commission shall review and recommend City Council approval of substantive modifications to the Energy Risk Management Policy.

C. MVU Staff

Appropriate segregation of duties is to be established and maintained throughout the system of controls over financial risk, to reduce the risk or error and/or fraud. Management must be diligent in ensuring that appropriate segregation of duties is adhered to within the context of organizational changes, while considering staffing limitations, MVU's business model as a cost hedger, and the overall level of transactions with counterparties.

MVU risk management functions are separated as follows:

Front Office – Planning and Procurement	Middle Office – Controls and Reporting	Back Office – Settlement and Processing
Duties and Functions: <ul style="list-style-type: none"> • Marketing Contact • Deal structure • Pricing • Transaction booking • Resource planning • Procurement 	Duties and Functions: <ul style="list-style-type: none"> • Risk monitoring • Risk measurement • Transaction compliance with policy • Counterparty due diligence and approval 	Duties and Functions: <ul style="list-style-type: none"> • Ensure proper verification, validation, reconciliation, analysis, and recording of power resources transactions • Confirmation of transactions • Tracking, processing,

		supporting, reporting, and/or performing transaction settlements <ul style="list-style-type: none"> • Contract management and compliance
Staff responsibility: <ul style="list-style-type: none"> • Electric Utility Division Manager 	Staff responsibility: <ul style="list-style-type: none"> • Electric Utility Division Manager • Public Works Director/City Engineer • City Manager 	Staff responsibility: <ul style="list-style-type: none"> • MVU scheduling agent • MVU staff

D. Conflict of Interest

In accordance with the Municipal Code and California law, MVU employees involved in transacting and oversight of MVU's resource supply acquisition programs may not engage in financial conflicts of interest, unless the City is duly informed and it elects to waive such conflicts. All appropriate Utility employees will be required to file an annual Statement of Economic Interests (Form 700 Disclosure forms) in order to disclose any financial interest in MVU counterparties.

Risk	Definition	Identification	Mitigation	Responsibility
Market Price Risk	The risk that the absolute price of a given commodity will fluctuate, thereby exposing MVU to potential financial losses	<ul style="list-style-type: none"> Mark to market analysis and reporting General market analysis Forward price curve monitoring 	<ul style="list-style-type: none"> Diversification of energy resources Net position analysis 	<ul style="list-style-type: none"> Financial Analyst Electric Utility Division Manager
Credit/ Counterparty Risk	The potential financial loss resulting from a counter-party's failure to honor its obligations, including the obligation to settle on a timely basis	<ul style="list-style-type: none"> Credit analysis Know Your Counterparty ("KYC") analysis 	<ul style="list-style-type: none"> Diversification counterparties Netting agreements Guarantees and letters of credit Credit rating thresholds 	<ul style="list-style-type: none"> Financial Analyst Electric Utility Division Manager
Delivery Risk	The risk of loss due to non-delivery of power which could decrease MVU's system reliability and/or increase financial exposure	<ul style="list-style-type: none"> Outage risk analysis Reliability dashboard 	<ul style="list-style-type: none"> Contractual flexibility in delivery locations Diversification of delivery points Implementation of demand-side resources 	<ul style="list-style-type: none"> Senior Electrical Engineer Electric Utility Division Manager
Financial Risk	The risk that MVU will be unable to meet its financial obligations	<ul style="list-style-type: none"> Development of a pro forma model Rate analysis Debt analysis 	<ul style="list-style-type: none"> Implementation of reserve accounts and thresholds Financial sensitivity analysis 	<ul style="list-style-type: none"> Financial Analyst Electric Utility Division Manager
Operational Risk	The risk of direct or indirect financial loss resulting from inadequate or failed internal processes, human error, IT shortcomings, etc.	<ul style="list-style-type: none"> Implementation of controls and procedures for all transactions Periodic audits of established transactional processes and systems 	<ul style="list-style-type: none"> Trade capture system Training Develop processes and controls around each transaction type Develop compliance manual 	<ul style="list-style-type: none"> Electric Utility Division Manager
Regulatory Risk	Market structure and operational risks associated with shifting state and federal regulatory policies, rules, and regulations	<ul style="list-style-type: none"> Participate in working groups and advocacy coalitions Regulatory email and mailing distribution lists 	<ul style="list-style-type: none"> Develop relationships with California regulators and agencies Provide comments on regulatory rulemakings 	<ul style="list-style-type: none"> Electric Utility Division Manager

Legislative Risk	Risks associated with actions by federal and state legislature bodies	<ul style="list-style-type: none"> • Participate in working groups and advocacy coalitions • Contract a lobbyist 	<ul style="list-style-type: none"> • Develop relationships with members of California legislature 	<ul style="list-style-type: none"> • Electric Utility Division Manager
Weather/ Volumetric Risk	The potential adverse economic impact of anticipated changes in supply and/or demand. For example, having less than anticipated retail sales due to a cooler than normal summer	<ul style="list-style-type: none"> • Temperature and load analysis • Water level analysis • Power plant heat rates monitoring 	<ul style="list-style-type: none"> • Diversification of energy procurement sources • Diversification of hedging strategies (short- and long-term) 	<ul style="list-style-type: none"> • Electric Utility Manager

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: November 18, 2014

TITLE: ADOPT RESOLUTION NO. 2014-91, APPROVING AND AUTHORIZING THE EXECUTION OF AN INTERNAL FUND LOAN AGREEMENT TO FINANCE THE PURCHASE OF PROPERTY FOR A 115 KV SUBSTATION AND ADOPT RESOLUTION NO. 2014-92, DECLARING AN OFFICIAL INTENT TO ISSUE BONDS THROUGH THE MORENO VALLEY PUBLIC FINANCING AUTHORITY AND TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF THE INDEBTEDNESS

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. 2014–91. A Resolution of the City Council of the City of Moreno Valley, California, Approving and Authorizing the Execution of an Internal Fund Loan Agreement to Finance the Purchase of Property for a 115 kV Substation.
2. Adopt Resolution No. 2014–92. A Resolution of the City Council of the City of Moreno Valley, California, Declaring an Official Intent to Issue Bonds Through the Moreno Valley Public Financing Authority and to Reimburse Certain Expenditures from the Proceeds of the Indebtedness.

SUMMARY

The annual Distribution System Plan (DSP) for Moreno Valley Utility has identified the need for a 115 kV substation in the south industrial area of the city to accommodate the development of such projects as Amazon, Deckers Outdoors, and Proctor and Gamble.

Customer load in the south industrial area is forecasted to be at 115% of capacity by 2016.

A vacant 1.87 acre parcel at the northwest corner of Kitching St. and Edwin Rd. has been identified as an ideal location for the substation as it is close to an existing SCE 115 kV line. It is the only available property along Kitching St., which runs parallel to the SCE 115 kV line. The owner of the property has agreed to sell the property to the City for the appraised value of \$489,000, as referenced in Attachment 3, Conveyance Agreement.

On April 11, 2006, the City Council approved Resolution No. 2006-39, authorizing the establishment of a line of credit for Moreno Valley Utility (MVU) to support electrical energy purchases and capital advances. MVU will utilize its existing line of credit with the General Fund Capital Reserve Account to purchase the property. The purpose of the internal fund agreement is to identify repayment terms.

DISCUSSION

The substation will provide additional capacity needed in the south industrial area, and also provide additional operational flexibility to MVU's electric distribution system. It is anticipated that the substation will consist of two 28 MVA 115/12 kV transformers, a switching station, circuit breakers, control room, and underground distribution circuit feeders. The estimated time to complete the design and construction of the substation is approximately two to three years.

MVU currently has available a \$2.6 million line of credit with the General Fund. An amount of \$489,000 will be drawn against the line of credit to use for the purchase of the 1.87 acre vacant parcel at Kitching St. and Edwin Rd. The line of credit will be repaid with interest from proceeds of a future 2015 bond issue. Attachment 2 will allow for the reimbursement of these funds if and when a bond is issued. If the future bond issue is not approved, the line of credit will be repaid with interest from utility revenues on or before June 30, 2016.

Exhibit B to Attachment 1 is an Internal Fund Loan Agreement creating a loan obligation of \$489,000 to be repaid at an annual interest rate equivalent to the internal portfolio investment rate.

ALTERNATIVES

1. Adopt the proposed Resolution, approving and authorizing the execution of an Internal Fund Loan Agreement to finance the purchase of property for a 115 kV substation; and the proposed Resolution, declaring an official intent to issue bonds through the Moreno Valley Public Financing Authority and to reimburse certain expenditures from the proceeds of the indebtedness. *The purchase of the property and reimbursement of expenditures will pave the way for the design and construction of a substation that will serve new customers in the south industrial*

area, and provide for additional operational flexibility for MVU's electric distribution system. Staff recommends this alternative.

2. Do not adopt the proposed Resolution, approving and authorizing the execution of an Internal Fund Loan Agreement to finance the purchase of property for a 115 kV substation; and the proposed Resolution, declaring an official intent to issue bonds through the Moreno Valley Public Financing Authority and to reimburse certain expenditures from the proceeds. *The substation project will not be completed, leaving the Globe, Indian, Iris, and 33 kV interconnects in the south industrial area over capacity, and the utility will not have been reimbursed for certain expenditures.* Staff does not recommend this alternative.

FISCAL IMPACT

The Internal Fund Loan Agreement creates an obligation in the amount of \$489,000 plus interest. The General Fund Capital Reserve Account will be repaid from proceeds of a future 2015 bond issue if approved by the City Council, or from utility revenues.

A budget adjustment of \$7,500 for interest expense will be required for Fiscal Year 14/15.

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 14/15 Budget	Proposed Adjustments	FY 14/15 Amended Budget
Interest Expense	Electric	6010-70-80-45510-670410	Exp	\$12,020	\$7,500	\$19,520
Interest Income	Gen. Fund	1010-99-99-91010-406200	Rev	5,000	7,500	12,500

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 the Agenda.

ATTACHMENTS

Attachment 1: Proposed Resolution - Approving and Authorizing the Execution of an Internal Fund Loan Agreement to Finance the Purchase of Property for a 115 kV Substation.

Attachment 2: Proposed Resolution - Declaring an Official Intent to Issue Bonds through the Moreno Valley Public Financing Authority and to Reimburse Certain Expenditures from the Proceeds of the Indebtedness

Attachment 3: Agreement for Conveyance of Property

Attachment 4: Staff report and Resolution 2006-39

Prepared By:
Jeannette Olko
Electric Utility Division Manager

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Brooke McKinney
Treasury Operations Division Manager

Department Head Concurrence:
Richard Teichert
Chief Financial Officer/City Treasurer

Concurred By:
Marshall Eyerman
Financial Resources Division Manager

RESOLUTION NO. 2014-91

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING AND AUTHORIZING THE EXECUTION OF AN INTERNAL FUND LOAN AGREEMENT TO FINANCE THE PURCHASE OF PROPERTY FOR A 115 KV SUBSTATION

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, the City of Moreno Valley (the "City") has determined that the design, acquisition and construction of a 115 kV substation in the south industrial area described in Exhibit A attached hereto (the "Project") is necessary and proper for the common benefit of the City and under the terms of applicable law, the payment for such Project may be made from the revenues generated by the Moreno Valley Utility through its application of electricity generation and transmission rates and fees; and

WHEREAS, on April 11, 2006, the City Council of the City of Moreno Valley approved Resolution No. 2006-39 establishing a Revolving Line of Credit to support electrical energy purchases and capital advances for Moreno Valley Utility. Moreno Valley Utility desires to utilize the line of credit for the purchase of property for the Project; and

WHEREAS, interest shall accrue for any monies from the initial date of the loan with interest to accrue at a rate equivalent to the quarterly internal portfolio investment rate reported by the Treasury Officer, as adjusted quarterly.

WHEREAS, it is the intent that the General Fund Capital Reserve Account will be reimbursed with proceeds from a future revenue obligation, as described in Exhibit B, the Internal Fund Loan Agreement, attached hereto; and

WHEREAS, if the future revenue obligation is not issued, Moreno Valley Utility will use utility revenue to reimburse the General Fund Capital Reserve Account within two years.

1
Resolution No. 2014-91
Date Adopted: November 18, 2014

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

1. All of the recitals herein contained are true and correct and the City Council so finds.
2. The officers, employees and agents of the City are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the actions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of the Resolution.
3. All actions heretofore taken by the officers, employees and agents of the City with respect to the actions set forth above are hereby approved, confirmed and ratified.
4. This resolution shall be in full force and effect upon its adoption.

APPROVED AND ADOPTED this 18th day of November 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

2
Resolution No. 2014-91
Date Adopted: November 18, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-91 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 18th day of November 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

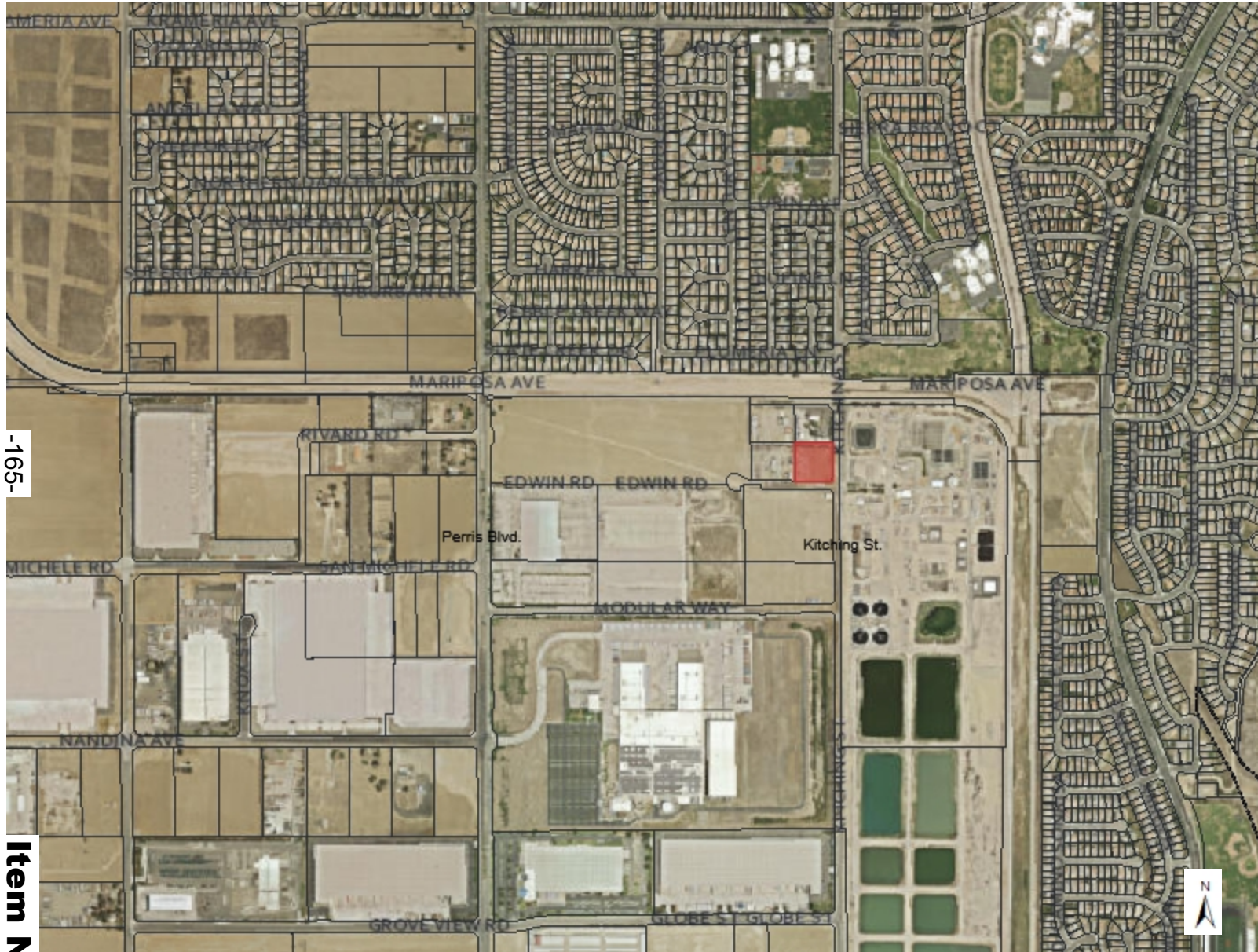
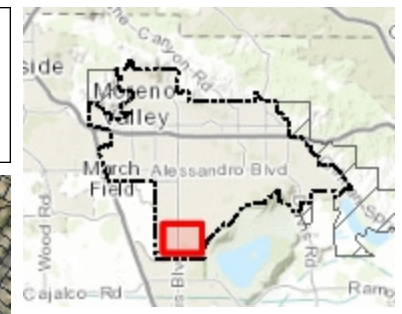
(SEAL)

Resolution No. 2014-91³
Date Adopted: November 18, 2014

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Proposed 115 kV Substation Site



Legend

- Public Facilities
 - Public Facilities
 - ★ Fire Stations
- Parcels
- ⊞ City Boundary
- ⊞ Sphere of Influence

Notes

The proposed Project is a 56 MVA, 115/12kV substation with underground distribution circuit feeders.

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Resolution No. 2014-91

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Item No. A.9



DISCLAIMER: The information shown on this map was compiled from the City of Moreno Valley GIS and Riverside County GIS. 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 City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map.

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INTERNAL FUND LOAN AGREEMENT

The City of Moreno Valley is authorizing the Loan Agreement (“Agreement”) that is an Interfund Loan entered into as of the 18th day of November, 2014 by and between Moreno Valley Utility (Fund 6010) and the General Fund Capital Reserve Account (Fund 1010).

AGREEMENT

1. The General Fund Capital Reserve Account agrees to loan Moreno Valley Utility an amount of \$489,000 for the purchase of property for a proposed substation at the northwest corner of Kitching St. and Edwin Rd.
2. Repayment of the funds in full, plus interest, shall take place on or before June 30, 2016.
3. The interest rate applied shall be the City’s internal portfolio investment rate.
4. If the funds are not repaid on or before June 30, 2016 in full, the City Council will reconsider this matter and direct staff regarding payment of the outstanding balance.

IN WITNESS WHEREOF, the parties have executed this Agreement as of November 18, 2014.

CITY OF MORENO VALLEY

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

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RESOLUTION NO. 2014-92

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DECLARING AN OFFICIAL INTENT TO ISSUE BONDS THROUGH THE MORENO VALLEY PUBLIC FINANCING AUTHORITY AND TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF THE INDEBTEDNESS

WHEREAS, the City of Moreno Valley (the "City") has determined that the design, acquisition and construction of certain infrastructure improvements related to the transmission of electricity described in Exhibit A hereto (the "Project") are necessary and proper for the common benefit of the City and under the terms of applicable law, the payment for such Project may be made from the revenues generated by the Moreno Valley Utility through its application of electricity generation and transmission rates and fees, as those terms are defined in the Installment Lease Agreement; and

WHEREAS, the City intends to finance the Project or portions of the Project with the proceeds of its revenue obligations (the "Obligations") in an amount not to exceed \$25,000,000; and

WHEREAS, beginning the 60-day period prior to the date hereof, the City has paid or incurred, or expects to pay or incur, costs with respect to the Project, prior to the execution and delivery of the Obligations in order to finance the Project; and

WHEREAS, prior to the issuance of the obligations the City may have paid or incurred costs of certain capital expenditures with respect to the Project from available moneys of the City prior to the issuance of the Obligations; and

WHEREAS, prior to the issuance of the obligations the City may have paid or incurred certain "preliminary expenditures" in connection with the Project, which term includes architectural, engineering, surveying, soil testing, reimbursement bond issuance and similar costs that are incurred prior to the commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to the commencement of construction; and

WHEREAS, proceeds of the Obligations will be allocated to reimbursement expenditures no later than 18 months after the later of (i) the date the cost is paid, or (ii) the date of the Project (or each component thereof) is placed into service or abandoned (but in no event more than three years after the cost is paid); and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the City to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of indebtedness; and

1
Resolution No. 2014-92
Date Adopted: November 18, 2014

WHEREAS, the Moreno Valley Public Financing Authority will act as the issuer and the City as the borrower of the proceeds of the Obligations and the City is the applicable authorized entity to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of indebtedness; and

WHEREAS, the City wishes to declare its official intent to use proceeds of indebtedness to reimburse Project expenditure paid before the obligations are executed and delivered and to finance Project costs on long-term basis with the proceeds of such indebtedness.

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

1. All of the recitals herein contained are true and correct and the City Council so finds.
2. This resolution is adopted by the City Council solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. Unless otherwise defined, terms herein shall have the meaning set forth in the Internal Revenue Code 1986 and in Section 1.150-2 of the Treasury Regulations. This Resolution does not bind the City to make any expenditure, incur any indebtedness, or proceed with the Project.
3. The officers, employees and agents of the City are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the actions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of the Resolution.
4. All actions heretofore taken by the officers, employees and agents of the City with respect to the actions set forth above are hereby approved, confirmed and ratified.
5. This resolution shall be in full force and effect upon its adoption.

2
Resolution No. 2014-92
Date Adopted: November 18, 2014

APPROVED AND ADOPTED this 18th day of November, 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-92³
Date Adopted: November 18, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-92 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 18th day of November 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

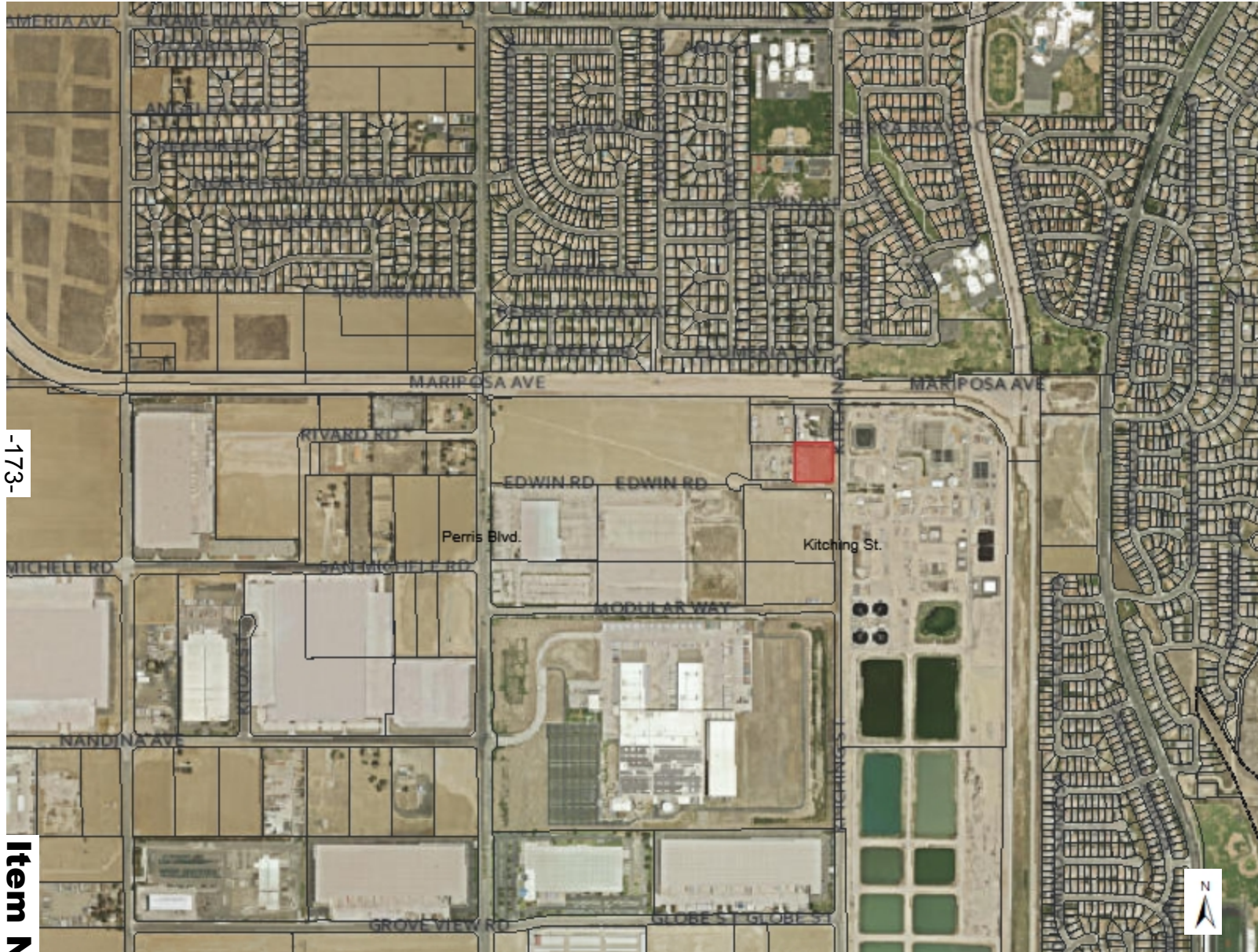
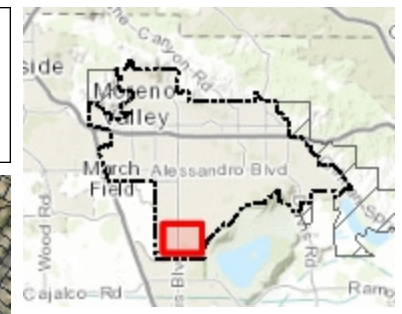
CITY CLERK

(SEAL)

4
Resolution No. 2014-92
Date Adopted: November 18, 2014



Proposed 115 kV Substation Site



Legend

- Public Facilities
 - Public Facilities
 - ★ Fire Stations
- Parcels
- ⬡ City Boundary
- ⊞ Sphere of Influence

Notes

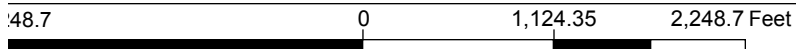
The proposed Project is a 56 MVA, 115/12kV substation with underground distribution circuit feeders.

5

Resolution No. 2014-92

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Item No. A.9



DISCLAIMER: The information shown on this map was compiled from the City of Moreno Valley GIS and Riverside County GIS. 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 City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map.

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AGREEMENT
FOR CONVEYANCE OF PROPERTY

THIS AGREEMENT is entered into by and between Nancy X. Arnold ("Grantor"), and the CITY OF MORENO VALLEY, a municipal corporation ("Grantee").

RECITALS

A. Grantor owns certain real property located at the northwest corner of Kitching Street and Edwin Road, Moreno Valley, California bearing Assessor Parcel No. 312-250-016 (the "Property").

B. Grantee desires to purchase in Fee Simple, the Property, and Grantor desires to sell and convey the Property as described in Exhibit "A" attached hereto.

C. The parties desire by this Agreement to provide the terms and conditions for the purchase and sale of the Property.

AGREEMENT

The parties therefore agree as follows:

1. PURCHASE.

Grantee agrees to buy and Grantor agrees to sell and convey the Property for the purchase price and upon the terms and conditions hereinafter set forth. The Purchase Price, defined below, is acknowledged by both parties to be fair market value for the Property.

2. ESCROW.

Upon execution of this Agreement by all parties, Grantee shall open an escrow (the "Escrow") with Commonwealth Title Company (the "Escrow Holder") for the purpose of consummating the purchase and sale of the Property. The parties hereto shall execute and deliver to Escrow Holder such escrow instructions prepared by Escrow Holder as may be required to consummate this transaction. Any such instructions shall not conflict with, amend, or supersede any provision of this Agreement. If there is any inconsistency between such instructions and this Agreement, this Agreement shall control unless the parties agree in writing otherwise. The Escrow Instructions shall include the following terms and conditions of sale:

2.1 PURCHASE PRICE.

The total purchase price for the Property shall be the lump sum of Four Hundred Eighty Nine Thousand Dollars (\$489,000.00) which shall be paid by Grantee to Grantor through Escrow Holder in cash at Close of Escrow.

2.2 CLOSE OF ESCROW.

Escrow shall close on or before sixty (60) days following the execution of this Agreement (the "Close of Escrow"). If the Escrow is not in a condition to close by the Close of Escrow, any party who is not then in default may, in writing, demand the return of its/his/her money and/or documents. Thereupon, subject to the provisions in paragraph 3, all obligations and liabilities of the parties under this Agreement shall cease and terminate. If no such demand is made, Escrow shall be closed as soon as possible.

2.3 CONDITION OF TITLE TO THE PROPERTY.

Grantor shall convey title to the Property to Grantee as evidenced by a CLTA Standard Form Policy or Binder of Title Insurance ("Title Policy") issued by a title insurance company to be selected by Grantee in an amount equal to the purchase price. The Title Policy shall show as exceptions with respect to the Property only matters approved in writing by Grantee.

Any exceptions to title representing monetary liens or encumbrances are hereby disapproved by Grantee, and Escrow Holder is hereby authorized and instructed to cause the reconveyance, partial reconveyance, or subordination, as the case may be, of any such monetary exceptions to Grantee's title to the Property at or prior to the Close of Escrow.

2.4 ESCROW AND CLOSING COSTS.

Grantee shall pay the cost of the Title Policy, all Escrow fees (including reconveyance fees, trustee's fees or forwarding fees for any partial reconveyance or subordination of a deed of trust or mortgage), and all recording costs incurred herein. All parties acknowledge that Grantee is exempt from payment of documentary transfer taxes.

2.5 INVESTIGATIONS.

Prior to the Close of Escrow, Grantee may, at its option, conduct, at Grantee's expense, any and all investigations, inspections, surveys, and tests of the Property including, without limitation, soils, groundwater, wells, percolation, geology, environmental, drainage, engineering and utilities investigations, inspections, surveys, and tests, which determines, in its sole discretion, are required to determine the suitability of the Property for Grantee's intended use thereof. If Grantee determines that the Property are not suitable for its intended use, Grantee may disapprove this item and terminate this Agreement as provided at Section 2.2 above. Grantor hereby grant to Grantee, and Grantee's employees, representatives, agents and independent contractors, a license to enter the Property for purposes of conducting such investigations, inspections, surveys, and tests. Grantee shall repair any damage to the Property resulting from such investigations, inspections, surveys, and tests conducted by Grantee or Grantee's employees, representatives, agents or independent contractors. Grantee's approval of any of such investigations, inspections, surveys, or tests shall not alter or diminish Grantor representations or warranties under this Agreement, and Grantor acknowledge and agree that Grantee is relying upon Grantor' representations and warranties made herein, unless such representation or warranty is specifically waived in whole or in part by Grantor.

2.6 DEPOSIT OF FUNDS AND DOCUMENTS.

A. Prior to Close of Escrow, Grantee shall deposit into Escrow (i) all Escrow and Closing Costs as described above; (ii) the purchase price to be paid to Grantor through Escrow; and (iii) such other documentation as is necessary to close Escrow in conformance herewith.

B. Prior to the Close of Escrow, Grantor shall deposit into Escrow (i) the properly executed Property Deed conveying the Property, and (ii) such other documents and sums, if any, as are necessary to close Escrow in conformance herewith.

2.7 GRANTEE'S CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

The Close of Escrow is subject to the following conditions:

(a) All representations and warranties of Grantor set forth in this Agreement shall be true and correct as of the Close of Escrow; and

(b) Grantor shall timely perform all obligations required by the terms of this Agreement to be performed by them.

2.8 GRANTOR'S CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

For the benefit of Grantor, the Close of Escrow shall be conditioned upon the timely performance by Grantee of all obligations required of Grantee by the terms of this Agreement.

3. POSSESSION OF PROPERTY.

Grantor hereby agrees that Grantee may take possession of the Property and begin construction of the works of improvement thereon as of the date of execution of this Agreement, prior to the Close of Escrow; if escrow should not close for any reason, or under the conditions specified in paragraph 2.3, or in paragraph 7, or in any other paragraph hereunder, Grantee shall have the right to continue in possession and construct the works of improvement, and Grantor's purchase price and terms shall be determined by agreement.

4. REPRESENTATIONS AND WARRANTIES OF GRANTOR.

Grantor makes the following representations and warranties, each of which shall survive the Close of Escrow:

(a) Grantor holds title to an indefeasible estate in fee simple in the Property. Grantor is the sole owner of the Property and has good, absolute and marketable title to the Property and has full power and authority to own and sell and convey the Property over, under and/or through the Property to Grantee and to enter into and perform his/her/its obligations pursuant to this Agreement;

(b) The execution and delivery of this Agreement by Grantor, Grantor's performance hereunder, and the consummation of this transaction will not constitute a violation of any order or decree or result in the breach of any contract or agreement to which Grantor is at present a party, or by which Grantor is bound;

(c) Grantor will not enter into any agreements or undertake any new obligations prior to Close of Escrow which will in any way burden, encumber or otherwise affect the Property without the prior written consent of Grantee;

(d) To Grantor's knowledge, no litigation and no governmental, administrative or regulatory act or proceeding regarding the environmental, health and safety aspects of the Property is pending, proposed or threatened;

(e) According to Grantor's knowledge, the Property is not in violation of any federal, state or local statute, regulation or ordinance relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions underlying the Property which could affect the Property or its use, and neither Grantor nor any other person or predecessor in interest have used, generated, manufactured, stored or disposed of on, under or about the Property, or transported to or from the Property, any flammable materials, explosives, radioactive materials, hazardous or contaminated materials or substances, toxic or noxious materials, substances or related materials or substances ("Hazardous Materials"). For the purpose of this Section, Hazardous Materials shall include, without limitation, substances defined as "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes," "extremely hazardous wastes," or "restricted hazardous wastes," or stated to be known to cause cancer or reproductive toxicity, under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. sections 9601, et seq; the Hazardous Materials Transportation Act, 49 U.S.C. sections 1801, et seq; the Resource Conservation and Recovery Act, 42 U.S.C. sections 6901, et seq; the Federal Water Pollution Control Act, 33 U.S.C. sections 1317, et seq; sections 25115, 25117, 25122.7, 25140, 25249.5, 25249.8, 25281, 25316 or 25501 of the California Health & Safety Code; or any substances so defined or stated in any of the regulations adopted and publications promulgated pursuant to said laws as they may be amended from time to time;

(f) In the event Grantee discovers Hazardous Materials, contaminated soil and/or water in, on or under the Property, Grantor shall be solely responsible for the removal and disposal of any and all such Hazardous Materials, contaminated soil and/or water; In the event Grantor fails to remove said Hazardous Materials, contaminated soil and/or water, Grantee or its designee shall have the right to remove and dispose of said Hazardous Materials, contaminated soil and/or water at Grantor' sole cost and expense. Grantor shall immediately reimburse Grantee for costs and expenses incurred by Grantee for the removal and disposal of any Hazardous Materials, contaminated soil and/or water upon receipt of a bill or invoices therefor. Grantor further agrees to indemnify and hold Grantee, its officers, employees, consultants and agents, harmless from any and all liability, costs, fines, penalties, charges and/or claims of any kind whatsoever related to the existence and removal of any Hazardous Materials, contaminated soil and/or water; and

(g) Grantor has and shall have paid before Close of Escrow any and all current and past due taxes, assessments, penalties and interest levied and assessed against the Property. If not paid prior to Close of Escrow, Grantor hereby authorize Escrow Holder to disburse to the taxing authority from funds otherwise due to Grantor an amount sufficient to discharge said taxes, assessments, penalties and interest. Unless the Property are assessed separately, Grantor also covenants and agrees to keep current, year-by-year, all taxes, assessments, penalties and interest levied and assessed against the Property and the larger Property of which it is a part.

These representations and warranties shall survive the Close of Escrow.

5. REPRESENTATIONS AND WARRANTIES OF GRANTEE.

A. Grantee shall save harmless and indemnify Grantor against any and all claims, demands, suits, judgments, expenses, and costs on account of injury to, or death of, persons, or loss of, or damage to, property of others, incurred during or proximately caused by acts or omissions of Grantee or Grantee's contractor in the performance of any work by Grantee or Grantee's contractor to construct the works of improvement for which the Property are conveyed.

6. ACKNOWLEDGMENT OF FULL BENEFITS AND RELEASE.

A. By execution of this Agreement, Grantor, on behalf of herself and her respective heirs, executors, administrators, successors and assigns, hereby acknowledge that this Agreement provides full payment for the acquisition of the Property by Grantee, and Grantor hereby expressly and unconditionally waives any and all claims for damages, relocation assistance benefits, severance damages, interest, loss of goodwill, claims for inverse condemnation or unreasonable precondemnation conduct, or any other compensation or benefits, other than as already expressly provided for in this Agreement, it being understood that this is a complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever relating to or in connection with the acquisition of the Property.

B. This Agreement arose out of Grantee's efforts to acquire the Property through its municipal authority. The parties agree that this Agreement is a settlement of claims in order to avoid litigation and shall not in any manner be construed as an admission of the fair market value of the Property or of the Property or of liability by any party to this Agreement. Grantor, on behalf of herself and her respective heirs, executors, administrators, successors and assigns, hereby fully release Grantee, its successors, agents, representatives, and assigns, and all other persons and associations, known or unknown, from all claims and causes of action by reason of any damage which has been sustained, or may be sustained, as a result of Grantee's efforts to acquire the Property or to construct works of improvement thereon, or any preliminary steps thereto, except as set forth in Section 5 above. Grantor further release and agree to hold Grantee harmless from any and all claims by reason of any leasehold interest in the Property.

C. Grantor hereby acknowledge that she has been advised by her attorney and is familiar with the provisions of California Civil Code section 1542, which provides as follows:

"A general release does not extend to claims which the Creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Grantor acknowledge that they may have sustained damage, loss, costs or expenses which are presently unknown and unsuspected, and such damage, loss, costs or expenses which may have been sustained, may give rise to additional damage, loss, costs or expenses in the future. Nevertheless, Grantor hereby acknowledge that this Agreement has been negotiated and agreed upon in light of that situation, and hereby expressly waive any and all rights which they may have under California Civil Code section 1542, or under any statute or common law or equitable principal of similar effect, except as set forth in Section 5 above.

This acknowledgment and release shall survive the Close of Escrow.

7. CONSTRUCTION CONTRACT AND CURATIVE WORK.

None

8. REMEDIES

If Grantor defaults under this Agreement, then Grantee may, at Grantee's option, terminate the Escrow or initiate an action for specific performance of this Agreement, or pursue any other rights or remedies that Grantee may have at law or in equity. If Grantee defaults under this Agreement, then Grantor may, at Grantor option, terminate the Escrow or pursue any rights or remedies that Grantor may have at law or in equity.

9. MISCELLANEOUS.

- A. Notice. Any notice to be given or other document or documents to be delivered to either party by the other hereunder may be delivered in person or may be deposited in the United States Mail in the State of California, duly registered or certified, with postage prepaid, and addressed as follows:

Grantor:

Nancy Arnold


Grantee:

City of Moreno Valley
14177 Frederick Street
P. O. Box 88005
Moreno Valley, CA 92552-0805
Attn: Micheal Green, SR/WA

Any party hereto may, from time to time, by written notice to the other parties, designate a different address, which shall be substituted for the one specified above. Any notice or other documents sent by registered or certified mail as aforesaid shall be deemed to have been effectively served or delivered at the expiration of twenty-four (24) hours following the deposit of said notice or other documents in the United States mail.

B. Time of Essence. Time is of the essence with respect to each and every provision hereof.

C. Assignment. Neither this Agreement, nor any interest herein, shall be assignable by any party without prior written consent of the other party.

D. Governing Law. All questions with respect to this Agreement, and the rights and liabilities of the parties hereto, shall be governed by the laws of the State of California.

E. Inurement. This Agreement shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest, personal representatives, estates, heirs and legatees of each of the parties hereto.

F. Attorneys Fees. If any legal action, arbitration or other proceeding is brought for the interpretation or enforcement of this Agreement, or because of any alleged dispute, breach, default or misrepresentation in connection with the Agreement, the successful or prevailing party shall be entitled to recover actual attorneys fees (including fees for in-house counsel, paraprofessionals and similar personnel and disbursements) and other costs it incurs in that action or proceeding, in addition to any other relief to which it may be entitled. The parties agree that actual attorneys' fees shall be based on attorney's fees actually incurred (based on the attorneys' customary hourly billing rates including, but not limited to, equivalent rates for in-house counsel) rather than the court or arbitrator making an independent inquiry concerning reasonableness. The venue of any such action, arbitration, lawsuit or other proceeding or litigation may, at the option of the Grantee, be laid in Riverside County, California, and the parties waive any right to change of venue.

G. Entire Agreement. This Agreement contains the entire Agreement of the parties hereto, and supersedes any prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties hereto, relating to the subject matter contained in this Agreement which are not fully expressed herein.

H. Additional Documents. The parties hereto agree to execute any and all additional documents and instruments necessary to carry out the terms of this Agreement.

I. Confidentiality. Grantor will keep confidential the terms of this Agreement and refrain from disclosing or causing same to be disclosed to any person or entity not specifically released herein. In no event, however, shall Grantor be required to refrain from disclosing the terms of this Agreement where: (i) she is legally required to do so, whether by statute, court order, process or otherwise; or (ii) disclosure is required or necessary to enforce any right, duty, obligation or release arising under the terms of this Agreement; or (iii) disclosure is required or necessary in order for Grantor, or any of her agents or employees, to maintain or compile her personal or business books or records; or (iv) disclosure is necessary or required in order for Grantor, or any of her agents or employees, to prepare and file income tax returns or any other forms required by any governmental, administrative or regulatory entities, boards or authorities.

J. No Admissions. This Agreement is a compromise and settlement of outstanding claims between the parties relating to Grantee's acquisition of the Property and shall never be treated as an admission by either party to the Agreement for any purpose in any judicial, arbitration or administrative proceeding between the parties. This paragraph shall not apply to any claim that one may have against the other for breach of any provision or covenant of this Agreement.

K. No Merger. All representations, warranties, acknowledgments, releases, covenants and obligations contained in this Agreement shall survive delivery and recordation of the Grant Deed for the Property.

L. Ratification. This Agreement is subject to approval and ratification by the City Council of the City of Moreno Valley.

M. Broker. Grantor and Grantee each represent and warrant to the other that no broker, agent or finder has been engaged by it in connection with the transaction contemplated by this Agreement and that all negotiations relative to these instructions and this transaction have been carried out by such party directly with the other party without the intervention of any person in

such a manner as to give rise to any valid claim against either of the parties for a broker's commission, finder's fee or other like payment. Each of the parties shall indemnify and defend the other party and hold it harmless from any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, which the other party may incur or sustain by reason of or in connection with any misrepresentation or breach of warranty by the indemnifying party with respect to the foregoing.

N. Counterparts. This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

O. Legal Advice and Review. The parties hereby acknowledge that they have entered into this Agreement upon their own volition and have not relied upon the other party for any interpretation or legal advice relating hereto. The parties acknowledge that they have had an opportunity to have this Agreement reviewed by legal counsel of their choice. Therefore, the parties acknowledge their intent that this Agreement be construed as having been jointly created and that neither party shall be determined to be the drafter hereof.

EXECUTED on the date or dates set forth below. This Agreement shall be effective as of the date signed by all parties.

DATED: 10-28-2014

Grantor:

Nancy X. Arnold
Nancy X. Arnold

DATED: _____

Grantee:

CITY OF MORENO VALLEY

By: _____

Its: _____

Attest: _____
City Clerk

APPROVED AS TO FORM:

City Attorney

C:\Users\mikeg\Documents\Utility Easement acquisition\Second Site\Acquisitin Folder\Agreement For Conveyance of Property.doc

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CITY CLERK
MORENO VALLEY
RECEIVED

06 APR -5 AM 11:33

APPROVALS	
CITY ATTORNEY	SGH for RDH
FINANCE DIRECTOR	SMV
CITY MANAGER	RM

Report to City Council

TO: Mayor and City Council Members

FROM: Public Works Director/City Engineer

AGENDA DATE: April 11, 2006

TITLE: **Resolution Authorizing the Establishment of a Revolving Line of Credit to Support Electrical Energy Purchases and Capital Advances Including Expenses for Ancillary Operating Services for Moreno Valley Utilities; and Approve Limits on Electrical Energy Transactions**

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Adopt the resolution authorizing the establishment of a revolving line of credit to support electrical energy purchase and capital advances including expenses for ancillary operating services for Moreno Valley Utilities; and
2. Authorize the City Manager, with concurrence of the Finance Director and City Attorney, to execute internal fund agreement(s) to advance the necessary funds and secure repayment terms; and
3. Approve Future Year Limits on Electrical Energy Transactions.

SUMMARY

Moreno Valley Utilities is established as a "re-seller" of electrical energy. MVU purchases electrical power from wholesales and re-sells it to consumers at rates that the City establishes, but which are designed to mirror the existing rates of Southern California Edison, the investor owned utility that provides electrical power to other parts of the City. There are many factors that impact the purchasing of the electrical commodity that is then resold to the electrical customers by MVU. Those factors require MVU to purchase power in energy "strips" for various load projections and time frames designed to meet load demands over both short and long term horizons. Failure to develop effective and efficient energy purchases can negatively affect the pricing structure to the end customer or create a short term imbalance in revenues versus cost of acquiring the electrical power. The action requested herein accomplishes two

objectives: (1) Authorization of a revolving reserve fund to aid in the timely purchase of electrical energy hedge positions to minimize short term cash flow imbalances; and (2) Approval of limits on electrical energy transactions to better manage the purchase and sale of power in future markets.

BACKGROUND

On February 10, 2004 the City of Moreno Valley entered into a Master Power Purchase and Sale Agreement, including a delegation of authority to the City Manager of the power to execute confirmations orders (as needed) with Sempra Energy Solutions to purchase electrical power for resale. The City Council authorized the City Manager to execute confirmation orders based on the original three year energy hedge position approved by the City Council, which expires in December 2006 under the terms of a Master Power Purchase and Sale Agreement. This agreement was entered into as a result of "piggybacking" on a Request for Proposal (RFP) process undertaken by the City of Corona to qualify a responsible energy provider for that City's fledgling utility. Corona reviewed and interviewed eight responses to the RFP and determined that Sempra Energy Solutions was the best combined cost structure for both the energy commodity and delivery support services. The MVU recommended to the City Council that it be permitted to rely on the process and qualifications that resulted from the Corona process.

There is a critical need to address the issue of both authority for the purchase of electrical energy in the future as well as development of a standby funding mechanism to assist in that process as a direct result of what is referred to as the "Energy Complex" (i.e., rising crude oil prices, natural disasters such as recent hurricanes, a rise in the demand from other countries and political unrest in oil exporting nations) which has created significant pressure on the price of natural gas, which in turn, has resulted in considerably higher retail energy prices over the past several months. These conditions require that MVU adopt a continued program of structured long term energy acquisitions positions to avoid exposure to an energy market that fluctuates daily.

Public agencies, such as Riverside, Corona, Burbank and others provide the authority to either the City Manager or Utilities Manager to execute purchase and sales of energy contracts based on master purchasing agreements for "out" years to assure a stable delivery of energy at reasonable wholesale price. By agreeing to accept and pay for energy delivered in the future, MVU can obtain a better price for the energy that it will re-sell to its customers. MVU needs to continue the same practice of future year's confirmation orders per the master agreement by setting limits on energy transactions that are reflective of the increases in load factors and thereby creating a means to execute future energy purchase contracts.

DISCUSSION

Presently, the Moreno Valley Utility is serving about 3100 residential, commercial, and industrial customers. This base load that will grow steadily over time as additional customers are added to the system. This base load is also subject to fluctuation both

during an individual day as well as during individual seasons. Electrical consumption peaks in the early evening hours and also during the warmer months of the year. Meeting the present and future load demands requires planning and ability to commit to acquisition of energy well in advance of the time at which the energy is actually delivered to, and paid for by, MVU. Implementation of such a purchasing strategy requires the ability to enter into energy power transaction swiftly, competitively, and decidedly without undue administrative delays.

The nature of the electrical business requires that energy be purchased in advance for delivery at specified times and load demands to the customers, since electrical energy (unlike water and natural gas) cannot be stored for future use. The customers use the energy for a given month at which time the customer is billed for the amount of energy they utilized. Energy purchases are paid for by MVU at the time the energy is actually delivered to the City for re-sale to the customer. The customer then remits payment to the utility to cover not only the cost to deliver the product to their door but the large commodity component (electrical energy) that has already been purchased and paid for at the time of delivery. This process creates times where there is an imbalance between the time the commodity is paid for by MVU and the receipt of payment from MVU's customers. This situation requires either a sufficient amount of non-reserved, non-designated working capital, or a revolving reserve fund (line of credit) be established to whereby the utility will have access to fund to cover the cost of energy purchase until the receivables from the utility customer are collected.

ALTERNATIVES

1. Approve the resolution authorizing the establishment of a revolving reserve fund to support electrical energy purchases and capital advances including expenses for the ancillary operating services for Moreno Valley Utilities; and authorize the City Manager, with concurrence of the Finance Director and City Attorney, to execute necessary internal fund agreements to advance the funds and secure repayment terms; and approve future year limits on electrical energy transactions.

Staff recommends this alternative because it will allow for energy purchases to be accomplished in such a manner as to better manage the resources for the MVU.

2. Do not approve the resolution authorizing the establishment of a revolving reserve fund to support electrical energy purchases and capital advances including expenses for the ancillary operating services for Moreno Valley Utilities; and nor authorize the City Manager, with concurrence of the Finance Director and City Attorney, to execute necessary internal fund agreements to advance the funds and secure repayment terms; and nor approve future year limits on electrical energy transactions. **Staff does not recommend this alternative** because it would impede the utility to operate in an efficient and effective manner.

FISCAL IMPACT

Authority for purchases/sales of future energy will be amounts not to exceed \$6,000,000 for 2006; \$9,000,000 for 2007; \$14,000,000 for 2008 and \$22,000,000 2009. This authority will be exercised within these established limits based on energy transactions within any given fiscal year. The limits represent a projection of both energy load costs and corresponding revenues to be generated when delivery of commodity to end user is required.

The revolving line of credit will be authorized in the amount up to \$5,600,000 outstanding in order to allow for the strategic procurement of electrical energy, capital advances, and payment of ancillary operating services necessary for the delivery of electrical services to present and future customers. The purpose of the line of credit is to off set the dynamics of the energy purchasing where there can be a marked delay between the purchase of energy and the collection from the consumer. This gap will continue to narrow as load base stabilizes and cash flow improves as a result of the projected growth in retained earnings in the Moreno Valley Utility. Any amounts used by the utility will be repaid with interest.

The expected line of credit agreement(s) that will be executed by the City Manager, with the concurrence of the Finance Director and City Attorney, will define the amounts needed to cover a specific transfer of funds and well as define the terms of the repayment.

CITY COUNCIL GOALS

The municipal electrical utility will generate revenues to provide funding for City programs and services over time. These revenues will help achieve important financial goals of providing **Revenue Diversification and Preservation**.

Authorize of the proposed actions will allow energy to be purchased in the most efficient and effective manner, thereby aiding in creating a **Positive Environment** for economic development.

STAFF RECOMMENDATION

Staff recommends that the City Council:

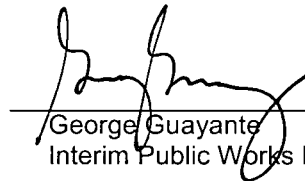
1. Adopt the resolution authorizing the establishment of a revolving reserve fund to support electrical energy purchase and capital advances including expenses for ancillary operating services for Moreno Valley Utilities; and
2. Authorize the City Manager, with concurrence of the Finance Director and City Attorney, to execute necessary internal fund agreements to advance the necessary funds and secure repayment terms; and
3. Approve Future Year Limits on Electrical Energy Transactions.

NOTIFICATION N/A

ATTACHMENTS/EXHIBITS

Attachment 1 – Resolution 2006-39


Thomas F. Breitkreuz
Enterprise Services Manager


George Guayante
Interim Public Works Director

Council Action	
Approved as requested: 4/11/2006	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. 2006-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE ESTABLISHMENT OF A LINE OF CREDIT TO SUPPORT ELECTRICAL ENERGY PURCHASES INCLUDING EXPENSES FOR ANCILLARY OPERATING SERVICES FOR MORENO VALLEY UTILITIES; AND APPROVE LIMITS ON ELECTRICAL ENERGY TRANSACTIONS

WHEREAS, on June 26, 2001, the City of Moreno Valley approved Resolution No. 2001-33 which authorized the formation of a municipal utility to provide electrical service; and

WHEREAS, in order to efficiently and effectively purchase electrical energy for resale to consumers a program that allows for the purchase of the energy commodity in hedge positions is required; and

WHEREAS, these hedge positions are structured to be layered to reflect the anticipated energy demands of the existing base load, as well as potential future growth resulting from additional meter connections; and

WHEREAS, there is a critical need to address the issue of both authority for the purchase of the electrical energy in the future as well as the development of a standby funding mechanism to correct any short term cash flow imbalance that may result between energy revenues and expenses associated with the delivery of the electrical service;

WHEREAS, as the electrical system is built to service new development, there have been and will continue to be intervals where the City must advance funds to complete or cover capital infrastructure needed to service such new customers. An available, preauthorized and revolving source for such advances would be in the best interests of the City to assure prompt completion of such infrastructure and assure property owners that electrical service will be available on a timely basis to support their development.

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

Section 1. The above recitals are all true and correct.

Section 2. The City hereby appropriates the sum of five million six hundred thousand (\$5,600,000) from the General Fund Capital Reserve Account as a revolving line of credit to support electrical energy purchases and capital advances, including expenses for ancillary operating services for Moreno Valley Utilities.

Resolution No. 2006-39
Date Adopted: April 11, 2006

Section 3. The City Manager shall prepare and execute a Line of Credit Agreement in form and substance satisfactory to the Finance Director and the City Attorney between the City of Moreno Valley General Fund Capital Reserves and Moreno Valley Utilities Fund to define the terms and repayment provisions;

Section 4. The City Manager, or alternatively, the Enterprise Services Manager is hereby authorized to negotiate, secure, and execute energy purchase contracts and confirmation orders and advance funds for short term capital advances with payment to be drawn upon the above referenced line of credit up to the amount herein above appropriated, and to transfer funds from the Utilities Fund as collected to replenish said line of credit as such funds are collected and available as necessary to achieve the goal of securing sufficient energy for short and long term horizons. This practice will assure adequate coverage of future projected energy load demands.

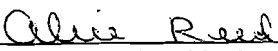
Section 5. The City Manager or the Enterprise Services Manager, is duly authorized after fully complying with all applicable laws and contracting procedures under state law and the Municipal Code, to advance funds for and/or enter into agreements with contractors, developers, property owners or other third parties to assure timely completion of infrastructure necessary to service new customers, provided that any such agreements shall be subject to review and approval of the City Attorney prior to execution.

Section 6. This Resolution shall become effective upon adoption.

APPROVED AND ADOPTED this 11th day of April, 2006.


Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney

Resolution No. 2006-39
Date Adopted: April 11, 2006

RESOLUTION JURAT

STATE OF CALIFORNIA)

COUNTY OF RIVERSIDE) ss.

CITY OF MORENO VALLEY)

I, ALICE REED, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2006-39 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 11th day of April, 2006 by the following vote:

AYES: Council Members Batey, Stewart, West, White, and Mayor Flickinger

NOES: None

ABSENT: None

ABSTAIN: None

Alice Reed
CITY CLERK

(SEAL)

Resolution No. 2006-39
Adopted April 11, 2006



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: November 18, 2014

TITLE: AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES TO CHARLES ABBOTT ASSOCIATES, INC. FOR NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT SERVICES

RECOMMENDED ACTION

Recommendations:

1. Approve the Agreement for Professional Consultant Services with Charles Abbott Associates, Inc., 27401 Los Altos, Suite 220, Mission Viejo, CA 92691, to provide National Pollutant Discharge Elimination System (NPDES) inspection and NPDES administrative services to the Storm Water Management Program.
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with Charles Abbott Associates, Inc., subject to the approval of the City Attorney.
3. Authorize the issuance of a Purchase Order with Charles Abbott Associates, Inc., in the amount of \$73,485.03 as follows: \$53,956.73 for Fund 2008-70-29-20451 and \$19,528.30 for Fund 2008-70-29-20450, and authorize the Chief Financial Officer to approve subsequent purchase orders, including any exceeding \$100,000 in total, to Charles Abbott Associates, Inc., in accordance with the approved terms of the Agreement.
4. Authorize the City Manager to execute subsequent Extensions or Amendments to the Agreement, including the authority to authorize associated purchase orders (P.O.s) in accordance with the terms of the Agreement, subject to the approval of the City Attorney.

SUMMARY

This report recommends approval of an agreement with Charles Abbott Associates, Inc. for Professional Consultant Services to provide NPDES inspections and on-call NPDES administrative services for the Storm Water Management Program. These services are currently budgeted to be performed by the Associate Environmental Engineer and the Environmental Analyst position both of which are currently vacant. To meet the requirements of the current Federal and State regulatory mandates, it is proposed that the services be performed through the professional consultant services. Costs associated with these services are accounted for in the Fiscal Year (FY) 2014/15 Adopted Operating Budget.

DISCUSSION

Commencing April 2013 and October 2013, the Storm Water Management Program experienced the loss of one Associate Environmental Engineer and one Environmental Analyst, respectively. The loss of these staff members has impacted the program in two areas.

First, the City is unable to perform in a timely manner the Federal and State mandated NPDES business and construction site inspections required of the 2010 NPDES Permit with remaining program staff. Outsourcing the mandated inspection services is necessary to ensure regulatory compliance.

Second, the Lake Elsinore/Canyon Lake (LE/CL) Total Maximum Daily Load (TMDL) is nearing the final five years to achieve water quality compliance by December 2020. The TMDL is a major focus of the Storm Water Management Program staff due to substantial fiscal impacts to the City associated with program and capital costs while achieving TMDL compliance in the two lakes. On February 18, 2014, staff presented the anticipated fiscal impacts to City Council. NPDES TMDL and administrative services are necessary to supplement the remaining Storm Water Management Program staff regarding the TMDL and other NPDES administrative services to ensure the City is represented in this regulatory regional activity.

To remain compliant with these programs, on July 7, 2014 the Notice Inviting Proposals and Request for Proposals (RFP) for Professional Consultant NPDES Services were sent to six (6) consulting firms who expressed interest in the work, it was posted on the City's website, and advertised in the Press Enterprise. On August 7, 2014, the City received seven (7) proposals in response to the RFP. A selection committee, comprised of City staff, reviewed and rated all proposals according to the consultants' ability to perform the services. In addition to rating the proposals, reference checks were made of the top rated firm. Following the committee review, reference checks, and negotiations on services and fees, Charles Abbott Associates, Inc. was selected as the most qualified consultant for these services and presents an ability to provide the services on time and within budget.

The specific services to be provided include but are not limited to:

- NPDES compliance inspections of existing industrial, commercial, and food services establishments; and
- NPDES compliance inspections for active construction sites; and
- Develop and maintain inspection database, and
- Coordinate inspections with Data Ticket for invoicing purposes, and
- Prepare the NPDES Annual Report; and
- Assist with negotiating the 2015 NPDES Permit, and
- Analyze resource impacts of the 2015 NPDES Permit, and
- Assist with developing a work plan for the 2015 NPDES Permit, and
- Attend LE/CL TMDL Task Force meetings and
- Attend LE/CL TMDL Technical Advisory Committee meetings, and
- Analyze complex TMDL pollutant models and advocate City's interest in same, and
- Analyze complex TMDL pollutant cost-sharing models and advocate City's interest in same, and
- Prepare impact analysis of the TMDL cost-sharing model, and
- Prepare impact analysis for the final amendments to the Basin Plan regarding trash.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative helps the Storm Water Management Program achieve compliance with the current NPDES Permit.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will continue to delay Federal and State NPDES Permit mandates.*

FISCAL IMPACT

The funding for the Professional Consultant Services will be met with the salary savings of the currently vacant Associate Environmental Engineer and Environmental Analyst positions as identified in the below table.

Position	FY 2014/15 Salary Savings*
Associate Environmental Engineer	\$121,090
Environmental Analyst	\$96,329
TOTAL	\$217,419

*Figure reflects includes fully burdened rate

The annualized cost for Charles Abbott and Associates is approximately \$147,000, therefore the City shall realize an annualized savings of approximately \$70,419. It is anticipated this will be a multi-year contract, with extensions in one year increments,

subject to the ongoing vacancy of the above positions and the approved funding levels in subsequent fiscal years in the City of Moreno Valley Adopted Operating Budget. For FY 2014/15, there will be no budget impact to the Storm Water Management Program Fund 2008 or the General Fund.

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.

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.

NOTIFICATION

Publication of the Agenda.

ATTACHMENTS

Attachment 1: Agreement for Professional Consultant Services with Charles Abbott Associates, Inc.

Prepared By:
Zara Terrell
Management Analyst

Concurred By:
Kent Wegelin, CFM
Storm Water Program Manager

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

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

**AGREEMENT FOR PROFESSIONAL
CONSULTANT SERVICES**

Attachment 1

This Agreement is by and between the City of Moreno Valley, California, a municipal corporation, hereinafter described as "City," and **Charles Abbott Associates, Inc.**, a California corporation, hereinafter described as "Consultant." This Agreement is made and entered into effective on the date the City signs this Agreement.

RECITALS

WHEREAS, the City has determined it is in the public interest to proceed with the professional work hereinafter described as "Project"; and

WHEREAS, the City has determined the Project involves the performance of professional and technical services of a temporary nature as more specifically described in Exhibit "A" (City's Request for Proposal) and Exhibit "B" (Consultant's Proposal) hereto; and

WHEREAS, the City does not have available employees to perform the services for the Project; and

WHEREAS, the City has requested the Consultant to perform such services for the Project; and

WHEREAS, the Consultant is professionally qualified in California to perform the professional and technical services required for the Project, and hereby represents that it desires to and is professionally and legally capable of performing the services called for by this Agreement;

THEREFORE, the City and the Consultant, for the consideration hereinafter described, mutually agree as follows:

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES

DESCRIPTION OF PROJECT

1. The Project is described as providing temporary National Pollutant Discharge Elimination System (NPDES) inspection services, professional, and administrative services for the Storm Water Management Program at the City of Moreno Valley City Hall offices and offsite locations.

SCOPE OF SERVICES

2. The Consultant's scope of service is described on Exhibit "B" attached hereto and incorporated herein by this reference. In the event of a conflict, the City's Request for Proposal shall take precedence over the Consultant's Proposal.

3. The City's responsibility is described on Exhibit "C" attached hereto and incorporated herein by this reference.

PAYMENT TERMS

4. The City agrees to pay the Consultant and the Consultant agrees to receive a "Not-to-Exceed" fee of **\$73,485.03** in accordance with the payment terms provided on Exhibit "D" attached hereto and incorporated herein by this reference.

TIME FOR PERFORMANCE

5. The Consultant shall commence services upon receipt of written direction to proceed from the City.

6. The Consultant shall perform the work described on Exhibit "A" in accordance with the schedule set forth below:

- Task #1—Business Facility Compliance Inspections shall be completed by June 30th 2015.
- Task #2—Construction Site Inspections shall be completed by May 1, 2015.
- Task #3--Services shall be on-going and considered as an "on-call" basis.

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES

Advance notice as mutually agreed upon by both parties be given to the Consultant for any and all work to be performed.

7. This Agreement shall be effective from effective date and shall continue in full force and effect date through **June 30, 2015**, subject to any earlier termination in accordance with this Agreement, or extensions in one year increments up to four additional years as further provided for in the City's Procurement Policy.

8. (a) The Consultant agrees that the personnel, including the principal Project manager, and all subconsultants assigned to the Project by the Consultant, shall be subject to the prior approval of the City.

(b) No change in subconsultants or key personnel shall be made by the Consultant without written prior approval of the City.

SPECIAL PROVISIONS

9. It is understood and agreed that the Consultant is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Consultant or any individual whose compensation for services is paid by the Consultant, an agent or employee of the City, or authorizing the Consultant to create or assume any obligation or liability for or on behalf of the City.

10. The Consultant may also retain or subcontract for the services of other necessary consultants with the prior written approval of the City. Payment for such services shall be the responsibility of the Consultant. Any and all subconsultants employed by the Consultant shall be subject to the terms and conditions of this Agreement, except that the City shall have no obligation to pay any subconsultant for services rendered on the Project.

11. The Consultant and the City agree to use reasonable care and diligence to perform their respective services under this Agreement.

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES

12. The Consultant shall comply with applicable federal, state, and local laws in the performance of work under this Agreement.

13. To the extent required by controlling federal, state and local law, Consultant shall not employ discriminatory practices in the provision of services, employment of personnel, or in any other respect on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Subject to the foregoing and during the performance of this Agreement, Consultant agrees as follows:

(a) Consultant will comply with all applicable laws and regulations providing that no person shall, on the grounds of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity made possible by or resulting from this Agreement.

(b) Consultant will not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Consultant shall ensure that applicants are employed, and the employees are treated during employment, without regard to their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era. Such requirement shall apply to Consultant's employment practices including, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES

or other forms of compensation; and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this nondiscrimination clause.

(c) Consultant will, in all solicitations or advertisements for employees placed by or on behalf of Consultant in pursuit hereof, state that all qualified applicants will receive consideration for employment without regard to race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era.

(d) If Consultant should subcontract all or any portion of the services to be performed under this Agreement, Consultant shall cause each subcontractor to also comply with the requirements of this Section 13.

14. To the furthest extent allowed by law (including California Civil Code section 2782.8 if applicable), Consultant shall indemnify, hold harmless and defend the City, the Moreno Valley Community Services District ("CSD"), the Moreno Valley Housing Authority ("Housing Authority") and each of their officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage), and from any and all claims, demands and actions in law or equity (including reasonable attorney's fees and litigation expenses) that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, its principals, officers, employees, agents or volunteers in the performance of this Agreement.

If Consultant should subcontract all or any portion of the services to be performed under this Agreement, Consultant shall require each subcontractor to indemnify, hold harmless and defend City, CSD, Housing Authority and each of their officers, officials, employees, agents

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES

and volunteers in accordance with the terms of the preceding paragraph.

This section shall survive termination or expiration of this Agreement.

15. Insurance.

(a) Throughout the life of this Agreement, Consultant shall pay for and maintain in full force and effect all insurance as required in **Exhibit E** or as may be authorized in writing by the City Manager or his/her designee at any time and in his/her sole discretion.

(b) If at any time during the life of the Agreement or any extension, Consultant or any of its subcontractors fail to maintain any required insurance in full force and effect, all services and work under this Agreement shall be discontinued immediately, and all payments due or that become due to Consultant shall be withheld until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City pursuant to this section shall in any way relieve Consultant of its responsibilities under this Agreement. The phrase "fail to maintain any required insurance" shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

(c) The fact that insurance is obtained by Consultant shall not be deemed to release or diminish the liability of Consultant, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Consultant. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Consultant, its principals, officers, agents, employees, persons under the

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES

supervision of Consultant, vendors, suppliers, invitees, consultants, sub-consultants, subcontractors, or anyone employed directly or indirectly by any of them.

(d) Upon request of City, Consultant shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement.

(e) If Consultant should subcontract all or any portion of the services to be performed under this Agreement, Consultant shall require each subcontractor to provide insurance protection in favor of City and each of its officers, officials, employees, agents and volunteers in accordance with the terms of this section, except that any required certificates and applicable endorsements shall be on file with Consultant and City prior to the commencement of any services by the subcontractor.

16. The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement. No provisions of this Agreement may be waived unless in writing and signed by all parties to this Agreement. Waiver of any one provision herein shall not be deemed to be a waiver of any other provision herein.

17. Consultant and subconsultants shall pay prevailing wage rates when required by the Labor Laws of the State of California.

18. (a) The Consultant shall deliver to the Public Works Director/City Engineer of the City or his designated representative, fully completed and detailed project-related documents which shall become the property of the City. The Consultant may retain, for its files, copies of any and all material, including drawings, documents, and specifications, produced by the Consultant in performance of this Agreement.

AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES

(b) The Consultant shall be entitled to copies of all furnished materials for his files and his subconsultants, if any.

(c) The City agrees to hold the Consultant free and harmless from any claim arising from any unauthorized use of computations, maps, and other documents prepared or provided by the Consultant under this Agreement, if used by the City on other work without the permission of the Consultant. Consultant acknowledges that Consultant work product produced under this agreement may be public record under State law.

19. (a) This Agreement shall terminate without any liability of City to Consultant upon the earlier of: (i) Consultant's filing for protection under the federal bankruptcy laws, or any bankruptcy petition or petition for receiver commenced by a third party against Consultant; (ii) 10 calendar days prior written notice with or without cause by City to Consultant; (iii) City's non-appropriation of funds sufficient to meet its obligations hereunder during any City fiscal year of this Agreement, or insufficient funding for the Project; or (iv) expiration of this Agreement. The written notice shall specify the date of termination. Upon receipt of such notice, the Consultant may continue services on the project through the date of termination, provided that no service(s) shall be commenced or continued after receipt of the notice, which is not intended to protect the interest of the City. The City shall pay the Consultant within thirty (30) days after the date of termination for all non-objected to services performed by the Consultant in accordance herewith through the date of termination. Consultant shall not be paid for any work or services performed or costs incurred which reasonably could have been avoided.

(b) In the event of termination due to failure of Consultant to satisfactorily perform in accordance with the terms of this Agreement, City may withhold an amount that would otherwise be payable as an offset to, but not in excess of, City's damages caused by such

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failure. In no event shall any payment by City pursuant to this Agreement constitute a waiver by City of any breach of this Agreement which may then exist on the part of Consultant, nor shall such payment impair or prejudice any remedy available to City with respect to the breach.

(c) Upon any breach of this Agreement by Consultant, City may (i) exercise any right, remedy (in contract, law or equity), or privilege which may be available to it under applicable laws of the State of California or any other applicable law; (ii) proceed by appropriate court action to enforce the terms of the Agreement; and/or (iii) recover all direct, indirect, consequential, economic and incidental damages for the breach of the Agreement. If it is determined that City improperly terminated this Agreement for default, such termination shall be deemed a termination for convenience.

(d) Consultant shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of Consultant and without its fault or negligence such as, acts of God or the public enemy, acts of City in its contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. Consultant shall notify City in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, and shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to Administrator of the cessation of such occurrence.

20. This Agreement is binding upon the City and the Consultant and their successors and assigns. Except as otherwise provided herein, neither the City nor the Consultant shall assign, sublet, or transfer its interest in this Agreement or any part thereof without the prior written consent of the other.

21. A City representative shall be designated by the City and a Consultant representative shall be designated by the Consultant. The City representative and the

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Consultant representative shall be the primary contact person for each party regarding performance of this Agreement. The City representative shall cooperate with the Consultant, and the Consultant's representative shall cooperate with the City in all matters regarding this Agreement and in such a manner as will result in the performance of the services in a timely and expeditious fashion.

22. This Agreement represents the entire and integrated Agreement between the City and the Consultant, and supersedes all prior negotiations, representations or Agreements, either written or oral. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties.

23. Where the payment terms provide for compensation on a time and materials basis, the Consultant shall maintain adequate records to permit inspection and audit of the Consultant's time and materials charges under this Agreement. The Consultant shall make such records available to the City at the Consultant's office during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records. Except as may be otherwise required by law, such records will be available only to the City. Such records shall be maintained by the Consultant for three (3) years following completion of the services under this Agreement.

24. The City and the Consultant 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.

25. (a) Consultant shall comply, and require its subcontractors to comply, with all applicable (i) professional canons and requirements governing avoidance of impermissible client conflicts; and (ii) federal, state and local conflict of interest laws and regulations including, without limitation, California Government Code Section 1090 et. seq., the California

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Political Reform Act (California Government Code Section 87100 et. seq.) and the regulations of the Fair Political Practices Commission concerning disclosure and disqualification (2 California Code of Regulations Section 18700 et. seq.). At any time, upon written request of City, Consultant shall provide a written opinion of its legal counsel and that of any subcontractor that, after a due diligent inquiry, Consultant and the respective subcontractor(s) are in full compliance with all laws and regulations. Consultant shall take, and require its subcontractors to take, reasonable steps to avoid any appearance of a conflict of interest. Upon discovery of any facts giving rise to the appearance of a conflict of interest, Consultant shall immediately notify City of these facts in writing.

(b) In performing the work or services to be provided hereunder, Consultant shall not employ or retain the services of any person while such person either is employed by City or is a member of any City council, commission, board, committee, or similar City body. This requirement may be waived in writing by the City Manager, if no actual or potential conflict is involved.

(c) Consultant represents and warrants that it has not paid or agreed to pay any compensation, contingent or otherwise, direct or indirect, to solicit or procure this Agreement or any rights/benefits hereunder.

(d) Neither Consultant, nor any of Consultant's subcontractors performing any services on this Project, shall bid for, assist anyone in the preparation of a bid for, or perform any services pursuant to, any other contract in connection with this Project unless fully disclosed to and approved by the City Manager, in advance and in writing. Consultant and any of its subcontractors shall have no interest, direct or indirect, in any other contract with a third party in connection with this Project unless such interest is in accordance with all applicable law and fully disclosed to and approved by the City Manager, in advance and in writing.

**AGREEMENT FOR PROFESSIONAL
CONSULTANT SERVICES**

Notwithstanding any approval given by the City Manager under this provision, Consultant shall remain responsible for complying with Section 25(a), above.

(e) If Consultant should subcontract all or any portion of the work to be performed or services to be provided under this Agreement, Consultant shall include the provisions of this Section 25 in each subcontract and require its subcontractors to comply therewith.

(f) This Section 25 shall survive expiration or termination of this Agreement.

26. All Plans, drawings, Specifications, reports, logs, and other documents prepared by the Consultant in its performance under this Agreement shall, upon completion of the project, be delivered to and be the property of the City, provided that the Consultant shall be entitled, at its own expense, to make copies thereof for its own use.

27. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall also govern the interpretation of this Agreement. Venue shall be vested in the Superior Court of the State of California, County of Riverside.

SIGNATURE PAGE FOLLOWS

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

City of Moreno Valley

Charles Abbott Associates, Inc.

BY: _____
City Manager

BY: _____

Name: _____

Date

TITLE: _____
(President or Vice President)

Date

BY: _____

Name: _____

INTERNAL USE ONLY

APPROVED AS TO LEGAL FORM:

City Attorney

Date

RECOMMENDED FOR APPROVAL:

Department Head

Date

TITLE: _____

(Corporate Secretary)

Date

EXHIBIT A



CITY OF MORENO VALLEY
REQUEST FOR PROPOSALS

FOR

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES)
CONSULTING SERVICES

RFP# JLL 13/14-16

PROPOSALS DUE:

**THURSDAY, AUGUST 7th 2014
BEFORE 2:00 P.M. (PST)**

CITY OF MORENO VALLEY
ATTN: City Clerk
14177 FREDERICK STREET
MORENO VALLEY, CALIFORNIA 92553

**R.F.P. # JLL 13/14-16
NPDES Consulting Services**

NOTICE REQUESTING PROPOSALS FOR:

NPDES CONSULTING SERVICES

The City of Moreno Valley is requesting proposals (RFP) for NPDES Consulting Services.

RFP REGISTRATION

Please contact Jeremy Leslie at purchasingdivision@moval.org to register as a vendor interested in this RFP. By registering you will be guaranteed to receive any addenda to this RFP.

RECEIPT OF PROPOSAL:

**THURSDAY, AUGUST 7th 2014
BEFORE 2:00 P.M. (PST)**

(See pg. 5 for additional on-time receipt information)

Addressed to:

**CITY OF MORENO VALLEY
ATTN: CITY CLERK
14177 FREDERICK STREET
MORENO VALLEY, CALIFORNIA 92553**

You may send via common carrier or personally deliver your proposal. Late proposals will be disqualified and returned unopened.

OBTAINING REQUEST FOR PROPOSAL (R.F.P.) DOCUMENTS:

You may download this document from the City Web site at:

http://www.moreno-valley.ca.us/rfps/bids_rfps.shtml

Contact for RFP questions must be in writing to Jeremy Leslie at: purchasingdivision@moval.org

**R.F.P. # JLL 13/14-16
NPDES Consulting Services**

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GENERAL TERMS AND CONDITIONS

1. All prices, quotes and notations must be typewritten or written in ink. No erasures will be permitted. Mistakes may be crossed out and corrections made adjacent. Corrections must be initialed by person signing the quotation.
2. A bid proposal submitted may be withdrawn by written request received by the City **before** the time set for opening. After such time, it may not be withdrawn.
3. The City is not legally bound to accept the lowest price with the request for proposal process.
4. Vendors are expected to meet or exceed the specifications and/or scope in their entirety. Each proposal shall be in accordance with the specifications and/or scope contained herein. If the proposal does not comply with the specifications and/or scope as written, proposer shall attach to the proposal a complete detailed itemization and explanation for each and every deviation or variation from the specifications. Absence of any such itemization and explanation shall be understood to mean that the proposal is for work, labor and material which meet all detailed specifications. If the delivered item does not meet the required specification and/or scope, then the successful bidder shall be required to correct at their own expense.
5. Proposal shall be exclusive of Federal excise taxes pursuant to the exemption of political subdivisions in the "Revenue Act of 1935" or any other acts of Congress. Proposal must include any and all applicable shipping and handling, delivery and/or set-up charges.
6. The City reserves the right to reject any or all proposals and to waive any informality or technical defect in a bid.
7. All proposals must be signed by a responsible officer or employee of the firm, giving the firm's name and address. Obligations assumed by such signature must be fulfilled.
8. Submissions of a signed proposal will be interpreted to mean that the vendor has thereby agreed to all of the terms and conditions set forth in this RFP package.
9. Unless otherwise requested by the RFP package, samples of items, when required, must be furnished free of expense to the City and if not destroyed by tests, will upon request, be returned at vendor's expense.
10. In case of default by the awarded vendor, the City may procure the work, materials or service from other sources. The City may deduct any excess cost from any unpaid balance due the vendor, or may bill for same at the City's discretion. The prices paid by the City in such events shall be considered the prevailing market price at the time of purchase.
11. The vendor shall hold the City, its officers, agents, servants and employees harmless from liability of any nature or kind due to the use of any copyright, or un-copyrighted composition, secret process, patented or un-patented inventions, article or appliance furnished or used under this quotation.

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12. The successful vendor will not be held liable for failure or delay in performance if prevented or materially hindered by fire, strikes, or acts of God.
13. The work, labor and materials which the proposer is to furnish to the City must comply in all respects with the appropriate equipment and safety regulations of all Federal, State and local regulatory commissions whether such equipment or safety features have been specifically outlined or required in these specifications or not.
14. The proposer shall, upon demand, present to the City all necessary certificates, licenses and permits as required by Federal, State, and local regulation as necessary to perform the work and deliver materials provided to the City.
15. Proposals are subject to acceptance at any time within 90 days after the due date of same, unless otherwise stipulated in this RFP package.
16. Proposals must be stated in the unit specified herein.
17. This RFP and all addendums will be incorporated as part of the final agreement.
18. **Conflict of Interest:** Submission of a proposal certifies that no City employee, whose position in the City service enables him or her to influence any award of a contract hereunder, is employed by the submitter or has any direct or indirect financial interest in any transaction resulting from this request for quote.
19. Vendors making delivery or providing service on City premises shall carry Workers' Compensation
 - a. Coverage as required by the State of California.
20. **Business License:** The awarded Vendor shall secure the appropriate business license from the City, as required by the City's business license regulations.

ON-TIME RECEIPT OF YOUR RESPONSE

The responsibility of ensuring that your time-sensitive document is received by the due date and time AND delivered to the City office stated in our invitation, rests solely with the sender. You may hand deliver your document to the proper office listed in the invitation. Only an official time stamp from the City office listed in our invitation is acceptable as proof of timely delivery. A delivery time stated by a delivery service is not valid as proof of timely delivery. The City of Moreno Valley assumes no responsibility for bids, proposal or quotes which arrive at the City office stated in our invitation beyond the due date and time.

PLEASE NOTE: Deliveries made to the City by the United States Postal Service, or any other delivery service, will be routed through an internal delivery system. Utilizing any delivery service will delay delivery to the actual addressed City office or individual and may cause your response to be late and unacceptable.

Regardless of the method you choose to submit your time-sensitive document, you must allow for our internal delivery system to process your item to the required office before the due date and time. In order to be fair to all responders, late bids, proposals or quotes will not be accepted and will be returned unopened.

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SCOPE OF SERVICES

- A. Under the general direction of the Storm Water Program Manager, the successful firm shall perform business and construction compliance inspection services related to the City's Storm Water Ordinance, the MS4 Permit, and other requirements, not limited to those described as follows:

Task No. 1—Conduct Business Facility Compliance Inspections

- The Consultant shall prepare a priority list and confirm said list with the Stormwater Program Manager, schedule and perform initial and follow-up inspections utilizing the City Business Compliance Inspection Form.
- Under the oversight of the City's Stormwater Program Manager, Consultant shall submit completed Business Compliance Inspection form(s) to City on a weekly basis. Consultant shall also submit the results of the inspections in an Excel Spreadsheet format as determined by the City (for third party collection purposes). Consultant shall update and maintain the City Industrial/Commercial Business Inspection database. Consultant shall distribute NPDES educational material for facilities subject to City compliance inspections.
 - For Industrial facilities, Consultant shall check for submittal of a Notice of Intent (NOI) to comply with the General Industrial Activities Storm Water Permit or other permit issued by the State or Regional Water Quality Control Board and shall verify implementation and maintenance of appropriate BMPs.
 - Consultant shall confirm facility compliance with the City's Storm Water Ordinance.
 - Consultant shall check for non-storm water discharges and illegal/illicit connections to the MS4.
 - Consultant shall be able to identify violations from areas of material storage, vehicle or equipment fueling, vehicle or equipment maintenance, waste handling, hazardous materials handling or storage, delivery areas or loading docks, or other outdoor work areas.
 - Consultant shall issue Correction Notices and/or Notices of Violation as needed.
- The Consultant shall prepare non-compliance follow-up letters to businesses for Storm Water Program Manager's signature and mailing within 2-days of the determination of non-compliance including evaluation of completed CAP survey forms.
- The Consultant shall meet with Storm Water Program Manager regarding status of inspections as requested.
- The Consultant shall be available to meet with City and business owner during normal working hours on an as-needed basis.
- The Consultant shall interact professionally with business owners, property owners, the public at large, coordinate with other City personnel, promote quality customer service, and respond promptly and

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courteously to inspection requests.

- The Consultant shall follow verbal and written instructions, communicate clearly and concisely, both orally and in writing.
- The Consultant shall establish effective communications with the business owner or business representative.
- The Consultant is required to have his/her own digital camera, vehicle, and a mobile phone for immediate contact by the City, show proof of valid California driver's license, and insurance. The Consultant shall download and print any digital camera captured images as necessary to support any non-compliance items identified in the compliance/survey inspection and attach said images to the compliance inspection form and transmit to City.
- Normal working hours are from 7:30 AM to 5:30 PM, Monday through Thursday, and 7:30 AM to 4:30 PM Friday.
- The Consultant shall perform other related duties as required.

Task No. 2—Conduct Construction Site Inspections

- The Consultant shall prioritize, schedule and perform initial and follow-up inspections utilizing the City Construction Site Inspection Form.
- Under the oversight of the City's Stormwater Program Manager, Consultant shall submit completed Construction Site Inspection form(s) to City on a weekly basis. Consultant shall also submit the results of the inspections in an Excel Spreadsheet format as determined by the City (for third party collection purposes). Consultant shall update and maintain the City Construction Site Inspection database. Consultant shall distribute NPDES educational material for sites subject to City inspections.
 - Consultant shall confirm site compliance with the City's Storm Water Ordinance.
 - Consultant shall check for non-storm water discharges and illegal/illicit connections to the MS4.
 - Consultant shall issue Correction Notices and/or Notices of Violation as needed.
- The Consultant shall meet with Storm Water Program Manager regarding status of inspections as requested.
- The Consultant shall follow verbal and written instructions, communicate clearly and concisely, both orally and in writing.
- The Consultant shall establish effective communications with the job superintendent/owner or business representative.
- The Consultant is required to have his/her own digital camera, vehicle, and a mobile phone for immediate

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contact by the City, show proof of valid California driver's license, and insurance. The Consultant shall download and print any digital camera captured images as necessary to support any non-compliance items identified in the compliance/survey inspection and attach said images to the compliance inspection form and transmit to City.

- Normal working hours are from 7:30 AM to 5:30 PM, Monday through Thursday, and 7:30 to 4:30 PM every other Friday.
- The Consultant shall perform other related duties as required.

Task No. 3—Attend NPDES Related Meetings and perform other administrative functions

- Under the direction of the Storm Water Program Manager, the Consultant may attend NPDES related meetings such as, but not limited to; NPDES TAC, Drainage Area Management Plan updates, Report of Waste Discharge, and/or the Lake Elsinore/Canyon Lake Total Maximum Daily Loads Task Force. This task involves representing the City in a professional manner, taking notes and reporting the outcome of the meetings to the Storm Water Program Manager. All meeting requests from City shall be made a minimum of 2 (two) weeks advance notice of said meeting to allow consultant sufficient time to adjust his/her work schedule accordingly.
- The consultant shall coordination with the City's GIS group in updating our database for private and public Water Quality Treatment Control facilities.
- The consultant shall coordinate with the City's GIS staff in updating the APN database from the County of Riverside for County Service Area (CSA (152).
- The consultant shall assist in reviewing and commenting on the Report of Waste Discharge for renewal of the current NPDES Permit, prepare any implementation plans associated with the new Permit (anticipated in January 2015) and review or update other City NPDES-related documents. The consult shall assist with any State audits of the City's NPDES program.
- The City implements a 9/80 work schedule. Normal working hours are from 7:30 AM to 5:30 PM, Monday through Thursday and 7:30 AM to 4:30 PM every other Friday.
- The Consultant shall perform other related duties as required.

Other Information

The City reserves the right to eliminate or add tasks identified in the Section A of the Scope of Services with a corresponding reduction or increase in the fee. The City will provide the following:

- The standardized three (3) part City Business and Construction Site Inspection forms.
- An electronic copy of the Excel Spreadsheet for third party invoice collections.

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NPDES Consulting Services

- In-office workspace, computer, telephone, necessary office supplies, copy machine.

SELECTION CRITERIA

The City recognizes that price is only one of several criteria to be used in evaluating a product or service. Award of the Contract shall be made to the lowest responsive and responsible Proposer that best meets the City's specifications and needs, and represents the best overall value for the City. The City is not bound to accept the lowest price proposal. Submitted proposals will be evaluated on the following criteria:

- (30 points)— - Experience of Key Personnel Background on key personnel (including all sub-consultants) qualifications, abilities, familiarity with State and federal procedures and regulations, local experience on comparable projects and length of service with the firm, reference information preferably with municipal agencies.
- (20 points)— -The Firm's General Experience and Qualification Information about the company (and all sub-consultants) including professional licenses and certificates held; ability to furnish required insurance and meet stipulations of the City's boiler plate agreement; details about comparable projects/services completed by the firm, as well as local experience; and its ability to provide the required services.
- (20 points) - References
- (20 points) - Project Approach/Understanding Discussion of major issues identified on the project and how the consultant team plans to address them; the management approach and organization necessary to perform the services; and outline quality control measures to ensure the City remains in compliance with the MS4 permit".
- (10 points) - Completeness, Thoroughness, Neatness of Submittal.

Interviews may be scheduled after proposals are evaluated.

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CONTRACT TERM

The City operates on a fiscal year basis, running July 1st through June 30th. The initial Contract shall be in effect on the date of executed signatures through June 30, 2015. The agreement may be renewed at the expiration of its term, by agreement of both parties, in one-year increments, up to four additional terms, at the end of each subsequent fiscal year. Renewal of the Agreement shall be accomplished through an addendum signed by both parties.

ACCEPTANCE OR REJECTION

Within the limits prescribed by law, the City of Moreno Valley reserves the right to:

- Reject any and all proposals.
- Accept the proposal deemed best for the City. The City of Moreno Valley shall be and is hereby constituted the exclusive judge as to what proposal is best for the City, and, in ascertaining that fact, the City may take into consideration, among other items, the business integrity, references, financial resources, facilities and equipment for performing the work, and experience in similar operations of the various proposing firms.
- Reject all partial price proposals.
- Reject any or all proposals or make no award.
- Issue subsequent requests for proposals.
- Waive any informality or irregularity in a proposal process and any price proposals.

EXECUTION OF CONTRACTOR AGREEMENT

The Contract shall be signed by the successful proposer and returned, together with any required documents, within **fourteen (14)** calendar days from the date of the Notice of Award of Contract. No award shall be considered binding upon the City until the execution of the Contract.

Failure to execute a Contract and file acceptable documents, as required herein shall be just cause for the annulment of the award. Award may then be made to the next proposer determined to be fit in all respects to perform the Scope of Work, or the RFP may be re-advertised.

CONTRACTOR FEE AND PAYMENT (S)

Payments shall be paid on a monthly basis and within 30 days of receipt of billing. The City will pay the Contractor for all acceptable services rendered in accordance with the "Independent Contractor Agreement". The City shall not, in any event, be liable for any pre-contractual expenses incurred by the Contractor.

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REQUIRED PROPOSAL SUMITTALS

All of the following must be submitted. Failure to submit any portion of these documents could be cause for rejection of the submitted proposal.

NOTE: One (1) original and Three (3) copies clearly marked as such.

1. Vendor Information Page (See Page 12)
2. Detailed response to the scope listed herein
3. Proposed Pricing or Rates

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VENDOR INFORMATION

A. PROPOSERS COMPANY INFORMATION (print or type)

Company Name: _____

Owner / Manager Name: _____

PO Mailing Address: _____

City: _____ State _____ Zip _____

Web Site: _____

Phone Number: _____

Fax Number: _____

E-mail Address: _____

Remit to Address (if different from PO mailing address)

City: _____ State _____ Zip _____

Remit to Mailing Address: _____

Incorporated? (mark one) Yes ___ or No ___

Fed. Tax I.D. # or Social # _____

If not a Corporation, are you a Partnership, LLC, Individual or Joint Venture? _____

How many years of relevant experience within the scope of this RFP? _____

I certify that the information given above is accurate and complete; that the Terms and Conditions as issued by the City of Moreno Valley with this Request for Proposal have been fully read, understood, and accepted in total; and that I am a duly authorized agent for quoting purposes for the company named above.

(Print Quoting Persons Name) (Title)

(Quoting Persons Signature) (Date)

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REFERENCES

List on a separate sheets three (3) references that most closely reflect similar projects and work that your company has worked on within the past five (5) years for a Public or Governmental Agency. (Type or Print)

Please include:

- Name of Public Agency
- Address
- Contact Name
- Title
- Telephone
- Email
- Service Dates
- Summary of Project/Work provided

**R.F.P. # JLL 13/14-16
NPDES Consulting Services**

City of Moreno Valley

INDEPENDENT CONTRACTOR AGREEMENT

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 "Contractor," based upon City policies and the following legal citations:

A. Government Code Section 53060 authorizes the engagement of persons to perform special services as independent contractors; 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. CONTRACTOR INFORMATION:

Contractor's Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Business Phone: _____ Fax No: _____
Other Contact Number: _____
Business License Number: _____
Federal Tax I.D. Number: _____

2. CONTRACTOR SERVICES, FEES, AND RELEVANT DATES:

- A. The Contractor's scope of service is described in Exhibit "A" attached hereto and incorporated herein by this reference.
- B. The City's responsibility, other than payment, is described in Exhibit "B" attached hereto and incorporated herein by this reference.
- C. Payment terms are provided in Exhibit "C" attached hereto and incorporated herein by this reference.
- D. The Contractor Starting Date is _____ and the Contractor Ending Date is _____. The City acknowledges that it will not unreasonably withhold approval of the Contractor's requests for extensions of time in which to complete the work required. The Contractor shall not be responsible for performance delays caused by others or delays beyond the Contractor's reasonable control (excluding delays caused by non-performance or unjustified delay by Contractor, his/her/its employees, or subcontractors), and such delays shall extend the time for performance of the work by the Contractor.

3. STANDARD TERMS AND CONDITIONS:

- A. Control of Work. Contractor 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 Contractor or his/her/its employees.
- B. Intent of Parties. Contractor is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Contractor or any individual whose compensation for services is paid by the Contractor, an agent or employee of the City, or authorizing the Contractor

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to create or assume any obligation or liability for or on behalf of the City, or entitling the Contractor to any right, benefit, or privilege applicable to any officer or employee of the City.

- C. Subcontracting. Contractor may retain or subcontract for the services of other necessary contractors with the prior written approval of the City. Payment for such services shall be the responsibility of the Contractor. Any and all subcontractors shall be subject to the terms and conditions of this Agreement, with the exception that the City shall have no obligation to pay for any subcontractor services rendered. Contractor shall be responsible for paying prevailing wages where required by law [See California Labor Code Sections 1770 through 1777.7].
- D. Legal Considerations. The Contractor shall comply with applicable federal, state, and local laws in the performance of this Agreement.
- E. Contractor Indemnification. Contractor shall indemnify, defend and hold the City, the Moreno Valley Housing Authority, 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 Contractor's performance of the work contemplated by this Agreement. Acceptance of this Agreement signifies that the Contractor is not covered under the City's general liability insurance, employee benefits, or worker's compensation. It further establishes that the Contractor shall be fully responsible for such coverage.
- F. City Indemnification. The City agrees to indemnify, defend and save the Contractor harmless from any and all liability, claims, damages or injuries to any person, including injury to the City's, Housing Authority's and CSD's employees and all claims which arise from the negligent performance or failure to perform the services or other obligations of the City under this Agreement, or are caused by the negligent acts of the City, Housing Authority and CSD, their officers, agents or employees, or its subcontractor(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 Contractor, its officers, agent, employees, or subcontractors.
- G. Insurance Requirements. The Contractor 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:

The Contractor 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 Contractor and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Contractor in the course of carrying out the Agreement. This coverage may be waived if the Contractor 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

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 Contractor, sub-Contractor, or any person acting for the Contractor 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:

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Bodily Injury	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage	\$500,000 per occurrence/ \$500,000 aggregate

Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and aggregate.

Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City/CSD/Housing Authority premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

Insurance requirements waived with Risk Manager's approval.

A Certificate 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 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 Moreno Valley Housing Authority, 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 Moreno Valley Housing Authority, 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 Contractor 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 Contractor 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 Contractor may retain copies of any and all material, including drawings, documents, and specifications, produced by the Contractor in performance of this Agreement. The City and the Contractor 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. 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.

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- J. (a) The City may terminate this Agreement without cause by giving at least ten (10) days written notice to the Contractor. The written notice shall specify the date of termination. Upon receipt of such notice, the Contractor may continue work through the date of termination, provided that no work or service(s) shall be commenced or continued after receipt of the notice which is not intended to protect the interest of the City. The City shall pay the Contractor within thirty (30) days after receiving any invoice after the date of termination for all non-objected to services performed by the Contractor in accordance herewith through the date of termination.
- (b) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Contractor shall perform no further work or service(s) under the Agreement unless the notice of termination authorizes such further work.
- K. Payment. Payments to the Contractor pursuant to this Agreement will be reported to Federal and State taxing authorities as required. The City will not withhold any sums from compensation payable to Contractor. Contractor is independently responsible for the payment of all applicable taxes. Where the payment terms provide for compensation on a time and materials basis, the Contractor shall maintain adequate records to permit inspection and audit of the Contractor's time and materials charges under the Agreement. Upon reasonable notice, such records must be made available to the City's agent; however, nothing herein shall convert such records into public records. Such records shall be retained by the Contractor for three (3) years following completion of the services under the Agreement.
- L. Restrictions on City Employees. The Contractor 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

**R.F.P. # JLL 13/14-16
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IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

City of Moreno Valley

Insert Name of Contractor

BY: _____
Financial & Administrative Services
Director/City Manager/Mayor
(Select only one please)

Date

BY: _____
TITLE: _____
(President or Vice President)

Date

BY: _____

TITLE: _____
(Corporate Secretary)

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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TERMS OF PAYMENT

1. The Contractor's compensation shall not exceed \$_____.
2. The Contractor will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: http://www.moval.org/do_biz/biz-license.shtml
3. The Contractor will electronically submit an invoice to the City as provided in this Agreement for progress payments along with documentation evidencing services completed to date. The progress payment is based on actual time and materials expended in furnishing authorized professional services since the last invoice. At no time will the City pay for more services than have been satisfactorily completed and the City's determination of the amount due for any progress payment shall be final. The Contractor will submit all original invoices to Accounts Payable staff at AccountsPayable@moval.org

Accounts Payable questions can be directed to (951) 413-3073.
3. The Contractor agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization form will be completed prior to any payments by the City. Any invoice not paid because the completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at:
http://www.moval.org/city_hall/forms.shtml#bf
4. The minimum information required on all invoices is:
 - A. Vendor Name, Mailing Address, and Phone Number
 - B. Invoice Date
 - C. Vendor Invoice Number
 - D. Purchase Order Number
 - E. Detailed work hours by class title (e.g. Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount; single, lump amounts without detail are not acceptable.
5. The City shall pay the Contractor for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.

EXHIBIT B



- since 1984 -

Charles Abbott Associates, Inc.



"Helping public agencies provide effective and efficient municipal services to improve communities since 1984"

Proposal for National Pollutant Discharge Elimination System (NPDES) Consulting Services

RFP# JLL 13/14-16

Prepared for

City of Moreno Valley

Attn: City Clerk
14177 Frederick Street
Moreno Valley, CA 92553

By:
Charles Abbott Associates, Inc.

27401 Los Altos # 220
Mission Viejo, CA 92691
Toll Free: (866) 530-4980

www.caaprofessionals.com

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COVER LETTER

August 7, 2014

Charles Abbott Associates, Inc. (CAA) is pleased to submit the enclosed Proposal for National Pollutant Discharge Elimination System (NPDES) Consulting Services to the City of Moreno Valley (City).

CAA is exceptionally well qualified to provide the requested services to the City as described in our submittal. Our team is not only comprised of environmental experts, but also stormwater professionals who are able to balance regulatory requirements, cost effectiveness, political considerations, and practicality when advising their clients. Due to our depth of professional knowledge and our 30 years of industry experience, we feel we are superior to any other consultant providing these services in Southern California. CAA looks for creative solutions for our clients' needs, and we are committed to assuring cost effectiveness without sacrificing quality.

We pledge the full resources and backing of our firm to ensure that the City has the most efficient and cost effective compliance strategy available. We stand by our commitment to unparalleled professionalism and service.

Our proposal is valid for a minimum of 90 days, as requested by the City.

Should the City have any questions or require additional information, please contact Rae Beimer, Deputy Director of Environmental Services, or myself. We look forward to meeting with you to further discuss your service needs.

Thank you in advance for your consideration.

Sincerely,



CHARLES ABBOTT ASSOCIATES, INC.
Rusty R. Reed, PE President

27401 Los Altos # 220
Mission Viejo, CA 92691

(949) 279-4124



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NPDES Consulting Services

VENDOR INFORMATION

A. PROPOSERS COMPANY INFORMATION (print or type)

Company Name: Charles Abbott Associates, Inc.

Owner / Manager Name: Rusty Reed

PO Mailing Address: 27401 Los Altos, #220

City: Mission Viejo State CA Zip 92691

Web Site: www.caaprofessionals.com

Phone Number: (866) 530-4980

Fax Number: (949) 367-2852

E-mail Address: rustyreed@caaprofessionals.com

Remit to Address (if different from PO mailing address)

City: _____ State _____ Zip _____

Remit to Mailing Address: _____

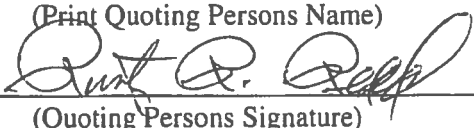
Incorporated? (mark one) Yes or No

Fed. Tax I.D. # or Social # 33-00753899

If not a Corporation, are you a Partnership, LLC, Individual or Joint Venture? _____

How many years of relevant experience within the scope of this RFP? 30

I certify that the information given above is accurate and complete; that the Terms and Conditions as issued by the City of Moreno Valley with this Request for Proposal have been fully read, understood, and accepted in total; and that I am a duly authorized agent for quoting purposes for the company named above.

<u>Rusty Reed</u>	<u>President</u>
(Print Quoting Persons Name)	(Title)
	<u>August 7, 2014</u>
(Quoting Persons Signature)	(Date)

FIRM'S GENERAL EXPERIENCE & QUALIFICATION

Introduction of Firm

Charles Abbott Associates, Inc. (CAA) is pleased to provide this Proposal for National Pollutant Discharge Elimination System (NPDES) Consulting Services to the City of Moreno Valley.

CAA was incorporated in the State of California in 1984. Over the past 30 years, we have provided outstanding professional services to over 75 municipal and regional government agencies. Our Project Team brings more than 68 years of combined and related project experience together with an expertise in development and management of similar environmental services for other municipal clients.

CAA's corporate headquarters is located in Mission Viejo California, office location as follows:



CORPORATE HEADQUARTERS

27401 Los Altos, Suite 220
Mission Viejo, CA 92691
Toll Free: (866) 530-4980
Fax: (949) 367-2852

CAA hires and maintains a fully credentialed and cross-trained staff that effectively meets our clients' needs. Many members of CAA staff have years of prior public and private sector experience that adds value to our municipal client's service and environmental endeavors.

The following promises demonstrate why CAA is the best-qualified service provider for the City:

Service Above and Beyond: CAA professionals believe that just doing a "good" job is not enough for our clients. Our aim is to excel. This means that we do not function simply by the language of our contract, but that we constantly look out for the general good of the City, local neighborhoods, and its residents. Our employees become part of your team and view themselves as an extension of your staff in carrying out the duties of the City.

Innovations in Service Delivery: CAA continuously strives for innovations to improve public services. Government must be more accessible to the citizens, more convenient, timelier in responses, more cost effective, and performance oriented. Accountability in government has never been higher than it is today. We want to be your partner in delivering exceptional public service and promoting the City of Moreno Valley. We pledge the full resources and backing of our firm to assure that the City is able to deliver outstanding, cost-effective public service of the highest quality.



professional services

5

Previous Experience:

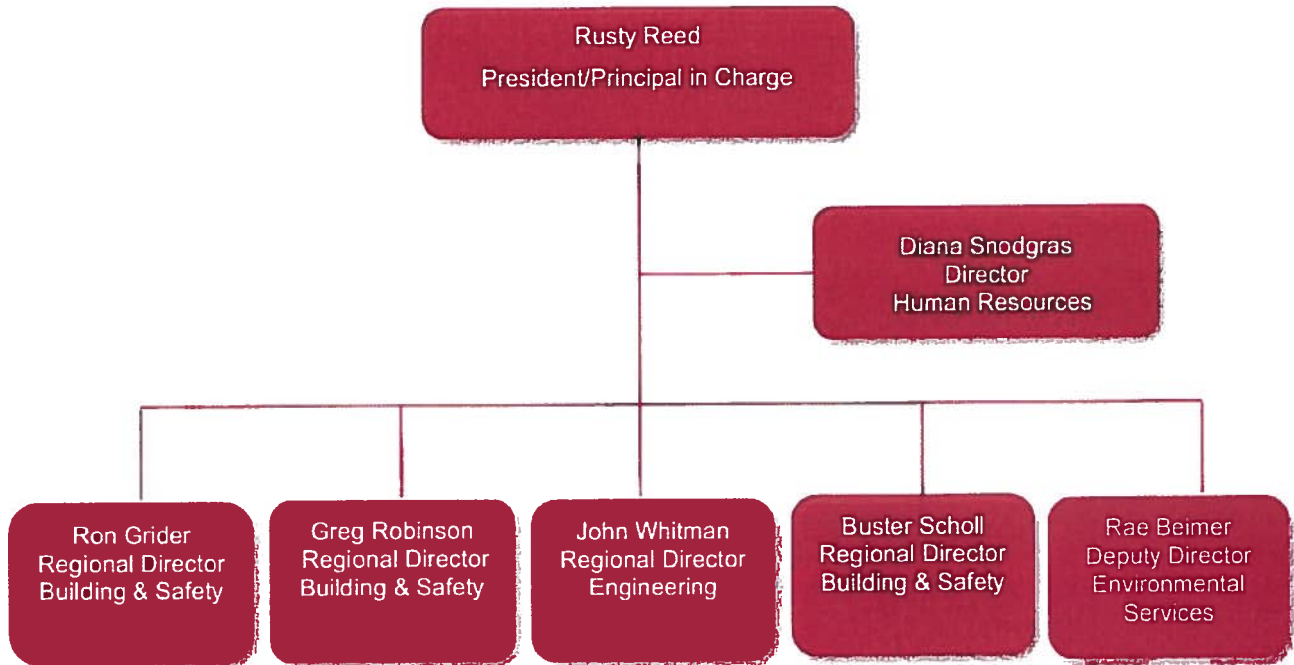
CAA has provided services similar to those you are requesting to municipalities within the counties of Orange, Los Angeles, San Bernardino and Ventura, including the Cities of Aliso Viejo, Apple Valley, Culver City, Cypress, Hawaiian Gardens, Hidden Hills, Redondo Beach, Laguna Woods, Los Alamitos, Moorpark, Norwalk, Palos Verdes Estates, Pomona, Rancho Santa Margarita, Torrance and Yucaipa.

Due to our long history and broad experience providing professional government services, we fully understand the technical, cultural, and political nature of the services to be performed at our client cities. We feel confident that we have the experience, organization, location, and size to ensure success in delivering the highest quality service.

CAA provides the range of professional services our clients requires to handle all environmental functions as well as a full range of other complementing services. We understand that no two cities are alike, and we pride ourselves in customizing our services to meet the particular needs of the constituents we serve at any one location.

Firm Organization

The following chart shows the general corporate and departmental organization and structure of CAA.



Since our incorporation in 1984, CAA has grown to a full-time and part time staff of 126 employees. CAA has a demonstrated record of very low staff turnover, which has proven highly beneficial to our clients. CAA employs a fully credentialed, cross-trained staff that effectively meets our environmental, engineering and building and safety commitments to our clients.

CAA will assist the City with administration of any water quality issues as requested. There are many issues that arise under the NPDES program that require a rapid review, assessment, and recommendations to City staff. CAA will provide the necessary expert technical and regulatory advice to assist the City with its compliance efforts for planned and unplanned regulatory matters arising from the City's Stormwater Permit and statewide NPDES stormwater programs.

CAA has the experience, staffing, and professional relationships to make all the cities we work with a success in all the departments we serve. We believe that as you evaluate service providers, you may very well find that several firms possess the technical skills necessary to provide the services that you are seeking. However, we believe that upon evaluation of our qualifications and consideration of our firm's unique and unmatched delivery of services, you will find that CAA is best qualified to serve you.

Acceptance of City Independent Contractor Agreement

Charles Abbott Associates, Inc. has read the terms outlined in the City's Independent Contractor Agreement and proposes the following change to the City's standard agreement:

- E. Contractor Indemnification. Contractor shall indemnify, defend and hold the City, the Moreno Valley Housing Authority, 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 Contractor's ^{Negligent} performance of the work contemplated by this Agreement. Acceptance of this Agreement signifies that the Contractor is not covered under the City's general liability insurance, employee benefits, or worker's compensation. It further establishes that the Contractor shall be fully responsible for such coverage.

Further, CAA is able to comply with the City's insurance requirements as stated in the City's Independent Contractor Agreement.

EXPERIENCE OF KEY PERSONNEL

Since 1984, CAA has been providing a growing number of cities with outstanding Environmental, Engineering, and Building Services. Over the years, our vast knowledge, experience, and proven ability to satisfy the needs of cities and counties of all sizes has earned us the reputation of being one of the most qualified firms in the industry.

Project Team

CAA's management approach has been highly effective in maintaining strict quality and contract compliance in the performance of similar studies. Our Project Team maintains these key qualities:

- Highly qualified key personnel, with a Project Manager who has a proven track record managing similar and multi-task contracts;
- Strict cost and schedule control procedures that address planning, scheduling, budgeting, performance evaluation, and quality control;
- Proven success with project tracking and documentation procedures and systems to facilitate the early identification of performance issues;
- Technical knowledge to perform the service(s);
- Certification/Registration in the necessary disciplines to demonstrate their technical knowledge;
- Ability to stay current with technology and regulations through ongoing training; and
- Ability to communicate effectively with the City and public.

The success of a project is often directly related to the Project Team. The following CAA staff is designated as key personnel and will be responsible for all applicable project tasks and work. Each is uniquely qualified and immediately available to deliver professional NPDES Consulting Services to the City.

- **Rae Beimer** is the Deputy Director of Environmental Services and will provide program support and quality control for this project by serving as the Project Manager. Ms. Beimer will be responsible for implementing the program elements in the request for proposal (RFP) and for working with City staff as requested by City management. She is responsible for coordination with other program support staff to ensure exemplary work is being conducted. Ms. Beimer has played an integral role in development and implementation of stormwater programs for the cities of Aliso Viejo, Rancho Santa Margarita, Redondo Beach, Apple Valley and Pomona. She has extensive program management experience in stormwater, Code and Ordinance development and implementation, Total Maximum Daily Load (TMDL) development and compliance, regulatory analysis, due diligence and environmental assessments, FOG program management, development plan review and inspection program implementation. She is experienced in project supervision and management for municipal clients.

- **Ivett Jones** will provide support as necessary including but not limited to performing business facility inspections on behalf of the City.
- **Mike Smith** will serve as staff support
- **Moy Yahya** will serve as staff support
- **Leila Sadrieh** will serve as staff support



A summary of several of our client cities with similar services in which the proposed team members were directly involved in the successful completion of the requested services or are currently providing compliance services are listed below.

Project Team Experience & Reference Information

CITY OF ALISO VIEJO

Contact Information: Shaun Pelletier, City Engineer,

Project Description: MS4 Permit Compliance under the San Diego Regional Water Quality Control Board.

Project Services and Dates of Service: 2001 – present (CAA still staffs this City although the key personnel have changed)

- CAA provides on-site consulting services to the City for the management and implementation of the City's Stormwater Program. CAA assists and administers the various NPDES Permit programs for the City including: Administrative Reporting; Public Information and Outreach Events; Construction Site, Industrial, Commercial and Food Service Facility Inspection Programs; Development Planning and Development Construction Reviews; Used Oil Program Management; Illicit Connection and Illicit Discharge Detection and Elimination Program; Code and Ordinance Development and Enforcement; Regional and Watershed meeting attendance and summarization for City staff; and City Staff Training. CAA also administers the City's Beverage Container Recycling program.

Key Personnel Involved: Rae Beimer, Program Support; Mike Smith, Program Support

CITY OF RANCHO SANTA MARGARITA

Contact Information: E.(Max) Maximous, City Engineer

Project Description: MS4 Permit Compliance under the San Diego Regional Water Quality Control Board.

Project Services and Dates of Service: 2008 - present

- CAA provides on-site consulting services to the City for the management and implementation of the City's Stormwater Program. CAA assists and administers the various NPDES Permit programs for the City including: Administrative Reporting; Public Information and Outreach Events; Construction Site, Industrial, Commercial and Food Service Facility Inspection Programs; Development Planning and Development Construction Reviews; Used Oil Program Management; Illicit Connection and Illicit Discharge Detection and Elimination Program; Code and Ordinance Development and Enforcement; Regional and Watershed meeting attendance and summarization for City staff; and City Staff Training. CAA also administers the City's Beverage Container Recycling program.

Key Personnel Involved: Rae Beimer, Program Manager

CITY OF CYPRESS

Contact Information: Gonzalo Vazquez, Environmental Affairs Manager

Project Description: MS4 Permit Inspection and Development Plan Review Services under the Santa Ana Regional Water Quality Control Board.

Project Services and Dates of Service: 2005 – present

- CAA provides Industrial and Commercial Inspection and database management services to the City of Cypress. In addition, staff provides Water Quality Management Plan (WQMP) and Storm Water Pollution Prevention Plan (SWPPP) review services to the City.

Key Personnel Involved: Rae Beimer, Plan Checker; Mike Smith, Inspector

CITY OF POMONA

Contact Information: Julie Carver, Environmental Programs Manager

Project Description: MS4 Permit Compliance Services under the Los Angeles Regional Water Quality Control Board.

Project Services and Dates of Service: 2005 - present

- CAA provides on-site consulting services to the City for the management and implementation of the City's Stormwater Program. CAA assists and administers the various NPDES Permit programs for the City including: Administrative Reporting; Industrial and Commercial Inspection Programs; Development Planning and Development Construction Reviews; Illicit Connection and Illicit Discharge Detection and Elimination Program; and City Staff Training;

Key Personnel Involved: Rae Beimer, Program Manager; Ivett Jones and Mike Smith, Inspector/Program Support

Staff Qualifications

The resumes have been summarized for space and brevity, but additional experience, knowledge and certifications are available at the City's request from Ms. Rae Beimer, Deputy Director of Environmental Services, or Ms. Diana Snodgrass, Director of Administrative Services.

Rae Beimer, Project Manager

<u>Education:</u>	B.S., Environmental Science and Policy California State University, Long Beach
<u>Yrs. Experience:</u>	7+ Years
<u>Yrs. With CAA:</u>	7 Years
<u>Certificates:</u>	CESSWI, QSP

Ms. Beimer has a solid educational and working background in environmental programs management for both public and private sectors. She currently provides storm water (NPDES) program support to municipal clients in Orange, Los Angeles, and San Bernardino Counties. She has extensive program management experience in Total



professional services

Maximum Daily Load (TMDL) development and compliance, water quality monitoring, municipal staff training, regulatory reporting and analysis, due diligence and environmental assessments, FOG program management, SWPPP/SUSMP/WQMP reviews and inspections, compliance database development and management, grant research and submittal, GIS compliance applications and inspection program implementation.

REPRESENTATIVE PROJECT EXPERIENCE:

- City of Rancho Santa Margarita, Stormwater Program Management Services: Ms. Beimer, provides on-site program management to the City of Rancho Santa Margarita, services include: Representing the City at all Permit compliance related meetings; Conducts commercial, industrial, municipal, construction site and food service facility inspections; IC/ID investigations; Development of program guidance documents, program manuals, inspection/reporting forms and BMP fact sheets; Compiles, synthesizes and submits NPDES Annual Reports to the San Diego Regional Water Quality Control Board; Develops and utilizes database applications for tracking and compliance with regard to inspections, grants and permit requirements; Uses GIS applications to comply with NPDES Permit.
- City of Cypress, NPDES Permit Program Management Services: Ms. Beimer administers the City of Cypress NPDES Stormwater Compliance services. In this capacity, Ms. Beimer directly develops and ensures implementation of the City's Industrial/Commercial Facility Inspection and Development Planning programs in accordance with the North Orange County Municipal Stormwater Permit.
- City of Pomona, NPDES Permit Program Management Services: Ms. Beimer directs program support staff in the development and implementation of compliance programs in support of the City's NPDES Permit goals. Ms. Beimer is responsible for directing the City's compliance efforts with the development program, ICID program, inspection program and training requirements of the Los Angeles County Municipal Stormwater Permit.
- City of Apple Valley, NPDES Permit Program Management Services: Ms. Beimer directs program support staff in the development and implementation of compliance programs in support of the City's NPDES Permit goals. Ms. Beimer is responsible for directing the City's compliance efforts with the Mojave River Watershed Small MS4 NPDES Permit.

Ivett Jones, Environmental Inspector

Education: Course Work, Building Codes Technology, Coastline College, CA
Certificate, Green Building Technology, North Orange County College, CA
Course Work, Recycling and Resource Management, Irvine Valley Community College, CA



Yrs. Experience: 13+ Years
Yrs. With CAA: 1 Year
Certificates: Green Building Professional
 Title 24 California Energy Efficient Standards
 Building Performance
 Building Analyst Professional
 Envelope Professional
 Green Plumbers Water and Energy Conservation
 (Non-Plumber)
 ICC
 Penal Code Section 832
 Certified Code Enforcement Officer
 EPA/HUD Lead Safety for Remodeling, Repair, & Repainting
 40-hour HAZWOPER
 10-hour OSHA General Industry Safety and Health
 Hazardous Waste Management
 Building Professional Institute

Mrs. Jones is trained and experienced in green building technologies, energy efficient auditing, code enforcement, recycling and resource management.

REPRESENTATIVE PROJECT EXPERIENCE:

- City of Santa Ana, Community Preservation Department: Community Preservation Inspector for the City for many years, supervising inspectors and providing ongoing training, coordinating task forces, assigning and reviewing cases. Investigated alleged zoning, health, safety, and substandard violations for public and private properties. Ensured compliance of applicable codes, laws, ordinances and regulations, Researched zoning, permit history, occupancy, variances, vesting, lien holders and land uses. Maintained daily reports, CDBG logs, and inspection files. Processed and obtained Inspection/Abatement Warrants, and testified in administrative hearings and court proceedings.

Mike Smith, Environmental Inspector

Education: B.S., Aeronautical Science, Minor in Safety
 Embry-Riddle University, Daytona Beach, FL
Yrs. Experience: 8+ Years
Yrs. With CAA: 8 Years
Certificates: CESSWI, QSP

Mr. Smith possesses a wide range of National Pollutant Discharge Elimination System (NPDES) and Building and Safety Inspection experience. He has performed a variety of duties including plan review, Storm Water Pollution Prevention Plan (SWPPP) reviews,



industrial and commercial facility inspections, and General Construction Activities Stormwater Permit (GCASP) site inspections.

REPRESENTATIVE PROJECT EXPERIENCE:

- City of Aliso Viejo, Stormwater Program Support Services: Mr. Smith provides onsite program support, services include: compiles data to include in NPDES Annual Reports and synthesizes required data into the City's Annual Report for submittal to the San Diego Regional Water Quality Control Board; Develops and administers NPDES compliance training programs for Homeowner Association management staff and landscaping companies; Represents the City at the NPDES Public Education meetings; Performs commercial, industrial, food service facility and municipal inspections for storm water compliance; Develops and utilizes database applications for tracking and compliance with regard to inspections, grants and permit requirements; and Develops and administers NPDES compliance training programs.
- City of Cypress, Industrial/Commercial Facility Program: Mr. Smith is responsible for performing inspections of Industrial and Commercial Facilities on behalf of the City; database management; Industrial/Commercial Facility prioritization; and Municipal Facility Inspections.
- City of Los Alamitos, Industrial/Commercial Facility Program: Mr. Smith is responsible for performing inspections of Industrial and Commercial Facilities on behalf of the City; database management; Industrial/Commercial Facility prioritization; and Municipal Facility Inspections.
- Cities of Culver City, Lawndale, Moorpark, Norwalk and Torrance, CA: Performed industrial/commercial inspections to ensure facility compliance with MS4 Permit.
- Redondo Beach: Performs industrial/commercial inspections to ensure facility compliance with MS4 Permit. Performs FOG inspections to ensure compliance with MS4 Permit and City FOG Ordinance.

Moy Yahya, Senior Environmental Scientist

Education: B.S., University of Mosul, Iraq
M.S., University of Mosul, Iraq

Yrs. Experience: 30 Years

Yrs. With CAA: 8 Years

REPRESENTATIVE PROJECT EXPERIENCE:

Mr. Yahya possesses extensive experience in the environmental fields including water and wastewater analyses and regulations, and solid waste. He has over 30 years of experience working in environmental fields and managing numerous projects including drinking water, wastewater, recycled water and urban runoff. His project management experience includes project design, resources management, budget tracking and



preparation of technical and scientific reports. Mr. Yahya has a US Patent in water treatment and over 30 published scientific articles.

Mr. Yahya is currently serving as the Environmental Programs Manager for the City of Aliso Viejo, and Code Enforcement and Water Quality Manager for the City of Laguna Woods. Mr. Yahya also provides water quality consulting service for City of La Palma. His responsibilities include the preparation of quarterly and annual NPDES and Solid Waste reports, and updating the City's ordinances, documents, procedures and database in compliance with the CalRecycle and Regional Water Quality Control Boards Permits regulations.

Leila Sadrieh, Environmental Inspector

Education: Bachelor of Natural Resources Engineering (Environmental Issues) Azad University, Iran, 2001.

Yrs. Experience: 10+ Years

Certificates: California Environmental Protection Agency Basic Inspector Academy
Fundamental Inspector Courses

Ms. Sadrieh will provide project support to the City of Moreno Valley. She possesses extensive experience as an Environmental and Quality Control Consultant to various businesses. Her experience with Orange County Watersheds includes conducting water quality compliance inspections. She is highly familiar with the commercial inspection requirements associated with NPDES permits as well as the implementation of other environmental requirements.

REPRESENTATIVE PROJECT EXPERIENCE:

Orange County Public Works/OC Watersheds: Ms. Sadrieh conducts restaurant and commercial NPDES inspections within County jurisdiction. She also provides environmental site assessments, including the review of regulatory database searches for inclusion in Hazardous Materials Assessment (HMA) reports. She was responsible for the preparation of the Public Education section of the County of Orange/Orange County Flood Control District Annual Stormwater Program Effectiveness Assessment (PEA). She has extensive fieldwork experience in Total Maximum Daily Load (TMDL) requirements and dry weather monitoring.

PROJECT APPROACH & UNDERSTANDING

Project Understanding

CAA was founded to meet the needs of contract cities like Moreno Valley. We are highly skilled and experienced at performing the business and construction compliance inspection services the City is seeking in relation to the City's Storm Water Ordinance, the MS4 Permit, and other environmental requirements.

CAA has been providing services similar to those you are requesting since 1984. We have successfully established long-term working relationships with a number of cities and counties in Southern California.

CAA staff members from our pool of highly qualified resources will be dedicated to the project. This core staff will carry out all compliance activities under the City's NPDES Permit, as well as other duties as assigned.

CAA staffing levels will ensure that all inspections are conducted in an efficient and courteous manner that is responsive to the City and public's needs. CAA has the experience, knowledge, and ability to manage such tasks, assignments, and responsibilities while reducing the City's financial and staffing burdens. When workload demands increase, CAA has the ability to add certified and qualified staff to meet that increase in workload.

CAA understands and is able to provide the services requested in the City's RFP. Upon initial review and assessment of the City's needs and resources, CAA will develop a work plan that incorporates all the elements necessary to implement the program and submit to the City for approval of execution. CAA has worked with other clients that are under the same MS4 Permit as the City and are very aware of the requirements contained within. In addition, CAA is currently working in several other cities that have very similar requirements per their MS4 Permits. This allows for effective and efficient management of the program. CAA is available and able to adapt to unforeseen circumstances that may arise. In the case where the work plan may need to be adjusted due to impromptu circumstances, CAA will meet with City staff to coordinate and prioritize program tasks as necessary. CAA will always maintain clear communication with City staff to ensure a successful program is executed.

Task No. 1 – Business Facility Compliance Inspections

- CAA will work with the City to prepare a priority list, create an inspection schedule, and perform inspections using the City Business Compliance Inspection Form used by the City of Moreno Valley.
- CAA staff will perform required inspections including follow-up inspections in accordance with City and State regulations and the established inspection schedule described above.
- As necessary, CAA will document the conditions of non-compliant facilities with photos and submit them to the City. We will ensure that information gathered during the inspections is complete and accurate.
- CAA staff will coordinate with the City Code Enforcement Officer and/or City Prosecutor if any corrective actions, as a result of an inspection, are necessary. The proper City enforcement procedure will be followed, which will be dependent

on the severity of the issue and violated regulation. These enforcement actions (i.e. corrective notices) will be documented in the inspection database on a regular basis.

- CAA will immediately notify the City of facilities with illicit discharges or other conditions that pose a threat to human health or the environment. CAA will document the conditions of non-compliant facilities with photos and submit them to the appropriate City staff or department. Those facilities identified as non-compliant will be re-inspected until compliance has been reached, as directed by the City.
- CAA will submit completed Business Compliance Inspection Forms and provide weekly comprehensive reports as to the results from the inspections. This report will include recommendations in response to the outcome of facility inspections as well as copies of all inspection forms CAA will also provide this information in tabular form that may be utilized for City database importing needs. CAA will update and maintain the City's Industrial/Commercial Business Inspection database and distribute NPDES educational material to inspected facilities as needed.
- CAA utilizes iPad technology to perform field inspections for several of our clients. The use of this technology allows for a more efficient and effective program. Report forms are logged in real time and forwarded to the facility via email. CAA will provide this as an option and if the City opts to use this service, CAA will customize the inspection form to ensure all RFP and NPDES Permit requirements are captured during each inspection.
- CAA will prepare and mail non-compliance letters within 2 days of determining non-compliance, including evaluation of completed CAP survey forms.
- CAA will meet with the City's Storm Water Program Manager and represent the City at all Permit compliance related meetings as needed. Additionally, CAA staff members will handle public inquiries and be available to the City and the public during regular business hours as stated in the RFP, as well as provide after hours emergency response staff as needed.

Task No. 2 – Construction Site Inspections

- CAA will work with the City to prepare a priority list, create an inspection schedule, and perform inspections using the Construction Site Inspection Form used by the City of Moreno Valley.
- CAA will submit completed Construction Site Inspection Forms and provide weekly comprehensive reports as to the results from the inspections. This report will include recommendations in response to the outcome of facility inspections as well as copies of all inspection forms CAA will also provide this information in tabular form that may be utilized for City database importing needs. CAA will update and maintain the City's Construction Site Inspection database and distribute NPDES educational material to inspected facilities as needed.
- CAA will meet with the City's Storm Water Program Manager to provide status updates on inspections as needed.

- CAA is experienced in successfully establishing and maintaining positive and harmonious working relationships with City staff, business representatives, and all other stakeholders contacted in the course of work.
- Our personnel is equipped with the latest technology, including iPads, cameras, vehicles and cell phones. CAA will provide all materials, resources, tools and training required for our professionals to perform their assigned duties, including cell phones and other technology devices that enhance our service.
- CAA will document the conditions of non-compliant facilities with photos and submit them to the City with the appropriate compliance inspection form. We will ensure that information gathered during the inspections is complete and accurate.
- CAA professionals are cross-trained and able to perform other related duties as assigned by the City of Moreno Valley.

Task No. 3 – NPDES Related Meetings & Administrative Functions

- CAA will represent the City at all NPDES related meetings as directed by the City.
- CAA will work closely with the City's GIS staff to update the City's database for private and public Water Quality Treatment Control Facilities as well as the APN database from the County of Riverside for County Service Area (CSA 152).
- CAA is able to assist and administer the various NPDES Permit programs for the City including: Administrative Reporting; Public Outreach events; Industrial, Commercial and Food Service Facility Inspection Programs; Development Planning and Development Construction Reviews and inspections; Illicit Connection and Illicit Discharge Detection and Elimination Program; Code and Ordinance Development and Enforcement; and City Staff Training.
- CAA will review the Report of Waste Discharge for renewal of the City's current NPDES permit, prepare implementation plans and update NPDES related documents.

Management Approach

Aside from our expertise, CAA is known for providing its high quality services at a highly competitive rate. We develop rate structures with each of our clients that guarantee cost effectiveness without sacrificing quality. The scope of our services ranges from part-time to full-service departments, and in each case we work closely with our clients to ensure the particular service demand is met. The City of Moreno Valley can be confident in the quality of our services and the responsiveness and professionalism with which we provide them, regardless of the size or nature of the contract.

Consummate Customer Service

All of our employees have a passion for exceptional customer service. We take special interest in our performance of duties, always focused on efficient project processing and successful project outcomes. In addition the staff at CAA brings a can-do attitude to their work— always willing to meet with clients for pre-design meetings, pre-submittal



meetings or as needed to resolve complex code related plan review issues in the most efficient manner possible.

Responsive Project Management

By cooperating and working closely with all of the entities responsible for project approval, we form a collaborative working relationship that centers on successful project processing. As a result, the approval process with other city departments is timely, seamless and efficient. CAA also recognizes the needs of sensitive projects and those that require special attention to meet the needs of the community.

Integration Plan

CAA prides itself on being a "team player" in each municipal service engagement. We train our staff to recognize that citizens of the community, city staff and other consultants are our customers and, as such, deserve our best efforts to respond, assist, support, and work hand-in-hand.

CAA assures you that our team members will learn and keep up to date on City policies and procedures as we commence the engagement. CAA staff will adhere to all City personnel policies and directives including hours of operation, dress code, and other team building efforts.

CAA expects and demands that the staff we assign to the City of Moreno Valley immediately becomes a productive part of the City Team. We will obtain prior written approval prior to substituting or adding individuals to our key staff. Although our agreements do not specifically require it, we assure you that if we make an assignment and our staff member is not compatible (personality, personal behavior, etc.) with City staff we will, with your knowledge and approval, substitute another CAA staff member who can integrate seamlessly into your team.

CAA staff will strictly adhere to your policies and procedures regarding confidentiality, public release of information, and communications with media. CAA values each client and our staff conducts themselves in a manner not to bring attention to CAA but rather to always put the City in favorable public light.

Quality Control

Maintaining high quality services is what has made CAA as successful as we are today. We understand that having experienced and qualified personnel is a fundamental requirement of being able to delivery quality service to our clients, and we place considerable effort in attracting and retaining our highly trained staff.

We provide our staff with on-going training, both in-house and with other professional seminars and classes. This training makes sure that staff has the knowledge and other resources available to help them provide high quality service to our customers. Additionally, we provide financial incentives to encourage participation in obtaining certain state-wide and nationally recognized certifications. The knowledge obtained in achieving these certifications helps our professionals to keep up with the "State of the

Art" and therefore gives us the ability to constantly improve the quality of service we are able to deliver to our clients.

Since our formation, we have held the philosophy that "CAA is only as strong as our weakest employee." Therefore, in order for CAA to continue to enjoy a large degree of success, it is important to everyone in the firm that the weakest employee is made as strong as possible. To this end, procedures are implemented to ensure that everyone is cross-checked in the work they are performing. This ensures that enforcement of the codes is being applied as uniformly as possible, and that as a group we are working as intelligently as possible.



REFERENCES

CAA has been providing professional government services since our inception over 30 years ago. Our average length of services with our municipal clients is 16 years. These long-standing relationships are a direct result of our attention to providing the highest quality of service for our clients, while meeting the challenge of municipal budget constraints.

CAA has provided and continues to provide NPDES program management services which include: Municipal NPDES Permit Compliance reviews; city representation at NPDES Permittee meetings; Commercial, Industrial, and Construction site inspections; NPDES Development Planning and Design requirements; and Educational Outreach to city residents in the Los Angeles, Orange, and San Bernardino Counties. CAA has provided such NPDES Permit compliance services to municipalities such as yours, including the references listed below.

As per the requirements of your RFP, we have listed each reference on a separate page.

City of Rancho Santa Margarita

Contact Information:

E.(Max) Maximous

City Engineer

Phone: (949) 635-1800

Email: EMaximous@cityofrsm.org

Address:

22112 El Paseo

Rancho Santa Margarita, CA 92688

Service Dates:

2007 - present

Project Description:

NPDES Stormwater Permit Compliance and Inspection Services under the SDRWQCB

Key Personnel Involved:

Rae Beimer, Program Manager/Inspector

City of Redondo Beach

Contact Information:

Geraldine Trivedi
Associate Civil Engineer
Phone: (310) 318-0661 ext 2036
Email: Geraldine.Trivedi@redondo.org

Address:

415 Diamond Street, Door "E"
Redondo Beach, CA 90277

Service Dates:

2012 - present

Project Description:

NPDES Stormwater Permit Compliance and Inspection Services under the LARWQCB.

Key Personnel Involved:

Mike Smith, Inspector; Rae Beimer, Program Manager

City of Pomona

Contact Information:

Julie Carver
Environmental Programs Manager
Phone: (909) 620-3628
Email: julie_carver@ci.pomona.ca.us

Address:
505 S. Garey Avenue
Pomona, CA 91769

Service Dates:
2005 - present

Project Description:

MS4 Permit Compliance Services under the Los Angeles Regional Water Quality Control Board. CAA provides on-site consulting services to the City for the management and implementation of the City's Stormwater Program. CAA assists and administers the various NPDES Permit programs for the City including: Administrative Reporting; Industrial and Commercial Inspection Programs; Development Planning and Development Construction Reviews; Illicit Connection and Illicit Discharge Detection and Elimination Program; City Staff Training;

Key Personnel Involved:
Rae Beimer, Program Manager; Ivett Jones, Support/Inspector

FEE SCHEDULE

CAA will assist the City in the performance of tasks identified in the Scope of Work at the rates listed in our standard fee schedule below. Prior to signing of agreements and as referenced in the Terms of Payment, CAA and the City will determine a Not-to-Exceed amount for services, annually.

STANDARD HOURLY RATE SCHEDULE

Title/Staff	Hourly Rate
1. Program Manager– Rae Beimer	\$138.00
2. Environmental Associate	\$90.00
3. Environmental Inspector	\$78.00

The above hourly rates include general and administrative overhead and fees and employee payroll burden.

The above hourly rates are subject to an annual adjustment based upon increases adopted by Charles Abbott Associates, Inc. as reflected in the Consumer Price Index (CPI).

EXHIBIT C

CITY - SERVICES TO BE PROVIDED

TO CONSULTANT

1. Furnish the Consultant all in-house data which is pertinent to services to be performed by the Consultant and which is within the custody or control of the City, including, but not limited to, copies of record and off-record business inspection results, copies of pertinent business license data, all record and newly developed and pertinent Lake Elsinore and Canyon Lake Total Maximum Daily Load data, and such other pertinent Storm Water Management data which City may possess or may become available to the City within the scope of the services to be provided.
2. Provide a work station, an office telephone, an office computer, regular office supplies, and access to a fax and copy machine.
3. Provide timely City staff liaison with the Consultant when requested and when reasonably needed.

EXHIBIT C

EXHIBIT D

TERMS OF PAYMENT

1. The Consultant's compensation shall not exceed **\$73,485.03**.
2. The Consultant will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: http://www.moval.org/do_biz/biz-license.shtml
3. The Consultant will electronically submit an invoice to the City once a month for progress payments along with documentation evidencing services completed to date. The progress payment is based on actual time and materials expended in furnishing authorized professional services during the preceding calendar month. At no time will the City pay for more services than have been satisfactorily completed and the City Engineer's determination of the amount due for any progress payment shall be final. The consultant will submit all original invoices to Accounts Payable staff at AccountsPayable@moval.org
Accounts Payable questions can be directed to (951) 413-3073.
Copies of invoices may be submitted to the Public Works Department/Land Development Division at kentw@moval.org and zarat@moval.org. Calls should be directed to (951) 413-3139.
4. The Consultant agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization

form will be completed prior to any payments by the City. Any invoice not paid because the completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at:

http://www.moval.org/city_hall/forms.shtml#bf

5. The minimum information required on all invoices is:
 - A. Vendor Name, Mailing Address, and Phone Number
 - B. Invoice Date
 - C. Vendor Invoice Number
 - D. City-provided Reference Number (e.g. Project, Activity)
 - E. Detailed work hours by class title (e.g. Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount; single, lump amounts without detail are not acceptable.

6. The City shall pay the Consultant for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.

EXHIBIT D

EXHIBIT E

INSURANCE REQUIREMENTS

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. The most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01, which shall include insurance for "bodily injury," "property damage" and "personal and advertising injury" with coverage for premises and operations, products and completed operations, and contractual liability.
2. The most current version of Insurance Service Office (ISO) Business Auto Coverage Form CA 00 01, which shall include coverage for all owned, hired, and non-owned automobiles or other licensed vehicles (Code 1- Any Auto).
3. Workers' Compensation insurance as required by the California Labor Code and Employer's Liability Insurance.
4. Professional Liability (Errors and Omissions) insurance appropriate to Consultant's profession.

Minimum Limits of Insurance

Consultant shall maintain limits of liability of not less than:

1. General Liability:
 - \$1,000,000 per occurrence for bodily injury and property damage
 - \$1,000,000 per occurrence for personal and advertising injury
 - \$2,000,000 aggregate for products and completed operations
 - \$2,000,000 general aggregate
2. Automobile Liability:
 - \$1,000,000 per accident for bodily injury and property damage
3. Employer's Liability:
 - \$1,000,000 each accident for bodily injury
 - \$1,000,000 disease each employee
 - \$1,000,000 disease policy limit

4. Professional Liability (Errors and Omissions):

\$1,000,000 per claim/occurrence
\$2,000,000 policy aggregate

Umbrella or Excess Insurance

In the event Consultant purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies).

Deductibles and Self-Insured Retentions

Consultant shall be responsible for payment of any deductibles contained in any insurance policy(ies) required hereunder and Consultant shall also be responsible for payment of any self-insured retentions. Any deductibles or self-insured retentions must be declared to, and approved by, the City Manager or his/her designee. At the option of the City Manager or his/her designee, either (i) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers; or (ii) Consultant shall provide a financial guarantee, satisfactory to the City Manager or his/her designee, guaranteeing payment of losses and related investigations, claim administration and defense expenses. At no time shall City be responsible for the payment of any deductibles or self-insured retentions.

Other Insurance Provisions

The General Liability and Automobile Liability insurance policies are to contain, or be endorsed to contain, the following provisions:

1. City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers are to be covered as additional insureds.
2. The coverage shall contain no special limitations on the scope of protection afforded to City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers.
3. Consultant's insurance coverage shall be primary and no contribution shall be required of City.

The Workers' Compensation insurance policy is to contain, or be endorsed to contain, the following provision: Consultant and its insurer shall waive any right of subrogation against City, CSD, Housing Authority and each of their officers, officials, employees, agents and volunteers.

If the Professional Liability (Errors and Omissions) insurance policy is written on a claims-made form:

1. The retroactive date must be shown, and must be before the effective date of the Agreement or the commencement of work by Consultant.
2. Insurance must be maintained and evidence of insurance must be provided for at least 3 years after any expiration or termination of the Agreement or, in the alternative, the policy shall be endorsed to provide not less than a 3-year discovery period.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of the Agreement or the commencement of work by Consultant, Consultant must purchase extended reporting coverage for a minimum of 3 years following the expiration or termination of the Agreement.
4. A copy of the claims reporting requirements must be submitted to City for review.
5. These requirements shall survive expiration or termination of the Agreement.

All policies of insurance required hereunder shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after 30 calendar day written notice by certified mail, return receipt requested, has been given to City. Upon issuance by the insurer, broker, or agent of a notice of cancellation, non-renewal, or reduction in coverage or in limits, Consultant shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy is due to expire during the work to be performed for City, Consultant shall provide a new certificate, and applicable endorsements, evidencing renewal of such policy not less than 15 calendar days prior to the expiration date of the expiring policy.

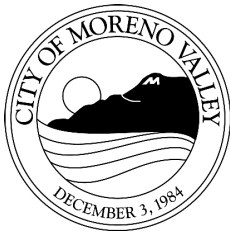
Acceptability of Insurers

All policies of insurance required hereunder shall be placed with an insurance company(ies) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A-VII" in Best's Insurance Rating Guide; or authorized by the City Manager or his/her designee.

Verification of Coverage

Consultant shall furnish City with all certificate(s) and **applicable endorsements** effecting coverage required hereunder. All certificates and **applicable endorsements** are to be received and approved by the City Manager or his/her designee prior to City's execution of the Agreement and before work commences.

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Thomas M. DeSantis, Assistant City Manager

AGENDA DATE: November 18, 2014

TITLE: APPROVE RESOLUTION 2014-93 IN SUPPORT OF MARCH AIR RESERVE BASE AND THE NAVAL SURFACE WARFARE CENTER CORONA

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution 2014-93. A Resolution of the City Council of the City of Moreno Valley, California, in Support of March Air Reserve Base and the Naval Surface Warfare Center, Corona Division.

SUMMARY

Moreno Valley, like communities across Southern California, suffered dramatic economic damage throughout the nationwide economic recession. A request by the U.S. Secretary of Defense to begin another round of military base closures threatens the economic wellbeing of all communities which could be affected by military reductions. The Riverside County Board of Supervisors has requested that all cities adopt a Resolution expressing support for March Air Reserve Base and the Naval Surface Warfare Center and urging against any reductions at these key military installations.

DISCUSSION

The United States Navy's Naval Surface Warfare Center and March Air Reserve Base are major employers in the Inland Southern California region and contribute significantly to the local economy. Combined, these two military installations generate annual payroll of approximately \$1 billion dollars for local workers in the civilian and military workforces at both bases. These jobs and missions of the Active Duty State and

Federal Reserve forces are assets to the communities they serve and play a leading role in keeping our nation safe and secure.

Defense Department contracts in Riverside County create thousands of direct and indirect jobs in our region. The U.S. Secretary of Defense has requested that another Base Realignment and Closure (BRAC) process be authorized in the near future to reduce the number of military bases across the nation and around the globe. March Air Reserve Base and the Naval Surface Warfare Center are assets to the United States Armed Forces. Both installations conduct unique missions in support of our national security and disaster response, also serving as national models for military and defense missions.

The California State Assembly supports the County of Riverside Board of Supervisors in opposition to another round of Base Realignment and Closures as it relates to March Air Reserve Base and the Naval Surface Warfare Center. The opposition extends to any potential cuts, reductions, realignment or missions and resources assigned to these two installations. Furthermore, the California State Assembly is also opposed to the elimination or realignment of military and civilian jobs at both bases.

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.

ATTACHMENTS

Attachment 1: Proposed Resolution

Prepared By:
Julie Reyes
Sustainability/Intergovernmental Program Manager

Department Head Approval:
Thomas M. DeSantis
Assistant City Manager

RESOLUTION NO. 2014-93

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, IN SUPPORT OF MARCH AIR RESERVE BASE AND NAVAL SURFACE WARFARE CENTER, CORONA DIVISION

WHEREAS, the United States Navy's Naval Surface Warfare Center, Corona Division and March Air Reserve Base are located in the County of Riverside; and

WHEREAS, the Naval Surface Warfare Center and March Air Reserve Base are major employers in the Inland Southern California region and major contributors to the region's economy; and

WHEREAS, combined, these two military installations generate annual pay roll of approximately \$1 billion dollars for local workers in the civilian and military workforces at both bases; and

WHEREAS, Defense Department contracts in Riverside County create thousands of direct and indirect jobs in our region; and

WHEREAS, the Secretary of Defense has requested that another Base Realignment and Closure be authorized in the near future to reduce the number of military bases across the nation and around the globe; and

WHEREAS, March Air Reserve Base and the Naval Surface Warfare Center are assets to the United States Armed Forces; and

WHEREAS, both installations conduct unique missions in support of our national security and disaster response and serve as national models for military and defense missions; and

WHEREAS, a Base Realignment and Closure process threatens to adversely impact the economy for Riverside County and its twenty-eight cities.

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

1. The City Council hereby supports March Air Reserve Base and the Naval Surface Warfare Center, Corona Division; and
2. The City Council supports the California State Assembly and the County of Riverside Board of Supervisors to oppose the elimination or realignment of military and civilian jobs, to include any cuts, reductions of missions and resources assigned to these two bases; and

1
Resolution No. 2014-93
Date Adopted: November 18, 2014

3. The City Clerk shall communicate this action of the City Council to local and state elected representatives.

APPROVED AND ADOPTED this 18th day of November, 2014

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-93²
Date Adopted: November 18, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-93 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 18th day of November, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Resolution No. 2014-93³
Date Adopted: November 18, 2014

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: November 18, 2014

TITLE: AMENDMENT TO ACCELA CONTRACT FOR AGENDA MANAGEMENT AND VIDEO WEBSTREAMING

RECOMMENDED ACTION

Recommendations:

1. Authorize the City Manager to execute a Contract Amendment with Accela, 2633 Camino Ramon, Suite 500, San Ramon, CA 94583, in the amount of \$185,150.00 (three year contract at \$55,050 per year plus \$20,000 (12%) contingency).
2. Authorize the Chief Financial Officer to issue a purchase order upon execution of the amendment to the above-referenced contractor not to exceed the amount of \$185,150.00.
3. Approve the Fiscal Year 2014/2015 budget appropriation as set forth within the Fiscal Section of this report.

SUMMARY/BACKGROUND

Since 2005, the City has been utilizing Sire Inc. document management system to scan and store the City's vital documents. In 2009, the City implemented the automation of the City Council agenda and at a later date meeting minutes, video streaming, and voting board were integrated into the Agenda Management system. At the request of City staff, Sire has enhanced the agenda by customizing features that provided further automation which replace manual tasks. Two years ago, the City was notified that Hyland had purchased Sire, Inc.

On October 29, 2014, Technology Services (TS) Division staff and the City Clerk met with Hyland (formerly Sire) staff members to address significant issues with Sire that had gone unaddressed for months.

- Issues with downloading large pdf files in various software modules (i.e., voting board, iPad app and/or website).
- Acknowledged software bug requiring users to reboot devices if a mis-keyed password is entered.
- Serious synchronization issues with streaming and archived video that requires the Sire services to be rebooted.
- Periodic unexplained system errors resulting in a Windows service crash when accessing Agenda-To-Go.

Hyland notified city staff that they would no longer work on developing the agenda software the city is currently using. In addition, Hyland reported that the company does not yet have an agenda solution and the problems the city is experiencing would not be mitigated. Due to the urgency of the situation, a decision was made to explore other agenda management vendors. To date TS staff and the City Clerk have reviewed several agenda management vendors, including Granicus (Legistar), Accela (Legislative Management) and Hyland (yet to be released product).

Additionally, TS staff will be fully engaged in the Development Services software replacement project from January 1, 2015 – July 1, 2016; if this Agenda Management project cannot be started this year then it would have to wait until late 2016. That option is not acceptable given the current problems.

Based on Technology Services and City Clerk review of the agenda vendors' software it is staff's recommendation that the City Council award a contract amendment to Accela and immediately implement the system.

DISCUSSION

In reviewing Accela's Agenda Management solution, it was desired that the system provide a comprehensive technology solution for implementing a paperless process for developing, routing, store, accessing, and retrieving current and historical agendas and meeting materials for the City Clerk's Office and support other legislative bodies such as the Planning Commission and other boards & commissions as determined by the City. This will include implementing Accela's streaming video and voting board. Moreno Valley will utilize several specific modules of the Accela Legislative Management Suite, including agenda, minutes, civic streaming, and digital boardroom.

The City currently has an active contract with Accela for other software; therefore, the addition of Agenda Management will be completed as a contract amendment to the current contract.

The urgency of the situation is complicated by an existing project that involves many staff citywide. Development Services related staff are in the beginning phases of a project that will replace the existing software system that supports their work; the new system is expected to support more Development Services processes than the current system. The target completion date of the new system is July 1, 2016. While the initial phase of this project started in 2014, heavy, wide-spread staff participation will begin in January 2015. In particular, the Technology Services Division will be fully engaged in the Development Services project starting in January. Thus an extraordinary need exists to complete this project as quickly as possible in order to have minimal impact on the Development Services project.

Accela's Agenda Management solution is offered as a "cloud" service. Cloud services move the servers, software, and management associated with the system to a service provider on the Internet. This is different than purchasing, housing, and managing the server and software onsite with City staff. Cloud services also mean that the data is stored and backed up offsite instead of by City staff. By using a cloud service the agenda management system would no longer be an asset that is depreciated over time so that funds are available to replace it. Instead the system becomes a service that we utilize and pay for annually. This means that budgeting for an asset, a capital expense, and depreciating the asset over its useful life will cease and be replaced by a service, an operating expense. The financial difference is that capital expenses are paid via one-time costs plus annual maintenance, and the asset is depreciated over its useful life. Operating expenses do not collect depreciation but do have higher annual recurring costs.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. This alternative will provide for timely update to the agenda management software.
2. Do not approve and authorize the recommended actions as presented in this staff report. Continuing with the status quo will put the City in a vulnerable position with regard to not being able to mitigate technical issues with the agenda and not being able to produce the agenda.

Staff recommends Alternative 1.

FISCAL IMPACT

Replacement funds from the existing software system will be used; these funds are in the Technology Services Replacement fund. Adequate replacement funds are available to fund this request; however the Council must approve a budget adjustment to authorize the use of these funds. Additional appropriations for the subsequent years of the Contract Agreement will be included within future proposed budgets for the City Council's approval.

Proposed Appropriation for Fiscal Year 2014/15

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 14/15 Budget	Proposed Adjustments	FY 14/15 Amended Budget
Transfer-Out	TS Replacement Fund	7230-99-99-97230-927210	Exp	\$856,091	\$75,050	\$931,141
Transfer-In	TS Operations Fund	7210-99-99-97210-827230	Rev	\$0	\$75,050	\$75,050
TS Software Maintenance/ Support/ Licenses	TS Operations Fund	7210-30-39-25410-625010	Exp	\$0	\$75,050	\$75,050

ATTACHMENTS

Attachment 1 – Accela Contract Amendment

Attachment 2 – Existing Accela Contract

Prepared By:
Jane Halstead
City Clerk

Department Head Approval:
Jane Halstead
City Clerk

Concurred By:
Richard Teichert
Chief Financial Officer

Concurred By:
Steve Hargis
Technology Services Division Manager

11/6/2014

AMENDMENT

1. <u>Parties</u>	<p>ACCELA Accela, Inc. 2633 Camino Ramon, Suite 120 Bishop Ranch 3 San Ramon, California 94583 Attention: Contracts Administration T: 925.659.3200 F: 925.407.2722 e-Mail: contractsadmin@accela.com</p>	<p>CUSTOMER City of Moreno Valley, California 14177 Frederick Street Moreno Valley, California 92553 Attention: N/A T: 951.413.3404 F: N/A e-Mail: kimk@moval.org</p>
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2. Effective Date Provided that Customer signs and returns this Amendment to the Permits Plus® Agreement Between Accela, Inc. (fka Sierra Computer Systems, Inc.) and City of Moreno Valley, California executed on or about December 30, 1998 ("Agreement") to Accela **no later than November 20, 2014**, this Amendment to the Agreement is effective as of date of Customer's signature ("Effective Date").

3. Terms and Conditions

3.1 The Agreement is modified to provide the subscription services described in the Government Meeting Management Software quote attached hereto as Exhibit A.

3.2 Unless specifically amended, modified, or supplemented by this document, all terms and conditions of prior written agreements between the parties shall remain unchanged and in full force and effect. The parties expressly disclaim any alternate terms and conditions accompanying drafts and/or purchase orders issued by Customer.

3.3 If any particular provision of this document is determined to be invalid or unenforceable, that determination shall not affect the other provisions which shall be construed in all respects as if the invalid or unenforceable provision were omitted.

ACCELA

CUSTOMER

By: _____
Signature

By: _____
Signature

Print Name

Print Name

Its _____
Title

Its _____
Title

Dated: _____
Month, Day, Year

Dated: _____
Month, Day, Year

Exhibit A Follows

END OF DOCUMENT

APPROVED AS TO FORM:

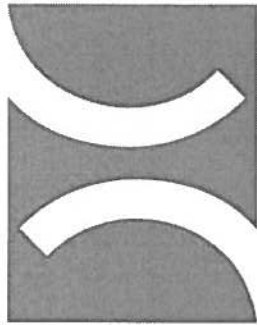
DATE 11/10/14

BY: [Signature]

CITY ATTORNEY
 CITY OF MORENO VALLEY

11/6/2014

EXHIBIT A



Accela
Legislative Management

Government Meeting Management Software

Moreno Valley, CA

Submitted By:

Michael Harrison
Sr. Business Development Executive

Accela
2633 Camino Ramon, Suite 500
San Ramon, Ca 94583
(925) 659-3200

11/06/2014

Accela – Legislative Management - Terms, Conditions and Pricing for the City of Moreno Valley, Ca

IMPORTANT NOTICE TO USER: Accela, Inc. owns all intellectual property in the products *Agendas & Minutes, Civic Streaming, Digital Boardroom and Boards & Commissions* (formerly MinuteTraq, MediaTraq, E-Boardroom & BoardTraq) software "Software". You shall not modify, adapt, translate, rent, lease or otherwise attempt to discover the Software source code. This Agreement will be governed by the laws in force in the State of California. This agreement is effective as of the date of Customer's signature ("Effective Date").

2. Software License. This software program and the accompanying files, software updates, lists and documentation are licensed, not sold, to you. You may install and Use a copy of the Software on your compatible computer for the purpose of connecting to the hosted service provided by Accela as long as you are a current subscriber and maintain your monthly or annual continued services for the applicable licenses.

3. Continued Services

3.1 Updates and Renewals. If the Software is an Update to a previous version of the Software, you must possess a valid license to the previous version in order to use the Update. Corrections of substantial defects in the Software so that the Software will operate as purported will be rectified by Accela. Customer agrees to install all updates, including any enhancements, for the Software in accordance with the instructions provided by Accela.

3.2 Service Level Agreement "SLA". Technical support is available twenty-four (24) hours per day, seven (7) days per week for the term of this Agreement. Accela policy requires a response from a support staff member within 60 minutes which will result (if necessary) in a formal submission of a case #. Client will be notified of estimated resolution schedule.

3.3 Hosting. Accela agrees to maintain customer data in a Tier-2 datacenter and is committed to providing 99.9% uptime and availability. Accela will perform nightly backups of your hosted data to an alternate physical location.

3.4 Ownership of Data. All hosted data belongs to the customer. At the request of the customer Accela will provide a backup of all database information and files through a downloadable backup or DVD. Accela agrees to provide this service without charge at least once per year.

4. Payment Terms & Fees

4.1 Billing Procedures. Upon the Effective Date, **SaaS Services of \$55,020.00 per year will be invoiced.** SaaS annual service fees will remain unchanged for the first three years; thereafter, Accela reserves the right to charge a 5% cost of living increase per year. Payment Terms are **NET 30** Days. Subscription terms are twelve (12) calendar months in duration. At the end of Customer's subscription, Customer's subscription will renew for an additional annual term. This agreement can be terminated at any time with **30 days** prior written notice. In the event of termination, the unused portion of fees paid will be pro-rated and refunded to Customer.

4.2 Travel Expenses. Should travel by Accela staff ever be agreed upon during the tenure of these terms the daily rate will be \$1,500 per person with travel expenses billed at cost and invoiced separately.

4.3 Hardware. Accela does not warranty any hardware. Should Accela choose to furnish encoder hardware as part of our MediaTraq video streaming service at no additional cost, hardware warranty is through manufacturer repair or replacement only. Any hardware issues requiring new equipment not covered by the warranty will be billed to the client at cost.

5. Limitation of Liability. In no event will Accela be liable to you for any damages, claims or costs whatsoever or any consequential, indirect, incidental damages, or any lost profits or lost savings, even if an Accela representative has been advised of the possibility of such loss, damages, claims or costs or for any claim by any third party. The foregoing limitations and exclusions apply to the extent permitted by applicable law in your jurisdiction. Accela's aggregate liability shall be limited to the amount contracted for the software, if any.

11/6/2014

6. Pricing Structure:

<u>SKU #</u>	<u>Description</u>	<u>Net SaaS Fees</u>
SS60AA&MT08CI01	MinuteTraq – Unlimited (Agenda & Minutes)	\$1,750 / mo.
SS60ACSHT08CI01	MediaTraq HD – Unlimited (Civic Streaming)	\$1,710 / mo.
SS60ACSHT08CI01	eBoardroom – Unlimited (Digital Boardroom)	\$1,125 / mo.
	Configuration, Training and Implementation	Waived/ Included
<i>Options</i>		
SS60AB&CT08CI01	BoardTraq – Unlimited (Boards and Commissions)	\$925 / mo.*
Total – Monthly SaaS		\$4,585/ mo.
* Not included in total		
Total – Annual SaaS		\$55,020 / year
* Not included in total		

The City of Moreno Valley, CA

Accela, Inc.

Signature

Signature

Printed Name, Title

Printed Name, Title

Date:

Date:

Billing Contact:

Billing Address:

'PERMITS' Plus® VERSION

AGREEMENT BETWEEN

Sierra Computer Systems, Inc., hereinafter referred to as SCSi, and City of Moreno Valley, CA hereinafter referred to as User.

Executed this ____ day of ____, 1998.

User must execute this agreement and return to SCSi by January 15, 1999 to be valid.

RECITALS

SCSi provides the **'PERMITS' Plus**® System, hereinafter referred to as "Software".
SCSi provides this "SOFTWARE" and licenses its use.

Customer : **City of Moreno Valley**

Address : **14177 Frederick Street/ P.O. Box 88005**

City/State/Zip : **Moreno Valley, CA 92552-0805**

Product Name : **'PERMITS' Plus**®

SCSi Reference :

Release No. : **03 or Higher**

No. of Licenses : **50**

License Fee : **\$ 8,225.00 (Using SQL Server)**
\$ 3,000.00 (Additional License Fee for Client Server Option)
\$ 5,000.00 ('PERMITS' TrueGIS™)
\$ 500.00 ('PERMITS' OfficeLink™)
\$ 658.75 (Sales/Use Tax)
\$17,383.75 TOTAL (Contingent upon upgrading to Gold Maintenance prior to Migrating)

TERMS AND CONDITIONS OF AGREEMENT
BETWEEN SCSi AND USER
GENERAL CONDITIONS OF **'PERMITS' Plus**® LICENSE

A1.00. HEADINGS. Headings are for convenience only and shall not be deemed to be part of this Agreement.

A2.00. MODIFICATION. No modification or variation of this Agreement shall be valid unless in writing signed by both parties.

A3.00. SEVERABILITY. If any provision of this Agreement shall be construed to be illegal or invalid, the legality or validity of any other provision hereof shall not be affected thereby. Any illegal or invalid provisions of this Agreement shall be construed by a court of competent jurisdiction to have the broadest scope permissible under the law of said jurisdiction, and if no validating construction is possible, shall be severable, and all other provisions hereof shall remain in full force and effect.

A4.00. DELAYS.

.01. Neither party shall be liable, in damages or otherwise, for any delay in the installation and implementation of the "Software" or any component thereof or any service to be rendered by it hereunder, or for failure to give notice of any delay, when such delay is due to the elements, acts of nature, acts of civil or military authorities, acts of the other party which are not provided for in this Agreement and which cause unreasonable delays in this Agreement by the other party, any delay in transportation or delay in delivery by its vendors beyond its reasonable or actual control, or any other causes beyond the reasonable or actual control of the party. Each party's schedule of performance shall be extended by a period of time equal to the time lost because of any such delay, provided written notice has been given to the other party of such delay and its estimated duration, within five (5) days of the time the party has actual knowledge of such delay.

.02. Notwithstanding the foregoing, in every case, the delay or failure to perform must be beyond the control, and without the fault or negligence of, the party claiming excusable delay.

A5.00. PAYMENT.

.01. The sum of \$ 17,383.75 for the "Software" services shall be paid within thirty (30) days after signing this Agreement.

.02. User agrees to pay any tax for which it is responsible hereunder, or which is assessed against User, exclusive however, of income taxes based on the income of SCSi. If any such tax is paid by SCSi, to reimburse SCSi therefore upon receipt by User of proof of payment.

.03. This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreements or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by written execution signed by both User and SCSi.

.04. This License fee does not include Installation Services as specified in Exhibit A..

A6.00. PATENT AND COPYRIGHT INDEMNITY.

.01. SCSi agrees to defend, hold harmless and indemnify User from and against any claim, action, liability, cost or damage for infringement of any patent, copyright or similar property right (including, but not limited to, misappropriation of trade secrets) based on any software or any other materials furnished hereunder by SCSi. SCSi shall have the sole right to conduct the defense of any such claim or action and all negotiations for its settlement or compromise, unless otherwise mutually agreed to in writing by the parties hereto.

A7.00. RELATIONSHIP OF PARTIES.

.01. At all times during the term of this Agreement, SCSi shall be an independent contractor and shall not be an officer, agent, or employee of User. User shall have the right to control SCSi only insofar as the result of SCSi services rendered pursuant to this Agreement.

.02. Nothing contained in this Agreement shall be deemed to create a partnership or joint venture. Neither party shall incur any debts or make commitments for the other party.

A8.00. "SOFTWARE" SECURITY AND ACCESS.

.01. Each party acknowledges that all information concerning the other party is "Confidential and Proprietary Information". Each party agrees that it will not permit the duplication, use or disclosure of any such Confidential and Proprietary Information to any person (other than its own employees and agents who must have such information for the performance of obligations under this Agreement), unless authorized in writing by the other party, as allowed by statute.

.02. All financial, statistical, personnel, technical, and other information or data relating to the User, which is designated confidential by the User but made available to SCSi in order to carry out this Agreement, will be protected by SCSi from unauthorized use and disclosure. SCSi shall also observe the same or equivalent requirements as are applicable to the User with regard to protecting confidentiality. SCSi will instruct its personnel to keep such information confidential. SCSi shall not be required to keep confidential any data or information which is or becomes publicly available, is already rightfully in SCSi's possession, is independently developed by SCSi outside the scope of this Agreement, or is rightfully obtained from third parties.

A9.00. USERS INSTRUCTION.

.01. SCSi shall be responsible for ensuring that its employees, servants, and agents will, whenever on User's premises, obey all reasonable instructions and directions issued by User.

.02. Unless otherwise agreed to by the parties, SCSi personnel, while working on User's premises, shall observe the working hours, working rules and holiday schedules of User applicable to such User premises. User agrees to provide reasonable working space, resources and materials which are necessary for the performance of services under this Agreement, provided, however, that such working space, resources and/or materials are agreed upon by User for such services and the use of any such working space, resources and/or materials is arranged so as to minimize any disruption to User's normal business operations.

.03. User shall be responsible for the input of all data into the computer memory and for reconciliation and accuracy of that data and for taking such administrative steps necessary to input that data.

.04. User acknowledges that (i) any modification, change, addition or substitution to the "Software" or Data Base structure made by the User or any other third party (ii) any interfacing of the "Software" or Data Base with any other program, programs or any other routines, or (iii) any changes to the operating environment may cause "Software" performance degradation or malfunction. User further acknowledges that any corrections to degradation or malfunction caused by such modifications, interfacing or change shall be made at the sole request and expense of User, and SCSi shall have no responsibility for any consequences thereof.

.05. The "Software" product, data structure, field descriptions, field definitions, and data relationships are subject to change without notice. These changes may result from product development, enhancements, additional features, bug fixes and/or circumstances beyond the control of SCSi. Additional tables and relationships may be added or removed as product development standards dictate.

Third party applications (those applications or facilities not supplied by SCSi) which may utilize and rely on the data structure and specific relationships may be adversely affected by these changes. Third party applications may be rendered inoperative, or produce results which are inaccurate or unreliable due to modifications of the data structure. These anomalies, when created by changes in the "Software" data structure, within third party applications are not the responsibility of SCSi nor covered under any level of software maintenance agreement.

.06. SCSi, as a policy, does not provide assistance or additional activity development on permit or activity types which have been developed by non-SCSi employees running in conjunction with the "Software". SCSi has no certification program for third party providers of developmental services within the "Software", nor does SCSi recommend the use of third party assistance providers. Activities and permits developed for agency use are not covered by any level of software maintenance.

.07. SCSI recommends and supports the network configurations as specified in the most recent release of the "Software" implementation guide. No other network configurations, specifically any configurations differing from those specifications are supported and/or covered by any level of software maintenance. Any assistance rendered in support of configurations not specifically approved in advance will be billed at the prevailing time and materials rates for such assistance.

.08. SCSI shall be entitled to rely upon as accurate and correct any specifications, criteria, maps or any other data furnished by User or others. If subsequent errors are discovered in data furnished by User which necessitate redoing services, SCSI shall be compensated for such extra services. SCSI shall not be liable to User for errors or omissions in data furnished by User.

A10.00. SCSI INSTRUCTIONS

.01. SCSI shall be responsible for delivery of the Licensed Software Source Code to SCSI's escrow account. Licensed Software Source code will be made available from the escrow agent to User if:

a) The most current version of the "Software" is not supported by SCSI.

In such case, copies of the Software written by SCSI and documentation will be provided to the User under the terms of the Maintenance Agreement. Source Code (most current version) will be made available for a fee equal to the License Fee. User has unrestricted access to all software it has accepted from SCSI, but may not transfer source code or documentation to any other agency, commercial or private business under any conditions.

A11.00. APPLICABLE LAW.

.01. This Agreement shall be governed and construed under the laws of the State of California. Any action to enforce the provisions of this Agreement shall be filed in a court located in the State of California.

A12.00. SOFTWARE LICENSE.

.01. SCSI grants and User accepts upon the terms and conditions contained herein, non-exclusive, non-transferable, perpetual license to unlimited use of "Software" solely for User's own purposes. The license granted under this Agreement authorizes User to use the "Software" in machine readable form by 50 concurrent users. The "Software" shall include in its meaning, documentation and technical information provided to User in written form for use in connection with the software.

.02. SCSI warrants that it has good title to such "Software" and that User will have undisturbed use of the "Software" in accordance with the terms of this Agreement.

.03. User expressly agrees that it will not sell, lease, assign or in any way transfer, such "Software" or any rights herein to any person, partnership, corporation or other entity.

.04. User shall include and shall not alter, remove or conceal, any copyright, trade secret or other proprietary notices on the "Software".

.05. Title and ownership to the "Software" and Intellectual Property Rights is not hereby nor in any other way transferred to User. User acknowledges that SCSI retains the exclusive right to sell, lease, license, assign, or otherwise transfer the "Software" (and any module thereof) and that SCSI may enter into similar or identical conveyances of similar or identical rights with other SCSI clients.

.06. User may not cause or permit disclosure of, or access to, the License Software in whole, in part or in any form to any person, firm, corporation or other entity who or which are not salaried employees or agents of the User without the expressed prior written consent of SCSI.

.07. The User acknowledges that the "Software" contains valuable proprietary information and trade secrets and that unauthorized dissemination of the "Software" Programs (including, without limitation, disassembly, decompiling or reverse engineering) could cause irreparable harm to SCSI.

.08. The User shall not make copies of the "Software" except that reserve copies of a magnetically recorded "Software" that is delivered on tape or magnetic disk media may be made to protect against "Software" destruction for back-up procedures.

.09. The User may copy documentation for its own use provided that copyright and other proprietary notices on any copies are made in accordance with SCSI or its supplier's instructions.

A13.00. WARRANTIES.

.01. SCSI warrants and represents that it has full authority to enter into this Agreement and to consummate the transaction contemplated hereby and that this Agreement is not in conflict with any other Agreement to which SCSI is a party or by which it may be bound.

.02. SCSI warrants that the "Software" will meet all advertised specifications in our manuals.

.03. The software provided by SCSI under this Agreement is warranted to be free from reproducible defects through the period of June 30, 1999.

This warranty is void if:

- (a) The "Software" is used in other than its normal customary manner;
- (b) The "Software" has been subjected to misuse;
- (c) The "Software" has been subjected to modifications initiated by the customer without the express prior consent and written approval of SCSI.

A14.00. WAIVER.

.01. It is expressly understood and agreed that no waiver granted by User for any violation of any covenant, term or condition of this Agreement shall be construed to constitute a waiver of the same or any further violation without the prior written approval of the User.

A15.00. RESOLUTION OF DISPUTES.

.01. It is anticipated that disputes between SCSI and the User will be resolved between the parties. Disputes or questions of interpretation may be referred to a committee composed of representatives from SCSI and the User. The parties agree that in attempting to resolve disputes they will act promptly, reasonable and in good faith.

A16.00. NOTICE. All notices, requests demands and other communication shall be in writing and sent by registered mail, certified mail or hand delivery, addressed to the party's principal place of business herein written. Either party may by notice in writing, direct that future notices or requests, or demands be sent to a different address. Notices given by mail shall be deemed given upon deposit in the United States mail. Notices given by hand delivery shall be deemed given at the time of actual delivery.

SCSI Sierra Computer Systems, Inc.
1731 West Walnut Avenue
Visalia, California 93277

USER City of Moreno Valley
14177 Frederick Street/P.O. Box 88005
Moreno Valley, CA 92552-0805

User hereby acknowledges that User has read this Agreement, understands it and agrees to be bound by its terms and conditions. User further agrees that it is the complete and exclusive Agreement between User and SCSI relating to the subject matter of this License. User acknowledges receipt from SCSI of a true copy of this Agreement.

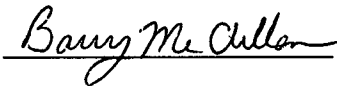
SCSI

By: 

Typed: Robert Ausherman, President
Sierra Computer Systems, Inc.
1731 West Walnut Avenue
Visalia, California 93277

Approved as to Form
Date 12/30/98
By RDB
City Attorney
Moreno Valley

USER

By: 

Typed: City of Moreno Valley
14177 Frederick Street/P.O. Box 88005
Moreno Valley, CA 92552-0805

Exhibit A
SOFTWARE LICENSE AGREEMENT - INSTALLATION SERVICES

A. SCSI shall provide the following programs and services (Basic Migration Services) relating to the "Software":

1. Migration programs supplied to user for relocating activity types to the 'PERMITS' Plus[®] platform.
2. Migration programs to relocate 'PERMITS'™ history data to 'PERMITS' Plus[®].
3. Programs to replace periodic update programs for Contractor's and Assessor's data, when these programs exist and were originally supplied by Sierra.
4. User Training/Technical classes for four (4) days at the SCSI site for 2 members of the agency's staff.

SUBTOTAL A **\$ 8,000.00**

B. Additional License Fee for Client Server Option – SQL Server

SUBTOTAL B **\$ 3,000.00**

C. **Additional services**, not included as part of the Basic Migration Services described in Paragraph A above, may be contracted for on a time and materials basis at the hourly rates listed in paragraph "E" below.

	Hours Budgeted	Rate	Dollars Budgeted
1. Travel to and from Agency Site	18	\$ 92.00	\$ 1,656.00
2. Design/Review Assistance	16	\$ 92.00	\$ 1,472.00
3. Activity Development Assistance (Up to <u>1</u> activity) (Combo. Building Permit Re-write)	30	\$ 92.00	\$ 2,760.00
4. Assistance with current 32 activity types (After Migration)	144	\$ 92.00	\$13,248.00
5. Project Management	16	\$ 92.00	\$ 1,472.00
6. Additional Training (per day) (In Visalia) For 3 additional trainees First Additional Trainee - \$1,200.00 Each Additional Trainee (attending same class)-\$600.00	4 days		\$ 2,400.00
7. Workflow Assistance	0	\$ 92.00	0
8. DBMS Assistance	20	\$ 140.00	\$ 2,800.00
9. ODBC Drivers	N/A	N/A	0
10. Document Assistance (Redesign 40 documents @ 4.5 hours each)	180	\$ 92.00	\$16,560.00
11. Scripts Assistance	0	\$ 92.00	0
12. Reports Assistance	0	\$ 92.00	0
13. System Modifications	0	\$ 92.00	0
14. Estimates	0	\$ 92.00	0
15. Travel Expenses	N/A	N/A	\$4,158.00
16. Other (Phone Assistance)	10	\$ 92.00	\$ 920.00
SUBTOTAL C			\$47,446.00

D. **Peripheral Technologies**, when added to the 'PERMITS' Plus[®] system are priced independently.

	Cost	Included	Assistance Hours	Dollars Budgeted
'PERMITS' Plus [®]	\$ 0	Yes		
Shipping and Handling	\$ 225.00	Yes		
'PERMITS' POS™	\$5,000.00	No	0	0
'PERMITS' TrueGIS™	\$5,000.00	Yes	50	\$7,000.00
'PERMITS' Imaging™	\$5,000.00	No	0	0
'PERMITS' Net™	\$9,500.00	No	0	0
'PERMITS' Scan-It™	\$2,000.00	No	0	0
'PERMITS' Voice™	\$5,000.00	No	0	0
'PERMITS' PDA™	\$5,000.00	No	0	0
Metro Scan Interface	\$2,000.00	No	0	0
'PERMITS' DatEx™	\$2,000.00	No	0	0
'PERMITS' Connect™	\$5,000.00	No	0	0
'PERMITS' OfficeLink™	\$ 500.00	Yes	0	0
Sales/Use Tax on above Peripheral Technologies				0
SUBTOTAL D				\$12,725.00

E. **Sierra's published hourly rates**, effective June 1, 1998

1. Data Base/Network/Connectivity Assistance \$140.00 Per Hour or \$1,120.00 Per Day
2. Project Management/Implementation Assistance \$92.00/Hour or \$736.00 Per Day
3. Programming Services/Enhancements/Modifications/Travel \$92.00/Hour or \$736.00 Per Day
4. Documentation/Research \$64.00/Hour or \$512.00 Per Day
5. Clerical Support Services \$32.00/Hour or \$256.00 Per Day
6. Additional Onsite Training (No Expenses Included) \$1,100.00 Per Day
7. Overtime above 8 hours per day or 40 hours per week may be billed at 1 ½ times the prevailing rate.

These costs do not include Drivers, Emulators, Report Generators, Database Engines (except for Access), Computer or Networking hardware/software. Client/Server support will carry an additional support premium of \$3,000.00. Other consulting and onsite assistance is available at our prevailing rates. Assistance estimate is based on work being performed by the agency and amounts to telephone support only.

'PERMITS' for P.C.'s

AGREEMENT BETWEEN

Sierra Computer Systems, Inc., hereinafter referred to as SCSI, and City of Moreno Valley, California hereinafter referred to as User.

Executed this 9 day of March, 1990.

RECITALS

SCSI provides this "SOFTWARE" and licenses its use.

Customer	:	City of Moreno Valley	Product Name	:	'PERMITS'
Address	:	23119 Cottonwood, Building C	SCSI Reference No	:	PC89105
	:		Release No.	:	2.0
City/State/Zip	:	Moreno Valley, California 92337	No. of Licenses	:	12
	:		Fee	:	\$18,569.16

TERMS AND CONDITIONS OF AGREEMENT
BETWEEN SCSI AND USER
GENERAL CONDITIONS OF 'PERMITS' LICENSE

A1.00. HEADINGS. Headings are for convenience only and shall not be deemed to be part of this Agreement.

A2.00. MODIFICATION. No modification or variation of this Agreement shall be valid unless in writing signed by both parties.

A3.00. SEVERABILITY. If any provision of this Agreement shall be construed to be illegal or invalid, the legality or validity of any other provision hereof shall not be affected thereby. Any illegal or invalid provisions of this Agreement shall be construed by a court of competent jurisdiction to have the broadest scope permissible under the law of said jurisdiction, and if no validating construction is possible, shall be severable, and all other provisions hereof shall remain in full force and effect.

A4.00. DELAYS.

.01. Neither party shall be liable, in damages or otherwise, for any delay in the installation and implementation of the Licensed System or any component thereof or any service to be rendered by it hereunder, or for failure to give notice of any delay, when such delay is due to the elements, acts of nature, acts of civil or military authorities, acts of the other party which are not provided for in this Agreement and which cause unreasonable delays in this Agreement by the other party, any delay in transportation or delay in delivery by its vendors beyond its reasonable or actual control, or any other causes beyond the reasonable or actual control of the party. Each party's schedule of performance shall be extended by a period of time equal to the time lost because of any such delay, provided written notice has been given to the other party of such delay and its estimated duration, within five (5) days of the time the party has actual knowledge of such delay.

.02. Notwithstanding the foregoing, in every case, the delay or failure to perform must be beyond the control, and without the fault or negligence of, the party claiming excusable delay.

A5.00. PAYMENT.

.01. Seventeen thousand three hundred ninety five dollars (\$17,395.00) plus sales tax of one thousand one hundred seventy four dollars and 16 cents (\$1,174.16) for a sum of \$18,569.16 which shall be paid within thirty (30) days upon delivery of the Licensed Software. Delivery shall be the date the software is installed and documentation is delivered. The delivery date shall be within thirty (30) days after SCSI has received this signed/executed Agreement.

The User has the option within the next three (3) years from the execution of this Agreement to upgrade to the HP/3000 version of 'PERMITS'. If said option is selected, the purchase price of \$18,569.16 will be credited towards the HP/3000 purchase price.

.02. User agrees to pay any tax for which it is responsible hereunder, or which is assessed against User directly, exclusive however, of taxes based on the income of SCSI. If any such tax is paid by SCSI, to reimburse SCSI therefore upon receipt by User of proof of payment acceptable to User.

.03. This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreements or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be

USER [Signature] SCSI [Signature]

effective only by written execution signed by both User and SCSI.

.04. This License fee does not include installation services. These services are specified in Exhibit 'A', Installation Services.

A6.00. PATENT AND COPYRIGHT INDEMNITY.

.01. SCSI agrees to defend, hold harmless and indemnify User from and against any claim, action, liability, cost or damage for infringement of any patent, copyright or similar property right (including, but not limited to, misappropriation of trade secrets) based on any software or any other materials furnished hereunder by SCSI. SCSI shall have the sole right to conduct the defense of any such claim or action and all negotiations for its settlement or compromise, unless otherwise mutually agreed to in writing by the parties hereto.

A7.00. RELATIONSHIP OF PARTIES.

.01. At all times during the term of this Agreement, SCSI shall be an independent contractor and shall not be an officer, agent, or employee of User. User shall have the right to control SCSI only insofar as the result of SCSI services rendered pursuant to this Agreement.

.02. Nothing contained in this Agreement shall be deemed to create a partnership or joint venture. Neither party shall incur any debts or make commitments for the other party.

A8.00. SYSTEM SECURITY AND ACCESS.

.01. Each party acknowledges that all information concerning the other party is "Confidential and Proprietary Information". Each party agrees that it will not permit the duplication, use or disclosure of any such Confidential and Proprietary Information to any person (other than its own employee who must have such information for the performance of obligations under this Agreement), unless authorized in writing by the other party.

.02. All financial, statistical, personnel, technical, and other information or data relating to the User, which is designated confidential by the User but made available to SCSI in order to carry out this Agreement, will be protected by SCSI from unauthorized use and disclosure. SCSI shall also observe the same or equivalent requirements as are applicable to the User with regard to protecting confidentiality. SCSI will instruct its personnel to keep such information confidential. SCSI shall not be required to keep confidential any data or information which is or becomes publicly available, is already rightfully in SCSI's possession, is independently developed by SCSI outside the scope of this Agreement, or is rightfully obtained from third parties.

A9.00. USERS INSTRUCTION.

.01. SCSI shall be responsible for ensuring that its employees, servants, and agents will, whenever on User's premises, obey all reasonable instructions and directions issued by User.

.02. Unless otherwise agreed to by the parties, SCSI

personnel, while working on User's premises, shall observe the working hours, working rules and holiday schedules of User applicable to such User premises. User agrees to provide reasonable working space, resources and materials which are necessary for the performance of services under this Agreement, provided, however, that such working space, resources and/or materials are agreed upon by User for such services and the use of any such working space, resources and/or materials is arranged so as to minimize any disruption to User's normal business operations.

.03. User shall be responsible for the input of all data into the computer memory and for reconciliation and accuracy of that data and for taking such administrative steps necessary to input that data.

.04. Any (i) modification, change, addition or substitution to the Licensed System made by User, (ii) any interfacing of the Licensed System with any other program or programs, or (iii) any change in the operating environment of the Licensed System may degrade the performance of the Licensed System. User acknowledges that any such modification, interfacing or change shall be made at the sole request and expense of User and that SCSI shall have no responsibility for any consequences thereof.

SCSI will attempt to resolve any performance problems caused solely by the 'PERMITS Software' while actively covered under SCSI's Maintenance Agreement.

A10.00. APPLICABLE LAW.

.01. This Agreement shall be governed and construed under the laws of the State of California. Any action to enforce the provisions of this Agreement shall be filed in a court located in the County of Tulare, California.

A11.00. SOFTWARE LICENSE.

.01. SCSI grants and User accepts upon the terms and conditions contained herein, non-exclusive, non-transferable, perpetual license to unlimited use of "Licensed System" solely for User's own purposes. The license granted under this Agreement authorizes User to use the Licensed System in machine readable form on 12 CPU. The Licensed System shall include in its meaning, documentation and technical information provided to User in written form for use in connection with the software.

.02. SCSI warrants that it has good title to such system and that User will have undisturbed use of the system in accordance with the terms of this Agreement.

.03. User expressly agrees that it will not sell, lease, assign or in any way transfer, such Licensed System or any rights herein to any person, partnership, corporation or other entity.

.04. User shall include and shall not alter, remove or conceal, any copy- right, trade secret or other proprietary notices on the Licensed System.

.05. Title and ownership to the Licensed System and Intellectual Property Rights is not hereby nor in any other way transferred to User. User acknowledges that SCSI retains the

USER  SCSI 

exclusive right to sell, lease, license, assign, or otherwise transfer the Licensed System (and any module thereof) and that SCSI may enter into similar or identical conveyances of similar or identical rights with other SCSI clients.

.06. User may not cause or permit disclosure of, or access to, the License Software in whole, in part or in any form to any person, firm, corporation or other entity who or which are not salaried employees of the User without the expressed prior written consent of SCSI.

.07. The User acknowledges that the Licensed System contains valuable proprietary information and trade secrets and that unauthorized dissemination of the Product Programs (including, without limitation, disassembly, decompiling or reverse engineering) could cause irreparable harm to SCSI.

.08. The User shall not make copies of the Program except that reserve copies of a magnetically recorded Program that is delivered on tape or magnetic disk media may be made to protect against Program destruction for back-up procedures.

.09. The User may copy documentation for its own use provided that copyright and other proprietary notices on any copies are made in accordance with SCSI or its supplier's instructions.

A12.00. WARRANTIES.

.01. SCSI warrants and represents that it has full authority to enter into this Agreement and to consummate the transaction contemplated hereby and that this Agreement is not in conflict with any other Agreement to which SCSI is a party or by which it may be bound.

.02. SCSI believes the software product to be accurate and reliable. Much care has been taken in its preparation; however, the software is provided "as is", without warranty of any kind, either expressed or implied. In no event, will SCSI be liable to User or any other party for damages, including lost profits, lost savings or other incidental or consequential damages arising out of the use or inability to use the software.

.03. The software provided by SCSI under this Agreement is warranted to be free from reproducible defects for a period of ninety (90) days from acceptance. All material and labor to repair any such defects will be provided free of charge for the full warranty period.

This warranty is void if:

- (a) the program is used in other than its normal customary manner;
- (b) a program has been subjected to misuse;
- (c) a program has been subjected to modifications initiated by the customer without the express prior consent and written approval of SCSI.

.04. SCSI understands that "software" is to be installed on a Local Area Network utilizing NOVELL 2.1x, 3.0, or 3.1 operating system software and 10mb/sec Ethernet topology. SCSI, as experts in the installation of 'PERMITS', warrant that

'PERMITS' will operate at a reasonable level of performance and multi-user functionality in this environment.

A13.00. WAIVER.

.01. It is expressly understood and agreed that no waiver granted by User for any violation of any covenant, term or condition of this Agreement shall be construed to constitute a waiver of the same or any further violation without the prior written approval of the User.

A14.00. RESOLUTION OF DISPUTES.

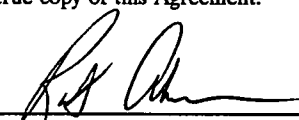
.01. It is anticipated that disputes between SCSI and the User will be resolved between the parties. Disputes or questions of interpretation may be referred to a committee composed of representatives from SCSI and the User. The parties agree that in attempting to resolve disputes they will act promptly, reasonable and in good faith.

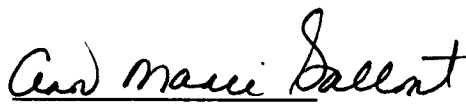
A15.00. NOTICE. All notices, requests demands and other communication shall be in writing and sent by registered mail, certified mail or hand delivery, addressed to the party's principal place of business herein written. Either party may by notice in writing, direct that future notices or requests, or demands be sent to a different address. Notices given by mail shall be deemed given upon deposit in the United States mail. Notices given by hand delivery shall be deemed given at the time of actual delivery.

SCSI Sierra Computer Systems, Inc.
2378 W. Whitendale Avenue
Visalia, Ca 93277

USER City of Moreno Valley
23119 Cottonwood, Building C
Moreno Valley, California 92337

User hereby acknowledges that User has read this Agreement, understands it and agrees to be bound by its terms and conditions. User further agrees that it is the complete and exclusive Agreement between User and SCSI relating to the subject matter of this License. User acknowledges receipt from SCSI of a true copy of this Agreement.

SCSI
By: 
Typed: Robert Ausherman, President
Sierra Computer Systems, Inc.
2378 W. Whitendale Avenue
Visalia, CA 93277

USER
By: 
Typed: _____
Name: City of Moreno Valley
Address: 23119 Cottonwood Building C
Moreno Valley, California 92337

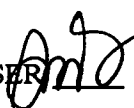
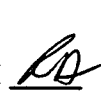
USER  SCSI 

EXHIBIT A

SOFTWARE LICENSE AGREEMENT - INSTALLATION SERVICES

A. SCSI shall provide the following installation services relating to the Software:

1. Assistance in conversion of existing CITY computer files and County Assessor's Data Base to a format compatible with the Software.
2. Assistance in the installation of permit formats and inspections/fee schedules.
3. Assist in creation of a table-driven geo-data base. Assist in creation of a Master Street Guide and Street Name Tables used in the geo-data base.
4. Assist in creation of multiple structure and site data bases.

B. SCSI shall be paid for Installation Services at the prevailing rate plus reasonable expenses, in addition to the Purchase Price for the Software.

1. Installation Services are estimated at 300 hours for a total of \$18,000.00. The estimated expenses are \$1,000.00 and shall not be exceeded except upon prior written consent of User. Travel Time will be billed portal to portal, at our then current prevailing rate.

C. SCSI shall submit semi-monthly invoices to User detailing the installation services provided and the time and expense incurred. User shall pay such invoices within thirty (30) days.

D. SCSI shall be paid for User and Technical Training at User site.

1. User Training classes shall be for three (3) days at a total of \$ 200.00 per attendee at SCSI site for Four (4) people for a total of \$800.00.

2. Expenses for the Training classes shall not exceed \$ 0

SCSI shall submit an invoice when the training is completed. User shall pay such invoice within thirty (30) days.

E. SCSI shall submit semi-monthly invoices to User detailing the modifications provided and the time and expenses incurred. User shall pay such invoices within thirty (30) days.

1. Modifications are estimated at \$ 0. The total amount for the modifications shall not exceed \$ 0 except upon prior written consent of User. SCSI will retain the exclusive rights to all modifications. These modifications may be utilized at SCSI discretion.

F. SCSI understands and agrees that CITY may, by use of other computer software, create and maintain one or more databases used by "software", and that these databases will be loaded directly in to software by CITY as needed. SCSI agrees to support this

effort and to supply any technical information, documentation, or assistance as requested by CITY to facilitate the import or export of any data used by "software" at our prevailing rate.

G. Any services required by the User which are not included as part of the Installation Services described in Paragraphs A through E above, will be provided by SCSI at the following rates, plus expenses:

Technical/Systems Manager	\$75.00/Hour or \$600.00 Per Day
Programmer/Analyst	\$65.00/Hour or \$520.00 Per Day
Technical Writer	\$60.00/Hour or \$480.00 Per Day
Clerical Support	\$30.00/Hour or \$240.00 Per Day
Additional Onsite Training	\$800.00 Per Day

USER [Signature] SCSI [Signature]



City of Moreno Valley Purchase Order

Date 6/8/2007

Page 1

Vendor Phone 925 659-3200

Branch/Plant 41110

Order Number 33475

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	6/8/2007	Freight	FOB - DESTINATION		
Requested Date	6/8/2007	Order Taken By	A. FISH	Replaces PO:	Buyer: RUTHN
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ #53238 - CDD (LORI SCHIEFELBEIN)
PER QUOTE #12438A(rev-1) DATED 1/10/07, REVISION DATED 5/25/07.

Line	Rev	Item Description Account Code	Quantity Ordered	TR UOM	Unit Price	PU UOM	Extended Price	Required By Date
1.000	0	AGIS USER LICENSES 00011. 41110.6258		LS	.0000	LS	11,980.00	6/8/2007
<p>TWENTY (20) ADDITIONAL USERS (4 USER BLOCKS) \$11,980.00</p>								
2.000	0	SALES TAX ON LICENSES 7.75% 00011. 41110.6258		LS	.0000	LS	928.45	6/8/2007
3.000	0	ADDITIONAL ANNUAL MAINTENANCE 00011. 41110.6258		LS	.0000	LS	2,396.00	6/8/2007
<p>INCLUDES USER SUPPORT, TROUBLESHOOTING AND UPGRADES.</p>								
4.000	0	SALES TAX ON 50% OF MAINT. 00011. 41110.6258		LS	.0000	LS	92.85	6/8/2007

Total: 15,397.30

	Sales Tax	Total Order
Term DUE UPON RECEIPT	Tax Rate .00	15,397.30



City of Moreno Valley Purchase Order

Date 6/8/2007

Page 2

Vendor Phone 925 659-3200

Branch/Plant 41110

Order Number 33475

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

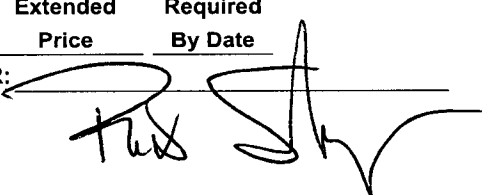
Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	6/8/2007	Freight	FOB - DESTINATION		
Requested Date	6/8/2007	Order Taken By	A. FISH	Replaces PO:	Buyer: RUTHN
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

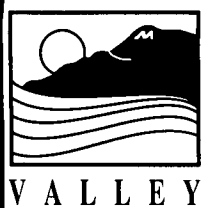
REQ #53238 - CDD (LORI SCHIEFELBEIN)
PER QUOTE #12438A(rev-1) DATED 1/10/07, REVISION DATED 5/25/07.

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
PURCHASING MANAGER: 								



CITY OF MORENO VALLEY TERMS & CONDITIONS

1. **SUPPLIER CONFORMANCE:** All materials or services supplied by the Contractor shall conform to the specifications contained herein as well as to the applicable requirements of the City Ordinances, and all applicable State and Federal Laws.
2. **DELIVERY:** If delivery of the commodity or service cannot be made exactly as specified and at the time and price shown, notify the City Purchasing Division immediately. Do not make delivery changes without approval.
3. **INSPECTION AND ACCEPTANCE:** Inspection and acceptance will be at destination, unless otherwise instructed by the City. Until delivery and acceptance, and after any rejections, risk of loss will be on the vendor unless loss results from the negligence of the City Of Moreno Valley. Notwithstanding the requirements for any City inspection and test contained in specifications applicable to this purchase order, except where specialized inspections or tests are specified for performance solely by the City, the vendor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the purchase order conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.
4. **VARIATION IN QUANTITY:** No variation in the quantity of any item called for by this purchase order will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this purchase order.
5. **FREIGHT AND FREIGHT CHARGES:** Unless otherwise noted freight is to be shipped F.O.B. Destination. Vendor owns title to goods and is responsible for goods until reaching the City's designated destination. When freight charges are pre-approved by the City the seller's actual freight charges shall be prepaid and added to the invoice.
6. **SALES AND USE TAXES:** Sale tax must be shown on the invoice as a separate item. On out-of-state purchases, the vendor must show his Use Tax Permit Number issued by the California State Board of Equalization, which authorized him to charge and collect California sales tax.
7. **EXCISE TAX:** If federal excise tax is applicable to the transaction, it must be so stated and excluded from the price of the article. The City Of Moreno Valley, as a governmental agency, is exempt from the payment of said tax and will issue an exemption certificate.
8. **MISCELLANEOUS CHARGES:** Charges for transportation, containers, packing, etc, will not be allowed unless so specified in this order.
9. **PAYMENTS:** Payment terms are NET/30. Terms other than NET/30 must be authorized in writing from the City. All Cash Discounts shall be taken and computed from the date of delivery or completion and acceptance of the material, or from date of receipt of invoice, whichever is latest.
10. **INVOICES:** One original invoice shall be supplied to the City. Invoices shall be submitted in duplicate (one copy shall be marked "Original") when you the vendor require an invoice copy with payment. Unless otherwise specified the invoice shall contain the following information: purchase order number, item number, description of supplies or services, sizes, quantities, unit prices, extended totals, freight charges, all applicable taxes and handling charges where authorized. Bill of lading number and weight of shipment will be shown for shipments on Government Bills of Lading. Unless otherwise specified, payment will be made on partial deliveries accepted by the City when the amount due on such deliveries so warrants.
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
12. **PURCHASE DOCUMENTS:** A copy of the Notice Inviting Bids, the Bid or Request for Quotation, a copy of these General Conditions and the Specifications of the Bid or Request For Quote will remain on file with the City in accordance with applicable laws.
13. **COMMERCIAL WARRANTY:** The vendor agrees that the supplies or services furnished under this purchase order shall be covered by the most favorable commercial warranties the vendor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this purchase order.
14. **ASSIGNMENT OF CLAIMS:** Claims for monies due or to become due under this purchase order shall be assigned only pursuant to prior written consent of the City Manager or his designated representative.
15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City Of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, clauses, damages and liabilities, including attorney fees, caused by defect(s) in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Service District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from the other sources and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



City of Moreno Valley Purchase Order

Date 10/9/2006

Page 1

Vendor Phone

Branch/Plant 32010

Order Number 32444

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	10/9/2006	Freight	FOB - DESTINATION		
Requested Date	10/9/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: VIRGINIA
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ # 51718 TECHNOLOGY SERVICES (LEA DEESING).

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	'PERMITS' PLUS ENHANCEMENT 00750. 32010.6258		LS	.0000	LS	6,055.00	10/9/2006

'PERMITS' PLUS ENHANCEMENT TO APD_PEO-EXTRA_DATA.
PER ESTIMATE # 12283a, BY ANGELA FISH DATED 10/4/06.

ENHANCEMENT ASSISTANCE \$6,055.00

Total: 6,055.00

Sales Tax	Total Order
.00	6,055.00

Term DUE UPON RECEIPT

Tax Rate

PURCHASING MANAGER: 

CONFIRMING VIA FAX
DATE 10/10/06
DO NOT DUPLICATE



City of Moreno Valley Purchase Order

Date 7/12/2006

Page 1

Vendor Phone

Branch/Plant 32010

Order Number 31614

ACCELA, INC.
DEPT. CH 17640
PALATINE IL 60055-7640

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	7/12/2006	Freight	FOB - DESTINATION	
Requested Date	7/12/2006	Order Taken By		Replaces PO: Buyer: VIRGINIA
Delivery Instructions				Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ # 51042 TECHNOLOGY SERVICES (LEA DEESING)

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	"PERMITS" CONNECT PRODUCT 00750. 32010.6258		LS	.0000	LS	16,500.00	7/12/2006

"PERMITS" CONNECT PRODUCT NEEDED FOR THE IVR PROJECT.
PER ESTIMATE # 10891 (REV-3), DATED 6/27/06.

2.000	0	ANNUAL SUPPORT 00750. 32010.6258		LS	.0000	LS	4,125.00	7/12/2006
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ANNUAL SUPPORT FOR "PERMITS" CONNECT (FOR 50 CONCURRENT LICENSES)

3.000	0	SALES TAX ON 50% OF MAINT. 00750. 32010.6258		LS	.0000	LS	159.84	7/12/2006
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Total: 20,784.84

Term DUE UPON RECEIPT	Tax Rate	Sales Tax	Total Order
		1,278.75	22,063.59

PURCHASING MANAGER: 

CONFIRMING VIA FAX
DATE 7/12/06

Item No. A.12 NOT DUPLICATE



City of Moreno Valley Purchase Order

Date 7/3/2006

Page 1

Vendor Phone

Branch/Plant 32110

Order Number 31385

ACCELA, INC.
DEPT. CH 17640
PALATINE IL 60055-7640

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	7/3/2006	Freight	FOB - DESTINATION		
Requested Date	7/3/2006	Order Taken By		Replaces PO:	Buyer: VIRGINIA
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

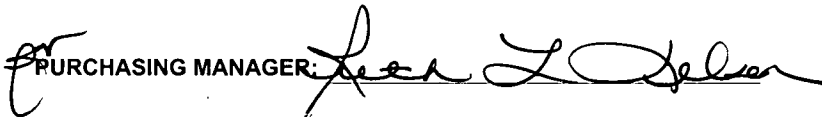
REQ # 50879 TECHNOLOGY SERVICES (RICHARD KERCKHOFF)

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	ACCELA SUPPORT		LS	.0000	LS	1,830.00	7/3/2006
		00750. 32110.6255						

ACCELA SUPPORT SOFTWARE MODIFICATION "PERMIT PLUS".
PER ESTIMATE # 11346A.

Total: 1,830.00

Term	DUE UPON RECEIPT	Tax Rate	Sales Tax	Total Order
			.00	1,830.00

PURCHASING MANAGER: 



CITY OF MORENO VALLEY TERMS & CONDITIONS

1. **SUPPLIER CONFORMANCE:** All materials or services supplied by the Contractor shall conform to the specifications contained herein as well as to the applicable requirements of the City Ordinances, and all applicable State and Federal Laws.
2. **DELIVERY:** If delivery of the commodity or service cannot be made exactly as specified and at the time and price shown, notify the City Purchasing Division immediately. Do not make delivery changes without approval.
3. **INSPECTION AND ACCEPTANCE:** Inspection and acceptance will be at destination, unless otherwise instructed by the City. Until delivery and acceptance, and after any rejections, risk of loss will be on the vendor unless loss results from the negligence of the City Of Moreno Valley. Notwithstanding the requirements for any City inspection and test contained in specifications applicable to this purchase order, except where specialized inspections or tests are specified for performance solely by the City, the vendor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the purchase order conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.
4. **VARIATION IN QUANTITY:** No variation in the quantity of any item called for by this purchase order will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this purchase order.
5. **FREIGHT AND FREIGHT CHARGES:** Unless otherwise noted freight is to be shipped F.O.B. Destination. Vendor owns title to goods and is responsible for goods until reaching the City's designated destination. When freight charges are pre-approved by the City the seller's actual freight charges shall be prepaid and added to the invoice.
6. **SALES AND USE TAXES:** Sale tax must be shown on the invoice as a separate item. On out-of-state purchases, the vendor must show his Use Tax Permit Number issued by the California State Board of Equalization, which authorized him to charge and collect California sales tax.
7. **EXCISE TAX:** If federal excise tax is applicable to the transaction, it must be so stated and excluded from the price of the article. The City Of Moreno Valley, as a governmental agency, is exempt from the payment of said tax and will issue an exemption certificate.
8. **MISCELLANEOUS CHARGES:** Charges for transportation, containers, packing, etc, will not be allowed unless so specified in this order.
9. **PAYMENTS:** Payment terms are NET/30. Terms other than NET/30 must be authorized in writing from the City. All Cash Discounts shall be taken and computed from the date of delivery or completion and acceptance of the material, or from date of receipt of invoice, whichever is latest.
10. **INVOICES:** One original invoice shall be supplied to the City. Invoices shall be submitted in duplicate (one copy shall be marked "Original") when you the vendor require an invoice copy with payment. Unless otherwise specified the invoice shall contain the following information: purchase order number, item number, description of supplies or services, sizes, quantities, unit prices, extended totals, applicable taxes and handling charges
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
12. **PURCHASE DOCUMENTS:** A copy of the Notice Inviting Bids, the Bid or Request for Quotation, a copy of these General Conditions and the Specifications of the Bid or Request For Quote will remain on file with the City in accordance with applicable laws.
13. **COMMERCIAL WARRANTY:** The vendor agrees that the supplies or services furnished under this purchase order shall be covered by the most favorable commercial warranties the vendor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this purchase order.
14. **ASSIGNMENT OF CLAIMS:** Claims for monies due or to become due under this purchase order shall be assigned only pursuant to prior written consent of the City Manager or his designated representative.
15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City Of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, clauses, damages and liabilities, including attorney fees, caused by defect(s) in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Service District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from the other sources and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



City of Moreno Valley Purchase Order

Date 7/3/2006

Page 1

Vendor Phone

Branch/Plant 32110

Order Number 31380

ACCELA, INC.
DEPT. CH 17640
PALATINE IL 60055-7640

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	7/3/2006	Freight	FOB - DESTINATION		
Requested Date	7/3/2006	Order Taken By		Replaces PO:	Buyer: VIRGINIA
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ # 51024 TECHNOLOGY SERVICES (RICHARD KERCKHOFF)

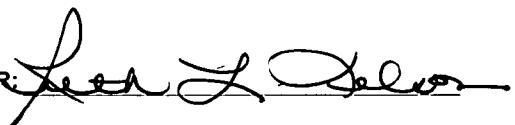
Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	ACCELA SUPPORT 00750. 32110.6255		LS	.0000	LS	1,850.00	7/3/2006

ACCELA SUPPORT (PHONE SUPPORT TO MOVE TO WIRELESS MODE).
BASED ON TIME AND MATERIALS - 10 HOURS @ \$185.00/HOUR.
PER ESTIMATE # 11971 DATED 5/3/06.

Total: 1,850.00

Sales Tax Total Order

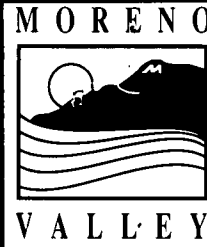
Term DUE UPON RECEIPT Tax Rate .00 1,850.00

PURCHASING MANAGER: 



CITY OF MORENO VALLEY TERMS & CONDITIONS

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- where authorized. Bill of lading number and weight of shipment will be shown for shipments on Government Bills of Lading. Unless otherwise specified, payment will be made on partial deliveries accepted by the City when the amount due on such deliveries so warrants.
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
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18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



City of Moreno Valley Purchase Order

Date 4/27/2006

Page 1

Vendor Phone

Branch/Plant 74620

Order Number 31166

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	4/26/2006	Freight	FOB - DESTINATION		
Requested Date	4/26/2006	Order Taken By	Replaces PO: 26003	Buyer: VIRGINIA	
Delivery Instructions			Requester:		

TERMS AND CONDITIONS ON LAST PAGE

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	IMPLEMENTATION SERVICES		LS	.0000	LS	17,290.00	4/26/2006
		00011. 74620.7200						

IMPLEMENTATION SERVICES FOR LAND DEVELOPMENT.
TOTAL AMT \$17,290.00

Total: 17,290.00

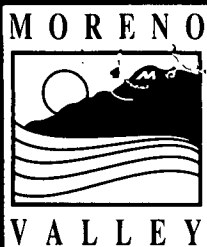
Term	DUE UPON RECEIPT	Tax Rate	Sales Tax	Total Order
			.00	17,290.00

PURCHASING MANAGER: 



CITY OF MORENO VALLEY TERMS & CONDITIONS

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18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



City of Moreno Valley Purchase Order

Date 3/30/2006

Page 1

Vendor Phone

Branch/Plant 66110

Order Number 31037

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY, I. T. 1900449

14331 FREDERICK ST., SUITE 2
P. O. BOX 88005

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	3/30/2006	Freight	FOB - DESTINATION		
Requested Date	3/30/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: RUTHN
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ #50272 - T.S. (LEA DEESING)
PRICES PER QUOTE #11010a(rev-1) DATED 3/28/06 BY ANGELA FISH.

Line	Rev	Item Description Account Code	Quantity Ordered	TR UOM	Unit Price	PU UOM	Extended Price	Required By Date
1.000	0	ACCELA WIRELESS USER BLOCKS 00010. 66110.6258		LS	.0000	LS	25,487.25	3/30/2006

THREE (3) ADDITIONAL USER BLOCKS (EACH BLOCK = 5 END-USER LICENSES).
(\$9,995.00 FOR EACH BLOCK OF 5) X 3 = \$29,985.00 LESS 15% DISCOUNT ON
LICENSE COST -\$4,497.75 = \$25,487.25

2.000	0	CALIF. SALES TAX 7.75% 00010. 66110.6258		LS	.0000	LS	1,975.26	3/30/2006
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3.000	0	ADD'L ANNUAL MAINTENANCE 00010. 66110.6258		LS	.0000	LS	5,997.00	3/30/2006
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4.000	0	CALIF. SALES TAX 7.75% 00010. 66110.6258		LS	.0000	LS	232.38	3/30/2006
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SALES/USE TAX ON 1/2 OF MAINTENANCE @ 7.75% = \$232.38

APPROVED
BY PURCHASING MANAGER

Total: 33,691.89

Sales Tax Total Order

CONFIRMING VIA FAX
DATE: 3-30-06
DO NOT DUPLICATE



City of Moreno Valley Purchase Order

Date 3/30/2006

Page 2

Vendor Phone

Branch/Plant 66110

Order Number 31037

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY, I. T. 1900449
14331 FREDERICK ST., SUITE 2
P. O. BOX 88005

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

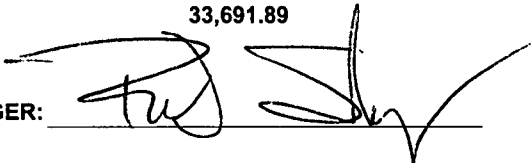
INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	3/30/2006	Freight	FOB - DESTINATION		
Requested Date	3/30/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: RUTHN
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ #50272 - T.S. (LEA DEESING)
PRICES PER QUOTE #11010a(rev-1) DATED 3/28/06 BY ANGELA FISH.

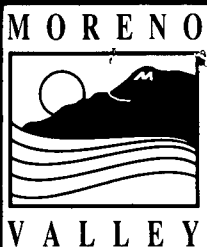
Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
		Term DUE UPON RECEIPT			.00			33,691.89
		Tax Rate						

PURCHASING MANAGER: 



CITY OF MORENO VALLEY TERMS & CONDITIONS

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15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City Of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, clauses, damages and liabilities, including attorney fees, caused by defect(s) in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Service District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from the other sources and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



City of Moreno Valley Purchase Order

Date 3/30/2006

Page 1

Vendor Phone

Branch/Plant 66110

Order Number 31036

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY, I. T. 1900449

14331 FREDERICK ST., SUITE 2
P. O. BOX 88005

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	3/30/2006	Freight	FOB - DESTINATION		
Requested Date	3/30/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: RUTHN
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ #50271 - T. S. (LEA DEESING)
PRICES PER QUOTE #11656a(rev-2) DATED 3/28/06 BY ANGELA FISH.

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	ACCELA SERVER KIT 00010. 66110.6258		LS	.0000	LS	14,495.00	3/30/2006
2.000	0	CALIF. SALES TAX 7.75% 00010. 66110.6258		LS	.0000	LS	1,123.36	3/30/2006
3.000	0	ADD'L ANNUAL MAINTENANCE 00010. 66110.6258		LS	.0000	LS	3,499.00	3/30/2006
4.000	0	CALIF. SALES TAX 7.75% 00010. 66110.6258		LS	.0000	LS	135.59	3/30/2006

SALES TAX ON 1/2 OF ANNUAL MAINTENANCE @ 7.75% = \$135.59

CONFIRMING VIA FAX
DATE 3-30-06
DO NOT DUPLICATE

Total: 19,252.95

Term DUE UPON RECEIPT	Tax Rate	.00	Total Order	19,252.95
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City of Moreno Valley Purchase Order

Date 3/30/2006

Page 2

Vendor Phone

Branch/Plant 66110

Order Number 31036

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY, I. T. 1900449

14331 FREDERICK ST., SUITE 2
P. O. BOX 88005

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	3/30/2006	Freight	FOB - DESTINATION		
Requested Date	3/30/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: RUTHN
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

- REQ #50271 - T. S. (LEA DEESING)
- PRICES PER QUOTE #11656a(rev-2) DATED 3/28/06 BY ANGELA FISH.

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
PURCHASING MANAGER:								



CITY OF MORENO VALLEY TERMS & CONDITIONS

1. **SUPPLIER CONFORMANCE:** All materials or services supplied by the Contractor shall conform to the specifications contained herein as well as to the applicable requirements of the City Ordinances, and all applicable State and Federal Laws.
2. **DELIVERY:** If delivery of the commodity or service cannot be made exactly as specified and at the time and price shown, notify the City Purchasing Division immediately. Do not make delivery changes without approval.
3. **INSPECTION AND ACCEPTANCE:** Inspection and acceptance will be at destination, unless otherwise instructed by the City. Until delivery and acceptance, and after any rejections, risk of loss will be on the vendor unless loss results from the negligence of the City Of Moreno Valley. Notwithstanding the requirements for any City inspection and test contained in specifications applicable to this purchase order, except where specialized inspections or tests are specified for performance solely by the City, the vendor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the purchase order conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.
4. **VARIATION IN QUANTITY:** No variation in the quantity of any item called for by this purchase order will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this purchase order.
5. **FREIGHT AND FREIGHT CHARGES:** Unless otherwise noted freight is to be shipped F.O.B. Destination. Vendor owns title to goods and is responsible for goods until reaching the City's designated destination. When freight charges are pre-approved by the City the seller's actual freight charges shall be prepaid and added to the invoice.
6. **SALES AND USE TAXES:** Sale tax must be shown on the invoice as a separate item. On out-of-state purchases, the vendor must show his Use Tax Permit Number issued by the California State Board of Equalization, which authorized him to charge and collect California sales tax.
7. **EXCISE TAX:** If federal excise tax is applicable to the transaction, it must be so stated and excluded from the price of the article. The City Of Moreno Valley, as a governmental agency, is exempt from the payment of said tax and will issue an exemption certificate.
8. **MISCELLANEOUS CHARGES:** Charges for transportation, containers, packing, etc; will not be allowed unless so specified in this order.
9. **PAYMENTS:** Payment terms are NET/30. Terms other than NET/30 must be authorized in writing from the City. All Cash Discounts shall be taken and computed from the date of delivery or completion and acceptance of the material, or from date of receipt of invoice, whichever is latest.
10. **INVOICES:** One original invoice shall be supplied to the City. Invoices shall be submitted in duplicate (one copy shall be marked "Original") when you the vendor require an invoice copy with payment. Unless otherwise specified the invoice shall contain the following information: purchase order number, item number, description of supplies or quantities, unit prices, extended totals.
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
12. **PURCHASE DOCUMENTS:** A copy of the Notice Inviting Bids, the Bid or Request for Quotation, a copy of these General Conditions and the Specifications of the Bid or Request For Quote will remain on file with the City in accordance with applicable laws.
13. **COMMERCIAL WARRANTY:** The vendor agrees that the supplies or services furnished under this purchase order shall be covered by the most favorable commercial warranties the vendor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this purchase order.
14. **ASSIGNMENT OF CLAIMS:** Claims for monies due or to become due under this purchase order shall be assigned only pursuant to prior written consent of the City Manager or his designated representative.
15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City Of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, clauses, damages and liabilities, including attorney fees, caused by defect(s) in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Service District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from the other sources and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



City of Moreno Valley Purchase Order

Date 2/27/2006
Page 1
Branch/Plant 32010
Order Number 30944

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY
CORPORATE YARD
15670 PERRIS BLVD.
MORENO VALLEY CA 92551-4612

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered 2/27/2006 Freight FOB - DESTINATION
Requested Date 2/27/2006 Order Taken By A. FISH Replaces PO: Buyer: VIRGINIA
Delivery Instructions Requester:

TERMS AND CONDITIONS ON LAST PAGE

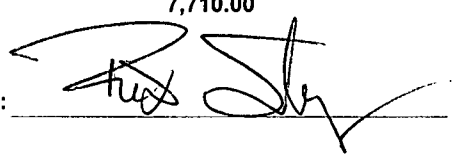
REQ # 50150 TECHNOLOGY SERVICES (DORI LIENHARD)

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	CHANGE SCRIPT TRIGGER		LS	.0000	LS	7,710.00	2/27/2006
		00750. 32010.6258						

PERMITS PLUS ENHANCEMENT, ESTIMATE # 11795a, DATED 2/22/06.

Total: 7,710.00

Term	DUE UPON RECEIPT	Tax Rate	Sales Tax	Total Order
			.00	7,710.00

PURCHASING MANAGER: 



CITY OF MORENO VALLEY TERMS & CONDITIONS

1. **SUPPLIER CONFORMANCE:** All materials or services supplied by the Contractor shall conform to the specifications contained herein as well as to the applicable requirements of the City Ordinances, and all applicable State and Federal Laws.
2. **DELIVERY:** If delivery of the commodity or service cannot be made exactly as specified and at the time and price shown, notify the City Purchasing Division immediately. Do not make delivery changes without approval.
3. **INSPECTION AND ACCEPTANCE:** Inspection and acceptance will be at destination, unless otherwise instructed by the City. Until delivery and acceptance, and after any rejections, risk of loss will be on the vendor unless loss results from the negligence of the City Of Moreno Valley. Notwithstanding the requirements for any City inspection and test contained in specifications applicable to this purchase order, except where specialized inspections or tests are specified for performance solely by the City, the vendor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the purchase order conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.
4. **VARIATION IN QUANTITY:** No variation in the quantity of any item called for by this purchase order will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this purchase order.
5. **FREIGHT AND FREIGHT CHARGES:** Unless otherwise noted freight is to be shipped F.O.B. Destination. Vendor owns title to goods and is responsible for goods until reaching the City's designated destination. When freight charges are pre-approved by the City the seller's actual freight charges shall be prepaid and added to the invoice.
6. **SALES AND USE TAXES:** Sale tax must be shown on the invoice as a separate item. On out-of-state purchases, the vendor must show his Use Tax Permit Number issued by the California State Board of Equalization, which authorized him to charge and collect California sales tax.
7. **EXCISE TAX:** If federal excise tax is applicable to the transaction, it must be so stated and excluded from the price of the article. The City Of Moreno Valley, as a governmental agency, is exempt from the payment of said tax and will issue an exemption certificate.
8. **MISCELLANEOUS CHARGES:** Charges for transportation, containers, packing, etc, will not be allowed unless so specified in this order.
9. **PAYMENTS:** Payment terms are NET/30. Terms other than NET/30 must be authorized in writing from the City. All Cash Discounts shall be taken and computed from the date of delivery or completion and acceptance of the material, or from date of receipt of invoice, whichever is latest.
10. **INVOICES:** One original invoice shall be supplied to the City. Invoices shall be submitted in duplicate (one copy shall be marked "Original") when you the vendor require an invoice copy with payment. Unless otherwise specified the invoice shall contain the following information: purchase order number, item number, description of supplies or quantities, unit prices, extended total, freight charges, all applicable taxes and handling charges where authorized. Bill of lading number and weight of shipment will be shown for shipments on Government Bills of Lading. Unless otherwise specified, payment will be made on partial deliveries accepted by the City when the amount due on such deliveries so warrants.
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
12. **PURCHASE DOCUMENTS:** A copy of the Notice Inviting Bids, the Bid or Request for Quotation, a copy of these General Conditions and the Specifications of the Bid or Request For Quote will remain on file with the City in accordance with applicable laws.
13. **COMMERCIAL WARRANTY:** The vendor agrees that the supplies or services furnished under this purchase order shall be covered by the most favorable commercial warranties the vendor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this purchase order.
14. **ASSIGNMENT OF CLAIMS:** Claims for monies due or to become due under this purchase order shall be assigned only pursuant to prior written consent of the City Manager or his designated representative.
15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City Of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, clauses, damages and liabilities, including attorney fees, caused by defect(s) in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Service District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from the other sources and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



City of Moreno Valley Purchase Order

Date 2/27/2006
Page 1
Branch/Plant 32010
Order Number 30943

Vendor Phone

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	2/27/2006	Freight	FOB - DESTINATION		
Requested Date	2/27/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: VIRGINIA
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ # 50149 TECHNOLOGY SERVICES (DORI LIENHARD)

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	MODIFY STAT-IN/STAT- A/P		LS	.0000	LS	2,570.00	2/27/2006
		00750. 32010.6258						

STAT-CD COMMAND. PERMITS PLUS ENHANCEMENT.
PER ESTIMATE # 11794a, DATED 2/22/06.

Total: 2,570.00

Sales Tax Total Order

Term DUE UPON RECEIPT Tax Rate .00 2,570.00

PURCHASING MANAGER:



CITY OF MORENO VALLEY TERMS & CONDITIONS

1. **SUPPLIER CONFORMANCE:** All materials or services supplied by the Contractor shall conform to the specifications contained herein as well as to the applicable requirements of the City Ordinances, and all applicable State and Federal Laws.
2. **DELIVERY:** If delivery of the commodity or service cannot be made exactly as specified and at the time and price shown, notify the City Purchasing Division immediately. Do not make delivery changes without approval.
3. **INSPECTION AND ACCEPTANCE:** Inspection and acceptance will be at destination, unless otherwise instructed by the City. Until delivery and acceptance, and after any rejections, risk of loss will be on the vendor unless loss results from the negligence of the City Of Moreno Valley. Notwithstanding the requirements for any City inspection and test contained in specifications applicable to this purchase order, except where specialized inspections or tests are specified for performance solely by the City, the vendor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the purchase order conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.
4. **VARIATION IN QUANTITY:** No variation in the quantity of any item called for by this purchase order will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this purchase order.
5. **FREIGHT AND FREIGHT CHARGES:** Unless otherwise noted freight is to be shipped F.O.B. Destination. Vendor owns title to goods and is responsible for goods until reaching the City's designated destination. When freight charges are pre-approved by the City the seller's actual freight charges shall be prepaid and added to the invoice.
6. **SALES AND USE TAXES:** Sale tax must be shown on the invoice as a separate item. On out-of-state purchases, the vendor must show his Use Tax Permit Number issued by the California State Board of Equalization, which authorized him to charge and collect California sales tax.
7. **EXCISE TAX:** If federal excise tax is applicable to the transaction, it must be so stated and excluded from the price of the article. The City Of Moreno Valley, as a governmental agency, is exempt from the payment of said tax and will issue an exemption certificate.
8. **MISCELLANEOUS CHARGES:** Charges for transportation, containers, packing, etc, will not be allowed unless so specified in this order.
9. **PAYMENTS:** Payment terms are NET/30. Terms other than NET/30 must be authorized in writing from the City. All Cash Discounts shall be taken and computed from the date of delivery or completion and acceptance of the material, or from date of receipt of invoice, whichever is latest.
10. **INVOICES:** One original invoice shall be supplied to the City. Invoices shall be submitted in duplicate (one copy shall be marked "Original") when you the vendor require an invoice copy with payment. Unless otherwise specified the invoice shall contain the following information: purchase order number, item number, description of supplies or quantities, unit prices, extended total, freight charges, all applicable taxes and handling charge where authorized. Bill of lading number and weight of shipment will be shown for shipments on Government Bills of Lading. Unless otherwise specified, payment will be made on partial deliveries accepted by the City when the amount due on such deliveries so warrants.
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
12. **PURCHASE DOCUMENTS:** A copy of the Notice Inviting Bids, the Bid or Request for Quotation, a copy of these General Conditions and the Specifications of the Bid or Request For Quote will remain on file with the City in accordance with applicable laws.
13. **COMMERCIAL WARRANTY:** The vendor agrees that the supplies or services furnished under this purchase order shall be covered by the most favorable commercial warranties the vendor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this purchase order.
14. **ASSIGNMENT OF CLAIMS:** Claims for monies due or to become due under this purchase order shall be assigned only pursuant to prior written consent of the City Manager or his designated representative.
15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City Of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, clauses, damages and liabilities, including attorney fees, caused by defect(s) in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Service District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from the other sources and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



City of Moreno Valley Purchase Order

Date 2/2/2006

Page 1

Vendor Phone

Branch/Plant 41110

Order Number 30835

ACCELA

4106 DUBLIN BLVD., SUITE 128
DUBLIN CA 94568

Ship To CITY OF MORENO VALLEY
CORPORATE YARD
15670 PERRIS BLVD.
MORENO VALLEY CA 92551-4612

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	2/2/2006	Freight	FOB - DESTINATION		
Requested Date	2/9/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: VIRGINIA
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ # 050045 TECHNOLOGY SERVICES (CHRIS ZAPPULLA)

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extended	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	ACCELA GIS USER PACKS 00011. 41110.6258	3	EA	2,995.0000	EA	8,985.00	2/9/2006
2.000	0	ANNUAL MAINTENANCE 00011. 41110.6258		LS	.0000	LS	1,797.00	2/9/2006
3.000	0	SALES TAX ON HALF OF MAINT. 00011. 41110.6258		LS	.0000	LS	69.63	2/9/2006

PER QUOTE #11686a, DATED 1/20/06.
FOR OPTION 1.

Total: 10,851.63

Term DUE UPON RECEIPT	Tax Rate	Sales Tax	Total Order
		696.34	11,547.97

PURCHASING MANAGER: 

CONFIRMING VIA FAX
DATE: 2/3/06
DO NOT DUPLICATE



VALLEY

**City of Moreno Valley
Purchase Order**

Vendor Phone

Date: 3/30/2006

Page: 1

Branch Plant: 06110

Order Number: 31037

ACCELA 1590728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To: CITY OF MORENO VALLEY, I. T. 1900449

14331 FREDE RICK ST., SUITE 2
P. O. BOX 88108

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88085
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	3/30/2006	Freight	FOB - DESTINATION
Requested Date	3/30/2006	Order Taken By	A. FISH
Replaces PO:		Buyer:	RUTHN
Delivery Instructions		Requester:	

TERMS AND CONDITIONS ON LAST PAGE

REQ #50272 - T.S. (LEA DEEBING)

PRICES PER QUOTE #11010a(rev-1) DATED 3/28/06 BY ANGELA FISH.

Line	Rev	Item Description	Quantity	TR	Unit	PU	Entered	Required
		Account Code	Ordered	UOM	Price	UOM	Prk n	By Date
1.000	0	ACCELA WIRELESS USER BLOCKS		LS	.0000	LS	25,487.25	3/30/2006
		00010. 66110.6258						

THREE (3) ADDITIONAL USER BLOCKS (EACH BLOCK = 5 END-USER LICENSES).
(\$9,995.00 FOR EACH BLOCK OF 5) X 3 = \$29,985.00 LESS 15% DISCOUNT ON
LICENSE COST -\$4,497.75 = \$25,487.25

2.000	0	CALIF. SALES TAX 7.75%		LS	.0000	LS	1,974.26	3/30/2006
		00010. 66110.6258						

3.000	0	ADD'L ANNUAL MAINTENANCE		LS	.0000	LS	5,917.00	3/30/2006
		00010. 66110.6258						

4.000	0	CALIF. SALES TAX 7.75%		LS	.0000	LS	2,113.88	3/30/2006
		00010. 66110.6258						

SALESUSE TAX ON 1/2 OF MAINTENANCE @ 7.75% = \$232.38

Total: 33,681.89

Sales Tax Total Order

M O R E N O



V A L L E Y

City of Moreno Valley Purchase Order

Order Date: 3/30/2006

Page: 2

Vendor Phone

Branch Plant: 66110

Order Number: 31037

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To: CITY OF MORENO VALLEY, I.T. 1900449
14331 FREDERICK ST., SUITE 2
P.O. BOX 88105

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88015
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	3/30/2006	Freight	FOB - DESTINATION		
Requested Date	3/30/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: RUTHN
Delivery Instructions					Requestor:

TERMS AND CONDITIONS ON LAST PAGE

REQ #50272 - T.S. (LEA DEESING)
PRICES PER QUOTE #11010a(rev-1) DATED 3/28/06 BY ANGELA FISH.

Line Rev	Item Description Account Code	Quantity Ordered	TR UOM	Unit Price	PU UOM	Extended Price	Required By Date
	Term DUE UPON RECEIPT Tax Rate			.00			33,891.89

PURCHASING MANAGER: 



CITY OF MORENO VALLEY TERMS & CONDITIONS

1. **SUPPLIER CONFORMANCE:** All materials or services supplied by the Contractor shall conform to the specifications contained herein as well as to the applicable requirements of the City Ordinances, and all applicable State and Federal Laws.
2. **DELIVERY:** If delivery of the commodity or service cannot be made exactly as specified and at the time and price shown, notify the City Purchasing Division immediately. Do not make delivery changes without approval.
3. **INSPECTION AND ACCEPTANCE:** Inspection and acceptance will be at destination, unless otherwise instructed by the City. Until delivery and acceptance, and after any rejections, risk of loss will be on the vendor unless loss results from the negligence of the City Of Moreno Valley. Notwithstanding the requirements for any City inspection and test contained in specifications applicable to this purchase order, except where specialized inspections or tests are specified for performance solely by the City, the vendor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the purchase order conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.
4. **VARIATION IN QUANTITY:** No variation in the quantity of any item called for by this purchase order will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this purchase order.
6. **FREIGHT AND FREIGHT CHARGES:** Unless otherwise noted freight is to be shipped F.O.B. Destination. Vendor owns title to goods and is responsible for goods until reaching the City's designated destination. When freight charges are pre-approved by the City the seller's actual freight charges shall be prepaid and added to the invoice.
8. **SALES AND USE TAXES:** Sales tax must be shown on the invoice as a separate item. On out-of-state purchases, the vendor must show his Use Tax Permit Number issued by the California State Board of Equalization, which authorized him to charge and collect California sales tax.
7. **EXCISE TAX:** If federal excise tax is applicable to the transaction, it must be so stated and excluded from the price of the article. The City Of Moreno Valley, as a governmental agency, is exempt from the payment of said tax and will issue an exemption certificate.
8. **MISCELLANEOUS CHARGES:** Charges for transportation, containers, packing, etc, will not be allowed unless so specified in this order.
9. **PAYMENTS:** Payment terms are NET/30. Terms other than NET/30 must be authorized in writing from the City. All Cash Discounts shall be taken and computed from the date of delivery or completion and acceptance of the material, or from date of receipt of invoice, whichever is latest.
10. **INVOICES:** One original invoice shall be supplied to the City. Invoices shall be submitted in duplicate (one copy shall be marked "Original") when you the vendor require an invoice copy with payment. Unless otherwise specified the invoice shall contain the following information: purchase order number, item number, description of supplies or services, sizes, quantities, unit prices, extended totals, freight charges, all applicable taxes and handling charges where authorized. Bill of lading number and weight of shipment will be shown for shipments on Government Bills of Lading. Unless otherwise specified, payment will be made on partial deliveries accepted by the City when the amount due on such deliveries so warrants.
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
12. **PURCHASE DOCUMENTS:** A copy of the Notice Inviting Bids, the Bid or Request for Quotation, a copy of these General Conditions and the Specifications of the Bid or Request for Quotation will remain on file with the City in accordance with applicable laws.
13. **COMMERCIAL WARRANTY:** The vendor agrees that the supplies or services furnished under this purchase order shall be covered by the most favorable commercial warranties the vendor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this purchase order.
14. **ASSIGNMENT OF CLAIMS:** Claims for monies due or to become due under this purchase order shall be assigned only pursuant to prior written consent of the City Manager or his designated representative.
15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City Of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, damages, charges and liabilities, including attorney fees, caused by defects in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, sound process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Service District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from the other source and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.

021601



DATE: January 13, 2005
REVISION 1: March 28, 2006

ESTIMATE #11010b(rev-1)

TO: Dori Lienhard
City of Moreno Valley, CA

FROM: Angela Fish, Inside Representative

RE: Fifteen (15) Additional Accela Wireless™ Licenses

In response to your request, following is a cost estimate to add 15 Accela Wireless licenses to your existing 10 licenses for a total of 25 Accela Wireless licenses.

Revision 1: Accela is offering a 15% discount on the license costs if a purchase order is received by March 31, 2006. After March 31, 2006, the standard costs will apply.

- Three (3) Additional User Blocks (each block = 5 end-user licenses) (\$9,995.00 for each block of 5)	\$29,985.00
- 15% Discount on license cost	(\$ 4,497.75)
- Sales Tax on License (7.75%)	\$ 1,975.26
- Additional Annual Maintenance 20% of Server Kit, Add'l Users, Application Server, and Firewall	\$ 5,997.00 ¹
- Sales/Use Tax on Half of Maintenance (7.75%)	\$ <u>232.38</u>
<u>TOTAL</u>	<u>\$33,691.89²</u>

NOTES:

- ¹ This is in addition to the Agency's annual maintenance for the current fiscal year. The additional maintenance may be pro-rated dependent upon when the Agency acquires the additional licenses.
- ² 100% of total license and maintenance costs are due upon receipt of purchase order or contract. All terms are Net 30.
- The client/agency is responsible for any applicable sales tax.
- Accela Wireless is based on named users.



- The client/agency is responsible for any applicable sales tax.

These costs are valid until March 31, 2006. After March 31, 2006, all prices are subject to change. This quote supersedes any previous written or verbal estimate for products and installation services. To procure the above-mentioned services, please submit a purchase order or contract referencing the above estimate number to the attention of Andrew Paredes. In order to expedite the process, feel free to submit authorization via fax to (925) 828 4452 or by email to aparedes@accela.com. Please note that if faxing a purchase order, please fax both front and back and send the original purchase order in the mail.

If you have any questions, please feel free to contact me at (559) 627-1959x127 or afish@accela.com. Thank you.



City of Moreno Valley Purchase Order

Date 12/28/2005

Page 1

Vendor Phone

Branch/Plant 91310

Order Number 30727

ACCELA

4106 DUBLIN BLVD., SUITE 128
DUBLIN CA 94568

Ship To CITY OF MORENO VALLEY
CITY HALL
14177 FREDERICK ST
MORENO VALLEY CA 92553

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	12/28/2005	Freight	FOB - DESTINATION		
Requested Date	1/11/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: VIRGINIA
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ # 049895 RDA HOUSING (KATHI PIERCE)

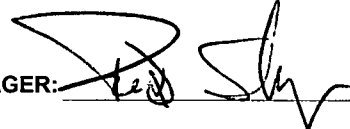
Line	Rev	Item Description	Quantity Ordered	TR UOM	Unit Price	PU UOM	Extended Price	Required By Date
1.000	0	CONVERSION ASSISTANCE 00894. 91310.6255		LS	.0000	LS	5,920.00	1/11/2006

PER ESTIMATE # 11597 REV-2, DATED 11/18/05.
TOTAL AMT \$5,920.00

Total: 5,920.00

Sales Tax Total Order

Term DUE UPON RECEIPT Tax Rate .00 5,920.00

PURCHASING MANAGER: 



CITY OF MORENO VALLEY TERMS & CONDITIONS

1. **SUPPLIER CONFORMANCE:** All materials or services supplied by the Contractor shall conform to the specifications contained herein as well as to the applicable requirements of the City Ordinances, and all applicable State and Federal Laws.
2. **DELIVERY:** If delivery of the commodity or service cannot be made exactly as specified and at the time and price shown, notify the City Purchasing Division immediately. Do not make delivery changes without approval.
3. **INSPECTION AND ACCEPTANCE:** Inspection and acceptance will be at destination, unless otherwise instructed by the City. Until delivery and acceptance, and after any rejections, risk of loss will be on the vendor unless loss results from the negligence of the City Of Moreno Valley. Notwithstanding the requirements for any City inspection and test contained in specifications applicable to this purchase order, except where specialized inspections or tests are specified for performance solely by the City, the vendor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the purchase order conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.
4. **VARIATION IN QUANTITY:** No variation in the quantity of any item called for by this purchase order will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this purchase order.
5. **FREIGHT AND FREIGHT CHARGES:** Unless otherwise noted freight is to be shipped F.O.B. Destination. Vendor owns title to goods and is responsible for goods until reaching the City's designated destination. When freight charges are pre-approved by the City the seller's actual freight charges shall be prepaid and added to the invoice.
6. **SALES AND USE TAXES:** Sale tax must be shown on the invoice as a separate item. On out-of-state purchases, the vendor must show his Use Tax Permit Number issued by the California State Board of Equalization, which authorized him to charge and collect California sales tax.
7. **EXCISE TAX:** If federal excise tax is applicable to the transaction, it must be so stated and excluded from the price of the article. The City Of Moreno Valley, as a governmental agency, is exempt from the payment of said tax and will issue an exemption certificate.
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10. **INVOICES:** One original invoice shall be supplied to the City. Invoices shall be submitted in duplicate (one copy shall be marked "Original") when you the vendor require an invoice copy with payment. Unless otherwise specified the invoice shall contain the following information: purchase order number, item number, description of supplies or services, sizes, quantities, unit prices, extended totals, freight charges, all applicable taxes and handling charges where authorized. Bill of lading number and weight of shipment will be shown for shipments on Government Bills of Lading. Unless otherwise specified, payment will be made on partial deliveries accepted by the City when the amount due on such deliveries so warrants.
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
12. **PURCHASE DOCUMENTS:** A copy of the Notice Inviting Bids, the Bid or Request for Quotation, a copy of these General Conditions and the Specifications of the Bid or Request For Quote will remain on file with the City in accordance with applicable laws.
13. **COMMERCIAL WARRANTY:** The vendor agrees that the supplies or services furnished under this purchase order shall be covered by the most favorable commercial warranties the vendor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this purchase order.
14. **ASSIGNMENT OF CLAIMS:** Claims for monies due or to become due under this purchase order shall be assigned only pursuant to prior written consent of the City Manager or his designated representative.
15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City Of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, clauses, damages and liabilities, including attorney fees, caused by defect(s) in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Service District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from the other sources and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.



Purchase Order

Page 1

Vendor Phone

City/State 88110

Order Number 31038

ACCELA 1586728
 1731 W WALNUT AVE
 VISALIA CA 93277

Ship To CITY OF MORENO VALLEY, L.T. 1900449
 14331 FREEDRICK ST., SUITE 2
 P. O. BOX 18018

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
 P.O. BOX 88049
 MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered 3/30/2006 Freight FOB - DESTINATION
 Requested Date 3/30/2006 Order Taken By A. FISH Replaces PO: Buyer: RUTHN
 Delivery Instructions Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ #50271 - T. S. (LEA DEESING)
 PRICES PER QUOTE #11858 (rev-2) DATED 3/28/06 BY ANGELA FISH.

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extension	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date
1.000	0	ACCELA SERVER KIT 00010. 88110.8258		LS	.0000	LS	14,495.00	3/30/2006
FOR ON-LINE MODE \$17,495.00 DISCOUNTED BY MARCH 31, 2006 -\$3,000.00 = \$14,495.00								
2.000	0	CALIF. SALES TAX 7.75% 00010. 88110.8258		LS	.0000	LS	1,113.38	3/30/2006
3.000	0	ADD'L ANNUAL MAINTENANCE 00010. 88110.8258		LS	.0000	LS	3,419.00	3/30/2006
4.000	0	CALIF. SALES TAX 7.75% 00010. 88110.8258		LS	.0000	LS	113.59	3/30/2006

SALES TAX ON 1/2 OF ANNUAL MAINTENANCE @ 7.75% = \$135.59

Total: 19,252.95

Term	DUE UPON RECEIPT	Tax Rate	Sales Tax	Total Order
			.00	19,252.95

MORENO



VALLEY

City of Moreno Valley Purchase Order

Date: 3/30/2006

Page: 2

Vendor Phone

Business Unit: 86110

Order Number: 31036

ACCELA 1586728
1731 W WALNUT AVE
VISALIA CA 93277

Ship To: CITY OF MORENO VALLEY, I. T. 1900449
14331 FREDERICK ST., SUITE 2
P. O. BOX 1000

Bill To: CITY OF MORENO VALLEY - FINANCE DEPT.
P.O. BOX 88015
MORENO VALLEY, CA 92552-0805

INVOICES & DELIVERY SLIPS MUST HAVE ABOVE PURCHASE ORDER NUMBER & QUANTITY. INVOICES MUST BE THE ORIGINAL.

Ordered	3/30/2006	Freight	FOB - DESTINATION		
Requested Date	3/30/2006	Order Taken By	A. FISH	Replaces PO:	Buyer: RUTHN
Delivery Instructions					Requester:

TERMS AND CONDITIONS ON LAST PAGE

REQ #50271 - T. S. (LEA DEESING)

PRICES PER QUOTE #11656a(rev-2) DATED 3/28/06 BY ANGELA FISH.

Line	Rev	Item Description	Quantity	TR	Unit	PU	Extension	Required
		Account Code	Ordered	UOM	Price	UOM	Price	By Date

PURCHASING MANAGER:



CITY OF MORENO VALLEY TERMS & CONDITIONS

1. **SUPPLIER CONFORMANCE:** All materials or services supplied by the Contractor shall conform to the specifications contained herein as well as to the applicable requirements of the City Ordinances, and all applicable State and Federal Laws.
2. **DELIVERY:** If delivery of the commodity or service cannot be made exactly as specified and at the time and price shown, notify the City Purchasing Division immediately. Do not make delivery changes without approval.
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4. **VARIATION IN QUANTITY:** No variation in the quantity of any item called for by this purchase order will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this purchase order.
5. **FREIGHT AND FREIGHT CHARGES:** Unless otherwise noted freight is to be shipped F.O.B. Destination. Vendor owns title to goods and is responsible for goods until reaching the City's designated destination. When freight charges are pre-approved by the City the seller's actual freight charges shall be prepaid and added to the invoice.
6. **SALES AND USE TAXES:** Sale tax must be shown on the invoice as a separate item. On out-of-state purchases, the vendor must show his Use Tax Permit Number issued by the California State Board of Equalization, which authorized him to charge and collect California sales tax.
7. **EXCISE TAX:** If federal excise tax is applicable to the transaction, it must be so stated and excluded from the price of the article. The City of Moreno Valley, as a governmental agency, is exempt from the payment of said tax and will issue an exemption certificate.
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10. **INVOICES:** One original invoice shall be supplied to the City. Invoices shall be submitted in duplicate (one copy shall be marked "Original") when you the vendor require an invoice copy with payment. Unless otherwise specified the invoice shall contain the following information: purchase order number, item number, description of supplies or services, sizes, quantities, unit prices, extended totals, freight charges, all applicable taxes and handling charges where authorized. Bill of lading number and weight of shipment will be shown for shipments on Government Bills of Lading. Unless otherwise specified, payment will be made on initial deliveries accepted by the City when the amount due on such deliveries so warrants.
11. **MATERIAL SAFETY DATA SHEET:** It is mandatory for a manufacturer, supplier, or distributor to supply with the first shipment of hazardous material. Also, at any time the content of an MSDS is revised, the vendor is required to provide new information relevant to the specific material.
12. **PURCHASE DOCUMENTS:** A copy of the Notice Inviting Bids, the Bid or Request for Quotation, a copy of these General Conditions and the Specifications of the Bid or Request for Quotation will remain on file with the City in accordance with applicable laws.
13. **COMMERCIAL WARRANTY:** The vendor agrees that the supplies or services furnished under this purchase order shall be covered by the most favorable commercial warranties the vendor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City by any other clause of this purchase order.
14. **ASSIGNMENT OF CLAIMS:** Claims for monies due or to become due under this purchase order shall be assigned only pursuant to prior written consent of the City Manager or his designated representative.
15. **HOLD HARMLESS:** The vendor shall indemnify and hold the City of Moreno Valley, its officers, agents and employees, harmless from all claims, actions, proceedings, damages and liabilities, including attorney fees, caused by defects in the item(s) purchased hereunder, or resulting from the use of any copyrighted or uncopyrighted composition, sound process, patented or unpatented invention, article or appliance furnished or used under this order.
16. **INSURANCE:** The vendor shall provide a certificate of insurance evidencing general liability insurance coverage of \$1,000,000 per occurrence with an endorsement binder listing the City of Moreno Valley, the Moreno Valley Community Services District, and the Redevelopment Agency of the City of Moreno Valley as additional insureds. High-hazard products or services may require higher insurance limits, as determined by the City of Moreno Valley Risk Manager.
17. **DEFAULT BY SUPPLIER:** In case of default by supplier, the City reserves the right to procure the articles or services from other sources and to hold the supplier responsible for any excess costs occasioned to the City thereby.
18. **TERMINATION:** Either party has the right to terminate this agreement with thirty (30) days written notice.

9245804

DATE: December 19, 2005
REVISION 1: January 25, 2006
REVISION 2: March 28, 2006

ESTIMATE #11656b(rev-2)

TO: Dori Lienhard
City of Moreno Valley, CA

FROM: Angela Fish, Inside Representative

RE: Upgrading from Accela Wireless™ Off-line Mode to On-Line Mode

Per the City's request, following is a proposal to move from the off-line mode that was purchased in estimate # 8931a(rev-2) to the on-line mode of Accela Wireless. This is based on the Agency-Hosted option.

Accela is offering a \$3k on if a purchase order is received by March 31, 2006. After March 31, 2006, the standard costs will apply.

(Per Peter Ramos, he told Dori that she can use the \$1,830.00 discount that we offered on revision 1 toward something else. He cannot give her the \$3k discount and the \$1,830.00 on this estimate.)

- Additional Server Kit Costs for On-Line Mode (They paid \$17,500.00 already for off-line mode. Difference between on-line mode of \$34,995.00 = \$17,495.00)	\$17,495.00
- Discount by March 31, 2006	(\$ 3,000.00)
- Sales Tax on License (7.75%)	\$ 1,123.36
- Additional Annual Maintenance 20% of Server Kit and Add'l Users	\$ 3,499.00 ¹
- Sales Tax on Half of Annual Maintenance (7.75%)	\$ 135.59
TOTAL	<u>\$19,252.95²</u>

OPTIONAL SERVICES:

If the Agency requires consulting assistance from Accela, it will be based on time and materials.

(Service options provided by Larry Cooper – 04/26/05)

- Move the Wireless Subscription Server to the DMZ and then point a Public IP address to the server (Based on time and materials - 10 hours @ \$185.00/hour)	\$ 1,850.00 ³
---	--------------------------

NOTES:

- ¹ This is in addition to the Agency's current annual maintenance for the current fiscal year. The additional maintenance may be pro-rated dependent upon when the Agency acquires the additional licenses.
- ² Payment Terms: 100% of total server software and maintenance costs outlined above are due upon receipt of purchase order or contract. All billing terms are Net 30.
- ³ This is a Time and Materials proposal. Accela's good faith estimate of the number of hours of effort needed to complete the work is just an estimate and is not a guarantee. All actual project hours worked will be billed on a Time and Materials basis, regardless if more or less hours are needed to complete the Services. Just as there is no CAP on the number of hours available to Accela to complete the work, there is no guarantee that Accela will need to work the number of hours estimated to complete the Services.

100% of total installation services are due as rendered.

- For Supported hardware and software/operating system platforms, please refer to the Accela Wireless fact sheet.
- The above estimate is based on a 1-year contract. If the Agency decides not to renew the agreement after 1 year, the Agency will be responsible for removing the application from the server.
- Please note that the above costs do not include hardware (a Windows 2000 application server is required for the software).
- Accela Wireless is based on named users.
- The client/agency is responsible for any applicable sales tax.
- The above proposal does not include on-site assistance from Accela. If on-site assistance is necessary by the Agency, travel expenses will be required.
- The pricing set forth herein reflects information generally known to Accela, supplied to Accela by client, and based on Accela's interpretation of the work to be performed. Further information gathered through detailed investigation and business analysis by Accela is required before a final Statement of Work and pricing can be mutually agreed upon.

Prior to Contract execution, Accela may request a mutually agreed upon evaluation of the Client's business practices and operations in preparation of the final Statement of Work.

These costs are valid until March 31, 2006. After March 31, 2006, all prices are subject to change. This quote supersedes any previous written or verbal estimate for products and installation services. To procure the above-mentioned services, please submit a purchase order or contract referencing the above estimate number to the attention of Andrew Paredes. In order to expedite the process, feel free to submit authorization via fax to (925) 828 4452 or by email to aparedes@accela.com. Please note



that if faxing a purchase order, please fax both front and back and send the original purchase order in the mail.

If you have any questions, please contact me at (559) 627-1959x127 / afish@accela.com.

'PERMITS' Plus®

AGREEMENT BETWEEN

Sierra Computer Systems, Inc., hereinafter referred to as SCSI, and City of Moreno Valley, CA, hereinafter referred to as User.

Executed this ___ day of _____, 1998.
User must execute this agreement and return to SCSI by January 15, 1999 to be valid.

RECITALS

SCSI provides "SOFTWARE MAINTENANCE" for the product listed below. Software maintenance provides both software update service and software problem resolution service. While there is no charge for updates while under annual maintenance agreement, substantial product enhancements may carry a nominal charge.

Customer : **City of Moreno Valley**
Address : **14177 Frederick Street/P.O. Box 88005**
:
City/State/Zip : **Moreno Valley, CA 92552-0805**
Product Name : **'PERMITS' Plus**®
SCSI Reference No : **WIN98**
Release No : **03 or Higher**
No. of Licenses : **50**
Fee Plus Tax : **\$12,537.50 (Using SQL Server)**
\$ 525.00 ('PERMITS' Voice™)
\$ 100.00 ('PERMITS' OfficeLink™)
\$ 3,150.00 (Upgrade to Gold Maintenance)
\$ 632.11 (Sales/Use Tax on 1/2 of Maintenance Fees)
\$16,944.61 (Total)

TrueGIS

TERMS AND CONDITIONS OF AGREEMENT
BETWEEN SCSI AND USER
GENERAL CONDITIONS OF **'PERMITS' Plus**® SOFTWARE MAINTENANCE

A1.00. HEADINGS. Headings are for convenience only and shall not be deemed to be part of this Agreement.

A2.00. MODIFICATION. No modification or variation of this Agreement shall be valid unless in writing signed by both parties.

A3.00. SEVERABILITY. If any provision of this Agreement shall be construed to be illegal or invalid, the legality or validity of any other provision hereof shall not be affected thereby. Any illegal or invalid provisions of this Agreement shall be construed by a court of competent jurisdiction to have the broadest scope permissible under the law of said jurisdiction, and if no validating construction impossible, shall be severable, and all other provisions hereof shall remain in full force and effect.

A4.00. DELAYS.

.01. Neither party shall be liable, in damages or otherwise, for any delay in the service to be rendered hereunder, or for failure to give notice of any delay, when such delay is due to the elements, acts of nature, acts of civil or military authorities, acts of other party which are not provided for in this Agreement and which cause unreasonable delays in this Agreement by the other party, any delay in transportation or delay in delivery by its vendors beyond its reasonable or actual control, or any other causes beyond the reasonable or actual control of the party. Each party's schedule of performance shall be extended by a period of time equal to the time lost because of any such delay, provided written notice has been given to the other party of such delay and its estimated duration, within five (5) days of the time the party has actual knowledge of such delay.

.02. Notwithstanding the fore-going, in every case, the delay or failure to perform must be beyond the control, and without the fault or negligence of, the party claiming excusable delay.

A5.00. STATEMENT OF WORK.

.01. SCSI agrees to perform Software Maintenance. While there is no charge for **'PERMITS' Plus**® updates while under this annual maintenance agreement, substantial product enhancements will be offered under a separate Agreement.

.02. This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by written execution signed by both User and SCSi.

.03. SCSi shall provide User with a reasonable amount of consultation by telephone to assist the User in software problem resolution of the 'PERMITS' Plus[®] software, during SCSi's normal working hours.

.04. SCSi shall provide User with remedial maintenance of software to substantially conform the software to SCSi's published program specification for that release level of software identified in the most current release. SCSi shall, within a reasonable time period, supply computer program code to correct any reproducible error created by the 'PERMITS' Plus[®] software, provided that SCSi's diagnostics indicate that such non-conformity or error was in existence during the subscription period or during the initial Warranty Period extended to the User in the purchase agreement for SCSi software.

.05. Suspected 'PERMITS' Plus[®] error conditions will be investigated and corrected by SCSi personnel at SCSi's offices to the extent possible. Onsite corrections shall be at the exclusive judgment of SCSi at no additional cost to the User. User may, however, request that SCSi conduct such investigations and travel to the location of the User at the User's request; User will pay SCSi for reasonable travel and subsistence expenses. If SCSi, in its reasonable judgment, determines that the suspected error condition was attributable to a cause other than an error in the 'PERMITS' Plus[®] software or an enhancement by SCSi, the User will pay for SCSi's efforts on a time and materials basis.

.06. SCSi may provide the User with unsolicited error corrections or changes to the software, without additional charge, which SCSi determines are necessary for proper operation of its software, and User shall incorporate these corrections or changes into the software within 180 days of release by SCSi. SCSi will provide all documentation changes necessary as a result of changes to the software.

.07. SCSi will provide User all enhancements released by SCSi as standard enhancements, and which are generally made available to other users purchasing comparable software during the term of this Agreement.

A6.00. TERM OF AGREEMENT.

.01. The term of this Agreement shall commence on July 1, 1999 and shall terminate on the following 30th day of June. Thereafter, the Agreement may be renewed on a yearly basis on July 1st of each year, if mutually agreed upon by both parties.

.02. Payment for software maintenance services must be paid yearly in advance. A late charge equal to 10% of the total invoice amount, will be applied to any invoice not paid within thirty (30) days of the invoice date. User may not skip any period and then resubscribe to User support at a later date without paying the fees missed. No refunds will be paid for unused support for Users who terminate support.

.03. Custom programming/consulting or additional software problem resolution service, will be billed in addition to yearly software maintenance and will be billed at SCSi prevailing rate. These services will be covered under a separate Agreement.

.04. Exclusive, however, of income taxes based on the income of SCSi, which taxes shall be paid by SCSi, User agrees to pay any tax for which it is responsible hereunder, or which is assessed against User directly, and, if any such tax is paid by SCSi, to reimburse SCSi therefore upon receipt by User of proof of payment. Sales/Use tax will be charged on 50% of the fee.

.05. Total payment for software problem resolution service and software enhancements under the terms of this Agreement shall not exceed \$ 13,162.50 per year unless approved in writing by both parties. Plus sales tax for California \$ 510.05 for a grand total of \$ 13,672.55.

A7.00. RELATIONSHIP OF PARTIES.

.01. At all times during the term of this Agreement, SCSi shall be an independent contractor and shall not be an officer, agent, or employee of User. User shall have the right to control SCSi only insofar as the result of SCSi services rendered pursuant to this Agreement.

.02. Nothing contained in this Agreement shall be deemed to create a partnership or joint venture. Neither party shall incur any debts or make commitments for the other party.

A8.00. SYSTEM SECURITY AND ACCESS.

.01. Each party acknowledges that all information concerning the other party is "Confidential and Proprietary Information". Each party agrees that it will not permit the duplication, use or disclosure of any such Confidential and Proprietary Information to any person (other than its own employee who must have such information for the performance of obligations under this Agreement), unless authorized in writing by the other party or as required by law.

.02. No information, reports, documents or any other materials given to or prepared by SCSi, or to which SCSi has access by reason of Agreement, shall be made available to any individual or organization other than User or User's employees without the prior written approval of the User except as required by law.

.03. All financial, statistical, personnel, technical, and other information or data relating to the User, which is designated confidential by the User but made available to SCSi in order to carry out this Agreement, will be protected by SCSi from unauthorized use and disclosure. SCSi shall also observe the same or equivalent requirements as are applicable to the User with regard to protecting confidentiality. SCSi shall instruct its personnel to keep such information confidential. SCSi shall not be required to keep confidential any data or information which is or becomes publicly available.

A9.00. HOLD HARMLESS CLAUSE.

.01. During the term of this Agreement SCSi will use its best efforts to maintain the software free of defects and imperfections that would prevent the software from performing according to the original or then prevailing specifications set forth in SCSi's published manuals. Except for any express warranty contained herein, SCSi makes no warranty of any kind whatsoever, either express or implied, including without limitation, and express or implied warranties of merchantability and/or fitness for a particular purpose. The express warranty and exclusive remedy stated herein is in lieu of all liabilities or obligations of SCSi for damages arising out of or in connection with the delivery, use, or performance of the software or breach by SCSi of any term of this Agreement. In no event shall SCSi have any obligation or liability for damages, whether direct, incidental, consequential, or of any other nature whatsoever, even if SCSi has been advised of the possibility of such damages.

A10.00. USERS INSTRUCTION.

.01. SCSi shall be responsible for ensuring that its employees, servants, and agents will, whenever on User's premises, obey all reasonable instructions and directions issued by User.

.02. Unless otherwise agreed by the parties, SCSi personnel, while working on User's premises, shall observe the working hours, working rules and holiday schedules of User applicable to such User premises. User agrees to provide reasonable working space, resources and materials which are necessary for the performance of services under this Agreement, provided, however, that such working space, resources and/or materials are agreed upon by User for such services and the use of any such working space, resources and/or materials is arranged so as to minimize any disruption to User's normal business operations.

.03. User agrees that all enhancements provided by SCSi shall be the exclusive property of SCSi pursuant to the previous SCSi Software License Agreement.

.04. User will be responsible for maintaining the computer hardware, communications equipment, telephone lines, cabling, modems, and all other hardware equipment. User will make available computer time for the testing and maintenance of software. User will make available all necessary supplies such as paper, magnetic tape, and disks.

.05. Software service requires the installation by the User of any industry standard 28.8 (minimum) modem, PC Anywhere software or similar product approved by SCSi at User expense. Internet access may also be provided by the User. These types of access will permit SCSi to detect software diagnostics, changes, and corrections from a remote location, when appropriate.

.06. Maintenance service is provided during SCSi's normal work week. Certain critical conditions may exist which require work outside these hours, and SCSi will make a best effort to respond. However, SCSi reserves the right to provide a price quotation and estimate of time for service requested by the User which requires substantial work outside SCSi's normal working hours.

.07. The "Software" product, data structure, field descriptions, field definitions, and data relationships are subject to change without notice. These changes may result from product development, enhancements, additional features, bug fixes and/or circumstances beyond the control of SCSi. Additional tables and relationships may be added or removed as product development standards dictate.

Third party applications (those applications or facilities not supplied by SCSi) which may utilize and rely on the data structure and specific relationships may be adversely affected by these changes. Third party applications may be rendered inoperative, or produce results which are inaccurate or unreliable due to modifications of the data structure. These anomalies, when created by changes in the "Software" data structure, within third party applications are not the responsibility of SCSi nor covered under any level of software maintenance agreement.

.08. SCSi, as a policy, does not provide assistance or additional activity development on permit or activity types which have been developed by non-SCSi employees running in conjunction with the "Software". SCSi has no certification program for third party providers of developmental services within the "Software", nor does SCSi recommend the use of third party assistance providers. Activities and permits developed for agency use are not covered by any level of software maintenance.

.09. SCSi recommends and supports the network configurations as specified in the most recent release of the "Software" implementation guide. No other network configurations, specifically any configurations differing from those specifications are supported and/or covered by any level of software maintenance. Any assistance rendered in support of configurations not specifically approved in advance will be billed at the prevailing time and materials rates for such assistance.

A11.00. COMPLIANCE WITH LAWS.

.01. SCSi agrees to comply with all laws, regulations, rules and guidelines of the Federal, State and Local jurisdictions and any agency thereof governing SCSi and its operations.

.02. This Agreement shall be governed and construed under the laws of the State of California. Any action to enforce the provisions of this Agreement shall be filed in a court located in the County of Tulare, California.

.03. There shall be no discrimination on the basis of race, sex, religion, or national origin against any person employed by SCSi for the performances of services herein described.

A12.00. WARRANTIES. SCSi warrants and represents that it has full authority to enter into this Agreement and to consummate the transaction contemplated hereby and that this Agreement is not in conflict with any other agreement to which SCSi is a party or by which it may be bound.

A13.00. TERMINATION.

.01. This Agreement automatically terminates on June 30th each year, and is subject to renewal only if mutually agreed upon.

A14.00. WAIVER.

.01. It is expressly understood and agreed that no waiver granted by the User for any violation of any covenant, term or condition of this Agreement shall be construed to constitute a waiver of the same of any further violation without the prior written approval of the User.

A15.00. ASSIGNMENT AND DELEGATION.

.01. User shall not assign, sublet or transfer any interest in or duty under this Agreement without the written consent of SCSI.

A16.00. RESOLUTION OF DISPUTES.

.01. It is anticipated that disputes between SCSI and the User will be resolved between the parties. The parties agree that in attempting to resolve disputes they will act promptly, reasonably, and in good faith.

A17.00. NOTICE. All notices, requests, demands and other communication shall be in writing and sent by registered mail, certified mail or hand delivery, addressed to the party's principal place of business herein written. Either party may by notice in writing, direct that future notices, requests, or demands be sent to a different address. Notices given by personal delivery shall be deemed given at the time of actual delivery.

SCSI Sierra Computer Systems, Inc.
1731 West Walnut Avenue
Visalia, California 93277

USER City of Moreno Valley
14177 Frederick Street/P.O. Box 88005
Moreno Valley, CA 92552-0805

A18.00. SCSI INSTRUCTIONS

.01. SCSI shall be responsible for delivery of the 'Software' Source Code of 'PERMITS' Plus[®] to SCSI's escrow account. Source code for those modules will be made available from the escrow agent to User if:

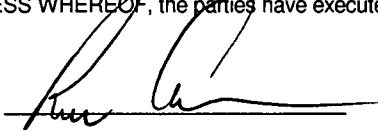
- a) The most current version of the "Software" is not supported.

In such case if User is actively covered under this Agreement, copies of the 'Software' (most current version) will be provided to the User under the terms of this Agreement. The Source Code for all these modules created by SCSI will be made available for a fee equal to the total License fee paid by the User to SCSI. User has unrestricted access to the 'Software' it has accepted from SCSI. However, User is bound by the original terms of their License Agreement and may not transfer the 'Software' under any terms.

User hereby acknowledges that User has read this Agreement understands it and agrees to be bound by its terms and conditions. User further agrees that it is the complete and exclusive Agreement between User and SCSI relating to the subject matter of this Agreement. User acknowledges receipt from SCSI of a true copy of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

SCSI

By: 

Typed: Robert Ausherman, President
Sierra Computer Systems, Inc.
1731 West Walnut Avenue
Visalia, California 93277

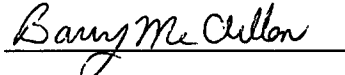
Approved as to Form

Date 12/30/98

By: 

City Attorney
Moreno Valley

USER

By: 

Typed: City of Moreno Valley
14177 Frederick Street/P.O. Box 88005
Moreno Valley, CA 92552-0805

'PERMITS' for P.C.'s

AGREEMENT BETWEEN

Sierra Computer Systems, Inc., hereinafter referred to as SCSI, and City of Moreno Valley, CA. hereinafter referred to as User.

Executed this 16 day of March, 1990.

RECITALS

SCSI provides "SOFTWARE MAINTENANCE" for the product listed below. Software maintenance provides both software update service and software problem resolution service up to ten (10) hours. While there is no charge for updates while under monthly maintenance agreement, substantial product enhancements may carry a nominal charge.

Customer	:	City of Moreno Valley	Product Name	:	'PERMITS'
Address	:	23119 Cottonwood, Building C	SCSI Reference No	:	PC89105
	:		Release No	:	2.0
City/State/Zip	:	Moreno Valley, California 92337	No. of Licenses	:	12
	:		Fee	:	\$2,300.00

TERMS AND CONDITIONS OF AGREEMENT
BETWEEN SCSI AND USER
GENERAL CONDITIONS OF 'PERMITS' SOFTWARE MAINTENANCE

A1.00. HEADINGS. Headings are for convenience only and shall not be deemed to be part of this Agreement.

A2.00. MODIFICATION. No modification or variation of this Agreement shall be valid unless in writing signed by both parties.

A3.00. SEVERABILITY. If any provision of this Agreement shall be construed to be illegal or invalid, the legality or validity of any other provision hereof shall not be affected thereby. Any illegal or invalid provisions of this Agreement shall be construed by a court of competent jurisdiction to have the broadest scope permissible under the law of said jurisdiction, and if no validating construction impossible, shall be severable, and all other provisions hereof shall remain in full force and effect.

A4.00. DELAYS.

.01. Neither party shall be liable, in damages or otherwise, for any delay in the service to be rendered hereunder, or for failure to give notice of any delay, when such delay is due to the elements, acts of nature, acts of civil or military authorities, acts of other party which are not provided for in this Agreement and which cause unreasonable delays in this Agreement by the other party, any delay in transportation or delay in delivery by its vendors beyond its reasonable or actual control, or any other causes beyond the reasonable or actual control of the party. Each party's schedule of performance shall be extended by a period of time equal to the time lost because of any such delay, provided written notice has been given to the other party of such delay and

its estimated duration, within five (5) days of the time the party has actual knowledge of such delay.

.02. Notwithstanding the foregoing, in every case, the delay or failure to perform must be beyond the control, and without the fault or negligence of, the party claiming excusable delay.

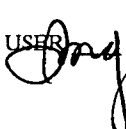

A5.00. STATEMENT OF WORK.

.01. SCSI agrees to perform software problem resolution service and software update service. While there is no charge for updates while under this monthly maintenance agreement, substantial product enhancements will be offered under a separate Agreement.

.02. This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by written execution signed by both User and SCSI.

.03. SCSI shall provide User with a reasonable amount of consultation by telephone to assist the User in software problem resolution, during SCSI's normal working hours (40 hours/week).

.04. SCSI shall provide User with remedial maintenance of

USER  SCSI 

software to substantially conform the software to SCSI's published program specification for that release level of software identified in the invoice. SCSI shall, within a reasonable time period, supply computer program code to correct any reproducible error provided that SCSI's diagnostics indicate that such non-conformity or error was in existence during the subscription period or during the initial Warranty Period extended to the User in the purchase agreement for SCSI software.

.05. Suspected error conditions will be investigated and corrected by SCSI personnel at SCSI's offices to the extent possible. On-site corrections shall be at the exclusive judgement of SCSI at no additional cost to the User. User may, however, request that SCSI conduct such investigations and travel to the location of the User at the User's request; User will pay SCSI for reasonable travel and subsistence expenses. If SCSI, in its reasonable judgment, determines that the suspected error condition was attributable to a cause other than an error in SCSI's software or an enhancement by SCSI, the User will pay for SCSI's efforts on a time and materials basis.

.06. SCSI may provide the User with unsolicited error corrections or changes to the software, without additional charge, which SCSI determines are necessary for proper operation of its software, and User shall incorporate these corrections or changes into the software within 180 days of release by SCSI. SCSI will provide all documentation changes necessary as a result of changes to the software.

.07. SCSI will provide User all enhancements released by SCSI as standard enhancements, and which are generally made available to other users purchasing comparable software during the term of this Agreement.

A6.00. TERM OF AGREEMENT.

.01. The term of this Agreement shall commence on the 91st day after User accepts the Software, and should acceptance of the Software be after June 1990, then said maintenance fee shall be pro-rated. This agreement shall terminate on the following 30th day of June. Thereafter, the Agreement may be renewed on a yearly basis on July 1st of each year, if mutually agreed upon by both parties.

.02. Payment for software maintenance services must be paid yearly in advance. A late charge equal to 10% of the total invoice amount, will be applied to any invoice not paid within thirty (30) days of the invoice date. User may not skip any period and then resubscribe to User support at a later date without paying the fees missed. No refunds will be paid for unused support for Users who terminate support.

.03. Custom programming/ consulting or additional software problem resolution service, will be billed in addition to yearly software maintenance and will be billed at SCSI prevailing rate. These services will be covered under a separate Agreement. Unused support hours for the yearly period are non-refundable and not transferable.

.04. Exclusive, however, of taxes based on the income of SCSI, which taxes shall be paid by SCSI, User agrees to pay any

tax for which it is responsible hereunder, or which is assessed against User directly, and, if any such tax is paid by SCSI, to reimburse SCSI therefor upon receipt by User of proof of payment acceptable to User.

.05. Total payment for software problem resolution service and software update services under the terms of this Agreement shall not exceed \$2,300.00 per year.

A7.00. RELATIONSHIP OF PARTIES.

.01. At all times during the term of this Agreement, SCSI shall be an independent contractor and shall not be an officer, agent, or employee of User. User shall have the right to control SCSI only insofar as the result of SCSI services rendered pursuant to this Agreement.

.02. Nothing contained in this Agreement shall be deemed to create a partnership or joint venture. Neither party shall incur any debts or make commitments for the other party.

A8.00. SYSTEM SECURITY AND ACCESS.

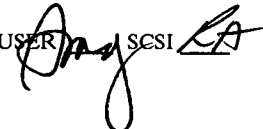
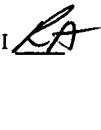
.01. Each party acknowledges that all information concerning the other party is "Confidential and Proprietary Information". Each party agrees that it will not permit the duplication, use or disclosure of any such Confidential and Proprietary Information to any person (other than its own employee who must have such information for the performance of obligations under this Agreement), unless authorized in writing by the other party.

.02. No information, reports, documents or any other materials given to or prepared by SCSI, or to which SCSI has access by reason of Agreement, shall be made available to any individual or organization other than User or User's employees without the prior written approval of the User.

.03. All financial, statistical, personnel, technical, and other information or data relating to the User, which is designated confidential by the User but made available to SCSI in order to carry out this Agreement, will be protected by SCSI from unauthorized use and disclosure. SCSI shall also observe the same or equivalent requirements as are applicable to the User with regard to protecting confidentiality. SCSI shall instruct its personnel to keep such information confidential. SCSI shall not be required to keep confidential any data or information which is or becomes publicly available.

A9.00. HOLD HARMLESS CLAUSE.

.01. During the subscription period SCSI will use its best efforts to maintain the software free of defects and imperfections that would prevent the software from performing according to the original or then prevailing specifications set forth in SCSI's published material. Except for any express warranty contained herein, SCSI makes no warranty of any kind whatsoever, either express or implied, including without limitation, and express or implied warranties of merchantability and/or fitness for a particular purpose. The express warrant and exclusive remedy stated herein is in lieu of all liabilities or obligations of SCSI for damages arising out of or in connection with the delivery, use, or

USER  SCSI 

performance of the software or breach by SCSI of any term of this Agreement. In no event shall SCSI have any obligation or liability for damages, whether direct, incidental, consequential, or of any other nature whatsoever, even if SCSI has been advised of the possibility of such damages.

A10.00. USERS INSTRUCTION.

.01. SCSI shall be responsible for ensuring that its employees, servants, and agents will, whenever on User's premises, obey all reasonable instructions and directions issued by User.

.02. Unless otherwise agreed by the parties, SCSI personnel, while working on User's premises, shall observe the working hours, working rules and holiday schedules of User applicable to such User premises. User agrees to provide reasonable working space, resources and materials which are necessary for the performance of services under this Agreement, provided, however, that such working space, resources and/or materials are agreed upon by User for such services and the use of any such working space, resources and/or materials is arranged so as to minimize any disruption to User's normal business operations.

.03. User agrees that all enhancements provided by SCSI shall be the exclusive property of SCSI pursuant to the previous SCSI Software License Agreement.

.04. User will be responsible for maintaining the computer hardware, communications equipment, telephone lines, cabling, modems, and all other hardware equipment. User will make available computer time for the testing and maintenance of software. User will make available all necessary supplies such as paper, magnetic tape, and disk packs.

.05. Software service requires the installation by the User of any Bell 212-compatible autoanswer 1200 baud (minimum) modem, at User expense. This device will permit SCSI to effect software diagnostics, changes, and corrections from a remote location, when appropriate.

.06. Maintenance service is provided during SCSI's normal forty (40) hour work week. Certain critical conditions may exist which require work outside these hours, and SCSI will make a best effort to respond. However, SCSI reserves the right to provide a price quotation and estimate of time for service requested by the User which requires substantial work outside SCSI's normal working hours.

A11.00. COMPLIANCE WITH LAWS.

.01. SCSI agrees to comply with all laws, regulations, rules and guidelines of the Federal, State and Local jurisdictions and any agency thereof governing SCSI and its operations.

.02. This Agreement shall be governed and construed under the laws of the State of California. Any action to enforce the provisions of this Agreement shall be filed in a court located in the County of Tulare, California.

.03. There shall be no discrimination on the basis of race, sex, religion, or national origin against any person employed by

SCSI for the performances of services herein described.

A12.00. WARRANTIES. SCSI warrants and represents that it has full authority to enter into this Agreement and to consummate the transaction contemplated hereby and that this Agreement is not in conflict with any other agreement to which SCSI is a party or by which it may be bound.

A13.00. TERMINATION.

.01. This Agreement automatically terminates on June 30th each year, and is subject to renewal only if mutually agreed upon.

A14.00. WAIVER.

.01. It is expressly understood and agreed that no waiver granted by the User for any violation of any covenant, term or condition of this Agreement shall be construed to constitute a waiver of the same of any further violation without the prior written approval of the User.

A15.00. ASSIGNMENT AND DELEGATION.

.01. Neither party shall assign, sublet or transfer any interest in or duty under this Agreement without the written consent of the other, and no assignment shall be of any force or effect whatsoever unless and until the other party shall have so consented in writing.

A16.00. RESOLUTION OF DISPUTES.


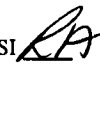
.01. It is anticipated that disputes between SCSI and the User will be resolved between the parties. The parties agree that in attempting to resolve disputes they will act promptly, reasonably, and in good faith.

A17.00. NOTICE. All notices, requests, demands and other communication shall be in writing and sent by registered mail, certified mail or hand delivery, addressed to the party's principal place of business herein written. Either party may by notice in writing, direct that future notices, requests, or demands be sent to a different address. Notices given by personal delivery shall be deemed given at the time of actual delivery.

SCSI Sierra Computer Systems, Inc.
 2378 W. Whitendale Avenue
 Visalia, CA 93277

USER City of Moreno Valley
 23119 Cottonwood, Building C
 Moreno Valley, California 92337

User hereby acknowledges that User has read this Agreement understands it and agrees to be bound by its terms and conditions. User further agrees that it is the complete and exclusive Agreement between User and SCSI relating to the subject matter of this Agreement. User acknowledges receipt from SCSI of a true copy of this Agreement.

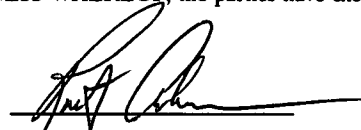
 SCSI 

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

SCSI

By:


Typed:

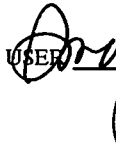


Robert Ausherman, President
Sierra Computer Systems, Inc.
2378 W. Whitendale Avenue
Visalia, CA 93277

USER

By:

Typed:


Name: City of Moreno Valley
23119 Cottonwood, Building C
Moreno Valley, California 92337

 USER  SCSI



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council, acting in their capacity as President and Board of Directors of the Moreno Valley Community Services District

FROM: Betsy Adams, Director of Parks and Community Services

AGENDA DATE: November 18, 2014

TITLE: APPROVE THE FIRST REVISION TO GENERAL MANAGEMENT POLICY #2.44 TO INCLUDE A SECOND OPTION FOR OFFICIAL CITY GROUPS DESIGNATION, DESIGNATE THE MORENO VALLEY CULTURAL ARTS FOUNDATION AS AN OFFICIAL CITY GROUP, AND APPROPRIATE SPONSORSHIP FUNDING

RECOMMENDED ACTION

Recommendations:

1. Approve the first revision to General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated "Official City Groups," to allow a second option for "Official City Groups" designation.
2. Designate the Moreno Valley Cultural Arts Foundation as an Official City Group under the second option for the Vanguard Art Gallery/Museum.
3. Approve a Fiscal Year 2014/2015 budget appropriation of \$5,000 from the Community Services District Zone A fund balance for the Official City Group sponsorship of the Moreno Valley Cultural Arts Foundation.

SUMMARY

This report recommends the first revision to General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated "Official City Groups," to allow the City Council a second option for designating non-profit Moreno Valley community-based groups as "Official City Groups" which provide a facility devoted to the arts at which quasi-professional performances or events are offered at no cost or

low cost to the community. If the first revision is approved, consider Official Group sponsorship for the Moreno Valley Cultural Arts Foundation for the Vanguard Art Gallery/Museum.

DISCUSSION

There are two non-profit Moreno Valley community-based cultural and performing arts groups which have been designated as “Official City Groups” by the City Council. The first is the Moreno Valley Community Band, which received the designation on November 13, 1990. The second is the Moreno Valley Master Chorale, which received the designation on December 8, 1998. On December 13, 2005, the City Council approved General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated “Official City Groups” and appropriated from the General Fund \$2,000 for each of these two groups for Fiscal Year (FY) 2005/2006. On June 27, 2006, the City Council approved the FY 2006/2007 budget, which increased the Official City Group funding to \$5,000 each in the Community Services District (CSD) Zone A budget. Sponsorship funding at this level, in the Zone A budget, has been approved by the City Council in each subsequent fiscal year.

In early 2013, the City Manager at that time approved a \$5,000 sponsorship for the Moreno Valley Cultural Arts Foundation (MVCAF) and directed the Parks and Community Services Department to execute an agreement similar to those in place for the Moreno Valley Community Band and the Moreno Valley Master Chorale. Neither the agreement nor a budget appropriation was taken to the City Council for ratification.

On June 23, 2014, the MVCAF submitted a written request for a \$5,000 sponsorship for FY 2014/2015. The current City Manager directed the Parks and Community Services Department to research the City’s sponsorship program for cultural and performing arts groups and to provide an option for the City Council to consider approving sponsorship funding for the MVCAF. The research by the Parks and Community Services Department resulted in a new Official City Group Sponsorship Agreement, which has been implemented with the Moreno Valley Community Band and the Moreno Valley Master Chorale. It also identified recommended revisions to General Management Policy #2.44, which, if approved by the City Council, allow for the MVCAF to be considered for designation as an Official City Group and thus eligible for sponsorship consideration.

ALTERNATIVES

1. Approve the first revision to General Management Policy #2.44, designating Moreno Valley Cultural Arts Foundation as an Official City Group under the second option for the Vanguard Art Gallery/Museum, authorize sponsorship funding, and approve a \$5,000 budget appropriation from the CSD Zone A fund balance to the Community Services Contractual Services budget. *Staff recommends this alternative.*
2. Do not approve Alternative #1 and provide further direction to staff.

FISCAL IMPACT

Approving Alternative #1 authorizes a \$5,000 budget appropriation for FY 2014/2015 from the CSD Zone A fund balance to the Community Services Contractual Services Budget (GL Account #5011-50-58-35311-625099). There is no impact to the City's General Fund.

Fund	GL Account No.	Type (Rev/Exp)	FY 14/15 Budget	Proposed Adjustments	FY 14/15 Amended Budget
Zone A	5011-50-58-35311-625099	Exp	\$10,000	\$5,000	\$15,000

NOTIFICATION

Posting of the agenda.

ATTACHMENTS

Attachment 1: General Management Policy #2.44 as approved on December 13, 2005

Attachment 2: Proposed first revision to General Management Policy #2.44

Prepared By:
Betsy Adams
Director of Parks and Community Services

Department Head Approval:
Betsy Adams
Director of Parks and Community Services

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**ASSISTANCE TO CULTURAL AND PERFORMING GROUPS DESIGNATED
“OFFICIAL CITY GROUPS”**

PURPOSE: The purpose of this policy is to specify the types of assistance that will be provided to cultural and performing arts groups that are designated as “Official City Groups” by the City Council. Groups eligible for that designation must be 501(c3) non profit Moreno Valley community-based groups comprised mostly of Moreno Valley residents that at least perform at a quasi-professional level, perform frequently in the City of Moreno Valley and provide occasional free performances open to the community that occasionally draw audiences of 100 or more.

POLICY:**I. Annual Assistance**

- A. Sponsorship. The City will provide each designated Official City Group with a \$2,000 per year sponsorship. In return, each group agrees to perform, upon request and without further payment, a minimum of two city-sponsored events at mutually agreeable times. Once scheduled, groups should not cancel scheduled performances without good cause. Benefiting groups must acknowledge in their public relations materials and tickets that they are receiving a sponsorship from the city. Funding for the sponsorship is subject to funding budgeted for this purpose by the City Council in Program 161 and is at the sole option of the City Council.
- B. Campus Facility Availability. The City will provide 6 days per year when the banquet facility is available for performances open to the community. The 6 dates shall be non-prime time dates at the discretion of the City. The dates will be made available to eligible city-based groups that can provide a quasi-professional event that would reasonably attract an audience large enough to justify the use of the banquet facility. An audience of 100 or more would meet this standard. If admission fees are charged or donations are made toward the event, the City will be paid for the standard rental fee for the facility or half of the gross proceeds, whichever is less. If the concert is free, the facility is free except for direct expenses. Staff will work with the groups to minimize expenses.
- C. Priority of Usage. Requests for the usage in B above will be considered on an annual basis. The City will give groups designated as Official City Groups first priority for at least one date per year. If no competing demand, Official City Groups can use all six dates if available. The City will work with those requesting the facility to develop a rotation schedule in the event there is excess

Approved by: City Council 12/13/05

**ASSISTANCE TO CULTURAL AND PERFORMING GROUPS DESIGNATED
“OFFICIAL CITY GROUPS”**

demand for this consideration. Performance schedules will be developed at least six (6) months in advance of performance dates. As a general principle, the scheduled group will not be bumped from scheduled dates unless there is good cause or by mutual agreement. In the event that happens, the City will reschedule the performance at a mutually agreeable time.

- D. Obligations. Nothing in this policy shall be construed to create any legal obligation nor liability on the part of the city.

Approved by: City Council 12/13/05

**ASSISTANCE TO CULTURAL AND PERFORMING GROUPS DESIGNATED
"OFFICIAL CITY GROUPS"**

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POLICY:

I. Annual Assistance

- A. Sponsorship. The City will provide each designated Official City Group with ~~a \$2,000 per year an~~ annual sponsorship at a level specified in the City's adopted operating budget each fiscal year. In return, each group agrees to perform, upon request and without further payment, a minimum of two city-sponsored events or to provide two arts oriented community events. at mutually agreeable times. Once scheduled, groups should not cancel scheduled performances without good cause. ~~Benefiting g~~Groups must acknowledge in their public relations materials ~~and tickets~~ that they are an Official City Group receiving a sponsorship from the City. Funding for the sponsorship is subject to funding budgeted for this purpose by the City Council ~~in Program 161~~ each fiscal year and is at the sole ~~option discretion~~ of the ~~City Council.~~
- B. Campus Facility Availability. The City will ~~provide~~ make the Grand Valley Ballroom available up to six (6) days per year ~~when the banquet facility is available~~ for Official City Group performances open to the community. The ~~6~~ dates shall be non-prime time dates at the discretion of the City Parks and Community Services Department. The ~~dates will be made available to~~ eligible city-based groups that can provide a performances or events must be quasi-professional in quality and of sufficiently broad interest to event that would reasonably attract an audience large enough to justify the use of the banquet facility. ~~An~~ audience of 100 or more ~~would meet this standard~~ (not including family/friends of the performers). If admission fees are charged or donations are made toward the event, the City will be paid for the standard rental fee for the

Revised: 11/1/14

Approved by: City Council 12/13/05

**ASSISTANCE TO CULTURAL AND PERFORMING GROUPS DESIGNATED
"OFFICIAL CITY GROUPS"**

facility or half of the gross proceeds, whichever is less. Half of the gross proceeds must cover the direct costs to use the facility. If the concert is free, the facility is free except for direct expenses. Parks and Community Services Staff will work with the groups to minimize expenses.

- C. Priority of Usage. Requests for the usage in B above will be considered on an annual basis. ~~The City will give groups designated as Official City Groups first priority for at least one date per year. If no competing demand, Official City Groups can use all six dates if available.~~ The City Parks and Community Services Department will work with ~~those the Official City Groups~~ requesting the facility to develop a rotation schedule ~~in the event there is excess demand for this consideration if more than six (6) days in aggregated are requested in a year~~. Performance schedules will be developed at least six (6) months in advance of performance dates. As a general principle, ~~the~~ a scheduled group will not be bumped from scheduled dates unless there is good cause or by mutual agreement. In the event that happens, the City Parks and Community Services Department will reschedule the performance at a mutually agreeable time.
- D. Obligations. Nothing in this policy shall be construed to create any legal obligation nor liability on the part of the city.

Revised: 11/1/14

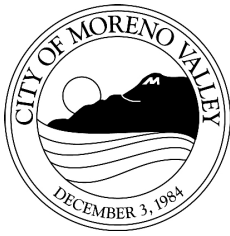
Approved by: City Council 12/13/05

**MINUTES - REGULAR MEETING OF OCTOBER 28, 2014
(Report of: City Clerk Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council, acting in their capacity as President and Board of Directors of the Moreno Valley Community Services District

FROM: Betsy Adams, Director of Parks and Community Services

AGENDA DATE: November 18, 2014

TITLE: APPROVE THE FIRST REVISION TO GENERAL MANAGEMENT POLICY #2.44 TO INCLUDE A SECOND OPTION FOR OFFICIAL CITY GROUPS DESIGNATION, DESIGNATE THE MORENO VALLEY CULTURAL ARTS FOUNDATION AS AN OFFICIAL CITY GROUP, AND APPROPRIATE SPONSORSHIP FUNDING

RECOMMENDED ACTION

Recommendations:

1. Approve the first revision to General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated "Official City Groups," to allow a second option for "Official City Groups" designation.
2. Designate the Moreno Valley Cultural Arts Foundation as an Official City Group under the second option for the Vanguard Art Gallery/Museum.
3. Approve a Fiscal Year 2014/2015 budget appropriation of \$5,000 from the Community Services District Zone A fund balance for the Official City Group sponsorship of the Moreno Valley Cultural Arts Foundation.

SUMMARY

This report recommends the first revision to General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated "Official City Groups," to allow the City Council a second option for designating non-profit Moreno Valley community-based groups as "Official City Groups" which provide a facility devoted to the arts at which quasi-professional performances or events are offered at no cost or

low cost to the community. If the first revision is approved, consider Official Group sponsorship for the Moreno Valley Cultural Arts Foundation for the Vanguard Art Gallery/Museum.

DISCUSSION

There are two non-profit Moreno Valley community-based cultural and performing arts groups which have been designated as “Official City Groups” by the City Council. The first is the Moreno Valley Community Band, which received the designation on November 13, 1990. The second is the Moreno Valley Master Chorale, which received the designation on December 8, 1998. On December 13, 2005, the City Council approved General Management Policy #2.44, Assistance to Cultural and Performing Groups Designated “Official City Groups” and appropriated from the General Fund \$2,000 for each of these two groups for Fiscal Year (FY) 2005/2006. On June 27, 2006, the City Council approved the FY 2006/2007 budget, which increased the Official City Group funding to \$5,000 each in the Community Services District (CSD) Zone A budget. Sponsorship funding at this level, in the Zone A budget, has been approved by the City Council in each subsequent fiscal year.

In early 2013, the City Manager at that time approved a \$5,000 sponsorship for the Moreno Valley Cultural Arts Foundation (MVCAF) and directed the Parks and Community Services Department to execute an agreement similar to those in place for the Moreno Valley Community Band and the Moreno Valley Master Chorale. Neither the agreement nor a budget appropriation was taken to the City Council for ratification.

On June 23, 2014, the MVCAF submitted a written request for a \$5,000 sponsorship for FY 2014/2015. The current City Manager directed the Parks and Community Services Department to research the City’s sponsorship program for cultural and performing arts groups and to provide an option for the City Council to consider approving sponsorship funding for the MVCAF. The research by the Parks and Community Services Department resulted in a new Official City Group Sponsorship Agreement, which has been implemented with the Moreno Valley Community Band and the Moreno Valley Master Chorale. It also identified recommended revisions to General Management Policy #2.44, which, if approved by the City Council, allow for the MVCAF to be considered for designation as an Official City Group and thus eligible for sponsorship consideration.

ALTERNATIVES

1. Approve the first revision to General Management Policy #2.44, designating Moreno Valley Cultural Arts Foundation as an Official City Group under the second option for the Vanguard Art Gallery/Museum, authorize sponsorship funding, and approve a \$5,000 budget appropriation from the CSD Zone A fund balance to the Community Services Contractual Services budget. *Staff recommends this alternative.*
2. Do not approve Alternative #1 and provide further direction to staff.

FISCAL IMPACT

Approving Alternative #1 authorizes a \$5,000 budget appropriation for FY 2014/2015 from the CSD Zone A fund balance to the Community Services Contractual Services Budget (GL Account #5011-50-58-35311-625099). There is no impact to the City's General Fund.

Fund	GL Account No.	Type (Rev/Exp)	FY 14/15 Budget	Proposed Adjustments	FY 14/15 Amended Budget
Zone A	5011-50-58-35311-625099	Exp	\$10,000	\$5,000	\$15,000

NOTIFICATION

Posting of the agenda.

ATTACHMENTS

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Prepared By:
Betsy Adams
Director of Parks and Community Services

Department Head Approval:
Betsy Adams
Director of Parks and Community Services

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**ASSISTANCE TO CULTURAL AND PERFORMING GROUPS DESIGNATED
“OFFICIAL CITY GROUPS”**

PURPOSE: The purpose of this policy is to specify the types of assistance that will be provided to cultural and performing arts groups that are designated as “Official City Groups” by the City Council. Groups eligible for that designation must be 501(c3) non profit Moreno Valley community-based groups comprised mostly of Moreno Valley residents that at least perform at a quasi-professional level, perform frequently in the City of Moreno Valley and provide occasional free performances open to the community that occasionally draw audiences of 100 or more.

POLICY:**I. Annual Assistance**

- A. Sponsorship. The City will provide each designated Official City Group with a \$2,000 per year sponsorship. In return, each group agrees to perform, upon request and without further payment, a minimum of two city-sponsored events at mutually agreeable times. Once scheduled, groups should not cancel scheduled performances without good cause. Benefiting groups must acknowledge in their public relations materials and tickets that they are receiving a sponsorship from the city. Funding for the sponsorship is subject to funding budgeted for this purpose by the City Council in Program 161 and is at the sole option of the City Council.
- B. Campus Facility Availability. The City will provide 6 days per year when the banquet facility is available for performances open to the community. The 6 dates shall be non-prime time dates at the discretion of the City. The dates will be made available to eligible city-based groups that can provide a quasi-professional event that would reasonably attract an audience large enough to justify the use of the banquet facility. An audience of 100 or more would meet this standard. If admission fees are charged or donations are made toward the event, the City will be paid for the standard rental fee for the facility or half of the gross proceeds, whichever is less. If the concert is free, the facility is free except for direct expenses. Staff will work with the groups to minimize expenses.
- C. Priority of Usage. Requests for the usage in B above will be considered on an annual basis. The City will give groups designated as Official City Groups first priority for at least one date per year. If no competing demand, Official City Groups can use all six dates if available. The City will work with those requesting the facility to develop a rotation schedule in the event there is excess

Approved by: City Council 12/13/05

**ASSISTANCE TO CULTURAL AND PERFORMING GROUPS DESIGNATED
“OFFICIAL CITY GROUPS”**

demand for this consideration. Performance schedules will be developed at least six (6) months in advance of performance dates. As a general principle, the scheduled group will not be bumped from scheduled dates unless there is good cause or by mutual agreement. In the event that happens, the City will reschedule the performance at a mutually agreeable time.

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Approved by: City Council 12/13/05

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Revised: 11/1/14

Approved by: City Council 12/13/05

ASSISTANCE TO CULTURAL AND PERFORMING GROUPS DESIGNATED
"OFFICIAL CITY GROUPS"

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Revised: 11/1/14

Approved by: City Council 12/13/05

**MINUTES - REGULAR MEETING OF OCTOBER 28, 2014
(Report of: City Clerk Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

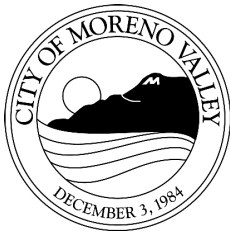
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**MINUTES - REGULAR MEETING OF OCTOBER 28, 2014
(Report of: City Clerk Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Joel Ontiveros, Chief of Police

AGENDA DATE: November 18, 2014

TITLE: REPORT FOR UTILIZATION OF THE FY 2014/2015 – OTS STEP GRANT AND REVIEW OF THE RESULTS FOR THE FY 2013/2014 CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS) – STEP GRANT & SOBRIETY CHECKPOINT GRANT.

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Receive and File the Police Department's report regarding utilization of the FY 2014/2015 California Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) grant, in the amount of \$170,000, for the period beginning October 1, 2014, and ending September 30, 2015.
2. Receive and File the Police Department's summary of benefits the city of Moreno Valley realized from the FY 2013/2014 OTS Selective Traffic Enforcement Program and Sobriety Checkpoint grant.

SUMMARY

In February 2014, the City Council accepted the FY 2014/2015 California Office of Traffic Safety – Selective Traffic Enforcement Program Grant. The Police Department will receive \$170,000 for use to increase driver safety in the city of Moreno Valley. This report will provide an overview of how the grant will be utilized, along with a summary of results from the FY 2013/2014 OTS grant.

DISCUSSION

In February 2014, the City Council approved the application and acceptance of the FY 2014/2015 OTS STEP grant. The Police Department was awarded the grant and is

prepared to accomplish the grant's goals of increasing driver safety. The City Council has supported this grant for many years.

The City of Moreno Valley is committed and dedicated to providing the very best public safety. The City Council has consistently supported the Moreno Valley Police Department's Traffic Division as a top priority. In doing so, the City Council has ensured the Police Department's Traffic Division is properly equipped to meet the ever changing needs of the community, and to make roadway safety in Moreno Valley a top priority.

In September of 2013, the National Highway Traffic Safety Administration (NHTSA) changed its policy that cities in California contracting for law enforcement services through the County Sheriff or other regulating law enforcement agencies could not apply for OTS grant funds directly. NHTSA stated the Sheriff's Department could apply for OTS grant funding in the name of the respective contract cities while maintaining management oversight for the grant. On behalf of the City, the Sheriff's Department applied for and received the grant in the amount of \$170,000. Unlike years past, this FY 2014/2015 STEP grant will be all inclusive by combining the Selective Traffic Enforcement Program and the yearly OTS Sobriety Checkpoint grant.

The grant will be used to fund law enforcement operations to include 13 DUI saturation patrols, 2 DUI warrant sweeps, 3 stakeout operations for known DUI offenders, 8 distracted driving enforcement operations (cellphone and texting), 15 primary collision factor violation enforcement operations (red light, speed, stop sign, etc.), 10 motorcycle safety enforcement operations, 5 pedestrian safety operations, and 4 traffic safety educational community presentations. In addition, this grant will fund 8 DUI/DL checkpoint operations in various locations throughout the City, including operations in all five City Council districts.

The grant will enable the Police Department to send two officers to the Cavanaugh and Associates DUI Seminar (a five-day class) which has proven to be a great resource in building the skills necessary to handle DUI cases. Additionally, we will send six officers to the Vehicular Homicide Seminar, which is designed to train prosecutors and law enforcement officers who handle misdemeanor and felony vehicular homicides. The course will assist our law enforcement officers in developing the knowledge and skills necessary to investigate, evaluate, prepare, and handle cases involving vehicular fatalities. Instructional courses will include California substantive law, collision investigation and reconstruction, post-collision determination of speed, how kinematics can assist in driver identification, understanding expert testimony, cross-examining a defense expert, and basic toxicology.

This grant will also fund Motivational Media Assemblies (MMA), which is an international leader in school assembly events. The media assembly features clips from today's most popular movies, music videos and sports footage. Motivational Media Assemblies are generating the highest student responses to "character education" and "responsibility improvement" messages. Themes included in the media assembly are traffic safety, DUI driving, distracted driving, decision making, conflict resolution, drug prevention and personal excellence. The Police Department will partner with our local

school districts and conduct assemblies in Moreno Valley high schools and middle schools.

Many of our traffic officers are tasked with teaching the community about the life changing events that take place as a result of drunk driving. Funds will be made available to purchase instructional material that will present real stories and scenarios on the dangers and consequences of drunk driving.

Over the years the Police Department has consistently conducted driving under the influence (DUI) sobriety checkpoint operations, and the City Council has historically permitted the acceptance of these grants to fund these types of operations. These operations require significant resources. The costs vary based on the time of day, day of the week, and the location of the sobriety checkpoint. On average, a single operation will last 6 hours and involve 2 sergeants, 18 officers, 4 community service officers, 1 dispatcher, 4 reserve officers, 10 volunteers and 10 explorers. A majority of these personnel, except for volunteers, are paid for with overtime funding.

Because the grant provides specific funding for overtime, the Police Department can conduct DUI sobriety checkpoint operations and still perform patrol duties at maximum efficiency. In an effort to improve roadway safety, the grant specifies that some of the deployment must take place during specific time frames throughout the year. The designated enforcement periods coincide with major holiday enforcement periods, where we could see increased instances of impaired driving. The grant also specifies personnel assigned to work these operations must be dedicated to the DUI sobriety checkpoints.

The grant will cover all overtime costs associated with DUI sobriety checkpoint operations, which will be conducted during this year-long campaign. Also included in the grant is the approval to purchase required DUI sobriety checkpoint related equipment such as: reflective cones, reflective safety vests and hand tally counters. As a requirement of the grant, the Police Department will be required to conduct detailed statistical analysis regarding the enforcement campaign, and claim forms will be completed and submitted to the Riverside County Sheriff's Department.

As in years past, the Police Department has rotated the sobriety checkpoints throughout the City Council districts, based on public safety and statistical information. The California Supreme Court ruled in *Ingersoll v. Palmer* (1987) 43 Cal.3d 1321, that the location of DUI sobriety checkpoints will be based on the frequency of driving under the influence arrests, accidents, and safety factors such as traffic patterns and street layouts. The Police Department has determined based on statistical data and research, that it is permissible to conduct DUI sobriety checkpoints in all five (5) City Council districts. As a matter of courtesy, Police Department personnel will contact the City Manager at the beginning of each DUI sobriety checkpoint, and make notification of the checkpoint location. In addition, the Police Department will provide the City Council with statistical information of each DUI sobriety checkpoint, to also include the City Council district of residency of each offender.

The grant was successfully utilized in FY 2013/2014 to enhance public safety in the city of Moreno Valley. The grant directly led to the following results.

- 10 DUI Checkpoints resulted in 47 DUI and 4 miscellaneous criminal arrests, 94 suspended license citations, and 157 unlicensed driver citations.
- 20 DUI Saturation Patrols resulted in 15 DUI and 2 miscellaneous criminal arrests, 10 suspended license citations, and 4 unlicensed driver citations.
- 74 OTS Traffic Operations resulted in 761 vehicle code violations, 23 suspended license citations, and 34 unlicensed driver citations.
- 5 Child Car Seat Safety Fitting Events were conducted where car seat safety was discussed and safety seats were issued.
- 12 Events/Presentations conducted where driver safety was discussed and community partnerships were formed. Events included “National Night Out,” “Every 15 Minutes,” “Safe Walk to School,” Moreno Valley “Youth Fest,” and other events.

ALTERNATIVES

1. Receive and File the Police Department’s report detailing utilization of the FY 2014/2015 OTS Grant titled “STEP” Grant for \$170,000 and the results of the FY 2013/2014 OTS Grant. **Staff recommends this alternative.**
2. Direct staff to provide additional information regarding the utilization of the FY 2014/2015 OTS Grant titled “STEP” Grant for \$170,000 and/or the results of the FY 2013/2014 OTS Grant.

FISCAL IMPACT

There is no requirement to match funds associated with this grant. There is no fiscal impact to the City revenue and expense budget. All City personnel overtime and equipment expenses are billed and paid directly by the Riverside County Sheriff’s Department, and as a result the Sheriff’s Department will be reimbursed by OTS. There is no impact to the City General Fund.

CITY COUNCIL GOALS

To provide a safe and secure environment for people and property in the community, and provide protection for citizens who live, work and visit the City of Moreno Valley.

ATTACHMENTS

1. OTS Grant Budget Estimate

Prepared By:
Eric Hernandez
Lieutenant

Department Head Approval:
Joel Ontiveros
Chief of Police

DETAILED BUDGET ESTIMATE

GRANT NO.
Moreno Valley

Fund Number	Program Title	CFDA #
164 AL	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608
402 PT	State and Community Highway Safety	20.600
COST CATEGORY		10/1/14 - 9/30/15
A. PERSONNEL COSTS		CFDA
Positions and Salaries		
Overtime Operations		
DUI Checkpoints	20.608	\$ 80,938.00
DUI Saturation Patrol Operations	20.608	\$ 19,998.00
Warrant Service Operations	20.608	\$ 17,808.00
Stakeout Operations	20.608	\$ 3,389.00
Benefits @ 11.634%	20.608	\$ 13,374.00
Total	20.608	\$ 135,507.00
Traffic Enforcement Operations	20.600	\$ 9,338.00
Distracted Driving Enforcement Operations	20.600	\$ 4,768.00
Motorcycle Safety Enforcement Operations	20.600	\$ 9,280.00
Night-time Click It or Ticket	20.600	\$ 1,192.00
Pedestrian Safety Enforcement Operations	20.600	\$ 1,990.00
Benefits @ 11.634%	20.600	\$ 3,925.00
Total	20.600	\$ 30,493.00
Category Sub-Total		\$166,000.00
B. TRAVEL EXPENSE		
In-State	20.600	\$ 4,000.00
Category Sub-Total		\$ 4,000.00
C. CONTRACTUAL SERVICES		
None		
Category Sub-Total		\$ -
D. EQUIPMENT		
None		
Category Sub-Total		\$ -
E. OTHER DIRECT COSTS		
None		
Category Sub-Total		\$ -
F. INDIRECT COSTS		
None		
Category Sub-Total		\$ -
GRANT TOTAL		\$ 170,000.00

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: November 18, 2014

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

Recommendations: That the City Council:

1. Approve Resolution No. 2014-94. A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Rates for Moreno Valley Utility.

SUMMARY

Per longstanding policy direction by the City Council as incorporated into the Professional Services Agreement by and between the City of Moreno Valley and ENCO Utility Services Moreno Valley, LLC, the City adjusts its electric rates to remain roughly equivalent to those charged by Southern California Edison. This report recommends approval of Resolution No. 2014-94, amending the Electric Rates for Moreno Valley Utility to correspond with SCE rates that became effective on August 7, 2014, and is consistent with recommendations of the cost-of-service/rate design study recently completed by an outside consultant.

This item was discussed at the Utilities Commission meeting on October 17, 2014, and the Commission by votes of (3) in favor, (1) opposed and (1) abstain, recommended to the City Council that the rate setting policy as well as the amendment be approved.

DISCUSSION

At the City Council meeting on December 9, 2003, Ordinance 650 was introduced and Urgency Ordinance 651 was introduced and adopted. Ordinance 650 provides for the

establishment and adjustment of electric rates by resolution. Ordinance 651 was adopted through a need to establish electric rates prior to February 1, 2004, the date that electric service was to begin for the first customers of MVU. Adjustment of rates by resolution allows flexibility for the City Council to keep MVU's rates the same as Southern California Edison, which was one of the guiding principles of MVU when it was formed.

On January 13, 2004, Resolution 2004-05 was adopted which established the electric rates for MVU. The rates were based on the historical 30-day average of SCE's rates dated December 10, 2003.

On September 26, 2006, Resolution 2006-112 was adopted, which amended MVU's rates to be the same as SCE's rates, and also approved implementing a schedule to adjust MVU's rates to reflect the same schedule as SCE.

On July 11, 2011, MVU issued a request for Proposal (RFP) for an Electric Cost of Service and Rate Design Study. The purpose of the study was to establish an independent cost of service study model, determine the true cost of providing electric service, and establish a baseline for MVU electric rates. The results of the study were presented to the City Council on May 15, 2012. The rate consultant concluded that the current rate design is closely aligned to MVU's cost of service by rate class, so it was recommended that MVU continue the policy of following SCE's rates.

On September 18, 2013, MVU issued a RFP for an updated Electric cost of Service and Rate Design Study. The rate consultant concluded that although there is some subsidization between rate classes, the current rate design as a whole is closely aligned to MVU's cost of service, and recommended that MVU continue the policy of following SCE's rates. The consultant verified that rates for the small commercial class and residential class were being partially subsidized by the large commercial class; the subsidy will continue, to a lesser extent, through the rate adjustment approved in July and this proposed rate adjustment. Continuation of the rate setting policy supports MVU's financial health by allowing MVU to cover increasing power supply costs, capital needs, and establish the reserve fund requirement as recommended by the rate consultant. The recommended reserves include the following:

- Operating reserve of \$3,050,000, equivalent to a minimum of 60 days cash
- Emergency reserve of \$1,365,000, equivalent to 3% of gross plant
- Capital reserve of \$902,000, equivalent to annual depreciation expense

Based on these criteria, the recommended reserve level for fiscal year 14/15 is approximately \$5.3 million.

MVU has not been in a financial position until very recently to be able to establish and fund much needed reserves. Prudent utility practice calls for certain reserves to be established and funded to minimize risks associated with normal business operations.

This year, rate increases were implemented by SCE effective June 1, July 1, and August 7. The City Council approved an MVU rate amendment on July 8, 2014, that reflects only the June 1 SCE rate change. The table below reflects the SCE rate changes that were effective July 1 and August 7. Per resolution 2006-112, which approved implementing a schedule to adjust MVU's rates to reflect the same schedule as SCE, staff is recommending the adjustments outlined below to comply with the Resolution.

There are some considerations if the adjustment is not recommended for approval:

1. MVU's rates will not reflect the same schedule as SCE, as directed by Resolution 2006-112.
2. The Professional Services Agreement between the City and ENCO Utility Services requires that payments to ENCO for the services they provide are based on current SCE rates. If MVU's rates are reduced below SCE's rates, the City is still required to pay ENCO Utility Services at the current SCE rate.
3. Funding reserves for repair and replacement of infrastructure, operations, new capital needs, and emergencies will be impacted.
4. Repayment of outstanding debt in the amount of \$580,657 to Special Districts could potentially be delayed.
5. The cost of future bond issues for capital needs could be negatively impacted because the utility will not have funded reserves nor sufficient debt coverage as typically required by bond covenants.
6. Funding of Public Benefit programs such as the Low Income Assistance Program could be negatively impacted.

As with all electric utilities, Moreno Valley Utility's service year is divided into two categories: Winter (October through June) and Summer (June through October). Adjusting MVU rates to maintain parity with SCE rates as presented in this report will generally increase MVU's rate schedules for both the summer season and the winter season.

Rates are structured to reflect usage; the table below shows the monthly impact to customers during the summer season and winter season. If the City Council approves the proposed rate adjustments, the adjustments will be effective November 19, 2014.

Average Residential Usage	SUMMER		WINTER	
	808 kWh	\$17.40	12.16%	
454 kWh			\$10.52	15.42%

Average Small Commercial Usage	SUMMER		WINTER	
	800 kWh	-\$0.01	0.00%	\$0.20

Average Large Commercial Usage	SUMMER		WINTER	
	26,500 kWh, Demand of 90 kW	-\$7.11	-0.10%	\$11.77

Average Large Commercial, TOU Usage	SUMMER		WINTER	
	386,896 kWh, Demand of 865 kW	\$1,492.42	1.87%	
392,333 kWh, Demand of 666 kW			\$182.32	0.42%

Average Traffic Controller Usage	SUMMER		WINTER	
	363 kWh average	\$0.10	0.13%	\$0.10

Average Streetlight	SUMMER		WINTER	
	Schedule SL-1 9,500 Lumen (963 lights)	\$0.16	0.00%	\$0.16
Schedule SL-1 22,000 Lumen (510 lights)	-\$12.36	-0.14%	-\$12.36	-0.14%
Schedule SL-1 LED 14,700 Lumen (48 lights)	\$0.02	0.00%	\$0.02	0.00%
Schedule SL-3 (per account)	-\$0.87	-0.13%	-\$0.87	-0.13%

ALTERNATIVES

1. Approve proposed resolution amending the Electric Rates and Rules 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 and build reserves.* Staff recommends this alternative.

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 build reserves.* Staff does not recommend this alternative.

FISCAL IMPACT

The proposed rate increase is anticipated to generate an average of \$78,079 in revenue per month that will allow MVU to recover increased costs associated with the purchase of energy and capacity, build reserves and comply with Resolution 2006-112.

NOTIFICATION

Publication of the Agenda.

ATTACHMENTS

Attachment 1: Proposed Resolution

 Exhibit A: MVU Electric Rates

Attachment 2: Staff report and Ordinances 650 and 651

Attachment 3: Staff report and Resolution 2004-05

Attachment 4: Staff report and Resolution 2006-112

Attachment 5: Power Point

Prepared By:
Jeannette Olko
Electric Utility Division Manager

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

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RESOLUTION NO. 2014-94

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC RATES 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, on January 13, 2004, the City Council approved Resolution No. 2004-05 establishing the electric rates for Moreno Valley Utility; and

WHEREAS, on September 26, 2006, the City Council approved Resolution No. 2006-112 implementing a schedule to adjust Moreno Valley Utility electric rates to reflect the same schedule as Southern California Edison; 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 these documents. 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.

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

1
Resolution No. 2014-94
Date Adopted: November 18, 2014

1. The City Council hereby adopts the amended Moreno Valley Utility Electric Rates, attached hereto as Exhibit A and incorporated herein, and on file in the Public Works Department.

APPROVED AND ADOPTED this 18th day of November 2014.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2014-94²
Date Adopted: November 18, 2014

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2014-94 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 18th day of November 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

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Moreno Valley Utility
Electric Rates

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SCHEDULE A – RESIDENTIAL SERVICE

Applicability

Applicable to electric service for residential uses.

Territory

Within the designated areas served by the Moreno Valley Utility.

Rates

Basic Charge - \$/Day

Single-Family Residence	\$ 0.031
Multi-Family Residence	\$ 0.024

Energy Usage Charge - \$/kWh

Summer:

Tier 1 -Baseline Quantities, all kWh, per kWh	\$ 0.14146
Tier 2 – 101% to 130% of Baseline	\$ 0.18576
Tier 3 – 131% to 200% of Baseline	\$ 0.27256
Tier 4 – 201% to 300% of Baseline	\$ 0.31256
Tier 5 – All excess kWh, per kWh	\$ 0.31256

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Winter

Tier 1 -Baseline Quantities, all kWh, per kWh	\$ 0.14146
Tier 2 – 101% to 130% of Baseline	\$ 0.18576
Tier 3 – 131% to 200% of Baseline	\$ 0.27256
Tier 4 – 201% to 300% of Baseline	\$ 0.31256
Tier 5 – All excess kWh, per kWh	\$ 0.31256

Public Purpose Programs

All kWh per kWh	\$0.00705
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Monthly Minimum Charge: \$10.00

Energy Cost Adjustment

1. The energy charge may be adjusted each month based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date monthly. These adjustments could result in slight decreases or increases in the energy charge.

Special Conditions

1. Baseline Rates: Baseline rates are applicable only to separately metered residential use.
2. Baseline Quantities: The residential allocation shall be 15.5 kWhs per day in the Summer season and 11.0 kWhs per day in the Winter season.
3. Summer and Winter Seasons are defined as follows: The Summer season begins at 12:00 a.m. on the first Sunday in June and will continue until 12:00 a.m. of the first Sunday in October each year. The Winter season begins at 12:00 a.m. on the first Sunday in October and continues until 12:00 a.m. on the first Sunday in June of the following year.
4. Voltage: Service will be supplied at one standard voltage.
5. For the purposes of applying the Basic Charge, the following definitions shall be used:

Single-Family Residence - A building of single occupancy which does not share common walls, floors, or ceilings with other residential dwelling units.

Multi-Family Residence - Apartments, mobile homes, condominiums, townhouses, or a building of multiple occupancy which shares common walls and /or floors and ceilings with other residential dwelling units.

6. Medical Baseline Allocation: Upon application and acceptance of a certification from a medical doctor or osteopath licensed to practice medicine in California, eligible

residential customers are provided a standard year-round medical baseline allocation of 15.5 kWh per day in addition to the applicable baseline allocation for the season.

	Regular Baseline Daily kWh Allocation	Additional Medical Baseline Daily kWh Allocation	Total Baseline Daily kWh Allocation
Summer	15.5	15.5	31.0
Winter	11.0	15.5	26.5

Medical Baseline Allocation Eligibility:

- a) Regular use in the customer's home of one or more medical life-support devices essential to maintain the life of a full-time resident of the household; and/or
- b) A full-time resident of the household is: a paraplegic, hemiplegic, quadriplegic, multiple sclerosis or scleroderma patient, being treated for life-threatening illness, and/or has a compromised immune system.

Life support devices are those devices or equipment that utilize mechanical or artificial means to sustain, restore or supplant a vital function, or mechanical equipment relied upon for mobility both within and outside of buildings.

Life-support devices include:

Aerosol Tent	Ultrasonic Nebulizer
Pressure Pad	Electrostatic Nebulizer
Apnea Monitor	Inhalation Pulmonary Pressure
Pressure Pump	Breather Machine (IPPB)
Compressor	Iron Lung
Concentrator	Dialysis Machine
Respirator (all types)	Hemodialysis Machine
Electronic Nerve Stimulator	Motorized Wheelchair
Suction Machine	Oxygen Generator

Applying for the Medical Baseline Allocation

1. Request application from Moreno Valley Utility by telephone, mail or in person
2. Complete application.
3. The patient's physician will need to fill out the required information on the application and sign it certifying the medical need.
4. The customer can mail or bring the application to Moreno Valley Utility's offices
5. Once the application is reviewed and approved, the Medical Baseline Allocation will be effective on the next regular electric billing.
6. Applications must be renewed every two years.

7. Low Income Program - A low-income assistance discount program is offered under this standard residential rate. To be considered for this discount, an application must be filed with Moreno Valley Utility. To be eligible for this discount, the income of the customer, including all members of the household, must meet the income levels of the program and can be no more than 200% of Federal Poverty Guidelines. Under this program a discount for qualified low-income residents of 20% is provided on monthly energy charges. Discount applies to energy charges only. The customer charge, public purpose charge, service fees and all taxes are calculated at the standard rates.

SCHEDULE B – GENERAL SERVICE

Applicability

Applicable to nonresidential electric service for all types of uses including lighting and power. Customers whose monthly maximum demand is expected to exceed 20 kW, or has exceeded 20 kW in any three months during the preceding 12 months, are ineligible for service under this schedule.

Territory

Within the designated areas served by the Moreno Valley Utility.

Rates

Customer Charge - \$/Day

Single-Phase Service	\$ 0.836
Polyphase Service	\$ 0.059

Energy Usage Charge - \$/kWh

Summer, all kWh, per kWh	\$ 0.18739
Winter, all kWh, per kWh	\$ 0.14988

Public Purpose Programs

All kWh per kWh	\$0.01143
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Monthly Minimum Charge:	\$10.00
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Energy Cost Adjustment

1. The energy charge may be adjusted each month based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date monthly. These adjustments could result in slight decreases or increases in the energy charge.

Special Conditions

1. Summer and Winter Seasons are defined as follows: The Summer season begins at 12:00 a.m. on the first Sunday in June and will continue until 12:00 a.m. on the first Sunday in October each year. The Winter season begins at 12:00 a.m. on the first Sunday in October and continues until 12:00 a.m. on the first Sunday in June of the following year.
2. Voltage: Service will be supplied at one standard voltage.

SCHEDULE C – LARGE GENERAL SERVICE

Applicability

Applicable to nonresidential electric service for all types of uses including lighting and power where the customer’s monthly maximum demand is expected to exceed 20 kW or has exceeded 20 kW in any of the 3 months during the preceding 12 months.

Territory

Within the designated areas served by the Moreno Valley Utility.

Rates

Customer Charge - \$/Meter/Month – Single Phase	\$194.33
Polyphase	\$181.83

Energy Usage Charge - \$/kWh

Summer, all kWh, per kWh	\$ 0.08656
Winter, all kWh, per kWh	\$ 0.07611

Demand Charge- \$/kW

	<u>Summer</u>	<u>Winter</u>
Facilities Related Demand Charge, per kW	\$12.71	\$12.71
Time Related Demand Charge, per kW	\$23.99	\$0.00

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Public Purpose Programs

All kWh per kWh \$ 0.01071

Monthly Minimum: \$10.00

Energy Cost Adjustment

1. The energy charge may be adjusted each month based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date monthly. These adjustments could result in slight decreases or increases in the energy charge.

Special Conditions

1. Summer and Winter Seasons are defined as follows:

The Summer season begins at 12:00 a.m. on the first Sunday in June and will continue until 12:00 a.m. on the first Sunday in October of each year. The Winter season begins at 12:00 a.m. on the first Sunday in October and continue until 12:00 a.m. on the first Sunday in June of the following year.

2. Voltage: Service will be supplied at one standard voltage.
3. Billing Demand: The Billing Demand shall be the kilowatts of Maximum Demand, determined to the nearest kW. The Billing Demand shall be the greater of the kilowatts of Maximum Demand recorded (or established for) the monthly billing period or 50% of the highest Maximum Demand established in the preceding eleven months (Ratcheted Demand).
4. Maximum Demand: The maximum demand in any month shall be the measured maximum average kilowatt input, indicated or recorded by instruments to be supplied by the City, during any 15-minute metered interval in the month.
5. Voltage Discount: The monthly Facilities Related Demand Charge will be reduced by 23.3% for service delivered and metered at voltages of 4 kV through 12 kV. The energy charge will be reduced by \$.00074 per kWh for service delivered and metered at voltages of 2 kV through 12 kV.
6. Excess Transformer Capacity: Excess Transformer Capacity is the amount of transformer capacity requested by a customer in excess of that which the City would normally install to serve the customer's Maximum Demand. Excess Transformer Capacity shall be billed at the amount shown in the rates section above.

7. Power Factor Adjustment: When Maximum Demand has exceeded 200 kW for three consecutive months, kilovar metering will be installed as soon as practical, and thereafter, until the Maximum Demand has been less than 150 kW for twelve consecutive months, the billing will be adjusted each month for power factor.

a. Adjustment Rate:

i. For service delivered and metered at voltages 12 kV or less, the billing will be increased by \$0.51 per kilovar of maximum reactive demand.

b. Determining the Reactive Demand:

i. Service delivered and metered at voltages of 4 kV or greater:

1. The maximum reactive demand shall be the highest measured maximum average kilovar demand indicated or recorded by metering during any 15-minute metered interval in the month. The kilovars shall be determined to the nearest unit. A device will be installed on each kilovar meter to prevent reverse operation of the meter.

ii. Services delivered and metered at voltages less than 4 kV:

1. For customers with metering used for billing that measures reactive demand, the maximum reactive demand shall be the highest measured maximum average kilovar demand indicated or recorded by metering during any 15-minute metered interval in the month. The kilovars shall be determined to the nearest unit. A device will be installed on each kilovar meter to prevent reverse operation of the meter.

2. For customers with metering used for billing that measures kilovar-hours instead of reactive demand, the kilovars of

reactive demand shall be calculated by multiplying the kilowatts of measured maximum demand by the ratio of the kilovar-hours to the kilowatt-hours. Demands in kilowatts and kilovars shall be determined to the nearest unit. A ratchet device will be installed on the kilovar-hour meter to prevent its reverse operation on leading power factors.

SCHEDULE SL – STREET LIGHTING SERVICE

MVU OWNED SYSTEM

Applicability

Applicable to un-metered service for the lighting of streets and highways where MVU owns and maintains the street lighting equipment and associated facilities included under this schedule.

Territory

Within the designated areas served by the Moreno Valley Utility.

Rates

Energy Usage Charge - High Pressure Sodium Vapor Lamps

Basic Charge:

<u>Initial Lumens</u>	<u>Wattage</u>	<u>All Night Service Monthly kWhs</u>	<u>\$/Lamp Monthly Charge</u>	<u>\$/Lamp/Month Public Purpose Programs Charge</u>
9,500	100	40	\$11.90	\$0.23
16,000	150	67	\$14.40	\$0.39

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22,000	200	85	\$16.24	\$0.49
27,500	250	108	\$17.86	\$0.63

Energy Usage Charge – Light Emitting Diode (LED) Lamps

Basic Charge:

<u>Initial Lumens</u>	<u>Wattage</u>	<u>All Night Service Monthly kWhs</u>	<u>\$/Lamp Monthly Charge</u>	<u>\$/Lamp/Month Public Purpose Programs Charge</u>
14,700	173	75	20.01	\$0.46

Energy Cost Adjustment

1. The energy charge may be adjusted each month based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date monthly. These adjustments could result in slight decreases or increases in the energy charge.

Special Conditions

1. Maintenance shall include periodic inspection, renewal of lamps, cleaning of glassware, replacement of damaged glassware and lamps, and minor repairs to wiring and electrical appurtenances.

2. Hours of Service: Under MVU's standard all night operating schedule, approximately 4,140 hours of service will be furnished.

3. The developer shall install streetlights that will be served from MVU's underground system. These streetlights must be installed in accordance with MVU's specifications and the developer will deed such facilities to MVU.

4. Requirements and Restrictions:
 - a. The applicant for street light service shall specify the lamp size and location of streetlights.

 - b. Service shall not be furnished under this schedule where location, mounting height, or other considerations are unacceptable to the MVU.

 - c. The installation of street lighting equipment and facilities hereunder is contingent upon the MVU obtaining easements, rights of way, and highway permits satisfactory to the MVU for the required poles, equipment, and facilities.

 - d. In accordance with Rule No. 4, a written contract for a term of not less than one year is required in order to receive street light service under the provisions of this schedule.

 - e. Should the applicant not commence using the street lighting in a bona fide manner within ninety (90) days after date of completion and installation of a street light or street lighting system requested by the applicant, the MVU will bill, and the applicant shall pay, the applicable lamp charge(s).

5. Liability of Utility: MVU shall not, by taking action pursuant to its tariffs, be liable for any loss, damage, or injury, established or alleged, which may result, or be claimed to result, therefrom.

**SCHEDULE SL2 – STREET LIGHTING SERVICE
CUSTOMER OWNED AND MAINTAINED SYSTEM SCHEDULE
(UNMETERED)**

Applicability

Applicable to service for un-metered lighting of streets, highways, and directional highway signs served in conjunction with street and highway lighting, and other publicly operated automobile parking lots which are open to the general public, where the customer owns and maintains the street lighting equipment operated within the period from dusk to dawn.

Territory

Within the designated areas served by the Moreno Valley Utility.

Rates

Energy Usage Charge - High Pressure Sodium Vapor Lamps

Basic Charge:

<u>Initial Lumens</u>	<u>Wattage</u>	<u>All Night Service Monthly kWhs</u>	<u>\$/Lamp Monthly Charge</u>	<u>\$/Lamp/Month Public Purpose Programs Charge</u>
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9,500	100	40	\$ 5.56	\$0.23
16,000	150	67	\$ 7.56	\$0.39
22,000	200	85	\$ 8.96	\$0.49
27,500	250	108	\$ 10.72	\$0.63

Energy Cost Adjustment

1. The energy charge may be adjusted each month based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date monthly. These adjustments could result in slight decreases or increases in the energy charge.

Special Conditions

1. Voltage: Service will be supplied at one standard voltage.

2. Requirements and Restrictions:
 - a. The applicant for street light service shall specify the lamp size and location of streetlights.

 - b. Service shall not be furnished under this schedule where location, mounting height, or other considerations are unacceptable to the MVU.

- c. The installation of street lighting equipment and facilities hereunder is contingent upon the MVU obtaining easements, rights of way, and highway permits satisfactory to the MVU for the required poles, equipment, and facilities.

- 3. Liability of Utility: MVU shall not, by taking action pursuant to its tariffs, be liable for any loss, damage, or injury, established or alleged, which may result, or be claimed to result, therefrom.

SCHEDULE SL3 – STREET LIGHTING SERVICE
CUSTOMER OWNED SYSTEM SCHEDULE
(METERED)

Applicability

Applicable to service for metered lighting service of streets, highways, and directional highway signs served in conjunction with street and highway lighting, and other publicly operated automobile parking lots which are open to the general public, where the customer owns the street lighting equipment operated within the period from dusk to dawn.

Territory

Within the designated areas served by the Moreno Valley Utility.

Rates

Customer Charge – Per meter per Month \$15.07

Energy Usage Charge - \$/kWh

All Year - all kWh, per kWh \$ 0.06921

Public Purpose Programs

All kWh, per kWh \$0.00579

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Energy Cost Adjustment

1. The energy charge may be adjusted each month based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date monthly. These adjustments could result in slight decreases or increases in the energy charge.

Special Conditions

1. Voltage: Service will be supplied at one standard voltage.
2. The customer will furnish and maintain all equipment beyond the meter.

SCHEDULE TC-1 – TRAFFIC CONTROL SERVICE

Applicability

Applicable to service for traffic directional sign or signal lighting service owned by governmental agencies and located on streets, highways and other publicly dedicated outdoor ways and places.

Territory

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Within the designated areas served by the Moreno Valley Utility.

Rates

Customer Charge – per Meter per Day

Single-Phase Service	\$ 0.566
Polyphase Service	\$ 0.035

Energy Usage Charge - \$/kWh

All Year - all kWh, per kWh	\$ 0.12941
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Public Purpose Programs

All kWh, per kWh	\$0.01092
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Energy Cost Adjustment

1. The energy charge may be adjusted each month based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date monthly. These adjustments could result in slight decreases or increases in the energy charge.

Special Conditions

1. Voltage: Service will be supplied at one standard voltage.

SCHEDULE TOU-LGS – TIME OF USE – LARGE GENERAL SERVICE

Applicability

Applicable to nonresidential electric service for all types of uses including lighting and power where the customer’s monthly maximum demand is expected to exceed 500 kW or has exceeded 500 kW in any of the 3 months during the preceding 12 months.

Territory

Within the designated areas served by the Moreno Valley Utility.

Rates

Customer Charge - \$/Meter/Month	\$596.11
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Energy Usage Charge - \$/kWh

Summer

On-Peak	\$ 0.14256
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Mid-Peak	\$ 0.08278
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Off-Peak	\$ 0.05581
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Winter

Mid-Peak	\$ 0.08443
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Resolution No. 2014-94
Date Adopted: November 18, 2014

Off-Peak \$ 0.06154

Demand Charge- \$/kW	<u>Summer</u>	<u>Winter</u>
Facilities Related Demand Charge, per kW	\$14.99	\$14.99
Time Related Demand Charge, per kW		
On-Peak	\$25.16	\$0.00
Mid-Peak	\$7.11	\$0.00
Off-Peak	\$0.00	\$0.00

Public Purpose Programs

All kWh per kWh \$ 0.00974

Monthly Minimum : See Condition #4

Energy Cost Adjustment

1. The energy charge may be adjusted each month based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date monthly. These adjustments could result in slight decreases or increases in the energy charge.

Special Conditions

1. Time periods are defined as follows:

On-Peak:	Noon to 6:00 p.m. Summer weekdays except holidays
Mid-Peak:	8:00 a.m. to Noon and 6:00 p.m. to 11 p.m. Summer weekdays except holidays; 8 a.m. to 9 p.m. Winter weekdays except holidays
Off-Peak:	All other hours

Holidays are defined as New Year's Day (January 1), Martin Luther King's Birthday (third Monday in January), Washington's Birthday (third Monday in February), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Veterans Day (November 11), Thanksgiving Day (fourth Thursday in November), and Christmas Day (December 25).

When any holiday listed above falls on Sunday, the following Monday will be recognized as an off-peak period. No change will be made for holidays falling on Saturday.

2. Summer and Winter Seasons are defined as follows: The Summer season begins at 12:00 a.m. on the first Sunday in June and will continue until 12:00 a.m. on the first Sunday in October of each year. The Winter season begins at 12:00 a.m. on the first Sunday in October and continue until 12:00 a.m. on the first Sunday in June of the following year.

3. Voltage: Service will be supplied at one standard voltage.

4. Billing Demand: The Billing Demand shall be the kilowatts of Maximum Demand, determined to the nearest kW. The Billing Demand shall be the greater of the kilowatts of Maximum Demand recorded (or established for) the monthly billing period or 50% of the highest Maximum Demand established in the preceding eleven months (Ratcheted Demand).

5. **Maximum Demand:** The maximum demand in any month shall be the measured maximum average kilowatt input, indicated or recorded by instruments to be supplied by the City, during any 15-minute metered interval in the month.

6. **Excess Transformer Capacity:** Transformer Capacity is the amount of transformer capacity requested by a customer in excess of that which the City would normally install to serve the customer's Maximum Demand. Excess Transformer Capacity shall be billed at the amount shown in the rates section above.

7. **Power Factor Adjustment:** The billing will be adjusted each month for power factor.
 - a. **Adjustment Rate:** The customer's bill will be increased each month for the power factor \$0.51 per kilovar of maximum reactive demand.

 - b. The maximum reactive demand shall be the highest measured maximum average kilovar demand indicated or recorded by metering during any 15 minute metered interval in the month. For customers with metering used for billing that measures kilovar-hours instead of reactive demand, the kilovars of reactive demand shall be calculated by multiplying the kilowatts of measured maximum demand by the ratio of the kilovar-hours to the kilowatt-hours. Demands in kilowatts and kilovars shall be determined to the nearest unit. A device will be installed on the kilovar-hour meter to prevent its reverse operation on leading power factors.

SCHEDULE SE - SERVICE ESTABLISHMENT CHARGE

Applicability

Applicable to general service and domestic service customers.

Territory

Within the entire territory served by Moreno Valley Utility.

Rate

For each establishment of electric service, a charge will apply.

Special Conditions

1. The service establishment charge is in addition to the charges calculated on the applicable rate schedule and will be made each time an account is established.
2. Establishment means each time an account is opened, including a turn on of electric service or a change of name that requires a meter reading.
3. If the customer requests electric service be established on the same day as his request or outside regular business hours, an additional charge will apply.

SCHEDULE NEM – NET ENERGY METERING

Applicability

Applicable to general service and domestic service customers who have eligible renewable energy generation systems connected to MVU's system (interconnected) and meet program requirements.

Territory

Within the entire territory served by Moreno Valley Utility.

Net Surplus Compensation Rate

The net surplus compensation rate shall be \$0.08979 per kWh applied to any net surplus energy remaining at the end of the customer's twelve (12) month billing period ("relevant period").

Special Conditions

1. NEM customers will receive a credit for the surplus electricity supplied to MVU's system.
2. This credit will be applied to the customer's energy bill, to offset all or part of the costs associated with the energy that is consumed each month.
3. Residential accounts are billed once a year for "net" energy consumed or generated over the previous 12 months, if any.
4. Small business accounts served under the General Service Rate also qualify for annual billing.

5. Large business NEM accounts under the Large General Service Rate are billed monthly for their energy usage.
6. Net surplus energy is the amount of generated kilowatt-hours (kWh) energy that is exported to MVU's system that exceeds the amount that is received from MVU.
7. Any net surplus energy remaining at the end of the 12-month billing period (also called the "relevant period") will be given a monetary value known as the Net Surplus Compensation Rate (NSCR).
8. The NSCR value is established by MVU to reflect the costs MVU avoids in procuring power during the time period net surplus generators are likely to produce excess power.
9. Customers may choose to either roll over the monetary value of any net surplus energy to the next billing cycle, or receive payment for any net surplus energy at the end of your 12-month relevant period.
10. Customers will be billed monthly for nominal non-energy-related charges such as taxes.

SCHEDULE ED – ECONOMIC DEVELOPMENT (“ED”) RATE

Applicability

Commercial or industrial end-use customers that would otherwise receive service under Electric Rate Schedule TOU-LGS (Time of Use-Large General Service) and meet certain criteria as established and adopted by resolution of the City Council of the City of Moreno Valley may take advantage of the ED rate as a New Customer or Expanded Load Customer. This ED rate is applicable to all or part of the services provided to New Customers and Expanded Load Customers, as such terms are defined herein.

1. A New Customer shall be a customer seeking to locate a new business or relocate an existing business (not currently located within the territory served by Moreno Valley Utility) within Moreno Valley Utility's service territory.

2. An Expanded Load Customer shall be an existing Moreno Valley Utility TOU-LGS customer that is adding new load to Moreno Valley by a minimum of 200 kW based upon the customer's past electrical demand as determined by Moreno Valley Utility. The expanded load can be at the customer's current site, or at a new site within the Moreno Valley Utility service territory. The ED rate will only be applied to the expanded load as determined in Section 5 below.
3. A New Customer shall meet the following criteria:
 - a. Targeted industries
 - i. Logistics/Distribution
 - ii. Medical/Healthcare
 - iii. Auto Dealerships
 - b. Building/Area size
 - i. Logistics/Distribution 500,000 sf minimum
 1. Tier 5 Discount Rate
 - a. Regional Corporate Office Space 50,000 sf minimum
 - b. Perishable Space 200,000 sf minimum
 - ii. Medical/Healthcare 100,000 sf minimum
 - iii. Auto Dealerships 5 acres
 - c. Job Creation
 - i. Tier 1 Discount Rate 150 – 499 jobs
 - ii. Tier 2 Discount Rate 500 – 999 jobs
 - iii. Tier 3 Discount Rate greater than 1000 jobs
 - iv. Tier 4 Discount Rate 350 jobs minimum
 - v. Tier 5 Discount Rate 200 jobs minimum
 - d. City Revenue Producer – either sales tax or use tax generation
 - i. Tier 1a Discount Rate
 - ii. Tier 4 Discount Rate minimum \$40,000 annual sales tax revenue to the City

Territory

Within the entire territory served by Moreno Valley Utility.

Character of Service

The service provided hereunder shall be alternating current with regulated frequency of 60 hertz, three-phase, or a combination single and three-phase served through one meter, at a standard voltage not to exceed 480 volts, or as may be specified by the Electric Division. To be eligible to participate all customers must have a demand meter.

Rates

Except as provided herein, or in the Economic Development Rate Agreement, all charges and provisions of the customer's otherwise applicable rate schedule shall apply. The applicable Energy Charge and Demand Charge under the customer's otherwise applicable rate schedule will be reduced as follows:

	Tier 1/Tier 1a	Tier 2	Tier 3	Tier 4	Tier 5
Years 1 - 2	15%	20%	20%	20%	20%
Years 3 - 4	12%	15%	20%	20%	20%
Years 5 - 6	10%	10%	15%	20%	20%
Years 7 -12	-	-	-	20%	20%
Years 13 - 18					20%

Special Conditions

1. Term: Economic Development Rate Agreements entered into under this Schedule shall be for a single six-year term, except for Tier 4, which shall be for a single twelve-year term and Tier 5, which shall be for a single eighteen-year term.

2. Approval: Application of this Rate Schedule shall be subject to the approval of the City Manager or his designee, based on meeting the eligibility criteria outlined herein.
3. Agreement: The customer must sign a standard Moreno Valley Economic Development Rate Agreement in order for the rates under this Schedule to be applicable. In addition to the other terms of this Schedule, the Economic Development Rate Agreement shall require the customer to reimburse Moreno Valley for all rate reductions received under this Schedule, if the customer fails to maintain the required minimum load during the applicable term of the Agreement.
4. Minimum Load: Customers qualifying under this Schedule as a New Customer with a projected minimum monthly electric demand of at least 500 kW or as an Expanded Load Customer under Applicability Sections 1 and 2 above, respectively, must agree to maintain a minimum level of load for six years for Tier 1/1a, Tier 2, and Tier 3 discounts, twelve years for Tier 4 discount, and eighteen years for Tier 5 discount from the date service is first rendered under this Schedule as set forth in the Economic Development Rate Agreement.
5. Base Period Usage: Base Period Usage shall be established and agreed to in the Economic Development Rate Agreement for Expanded Load Customers. Base Period Usage shall be the average monthly energy use and demand for the customer during the last three years of service to the customer, from the date ending the last payment period before the date of the Agreement. Expanded Load qualifying for the rate under this Schedule shall be measured as the difference between the new monthly, meter documented energy use and demand, and the Base Period Usage.
6. State Mandated Public Purpose Program Charge: All bills rendered under this Schedule shall be subject to the Public Purpose Program Charge as established by the City Council.
7. Miscellaneous Fees and Charges: Rates charged pursuant to this Schedule shall be subject to any Energy Users Taxes, Utility Users Taxes, and any other governmental taxes, duties, or fees which are applicable to Electric Service provided to Customer by the City of Moreno Valley. Rates are also subject to adjustment, as established by the City of Moreno Valley City Council in response to federal or state climate change laws, renewable portfolio standard or other mandated legislation. These adjustments may include but are not limited to charges to mitigate the impacts of greenhouse gas emissions or “green power” premiums.
8. Expanded Load: Expanded Load customers applying for this rate must demonstrate to the satisfaction of the Utility that the expanded load is new to Moreno Valley.

9. Effective Date: The effective date of the Economic Development Rate Agreement shall commence within 12 months from the date of the City's approval, or the Agreement becomes null and void. The Agreement becomes effective upon execution by the parties, and the Economic Development Rate commences upon written notice by customer, and coincides with the customer's normal billing cycle.
10. Reapplication: Customers who have received service under the Economic Development Rate are eligible to reapply for the rate as an Expanded Load Customer 12 months after their current Economic Development Rate Agreement has expired, if they meet the criteria therefore.
11. Restrictions: Residential customers and federal, state or local government agencies are not eligible to apply for service under this Schedule.

SCHEDULE ED-BR

ECONOMIC DEVELOPMENT- BUSINESS RETENTION RATE

Applicability

This Schedule is applicable to the anchor stores at Stoneridge Towne Centre and Moreno Beach Plaza, whose building size is 25,000 square feet or larger and have 30 or more employees.

1. The Customer must demonstrate to the satisfaction of the City that relocation of its entire operation to a site outside of Moreno Valley Utility's service territory is a viable alternative or that the threat of closure of the Customer's existing facilities is otherwise imminent.
2. The Customer must provide:
 - a. An affidavit that "but for" the economic development retention rate incentives, in combination with other city-sponsored incentives, such customer would relocate outside of the City's electric service territory, and
 - b. Substantial evidence demonstrating the business has considered viable locations outside of Moreno Valley's service territory including but not limited to incentive offer letters from competing states, local jurisdictions and economic development organizations and/or real estate sale and lease agreements for competing sites, or
 - c. Substantial evidence documenting the imminent threat of facility closure, including but not limited to letters from business owners or appropriate corporate officers documenting the circumstances which have led to this imminent threat and why the Business Retention Rate is necessary to retain the business within Moreno Valley Utility's service territory.
3. The Customer must agree to maintain a minimum level of load for five years from the date service is first rendered as set forth in the Economic Development Rate Agreement for Business Retention.

Territory

Within the entire territory served by Moreno Valley Utility.

Rates

Except as provided herein, or in the Economic Development Business Retention Rate Agreement, all charges and provisions of the customer's otherwise applicable rate schedule shall apply. The applicable Energy Charge and Demand Charge under the customer's otherwise applicable rate schedule will be reduced as follows:

- Year 1 20%
- Year 2 20%
- Year 3 20%
- Year 4 0%
- Year 5 0%

Special Conditions

1. Term: Economic Development Rate Agreement for Business Retention entered into under this Schedule shall be for a single five-year term.
2. Approval: Application of this Rate Schedule shall be subject to the approval of the Public Works Director or his designee, based on meeting the eligibility criteria outlined herein.
3. Agreement: The customer must sign a standard Moreno Valley Economic Development Rate Agreement for Business Retention in order for the rates under this Schedule to be applicable. In addition to the terms of this Schedule, the Economic Development Rate Agreement for Business Retention shall require the customer to reimburse Moreno Valley for all rate reductions received under this Schedule, if the customer fails to maintain the required minimum load during the five-year term of the Agreement.
4. Minimum Load: All customers must agree to maintain a minimum level of load for five years from the date service is first rendered under this Schedule

as set forth in the Economic Development Rate Agreement for Business Retention.

5. State Mandated Public Purpose Charge: All bills rendered under this Schedule shall be subject to the Public Purpose Charge as established by the City Council.
6. Miscellaneous Fees and Charges: Rates charged pursuant to this Schedule shall be subject to any Energy Users Taxes, Utility Users Taxes, and any other governmental taxes, duties, or fees which are applicable to Electric Service provided to Customer by the City of Moreno Valley. Rates are also subject to adjustment, as established by the City of Moreno Valley City Council in response to federal or state climate change laws, renewable portfolio standard or other mandated legislation. These adjustments may include but are not limited to charges to mitigate the impacts of greenhouse gas emissions or “green power” premiums.
7. Effective Date: The Agreement becomes effective upon execution by the parties, and the Economic Development Business Retention Rate commences with the customer’s normal billing cycle following execution of the Agreement by both parties.
8. Restrictions: Residential customers, small commercial customers, and federal, state or local government agencies are not eligible to apply for service under this Schedule.

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CITY CLERK
MORENO VALLEY
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03 DEC -4 AM 7:47

APPROVALS	
CITY ATTORNEY	<i>[Signature]</i>
FINANCE DIRECTOR	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

Report to City Council

TO: Mayor and City Council

FROM: Public Works Director/City Engineer

AGENDA DATE: December 9, 2003

TITLE: Ordinances of the City Council of the City of Moreno Valley, California, Providing for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities.

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Introduce Ordinance No. 650 that Provides for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities (Roll Call Required); and
2. Introduce and Adopt Urgency Ordinance No. 651 that Provides for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities (Roll Call Required).

SUMMARY

On July 8, 2003, the City Council approved a resolution adopting the Electric Service Rules, Fees and Charges document. Electric Rule 12 of that document states 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. Complete schedules of all rates in effect will be kept at all times in the City Utility's local office. The City may not be required to make more than one change in rate schedules within a twelve-month period unless a new rate schedule is approved or the Customer's operating conditions have changed sufficiently to warrant a change in the rate schedule. One of the guiding principles of the municipal utility is that its basic rates for electricity should be equal to those billed by the incumbent utility for comparable services. Using a resolution to approve rates and

tariffs will allow Moreno Valley Utilities (MVU) the flexibility it requires to keep rates in line with those of the incumbent investor owned utility and the electrical commodity market, as needed.

BACKGROUND

On October 7, 2003, the City Council approved the Professional Services Agreement by and between the City of Moreno Valley and ENCO Utility Services Moreno Valley, LLC for the Operations and Maintenance of the City's Municipally Owned Electrical Distribution System. The first residential tract is scheduled to begin service on January 23, 2004. The developer plans to close 20 of the 404 total properties immediately and two-a-day thereafter. MVU is tracking over 80 additional developments representing approximately 8,000 service connections who have submitted plans to the City and who have been conditioned as future customers of MVU.

Providing for a resolution to establish and adjust electrical rates and tariffs in an Urgency Ordinance will allow for rate and tariff schedules to be established in advance of energizing the first customers of MVU. A resolution to approve rates and tariffs will allow MVU the flexibility it requires to keep rates in line with those of the incumbent investor owned utility and the electrical commodity market, as needed. The resolution, and the flexibility inherent therein, could then be passed to reflect those rate changes, well in advance of servicing our first customers.

DISCUSSION

Using a resolution to set rates and tariffs will provide the flexibility to react to electrical market changes as they occur. The resolution will assist the City in advising affected Customers of the availability of new rate schedules through City Council meeting attendance, minutes or through MVTV-3. This also satisfies Electric Rule 12 of the approved Electrical Service Rules, Fees and Charges document.

ALTERNATIVES

1. Introduce an Ordinance and Introduce and Adopt an Urgency Ordinance that Provides for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities.

Staff recommends this alternative. Adopting an ordinance that provides the City with the flexibility to establish and adjust electrical rates and tariffs via resolution allows the City to react to the electrical commodity market in a timely manner. The Urgency Ordinance will allow for the adoption of Electrical Rates and Tariffs prior to servicing the first customers of Moreno Valley Utilities.

2. Do not Introduce an Ordinance and do not Introduce and Adopt an Urgency Ordinance that Provides for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities.

Staff does not recommend this alternative. By declining to adopt an ordinance that provides for the establishment and adjustment of electrical rates and tariffs by resolution, the City loses the flexibility it needs to react to market changes as they occur. This could be very costly to the City if an energy crisis occurs. Charges to the City for electricity could rise and the City would be unable to quickly adjust its rates accordingly. It is also a guiding principle of Moreno Valley Utilities to keep our rates similar to those of the incumbent investor owned utility and a resolution is the tool to provide that flexibility. By not adopting the Urgency Ordinance, the City will be unable to establish Electrical Rates and Tariffs prior to servicing its first customers.

FISCAL IMPACT

The implementation and operation of MVU, over time, is expected to generate significant positive cash flows that will greatly benefit the community. The utility will provide an important tool that will assist in the attraction of desirable business investments into the community. Funds generated from retail services, inspection services and other fees, after operating expenses, may bring additional revenue for City programs and services.

CITY COUNCIL GOALS

Implementing and operating the electrical energy utility will create a **Positive Environment** for economic development within the community. The City of Moreno Valley will be more competitive in economic development and will help the city create new, well-paying jobs.

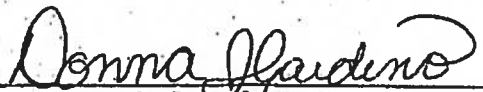
The municipal electrical utility will generate revenues to provide funding for City programs and services. This new revenue base will help achieve the important financial goal of **Revenue Diversification and Preservation**.

STAFF RECOMMENDATION

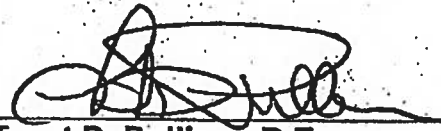
1. Introduce Ordinance No. 650 that Provides for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities; and
2. Introduce and Adopt Urgency Ordinance No. 651 that Provides for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities.

ATTACHMENTS/EXHIBITS

1. Ordinance No. 650 that Provides for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities.
2. Urgency Ordinance No. 651 that Provides for the Establishment and Adjustment of Electrical Rates and Tariffs by Resolution for Moreno Valley Utilities.



Donna J. Gardino,
Management Analyst II



Trent D. Pulliam, P.E.
Public Works Director/City
Engineer



Thomas F. Breitkreuz,
Enterprise Services Manager

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

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ORDINANCE NO. 650

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, THAT PROVIDES FOR THE ESTABLISHMENT AND ADJUSTMENT OF ELECTRICAL RATES AND TARIFFS BY RESOLUTION FOR MORENO VALLEY UTILITIES.

The City Council of the City of Moreno Valley does ordain as follows:

SECTION 1. FINDINGS

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, authorizing 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.

As a result of deregulation of the communications, electrical and natural gas utility industries in California, the City has identified numerous potential benefits that would derive from providing a municipally owned utility, including but not limited to, the ability to offer competitive rates to citizens and businesses for utility services and high speed communication capability of residential, business, and governmental use and potential additional revenues for community improvements; and

On July 8, 2003, the City Council approved, by resolution, the Electric Service Rules, Fees and Charges for Moreno Valley Utilities document 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.

SECTION 2.

Electrical Rates and Tariffs for Moreno Valley Utilities will be established and adjusted by a Resolution of the City Council and in accordance with the Electric Service Rules, Fees and Charges document as adopted on July 8, 2003.

SECTION 3. EFFECT OF ENACTMENT:

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 4. NOTICE OF ADOPTION:

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 posted in three public places within the city.

SECTION 5. EFFECTIVE DATE:

This ordinance shall take effect thirty days after the date of its adoption.

APPROVED AND ADOPTED this _____ day of _____, 2003.

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.]

ORDINANCE NO. 651

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, THAT PROVIDES FOR THE ESTABLISHMENT AND ADJUSTMENT OF ELECTRICAL RATES AND TARIFFS BY RESOLUTION FOR MORENO VALLEY UTILITIES.

The City Council of the City of Moreno Valley does ordain as follows:

SECTION 1. FINDINGS OF SPECIAL CONDITIONS

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, authorizing 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.

As a result of deregulation of the communications, electrical and natural gas utility industries in California, the City has identified numerous potential benefits that would derive from providing a municipally owned utility, including but not limited to, the ability to offer competitive rates to citizens and businesses for utility services and high speed communication capability of residential, business, and governmental use and potential additional revenues for community improvements; and

On July 8, 2003, the City Council approved, by resolution, the Electric Service Rules, Fees and Charges for Moreno Valley Utilities document 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.

On or before February 1, 2004, the City of Moreno Valley, through its electrical utility, anticipates it will begin to provide electrical service to its first customers, necessitating the establishment of rates and tariffs prior to that date.

SECTION 2. DECLARATION OF URGENCY:

This ordinance is an urgency ordinance and is for the immediate preservation of the public peace, health and safety. The facts constituting urgency are as follows: On or before February 1, 2004 the first customers of Moreno Valley Utility will request electrical service. Rates and tariffs should be established prior to energizing these new developments. If rates and tariffs are not established prior to February 1, 2004, the new developments and those living in those developments will not have electrical service, threatening their health and safety.

SECTION 3.

Electrical Rates and Tariffs for Moreno Valley Utilities will be established and adjusted by Resolution of the City Council and in accordance with the Electric Service Rules, Fees and Charges document as adopted on July 8, 2003.

SECTION 4. SEVERABILITY:

If any provision of this 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. EFFECT ON PREVIOUS ENACTMENTS AND ENTITLEMENT:

The repeal or amendment by this ordinance of any prior enactment shall not be construed to invalidate any entitlement exercised or proceeding taken pursuant to such enactment while the same was in effect.

SECTION 6. NOTICE OF ADOPTION:

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 posted in three public places within the city designated for such postings by the City Council.

SECTION 7. EFFECTIVE DATE:


This ordinance shall become effective immediately upon the date of its adoption pursuant to California Government Code § 36937.

APPROVED AND ADOPTED this 9th day of December, 2003.



Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney

ORDINANCE JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, ALICE REED, City Clerk of the City of Moreno Valley, California, do hereby certify that urgency Ordinance No. 651 was read and duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 9th day of December, 2003 by the following vote:

AYES: Councilmembers Flickinger, Stewart, West, White and Mayor Batey
NOES: None
ABSENT: None
ABSTAIN: None

Alice Reed
City Clerk

(SEAL)



CITY CLERK
MORENO VALLEY
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APPROVALS	
CITY ATTORNEY	<i>[Signature]</i>
FINANCE DIRECTOR	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

Report to City Council

TO: Mayor and City Council

FROM: Public Works Director/City Engineer

AGENDA DATE: January 13, 2004

TITLE: Resolution Providing for the Establishment of Electric Rates for Moreno Valley Utilities

RECOMMENDED ACTION

Staff recommends that the City Council approve Resolution 2004- 05 establishing the Electric Rates for Moreno Valley Utilities.

SUMMARY

On July 8, 2003, the City Council approved a resolution adopting the Electric Service Rules, Fees and Charges document. Electric Rule 12 of that document states 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. Complete schedules of all rates in effect will be kept at all times in the City's Public Works Department. One of the guiding principles of the municipal utility is that its basic rates for electricity should be indicative of those billed by the incumbent utility for comparable services. Moreno Valley Utilities (MVU) will adjust its rates monthly to parallel adjustments made by the investor-owned utility. Using a resolution to approve Rates will allow MVU the flexibility it requires to keep rates in line with those of the investor owned utility and the electrical commodity market, as needed.

BACKGROUND

On October 7, 2003, the City Council approved the Professional Services Agreement by and between the City of Moreno Valley and ENCO Utility Services Moreno Valley, LLC for the Operations and Maintenance of the City's Municipally Owned Electrical Distribution System. The first residential tract is scheduled to begin service about February 1, 2004. The developer plans to close 20 of the 404 total properties immediately and two-a-day thereafter. MVU is tracking over 80 additional developments representing approximately 8,000 service connections that have submitted plans to the City and who have been conditioned as future customers of MVU.

Staff has identified seven (7) phases to achieve the goal of bringing the system on line and fully operational.

Phase 1	Authorization of Municipal Utility
Phase 2	Engineering/Design, Procurement and Construction Management Services Agreement with ENCO
Phase 3	Introduction of Documents to Establish the Rules, Fees, and Charges
Phase 4	Adoption of Operations & Maintenance Manuals
Phase 5	Implementation of O & M procedures and finalize the Rate Schedule
Phase 6	Installation of the four (4) pending SCE interconnections
Phase 7	Energize the City of Moreno Valley Utility Electrical Distribution System

Phases 1, 2, and 3 are complete. A pending ordinance will facilitate the completion of Phase 4. The finalization of Rates, Phase 5, is addressed under the attached resolution. Phase 6 is currently underway.

DISCUSSION

Rates must be set prior to servicing MVUs' first customers. The City is required to have the rates legally in effect and on file at the City offices. Ordinances 650 and 651 provide for the establishment and adjustment of electrical Rates by resolution. This resolution will establish the Rates.

The attached Moreno Valley Utilities Electric Rates provides for the establishment and adjustment of rates. The rates are based on a historical 30-day average of the rates established by Southern California Edison Company as of December 10, 2003. These will be the applicable rates for the next thirty days. The rates will then be recalculated, based on the previous thirty-day average of the rates charged by the investor owned utility. This formula is described in the rate document itself. A sample bill from Moreno Valley Utilities is attached for your comparison to the attached rate schedule.

The resolution also has the inherent benefit in advising affected Customers of the availability of new rate schedules through City Council meeting attendance, minutes or through MVTV-3. This also satisfies Electric Rule 12 of the approved Electrical Service Rules, Fees and Charges document.

ALTERNATIVES

1. Approve Resolution 2004-05 establishing the Electric Rates for Moreno Valley Utilities.

Staff recommends this alternative. *It is required that the rates be legally in effect and on file in the City's offices. This resolution satisfies this requirement.*

2. Do not Approve Resolution 2004-05 establishing the Electric Rates for Moreno Valley Utilities.

Staff does not recommend this alternative. *By declining to approve a resolution establishing the Rates of Moreno Valley Utilities, the City will be unable to energize its first customers and will not be in compliance with Electric Rule 12 of the Electric Service Rules, Fees and Charges document.*

FISCAL IMPACT

The implementation and operation of MVU, over time, is expected to generate positive cash flows that will greatly benefit the community. The utility will provide an important tool that will assist in the attraction of desirable business investments into the community. Funds generated from retail services, inspection services and other fees, after operating expenses, may bring additional revenue for City programs and services.

CITY COUNCIL GOALS

Implementing and operating the electrical energy utility will create a **Positive Environment** for economic development within the community. The City of Moreno Valley will be more competitive in economic development and will help the city create new, well-paying jobs.

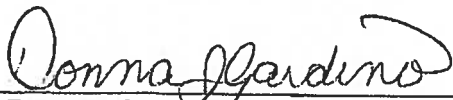
The municipal electrical utility will generate revenues to provide funding for City programs and services. This new revenue base will help achieve the important financial goal of **Revenue Diversification and Preservation**.

STAFF RECOMMENDATION

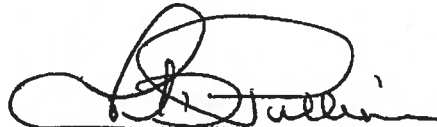
Staff recommends that the City Council approve Resolution 2004-05 establishing the Electric Rates for Moreno Valley Utilities.

ATTACHMENTS/EXHIBITS

1. Resolution 2004- 05
2. Moreno Valley Utilities Electric Rates
3. Sample Moreno Valley Utilities Electric Bill



**Donna J. Gardino,
Management Analyst II**



**Trent D. Pulliam, P.E.
Public Works Director/City
Engineer**



**Thomas F. Breitkreuz,
Enterprise Services Manager**

Council Action	
Approved as requested: <u>1/13/04</u>	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

RESOLUTION NO. 2004-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ESTABLISHING THE ELECTRIC RATES FOR MORENO VALLEY UTILITIES.

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 other 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, authorizing 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 Utilities 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 fees, charges, and rates associated with providing the services identified in the document. These 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 electrical distribution pursuant to the rules; and

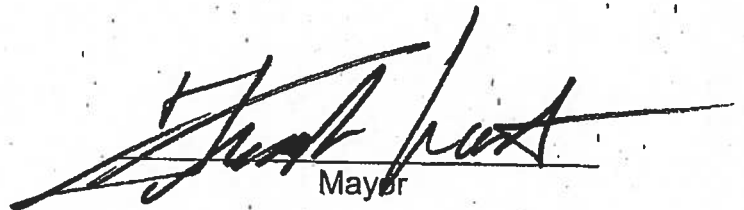
WHEREAS, Urgency Ordinance No. 651 was adopted by the City Council on December 9, 2003, allowing for the adoption of rates by resolution; and

WHEREAS, the City of Moreno Valley anticipates providing electrical service to its first customers in February 2004.

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


1. The City Council hereby adopts Moreno Valley Utilities Electric Rates in the form attached hereto as Exhibit A and incorporated herein by this reference; and
2. The City Council hereby provides for the adjustment of rates as described in the attached Moreno Valley Utilities Electric Rates.

APPROVED AND ADOPTED this 13th day of January, 2004.



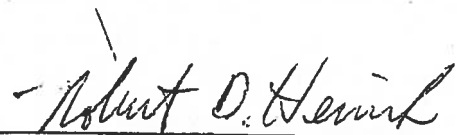
Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney

Moreno Valley Utilities
Electric Rates

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SCHEDULE A – RESIDENTIAL SERVICE

Applicability

Applicable to electric service for residential uses.

Territory

Within the designated areas served by the Moreno Valley Utilities.

Rates

Basic Charge - \$/Day

Single-Family Residence	\$ 0.029
Multi-Family Residence	\$ 0.022

Energy Usage Charge - \$/kWh

Summer:

Tier 1 -Baseline Quantities, all kWh, per kWh	\$ 0.11390
Tier 2 – 101% to 130% of Baseline	\$ 0.13312
Tier 3 – 131% to 200% of Baseline	\$ 0.14930
Tier 4 – All excess kWh, per kWh	\$ 0.16678

Winter

Tier 1 -Baseline Quantities, all kWh, per kWh	\$ 0.11412
Tier 2 – 101% to 130% of Baseline	\$ 0.13334
Tier 3 – 131% to 200% of Baseline	\$ 0.14952
Tier 4 – All excess kWh, per kWh	\$ 0.16701

Public Purpose Programs

All kWh per kWh	\$0.00387
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Monthly Minimum Charge:	\$10.00
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Energy Cost Adjustment

- The energy charge is based upon 27.304% of the energy being provided by the Department of Water Resources to the investor owned utility on the 10th of December 2003. This percentage will be adjusted on the 10th of each month. This adjustment could result in slight decreases or increases in the energy charge.

Special Conditions

1. **Baseline Rates:** Baseline rates are applicable only to separately metered residential use.
2. **Baseline Quantities:** The residential allocation shall be 15.4 kWhs per day in the Summer season and 11.7 kWhs per day in the Winter season.
3. **Summer and Winter Seasons** are defined as follows: The Summer season begins at 12:00 a.m. on the first Sunday in June and will continue until 12:00 a.m. of the first Sunday in October each year. The Winter season begins at 12:00 a.m. on the first Sunday in October and continues until 12:00 a.m. on the first Sunday in June of the following year.
4. **Voltage:** Service will be supplied at one standard voltage.
5. For the purposes of applying the Basic Charge, the following definitions shall be used:

Single-Family Residence: A building of single occupancy, which does not share common walls, floors, or ceilings with other residential dwelling units.

Multi-Family Residence: Apartments, mobile homes, condominiums, townhouses, or a building of multiple occupancy which shares common walls and /or floors and ceilings with other residential dwelling units.

SCHEDULE B -- GENERAL SERVICE

Applicability

Applicable to nonresidential electric service for all types of uses including lighting and power. Customers whose monthly maximum demand is expected to exceed 20 kW, or has exceeded 20 kW in any three months during the preceding 12 months, are ineligible for service under this schedule.

Territory

Within the designated areas served by the Moreno Valley Utilities.

Rates

Customer Charge - \$/Day	
Single-Phase Service	\$ 0.430
Polyphase Service	\$ 0.501
 Energy Usage Charge - \$/kWh	
Summer, all kWh, per kWh	\$ 0.15691
Winter, all kWh, per kWh	\$ 0.11665
 Public Purpose Programs	
All kWh per kWh	\$0.00399
 Monthly Minimum Charge:	 \$10.00

Energy Cost Adjustment

1. The energy charge is based upon 27.304% of the energy being provided by the Department of Water Resources to the investor owned utility on the 10th of December 2003. This percentage will be adjusted on the 10th of each month. This adjustment could result in slight decreases or increases in the energy charge

Special Conditions

1. Summer and Winter Seasons are defined as follows: The Summer season begins at 12:00 a.m. on the first Sunday in June and will continue until 12:00 a.m. on the first Sunday in October each year. The Winter season begins at 12:00 a.m. on the first Sunday in October and continues until 12:00 a.m. on the first Sunday in June of the following year.
2. Voltage: Service will be supplied at one standard voltage.

SCHEDULE C - LARGE GENERAL SERVICE**Applicability**

Applicable to nonresidential electric service for all types of uses including lighting and power where the customer's monthly maximum demand is expected to exceed 20 kW or has exceeded 20 kW in any of the 3 months during the preceding 12 months.

Territory

Within the designated areas served by the Moreno Valley Utilities.

Rates

Customer Charge - \$/Meter/Month			\$60.30
Energy Usage Charge - \$/kWh			
Tier 1 - First 300 kWh per kW of Billing Demand per kWh			\$ 0.09991
Tier 2 - All excess kWh, per kWh			\$ 0.11200
Demand Charge- \$/kW		<u>Summer</u>	<u>Winter</u>
Facilities Related Demand Charge, per kW		\$5.40	\$5.40
Time Related Demand Charge, per kW		\$7.75	\$0.00
Public Purpose Programs			
All kWh per kWh			\$ 0.00321
Monthly Minimum Charge:			\$10.00

Energy Cost Adjustment

- The energy charge is based upon 27.304% of the energy being provided by the Department of Water Resources to the investor owned utility on the 10th of December 2003. This percentage will be adjusted on the 10th of each month. This adjustment could result in slight decreases or increases in the energy charge

Special Conditions

- Summer and Winter Seasons are defined as follows:

The Summer season begins at 12:00 a.m. on the first Sunday in June and will continue until 12:00 a.m. on the first Sunday in October of each year. The Winter season begins at 12:00 a.m. on the first Sunday in October and continue until 12:00 a.m. on the first Sunday in June of the following year.

- Voltage: Service will be supplied at one standard voltage.

4. **Billing Demand:** The Billing Demand shall be the kilowatts of Maximum Demand, determined to the nearest kW. The Billing Demand shall be the greater of the kilowatts of Maximum Demand recorded (or established for) the monthly billing period or 50% of the highest Maximum Demand established in the preceding eleven months (Ratcheted Demand).
5. **Maximum Demand:** The maximum demand in any month shall be the measured maximum average kilowatt input, indicated or recorded by instruments to be supplied by the City, during any 15-minute metered interval in the month.
6. **Voltage Discount:** The monthly Facilities Related Demand Charge will be reduced by 23.3% for service delivered and metered at voltages of 4 kV through 12 kV. The energy charge will be reduced by \$.00074 per kWh for service delivered and metered at voltages of 2 kV through 12 kV.
7. **Power Factor Adjustment:** When Maximum Demand has exceeded 200 kW for three consecutive months, kilovar metering will be installed as soon as practical, and thereafter, until the Maximum Demand has been less than 150 kW for twelve consecutive months, the billing will be adjusted each month for power factor.
 - a. **Adjustment Rate:**
 - i. For service delivered and metered at voltages 12 kV or less, the billing will be increased by \$0.23 per kilovar of maximum reactive demand.
 - b. **Determining the Reactive Demand:**
 - i. Service delivered and metered at voltages of 4 kV or greater:
 1. The maximum reactive demand shall be the highest measured maximum average kilovar demand indicated or recorded by metering during any 15-minute metered interval in the month. The kilovars shall be determined to the nearest unit. A device will be installed on each kilovar meter to prevent reverse operation of the meter.
 - ii. Services delivered and metered at voltages less than 4 kV:
 1. For customers with metering used for billing that measures reactive demand, the maximum reactive demand shall be the highest measured maximum average kilovar demand indicated or recorded by metering during any 15-minute metered interval in the month. The kilovars shall be determined to the nearest unit. A device will be installed on each kilovar meter to prevent reverse operation of the meter.
 2. For customers with metering used for billing that measures kilovar-hours instead of reactive demand, the kilovars of

reactive demand shall be calculated by multiplying the kilowatts of measured maximum demand by the ratio of the kilovar-hours to the kilowatt-hours. Demands in kilowatts and kilovars shall be determined to the nearest unit. A ratchet device will be installed on the kilovar-hour meter to prevent its reverse operation on leading power factors.

SCHEDULE D – PUMPING & AGRICULTURAL SERVICE

Applicability

Applicable to electric service for general water pumping or sewerage pumping and for general agricultural uses. This schedule is not applicable to service for which a residential, commercial or industrial schedule is applicable.

Territory

Within the designated areas served by the Moreno Valley Utilities.

Rates

Customer Charge - \$/Meter/Month	\$30.35						
Energy Usage Charge - \$/kWh							
Tier 1 - First 300 kWh per kW of Billing Demand per kWh	\$ 0.07887						
Tier 2 - All excess kWh, per kWh	\$ 0.08630						
Demand Charge							
All kW of Billing Demand per kW	<table border="0" style="display: inline-table;"> <tr> <td style="text-align: center;"><u>Summer</u></td> <td style="text-align: center;"><u>Winter</u></td> </tr> <tr> <td style="text-align: center;">\$8.45</td> <td style="text-align: center;">\$3.04</td> </tr> </table>	<u>Summer</u>	<u>Winter</u>	\$8.45	\$3.04		
<u>Summer</u>	<u>Winter</u>						
\$8.45	\$3.04						
Public Purpose Programs							
All kWh per kWh	\$ 0.00287						
Monthly Minimum Charge:	\$10.00						

Energy Cost Adjustment

1. The energy charge is based upon 27.304% of the energy being provided by the Department of Water Resources to the investor owned utility on the 10th of December 2003. This percentage will be adjusted on the 10th of each month. This adjustment could result in slight decreases or increases in the energy charge.

Special Conditions

1. Summer and Winter Seasons are defined as follows:

The Summer season begins at 12:00 a.m. on the first Sunday in June and will continue until 12:00 a.m. on the first Sunday in October each year. The Winter season begins at 12:00 a.m. on the first Sunday in October and continues until 12:00 a.m. on the first Sunday in June of the following year.

2. Voltage: Service will be supplied at one standard voltage.

3. **Billing Demand:** The Billing Demand shall be the kilowatts of Maximum Demand, determined to the nearest kW. The Billing Demand shall be the greater of the kilowatts of maximum demand recorded (or established for) the monthly billing period or 50% of the highest maximum demand established in the preceding eleven months (Ratcheted Demand).
4. **Maximum Demand:** The maximum demand in any month shall be the measured maximum average kilowatt input, indicated or recorded by instruments to be supplied by the City, during any 15-minute metered interval in the month.
5. **Power Factor Adjustment:** When maximum demand has exceeded 200 kW for three consecutive months, kilovar metering will be installed as soon as practical, and thereafter, until the maximum demand has been less than 150 kW for twelve consecutive months, the billing will be adjusted each month for power factor.
 - a. **Adjustment Rate:**
 - i. For service delivered and metered at voltages 12 kV or less, the billing will be increased by \$0.23 per kilovar of maximum reactive demand.
 - b. **Determining the Reactive Demand:**
 - i. Service delivered and metered at voltages of 4 kV or greater: The maximum reactive demand shall be the highest measured maximum average kilovar demand indicated or recorded by metering during any 15-minute metered interval in the month.
 - ii. The kilovars shall be determined to the nearest unit. A device will be installed on each kilovar meter to prevent reverse operation of the meter.
 - iii. Services delivered and metered at voltages less than 4 kV: For customers with metering used for billing that measures reactive demand, the maximum reactive demand shall be the highest measured maximum average kilovar demand indicated or recorded by metering during any 15-minute metered interval in the month. The kilovars shall be determined to the nearest unit. A device will be installed on each kilovar meter to prevent reverse operation of the meter.

For customers with metering used for billing that measures kilovar-hours instead of reactive demand, the kilovars of reactive demand shall be calculated by multiplying the kilowatts of measured maximum demand by the ratio of the kilovar-hours to the kilowatt-hours. Demands in kilowatts and kilovars shall be determined to the nearest unit. A ratchet device will be installed on the kilovar-hour meter to prevent its reverse operation on leading power factors.

SCHEDULE SL - STREET LIGHTING SERVICE**MVU OWNED SYSTEM****Applicability**

Applicable to service for the lighting of streets and highways where MVU owns and maintains the street lighting equipment and associated facilities included under this schedule.

Territory

Within the designated areas served by the Moreno Valley Utilities.

Rates**Energy Usage Charge - High Pressure Sodium Vapor Lamps****Basic Charge:**

<u>Initial Lumens</u>	<u>Wattage</u>	<u>All Night Service Monthly kWhs</u>	<u>\$/Lamp/Month Energy Usage Charge</u>	<u>\$/Lamp/Month Public Purpose Programs Charge</u>
9,500	100	40	\$8.54	\$0.14
16,000	150	67	\$10.23	\$0.24
22,000	200	85	\$11.81	\$0.30

Energy Cost Adjustment

1. The energy charge is based upon 27.304% of the energy being provided by the Department of Water Resources to the investor owned utility on the 10th of December 2003. This percentage will be adjusted on the 10th of each month. This adjustment could result in slight decreases or increases in the energy charge.

Special Conditions

1. Maintenance shall include periodic inspection, renewal of lamps, cleaning of glassware, replacement of damaged glassware and lamps, and minor repairs to wiring and electrical appurtenances.
2. Hours of Service: Under MVU's standard all night operating schedule, approximately 4,140 hours of service will be furnished.

3. The developer shall install streetlights that will be served from MVU's underground system. These streetlights must be installed in accordance with MVU's specifications and the developer will deed such facilities to MVU.
4. Requirements and Restrictions:
 - a. The applicant for street light service shall specify the lamp size and location of streetlights.
 - b. Service shall not be furnished under this schedule where location, mounting height, and / or other considerations are unacceptable to the MVU.
 - c. The installation of street lighting equipment and facilities hereunder is contingent upon the MVU obtaining easements, rights of way, and highway permits satisfactory to the MVU for the required poles, equipment, and facilities.
 - d. In accordance with Rule No. 4, a written contract for a term of not less than one year is required in order to receive street light service under the provisions of this schedule.
 - e. Should the applicant not commence using the street lighting in a bona fide manner within ninety (90) days after date of completion and installation of a street light or street lighting system requested by the applicant, the MVU will bill, and the applicant shall pay, the applicable lamp charge(s).
5. Liability of Utility: MVU shall not, by taking action pursuant to its tariffs, be liable for any loss, damage, or injury, established or alleged, which may result, or be claimed to result, therefrom.

SCHEDULE TC-1 - TRAFFIC CONTROL SERVICE

Applicability

Applicable to service for traffic directional sign or signal lighting service owned by governmental agencies and located on streets, highways and other publicly dedicated outdoor ways and places.

Territory

Within the designated areas served by the Moreno Valley Utilities.

Rates

Customer Charge – Per meter per Day	
Single-Phase Service	\$ 0.350
Polyphase Service	\$ 0.429
Energy Usage Charge - \$/kWh	
All Year - all kWh, per kWh	\$ 0.09821
Public Purpose Programs	
All kWh, per kWh	\$0.00258

Energy Cost Adjustment

- The energy charge is based upon 27.304% of the energy being provided by the Department of Water Resources to the investor owned utility on the 10th of December 2003. This percentage will be adjusted on the 10th of each month. This adjustment could result in slight decreases or increases in the energy charge.

Special Conditions

- Voltage: Service will be supplied at one standard voltage.

SCHEDULE SE - SERVICE ESTABLISHMENT CHARGE**Applicability**

Applicable to general service and domestic service customers.

Territory

Within the entire territory served by Moreno Valley Utilities.

Rate

For each establishment of electric service, a \$10.00 charge will apply.

Special Conditions

1. The service establishment charge is in addition to the charges calculated on the applicable rate schedule and will be made each time an account is established.
2. Establishment means each time an account is opened, including a turn on of electric service or a change of name that requires a meter reading.
3. If the customer requests electric service be established on the same day as his request or outside regular business hours, an additional charge of \$7.50 will be made.

SPECIAL CHARGES - OTHER RATES AND FEES

<u>Item</u>	<u>Charge</u>
Service Establishment Charge	\$ 10.00
Return Check Charge	\$ 20.00
48 Hour Field Notification	\$ 10.00
Field Collection Charge	\$ 30.00
Meter Test Deposit – (Refunded if meter does not register within parameters)	
Meter Installed Without Current or Potential Transformer	\$ 20.00
Meter Installed With Current or Potential Transformer	\$100.00
Late Charge	0.9% of Unpaid Balance per month
Reconnection Charge	
Meter Panel – Next Day	\$ 20.00
Meter Panel – Same Day During Working Hours	\$ 30.00
Meter Panel – Weekends and After Hours	\$ 50.00
Pole/Service Structure – Next Day	\$ 60.00
Pole/Service Structure – Same Day During Working Hours	\$ 75.00
Pole/Service Structure – Weekends and After Hours	\$ 90.00
Damaged Steel Lock-ring	\$ 15.00
Damaged Aluminum Lock-ring	\$ 5.00
Replaced Damaged 1 Phase Meter	\$110.00
Replaced Damaged 1 Phase Meter – After Hours	\$150.00
Replaced Damaged 1 Phase Demand Meter	\$215.00
Replaced Damaged 1 Phase Demand Meter – After Hours	\$255.00
Replaced Damaged Poly Phase Meter	Cost plus 15%



Moreno Valley Utilities
 P. O. Box 88005
 Moreno Valley, CA 92552-0805
 (909) 413-3000

Customer and Service Address M. P. SMITH 41521 NEW AVE MORENO VALLEY, CA 92552-0805	Date Bill Prepared February 22, 2004 Next Meter Reading or Billing March 10, 2004	Customer Service Center 1 (877) 811-8700
Service Account 70003000	Rate Schedule Residential Service Schedule A 11/03	

Amount of Previous Statement	\$0.00
Payments received as of 02/10/04	(\$0.00)
Previous Balance	\$0.00

Service / Billing Period 01/10/04 to 02/10/04 (31 Days)

Customer Charge -- Per Meter per Day - \$ 0.28 \$ 0.80

Energy Charge - kWh				
Baseline Service	363	x	\$ 0.11412	\$41.43
Non-Baseline Service				
101% - 130% of Baseline	109	x	\$ 0.13334	\$14.53
131% - 200% of Baseline	253	x	\$ 0.14952	\$37.83
All Excess	573	x	\$ 0.16701	\$95.70
	1296			\$190.36

Public Purpose Programs 1296 x \$ 0.00387 \$5.02

Utility User's Fee 6.0% \$11.42

Current amount must be paid by 08/26/01 \$206.83

Your Account's Total Balance Due \$206.83

Usage History	Meter Number	Dates and Readings		Usage
	7-2054	01/10/04	02/10/04	1296 kWh
		18066	20363	

Moreno Valley Utilities Payment Processing Center P. O. Box 27602 Anaheim, CA 92809-0120	Please pay total amount now due \$206.83		
	Thank you for paying promptly	Pay date if not paid by	Enter the amount you paid
		02/24/04	

Please detach stub and return with your payment.

Payment Stub

Make check payable to Moreno Valley Utilities

Your Customer Account # 70003000

M.P. SMITH
 41521 New Ave
 Moreno Valley, CA 92552-0805

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CITY CLERK
 MORENO VALLEY
 RECEIVED
 03 SEP - 6 PM 2:45

APPROVALS	
CITY ATTORNEY	<i>[Signature]</i>
FINANCE DIRECTOR	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

Report to City Council

TO: Mayor and City Council

FROM: Public Works Director/City Engineer

AGENDA DATE: September 26, 2006

TITLE: Resolution Amending Moreno Valley Utilities Electrical Rates and Implementing a Schedule of the Proposed Amended Rates

RECOMMENDED ACTION

Staff recommends that the City Council adopt Resolution No. 2006 - 112 :

1. Amending the Moreno Valley Utilities electrical rates in Exhibit B (Rate Adjustments); and
2. Implementing a schedule to adjust the Moreno Valley Utilities electrical rates to reflect the same schedule as Southern California Edison.

BACKGROUND

The pricing structure of electrical utility enterprises is generally comprised of three major components, which are energy, capital infrastructure, and operational costs. The Energy Complex (rising crude oil prices, a rise in demand from other countries and political unrest in oil exporting nations) continues to create upward pressure on the price of natural gas translating into increased electrical energy prices.

Additionally, as the City proceeds with development and expansion of infrastructure to provide service to customers, there is a need to adjust that component of the rates to address the capital debt service associated with those capital improvements. Therefore it is necessary at this time to adjust the City's rates accordingly to ensure the City's keeps pace with cost recovery.

On July 8, 2003, the City Council approved Resolution No. 2003-58 adopting the Electric Service Rules, Fees and Charges for Moreno Valley Utilities. Electric Rule 12 of that document, states 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. The City Council approved Ordinances 650 and 651 providing for the establishment and adjustment of electrical rates by resolution.

DISCUSSION

To ensure the City's energy purchases are cost recovery, it is necessary for the City to adjust its rates to reflect those increased costs. Failure to adjust rates to reflect this higher cost of energy in the marketplace would cause the City's utility to be negatively impacted in the short and potentially long term. Natural gas prices are experiencing new highs, and even with a market correction, and it is unlikely that there will be a leveling to previous lows. The rate adjustments are warranted to offset the pressure of new higher baseline costs of energy and capital infrastructure costs.

Appropriate rates for specific user classifications must be set prior to billing customers for services. Normally adjustments to the rates in each classification are implemented as of the adopted date of the resolution and made applicable to the entire billing cycle in which the resolution was adopted. Because of the energy market's related steep increases, there has been a need to make several rate adjustments within a single year. The implementation schedule will strive to achieve a balancing of rates across seasons. Traditionally rates are adjusted between winter and summer months.

These increases coincide with that portion of the summer season when consumption may be at its highest and therein have the most impact to residential consumers. It is proposed at this time that a deferral of collection for some of the increased adjusted rates occur. Southern California Edison is postponing collection of a portion of their latest approved rate adjustment until November 2006 for residential customers. Moreno Valley Utilities will undertake that same deferral schedule and will increase residential rates in November. All other rates included in the amended rates will be implemented upon adoption of the resolution.

It is essential that rate adjustments occur in a timely manner. Any changes must be authorized expeditiously to ensure there are no delays in rate adjustments. If there were a delay in the authorization of the new rates, the City's utility would not have the authority to charge customers the rates most appropriate to meet the expenses incurred by the utility operation.

ALTERNATIVES

1. Adopt the proposed Resolution No. 2006- 112 amending the Moreno Valley Utilities electrical rates and implementing a schedule of the proposed amended rates. Approval of the amended rates will reflect and offset the impacts of energy price increases and capital debt service. The implementation schedule will defer certain increases until energy consumption is at a minimal level and the overall rate increase impact to residential customers will be lessened.

2. Do not adopt the proposed Resolution No. 2006- 112 amending the Moreno Valley Utilities electrical rates and implementing a schedule of the proposed amended rates. Not approving the proposed resolution will impact actions that are necessary to maintain an effective and efficient method of adjusting rates and systematically creating a schedule that is constant with what is being undertaken by the investor owned utility that serves the remainder of Moreno Valley.

FISCAL IMPACT

The fiscal impact is not quantifiable at this time. As rates, charges and fees are adjusted, revenues will reflect the adjustments. The primary purpose of the rate adjustments at this time is to offset the continued rising costs of energy and capital infrastructure costs.

CITY COUNCIL GOALS

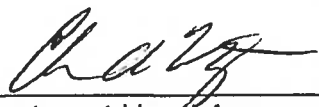
The municipal electrical utility will generate revenues to provide funding for City programs and services over time. These revenues will help achieve important financial goals providing **Revenue Diversification and Preservation**.

Adjustment of the rates charged will aid in the creation of MVU electrical **Public Facilities and Capital Projects** for economic development within the community. The City of Moreno Valley will be more competitive in economic development and will help the City create new, well paying jobs.

ATTACHMENTS/EXHIBITS

- Exhibit A - Resolution No. 2006-112
- Exhibit B - Rate Adjustments


 Prepared By
 Thomas F. Breitkreuz
 Enterprise Services Manager


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

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

RESOLUTION NO. 2006-112

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC RATES FOR MORENO VALLEY UTILITIES AND TO IMPLEMENT A SCHEDULE OF THE AMENDED RATES

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 Utilities 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 fees, charges, and rates associated with providing the services identified in the document. These 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 electrical distribution pursuant to the rules;

WHEREAS, Urgency Ordinance No. 651 was adopted by the City Council on December 9, 2003, allowing for the adoption of rates by resolution; and

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

- 1) The amended Moreno Valley Utilities Electric Rates on file in the Public Works Department are hereby adopted.
- 2) An implementation schedule to adjust the Moreno Valley Utilities Electrical Rates to reflect the same schedule as Southern California Edison is hereby established.

APPROVED AND ADOPTED this 26th day of September, 2006.


Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

RATES EFFECTIVE ON THE JULY 20, 2006 BILLING CYCLE

RATES PROPOSED TO BE EFFECTIVE AUGUST 1, 2006

RATES PROPOSED FOR BILL CYCLE ENDING AUGUST 17

RATES PROPOSED FOR NOVEMBER 4, 2006

1	2	3	4
20-Jul 31-Jul 11	1-Aug 17-Aug 17	20-Jul 17-Aug 28	4-Nov 4-Nov
<p>Moreno Valley's Electric</p> <p>DWR 21.823% URG 78.177%</p> <p>All Year Distribution</p> <p>SFR \$0.02900</p> <p>MRF \$0.02200</p>	<p>DWR 21.823% URG 78.177%</p> <p>All Year Distribution</p> <p>SFR \$0.02900</p> <p>MRF \$0.02200</p>	<p>DWR 21.823% URG 78.177%</p> <p>All Year Distribution</p> <p>SFR \$0.02900</p> <p>MRF \$0.02200</p>	<p>DWR 21.823% URG 78.177%</p> <p>All Year Distribution</p> <p>SFR \$0.02900</p> <p>MRF \$0.02200</p>
<p>Residential Service</p> <p>Basic Charge \$ / Day</p> <p>Energy Usage Charge</p> <p>Summer</p> <p>12am first Sunday in June to 12am first Sunday in October</p> <p>Tier 1 - Baseline - 15.4 kwh per day</p> <p>Tier 2 - 101% to 130% of Baseline</p> <p>Tier 3 - 131% to 200% of Baseline</p> <p>Tier 4 - 201% to 300% of Baseline</p> <p>Tier 5 - All excess kWh</p> <p>Winter</p> <p>12am first Sunday in October to 12am first Sunday in June</p> <p>Tier 1 - Baseline - 11.7 kWh per day</p> <p>Tier 2 - 101% to 130% of Baseline</p> <p>Tier 3 - 131% to 200% of Baseline</p> <p>Tier 4 - 201% to 300% of Baseline</p> <p>Tier 5 - All excess kWh</p> <p>Public Purpose Programs Charge \$0.00790</p> <p>Utility User's Tax 6%</p> <p>Monthly Minimum: \$10.00</p>	<p>Basic Charge \$ / Day</p> <p>Energy Usage Charge</p> <p>Summer</p> <p>12am first Sunday in June to 12am first Sunday in October</p> <p>Tier 1 - Baseline - 15.4 kwh per day</p> <p>Tier 2 - 101% to 130% of Baseline</p> <p>Tier 3 - 131% to 200% of Baseline</p> <p>Tier 4 - 201% to 300% of Baseline</p> <p>Tier 5 - All excess kWh</p> <p>Winter</p> <p>12am first Sunday in October to 12am first Sunday in June</p> <p>Tier 1 - Baseline - 11.7 kWh per day</p> <p>Tier 2 - 101% to 130% of Baseline</p> <p>Tier 3 - 131% to 200% of Baseline</p> <p>Tier 4 - 201% to 300% of Baseline</p> <p>Tier 5 - All excess kWh</p> <p>Public Purpose Programs Charge \$0.00837</p> <p>Utility User's Tax 6%</p> <p>Monthly Minimum: \$10.00</p>	<p>Basic Charge \$ / Day</p> <p>Energy Usage Charge</p> <p>Summer</p> <p>12am first Sunday in June to 12am first Sunday in October</p> <p>Tier 1 - Baseline - 15.4 kwh per day</p> <p>Tier 2 - 101% to 130% of Baseline</p> <p>Tier 3 - 131% to 200% of Baseline</p> <p>Tier 4 - 201% to 300% of Baseline</p> <p>Tier 5 - All excess kWh</p> <p>Winter</p> <p>12am first Sunday in October to 12am first Sunday in June</p> <p>Tier 1 - Baseline - 11.7 kWh per day</p> <p>Tier 2 - 101% to 130% of Baseline</p> <p>Tier 3 - 131% to 200% of Baseline</p> <p>Tier 4 - 201% to 300% of Baseline</p> <p>Tier 5 - All excess kWh</p> <p>Public Purpose Programs Charge \$0.00819</p> <p>Utility User's Tax 6%</p> <p>Monthly Minimum: \$10.00</p>	<p>Basic Charge \$ / Day</p> <p>Energy Usage Charge</p> <p>Summer</p> <p>12am first Sunday in June to 12am first Sunday in October</p> <p>Tier 1 - Baseline - 15.4 kwh per day</p> <p>Tier 2 - 101% to 130% of Baseline</p> <p>Tier 3 - 131% to 200% of Baseline</p> <p>Tier 4 - 201% to 300% of Baseline</p> <p>Tier 5 - All excess kWh</p> <p>Winter</p> <p>12am first Sunday in October to 12am first Sunday in June</p> <p>Tier 1 - Baseline - 15.4 kwh per day</p> <p>Tier 2 - 101% to 130% of Baseline</p> <p>Tier 3 - 131% to 200% of Baseline</p> <p>Tier 4 - 201% to 300% of Baseline</p> <p>Tier 5 - All excess kWh</p> <p>Public Purpose Programs Charge \$0.00837</p> <p>Utility User's Tax 6%</p> <p>Monthly Minimum: \$10.00</p>
<p>Total</p> <p>\$0.10818</p> <p>\$0.12887</p> <p>\$0.22049</p> <p>\$0.31614</p>	<p>Total</p> <p>\$0.10587</p> <p>\$0.12671</p> <p>\$0.21856</p> <p>\$0.31442</p>	<p>Total</p> <p>\$0.10678</p> <p>\$0.12756</p> <p>\$0.21932</p> <p>\$0.31509</p>	<p>Total</p> <p>\$0.10587</p> <p>\$0.12671</p> <p>\$0.22436</p> <p>\$0.35768</p> <p>\$0.49090</p>
<p>% Delta from Last Mo</p> <p>-2.1%</p> <p>-1.7%</p> <p>-0.9%</p> <p>-0.5%</p> <p>-0.5%</p>	<p>% Delta from Last Mo</p> <p>-1.3%</p> <p>-1.0%</p> <p>-0.5%</p> <p>-0.3%</p> <p>-0.3%</p>	<p>% Delta from Last Mo</p> <p>-1.3%</p> <p>-1.0%</p> <p>-0.5%</p> <p>-0.3%</p> <p>-0.3%</p>	<p>% Delta from Aug 1</p> <p>0.0%</p> <p>0.0%</p> <p>2.7%</p> <p>13.6%</p> <p>56.1%</p>

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MVU Rate Setting Policy

City Council Meeting

November 18, 2014

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Item No. G.3

Background

Why match SCE's rates?

- Avoids discord from two separate rate offerings within City limits
- Due process by the CPUC regarding SCE's rate cases applies to MVU
- Periodic rate increases supports financial health of the utility

Background

- December 9, 2003
 - Ordinance 650 introduced
 - Ordinance 651 introduced and adopted
 - Both Ordinances provide for the establishment and adjustment of rates by resolution.
 - From Staff Report
 - *“Using a resolution to approve rates and tariffs will allow MVU the flexibility it requires to keep rates in line with those of the incumbent investor owned utility...”*
 - *“One of the guiding principles of the municipal utility is that its basic rates for electricity should be equal to those billed by the incumbent utility for comparable services.”*

Background

January 13, 2004

- Resolution 2004-05 established electric rates for MVU
- Rates were based on the historical 30-day average of SCE rates
- From Staff Report
 - *“MVU will adjust its rates monthly to parallel adjustments made by the investor-owned utility. Using a resolution to approve Rates will allow MVU the flexibility it requires to keep rates in line with those of the investor owned utility and the electrical commodity market, as needed.”*

Background

- September 26, 2006
 - Resolution 2006-112 amended MVU's rates to match SCE
 - Approved implementing a schedule to adjust MVU rates to reflect same schedule as SCE
 - From Staff Report
 - *"Not approving the proposed resolution will impact actions that are necessary to maintain an effective and efficient method of adjusting rates and systematically creating a schedule that is constant with what is being undertaken by the investor owned utility that serves the remainder of Moreno Valley."*

Background

- July 11, 2011
 - Cost of Service and Rate Design Study conclusion: current rate design is closely aligned to MVU's cost of service
 - Recommendation: continue policy of matching SCE's rates to allow MVU to establish and build reserves for operations, repair and replacement of infrastructure, new capital, and unexpected increases in power supply costs

Background

- September 18, 2013
 - Updated Cost of Service and Rate Design Study conclusion and recommendation did not change from 2011
 - Current rate design is closely aligned to MVU's cost of service
 - Continue policy of matching SCE's rates
 - Results presented to the Utilities Commission on August 15, 2014

Considerations/Consequences

If our rates don't stay at parity with SCE rates...

Item No. G.3

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- Compliance with Resolution 2006-112
- Agreement with ENCO Utility Services
 - **Requires that payments to ENCO for services be paid based on SCE rates even if MVU's rates do not remain at parity**
- Funding that supports Public Benefit programs for customers could be negatively impacted
- Establishing and funding reserves
 - **Operating reserve (60 days cash) \approx \$3.2 million**
 - **Emergency reserve (3% of gross plant) \approx \$1.2 million**
 - **Repair and replacement reserve (annual depreciation) \approx \$850k**
- Repayment of outstanding debt
 - **Special Districts loan of \$580,657**
- Cost of future bond issues could increase
- MVU's rates could potentially be higher
- Inconsistency of rates amongst neighbors (SCE vs. MVU)

Monthly Rate Impact

Residential Average Usage	Summer		Winter	
808 kWh	\$17.40	12.16%		
454 kWh			\$10.52	15.42%

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Small Commercial Average Usage	Summer		Winter	
800 kWh	\$17.40	12.16%	\$0.20	0.12%

Item No. G.3

Monthly Rate Impact

Item No. G.3

Large Commercial Average Usage	Summer		Winter	
26,500 kWh, Demand of 90 kW	-\$7.11	-0.10%	\$11.77	0.30%

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TOU Average Usage	Summer		Winter	
386,896 kWh, Demand of 865 kW	\$1,492.42	1.87%		
392,333 kWh, Demand of 666 kW			\$182.32	0.42%

Monthly Rate Impact

Traffic Controller Average Usage	Summer		Winter	
363 kWh	\$0.10	0.13%	\$0.10	0.13%

Streetlight Average Usage	Summer		Winter	
Schedule SL-1 9,500 lumen (963 lights)	\$0.16	0.00%	\$0.16	0.00%
Schedule SL-1 22,000 lumen (510 lights)	-\$12.36	-0.14%	-\$12.36	-0.14%
Schedule SL-1 LED 14,700 lumen (48 lights)	\$0.02	0.00%	\$0.02	0.00%
Schedule SL-3	-\$0.87	-0.13%	-\$0.87	-0.13%

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Item No. G.3

Staff Recommendation

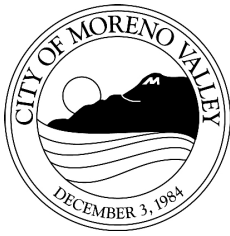
Item No. G.3

- City Council approval of:
 - **Maintain Policy for Rate Parity with SCE**
 - **Amend rates as recommended by Utilities Commission**

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Questions?

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

Report to City Council

TO: Mayor and City Council

FROM: Chris Paxton, Administrative Services Director

AGENDA DATE: November 18, 2014

TITLE: ACCEPTANCE OF GRANT AWARD FROM THE AMERICAN SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS (ASPCA) – 2014 ASPCA RACHAEL RAY CHALLENGE

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Receive and accept a grant award in the amount of \$5,000 from the ASPCA for the Moreno Valley Animal Shelter's participation in the 2014 ASPCA Rachael Ray Challenge where the Animal Shelter exceeded its goal in the final placement of 333 more pets during June, July and August 2014 as compared to the same time period in 2013.

SUMMARY

This report recommends acceptance of a \$5,000 grant award from the ASPCA. Funds will be used to support the Animal Shelter's ongoing efforts of adopting abandoned and homeless pets ensuring that the pets are spayed or neutered prior to being placed in their new life long loving homes.

Over the course of this year's ASPCA Rachael Ray Challenge, the City's Animal Services staff placed more than 1,534 pets in lifelong loving homes, representing an increase of 333 pet placements in comparison to the 2013 program.

DISCUSSION

The Moreno Valley Animal Shelter was selected by the ASPCA as one of 50 Animal Shelters nationwide to compete in the 2014 ASPCA Rachael Ray Challenge. The 2014 Challenge was held throughout the summer beginning June 1, 2014 and ending on August 31, 2014. The purpose of the competition was to engage animal shelters nationwide to save more lives of abandoned and homeless pets in 2014 as compared to

the same time period in 2013. This was the second consecutive year that the Moreno Valley Animal Shelter was selected by the ASPCA to be a participant.

The Moreno Valley Animal Shelter provided a monthly report to the ASPCA of the number of pets adopted by families, transferred to other facilities and to our non-profit animal rescue partners as well as pets reclaimed by their owners. Upon completion of the ASPCA Rachael Ray Challenge, the ASPCA announced on October 7, 2014 that the Moreno Valley Animal Shelter was a grant winner of the “Breaking 300 Award” and being awarded a \$5,000 grant award for the final placement of 333 additional pets into their lifelong loving homes in 2014 as compared to the same time period in 2013.

Notification of the grant award was acknowledged by Bert Troughton, ASPCA VP of Strategic Initiatives who in her October 7, 2014 email to City staff stated in part, “The Rachael Ray Challenge is all about pulling together to find new and better ways to get people engaged in saving lives, and getting that information out to the thousands of colleagues who face daunting odds every day. And you sure delivered.”

It’s important to note that the Animal Shelter’s success in the 2014 Challenge is the second consecutive year of positive outcomes. The total increase in placed animals was almost 66% over the two year period for our participation.

ALTERNATIVES

1. Accept the grant award of \$5,000.
2. Reject the grant award of \$5,000.

Staff recommends Alternative Number 1.

FISCAL IMPACT

The fiscal impact of accepting the \$5,000 grant award will increase the Animal Services Division’s expenditure budget for FY 2014-15 as identified below.

Category	Fund	GL Account No.	Type	FY 14/15 Budget	Proposed Adjustments	FY 14/15 Revised Budget
Other Grant-Operating Revenue	GF	1010-18-38-18210-489000	Rev	\$0	\$5,000	\$5,000
Contractual Services	GF	1010-18-38-18210-625099	Exp	\$142,000	\$5,000	\$147,000

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.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

Attachment 1: ASPCA Grant Agreement, Reference Dated October 7, 2014

Prepared By:
Steve Fries
Animal Services Division Manager

Department Head Approval:
Chris Paxton
Administrative Services Director

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GRANT AGREEMENT REFERENCE:

NAME: **City of Moreno Valley Animal Services**
PROJECT: **ASPCA \$100K Challenge to Save Animals' Lives: for Live Release**
Program or Activity Expenditures
AMOUNT: **\$5,000.00**
GRANT NUMBER: **2014-0418**
GRANT TERM: **October 7, 2014 - April 7, 2015**
ASPCA GRANT OFFICER: **Shelley Jump**

GRANT ACCOUNT LOGIN: https://www.grantrequest.com/SID_900?SA=AM

October 7, 2014

Mr. Steve Fries
City of Moreno Valley Animal Services
14041 Elsworth St.
P.O. Box 88005
Moreno Valley, CA 92552-0805

Dear Mr. Fries,

The American Society for the Prevention of Cruelty to Animals (the “ASPCA”) is deeply honored to be able to grant to City of Moreno Valley Animal Services (the “Grantee,” and together with the ASPCA, the “parties” and each a “party”) the amount of \$5,000.00 (the “Grant”). These funds are designated for the purpose set forth below and as outlined in your grant request and as further described in this agreement (this “Agreement”) and, if applicable, its amendments: ASPCA \$100K Challenge to Save Animals' Lives: for Live Release Program or Activity Expenditures (the “Project”).

Unless otherwise noted in the payment schedule below, the ASPCA shall pay the grant to the Grantee approximately two to six weeks following receipt of your online acknowledgement of this Agreement. By endorsing and depositing the Grant check, you represent and warrant that Grantee will meet the obligations specified in this Agreement.

Intending to be legally bound and in consideration of the Grant provided to the Grantee and the desire of the Grantee to conduct the Project, the parties hereby agree to the following terms and conditions as of the first date listed above (the “Effective Date”):

1. Grantee Requirements.

Type	Notes	Schedule Date
Acknowledgement of Award Letter		November 7, 2014
Final Report		April 7, 2015
Financial Report/Receipts		April 7, 2015
Photographs		April 7, 2015
Press Information		April 7, 2015

The Grantee shall communicate with Shelley Jump (shelley.jump@aspcapro.org) (the “ASPCA Grant Officer”) according to the schedule and additional instructions (if applicable) to review and evaluate the use of the Grant funds. (Grant Agreement acknowledgements are required and should be made online by accessing your ASPCA Grants account*; formal letters of acknowledgement and thank you letters are optional and should be mailed or emailed to your ASPCA Grant Officer.)

*** Requirements must be submitted through your ASPCA Grants account at: https://www.grantrequest.com/SID_900?SA=AM**

An explanation of additional grant requirements you may be asked to fulfill are described in Schedule 1 and on our website at aspcapro.org/grants.

You are required to provide additional information relating to this Grant upon the ASPCA's request. Such additional information may include but is not limited to: receipts (up to three years after the Grant end date), photographs, and press information. In addition, you are required to provide access to the ASPCA upon the ASPCA's request so that the ASPCA may conduct a site visit of your location(s) during standard business hours, or at a day and time mutually agreed upon by the ASPCA and the Grantee. The ASPCA will provide you with reasonable notice of any such request unless otherwise mutually agreed upon.

You may submit requirements upon completion at any point during the grant term. Organizations that fail to submit required documentation in a timely manner may jeopardize future grants and/or grant payments. Should you need a due date extension, please forward your request, prior to the due date, to shelley.jump@aspcapro.org with the requirement type (e.g. Final Report, Financial Report, etc.), an explanation for your request (including the reason for the anticipated delay) and your preferred new due date.

2. Use of Grant Funds. The ASPCA shall pay the Grant to the Grantee according to the following schedule:

Payment Number	Total # of Payments	Approximate Schedule Date	Amount
1	1	October 7, 2014	\$5,000

The Project shall consist of the activities outlined in the Grant request submitted to the ASPCA (“ASPCA \$100K Challenge to Save Animals' Lives: for Live Release Program or Activity Expenditures”). The Project shall also include the following:

\$100K Challenge:

Breaking 300 Award = \$5,000

The Grantee agrees that it is the sole employer of all individuals who are compensated in whole or in part with Grant funds, or whose employment, fellowship or internship position arises in any way as a direct or indirect result of the Grant (each a “Funded Position”). The Grantee further agrees that it is exclusively responsible for the classification and engagement of any contractors whose fees and/or expenses are paid in whole or in part with Grant funds (“Funded Contractor”). Accordingly, the Grantee agrees that with respect to any Funded Position and/or any Funded Contractor, the Grantee is exclusively responsible for compliance with, and will comply with, any and all applicable federal, state and local employment laws, regulations and rules, including, but not limited to, any employer obligations to: (a) timely pay all wages or other compensation due; (b) withhold and remit employment taxes; (c) administer any required discipline; (d) provide insurance coverages; (e) prohibit discrimination or harassment based on any protected characteristic; and (f) provide any required leave or accommodation. The Grantee acknowledges and agrees that the parties to this Agreement are in the relationship of Grantor and Grantee, and the use of Grant funds for Funded Positions and/or Funded Contractors does not constitute a joint venture, affiliation, or joint employment relationship of any kind.

The Grantee acknowledges and agrees that the grant shall be used exclusively for costs incurred directly in connection with the Project and as set forth in this Agreement, and that failure to do so will result in the Grantee having to return the grant to the ASPCA within ten (10) days of the ASPCA’s request to do so.

The Grantee hereby grants to the ASPCA a license to use the Grantee’s name and trademarks on materials directly related to the activities of the Project and/or the Grant. The Grantee Key Contact is Mr. Steve Fries (the “Grantee Key Contact”), and the Grantee Key Contact shall communicate with Shelley Jump (shelley.jump@aspca.org) monthly to review and evaluate the progress of the Project.

3. Acknowledgment of ASPCA Support. In consideration of the grant, the Grantee shall publicly acknowledge that the Project was made possible through a generous grant from the ASPCA and shall reference the ASPCA in all “Project Materials.” “Project Materials” shall include, but not be limited to, all copy, script, text, graphics, photographs, video, audio, promotional and advertising materials, and all other editorial matter(s) or press releases relating to the Project. The Grantee shall submit the Project Materials for review and approval by the ASPCA Grant Officer prior to its inclusion in any materials prepared and intended to be distributed regarding the activities of the Project. No changes on the approved version of any Project Materials shall be instituted by the Grantee without the prior written approval of the ASPCA Grant Officer. The ASPCA hereby grants to the Grantee a license to use the ASPCA Trademarks on materials directly related to the activities of the Project. “ASPCA Trademarks” are: “ASPCA®”, which must always appear in PMS 422 and 021, unless used in materials that

are completely black and white in nature, in which case it may appear in black; and “The American Society for the Prevention of Cruelty to Animals®”. The ASPCA has the right in its sole discretion to require the Grantee to remove all references to the ASPCA’s involvement if the ASPCA determines that the Grantee is not fulfilling its obligations under this Agreement or if for any other reason the ASPCA determines that it is no longer in the ASPCA’s best interest to be referenced in such manner.

Jpegs of the ASPCA logo are embedded below for your cut-and-paste use on your website or other collateral. Additional logos and badges can be found here: <http://aspcapro.org/badges>. Instructions regarding links to the ASPCA’s website can be found at this URL: <http://www.aspca.org/about-us/linking-policy>.

For assistance regarding recognition of your Grant, including press releases, advisories, or general media outreach, please contact the ASPCA’s Media Department at press@aspca.org. A suggested press release template is provided as Schedule 2 as a helpful guide. Social media tips are also provided on Schedule 3.



4. Records. The Grantee will keep accurate books and records with respect to the grant in accordance with generally accepted accounting principles and business practices. The Grantee will maintain its books and records in such a manner that the receipts and expenditures of the Grant funds will be shown separately on such books and records in any easily checked form. The Grantee will keep records of receipts and expenditures made of Grant funds as well as copies of the reports submitted to the ASPCA and supporting documentation for at least three years after completion of the use of the Grant funds, and will furnish or make available such books, records, and supporting documentation to the ASPCA for inspection at reasonable times from the time of the Grantee’s acceptance of the Grant through such period.

5. Maintenance of Tax-Exempt Status. In carrying out the Project, the Grantee shall comply with all applicable federal, state and local laws and regulations. If the Grantee is a 501(c)(3) organization, the Grantee certifies that it is in good standing with the Internal Revenue Service and shall notify the ASPCA immediately of any change in, or challenge by the Internal Revenue Service to, its status as a 501(c)(3) tax-exempt organization.

6. Termination. The ASPCA may, in its sole discretion (i) withhold payment of funds until in its opinion the situation has been corrected or (ii) declare the Grant terminated in any of the following circumstances:

- (a) If, as the result of the consideration of reports and information submitted to it by the Grantee or from other sources, the ASPCA, in its sole discretion, determines that continuation of the Project is not reasonably in furtherance of the ASPCA's mission to provide effective means for the prevention of cruelty to animals throughout the United States (the "ASPCA Mission") or that the Project is not being executed in substantial compliance with the grant request (or work plan as revised) or that the Grantee is incapable of satisfactorily completing the work of the Project;
- (b) In the case of any violation by the Grantee of the terms and conditions of this Agreement;
- (c) In the event of any change in, or challenge by the Internal Revenue Service to, the Grantee's status as a 501(c)(3) tax-exempt organization if applicable; or
- (d) If it is revealed that, during the Project, the Grantee is or was involved in any activity or makes any statement disparaging of, or reflecting unfavorably upon the ASPCA, tarnishes the reputation of the ASPCA or is not in alignment with the ASPCA Mission.

If the ASPCA terminates the Grant, it shall so notify the Grantee, whereupon it, if so requested by the ASPCA, shall promptly refund and pay back to the ASPCA any unexpended balance of the Grant funds in the Grantee's hands or under its control.

Upon completion of the Project or termination of this Agreement for any reason, the ASPCA will withhold any further payments of Grant funds and the Grantee shall, at the option of the ASPCA, repay to the ASPCA any portion of the Grant funds that were not spent for the Project. All such determinations by the ASPCA under this Section 6 will be final, binding and conclusive upon the Grantee.

7. Future Funding. The Grantee acknowledges that the ASPCA and its representatives have made no actual or implied promise of funding except for the amounts specified in this Agreement. If any of the Grant funds are returned or if the Grant is rescinded, the Grantee acknowledges that the ASPCA will have no further obligation to the Grantee in connection with this Grant as a result of such return or rescission.

8. Modification. No amendment or modification of this Agreement shall be valid, unless made in writing and duly executed by the parties hereto.

9. Miscellaneous. This Agreement is intended to be binding upon the Grantee and the ASPCA. This Agreement represents the final agreement between the parties with respect to the subject matter hereto, and supersedes any and all prior agreements, written or oral, between the parties

with respect to the matters contained herein. This Agreement is not intended to, nor shall it be deemed to create, any partnership or joint venture between the Grantee and the ASPCA. This Agreement shall be interpreted, governed by and construed in accordance with the internal laws of the State of New York, without regard to the conflict of laws principles thereof. The parties hereto acknowledge and consent to personal jurisdiction and venue exclusively in New York, New York with respect to any action or proceeding brought in connection with this Agreement. This Agreement may be executed by the parties hereto in counterparts, each of which, when executed and delivered, shall be deemed to be an original and all of which shall constitute together the same document.

By endorsing and depositing the Grant check, you represent and warrant that you are capable of binding the Grantee to the terms set forth in this Agreement.

We extend our best wishes to you for continued success and look forward to hearing about your accomplishments during the year. It is a pleasure to be among your current supporters.

Sincerely,

Michael Barrett
Vice President, ASPCA Grants

CC: grants@aspca.org