



AGENDA
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

May 17, 2016

REGULAR MEETING – 6:00 PM

City Council Study Sessions

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

City Council Meetings

Special Presentations – 5:30 P.M.

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

City Council Closed Session

Will be scheduled as needed at 4:30 p.m.

City Hall Council Chamber – 14177 Frederick Street

Teleconference: Residence Inn Sacramento Airport Natomas, Front Lobby
2410 West El Camino Avenue, Sacramento, CA 95833

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 Guy Pegan, ADA Coordinator, at 951.413.3120 at least 72 hours before the meeting. The 72-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Dr. Yxstian A. Gutierrez, Mayor

Jeffrey J. Giba, Mayor Pro Tem
Jesse L. Molina, Council Member

George E. Price, Council Member
D. LaDonna Jempson, Council Member

AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
May 17, 2016

CALL TO ORDER - 5:30 PM

SPECIAL PRESENTATIONS

1. National Public Works Week - Proclamation

2. Seneca Elementary - Mayoral Proclamation

3. Valley View High School Speech and Debate Team - Certificates of Recognition

**AGENDA
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***

**REGULAR MEETING – 6:00 PM
MAY 17, 2016**

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

Pastor Mark Avila, Calvary Chapel of Moreno Valley

ROLL CALL

INTRODUCTIONS

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

PUBLIC COMMENTS ON 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 Sergeant-at-Arms. 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.

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 - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- A.2. MINUTES - CITY COUNCIL - REGULAR MEETING - APR 19, 2016 6:00 PM

Recommendation: Approve as submitted.

- A.3. LIST OF PERSONNEL CHANGES (Report of: Administrative Services)

Recommendation:

- 1. Ratify the list of personnel changes as described.

- A.4. APPOINTMENTS TO CITY ADVISORY BOARDS AND COMMISSIONS (Report of: City Clerk)

Recommendation:

- 1. Adopt Resolution 2016-28, a resolution of the City Council of the City of Moreno Valley, California, extending the terms of service for twenty advisory board and commission members for three months.

- A.5. APPROVE PROFESSIONAL SERVICE AGREEMENTS WITH DATA TICKET, INC. FOR PARKING CONTROL AND ADMINISTRATIVE CITATION PROCESSING SERVICES (Report of: Community Development)

Recommendations:

- 1. Approve professional service agreements with Data Ticket, Inc. for Parking Control and Administrative Citation Processing services.
- 2. Authorize the City Manager to execute the agreements with Data Ticket, Inc.
- 3. Authorize the Purchase Order to Data Ticket, Inc. for Parking Control and Administrative Citation Processing services.

- A.6. APPROVAL OF INTERIM ENGINEERING AND DESIGN PLAN CHECK LETTER AGREEMENT WITH SOUTHERN CALIFORNIA EDISON FOR THE

KITCHING STREET ELECTRICAL SUBSTATION AND SWITCHYARD PROJECT, PROJECT NO. 805 0027 (Report of: Financial & Management Services)

Recommendations:

1. Approve the interim Engineering and Design Plan Check Letter Agreement (Letter Agreement) with Southern California Edison (SCE) for the Kitching Street Electrical Substation and Switchyard Project (Project).
2. Authorize the City Manager to execute the Letter Agreement with SCE.
3. Authorize the Chief Financial Officer/City Treasurer to execute any subsequent related change orders to the Letter Agreement with SCE, subject to the approval of the City Attorney.
4. Appropriate funds for the Project totaling \$200,000 for SCE's review of the Project.

A.7. AUTHORIZATION TO PURCHASE ADDITIONAL MICROSOFT SOFTWARE THROUGH SOFTWARE ONE, UTILIZING THE COUNTY OF RIVERSIDE'S MICROSOFT ENTERPRISE MASTER AGREEMENT (Report of: City Manager)

Recommendations:

1. Authorize the Purchasing Manager to issue a purchase order to SoftwareONE for the purchase of Microsoft software that is in addition to current software licensing levels for an amount not to exceed \$41,500.
2. Authorize the City Manager to approve future purchase orders with SoftwareONE to keep the City compliant with the current Microsoft Enterprise Master Agreement (expiring April 30, 2018) in an amount not to exceed ten percent (\$45,900) of the agreement.

A.8. APPOINTMENTS TO THE EMERGING LEADERS COUNCIL (ELC) (Report of: City Clerk)

Recommendations:

1. Re-appoint four Emerging Leaders Council members whose terms will expire on May 31, 2016 and who have reapplied for the position; new two year terms will end on May 31, 2018.

- A.9. AWARD TO CHASTANG FORD FOR THE REPLACEMENT PURCHASE OF TWO FORD F-750 MAINTENANCE STAKEBED TRUCKS (Report of: Public Works)

Recommendations:

1. Award to Chastang Ford, Houston, TX, for the purchase of two 2017 Ford chassis trucks with Stakebed Body, Ford Model F-750; and
2. Authorize the Purchasing & Facilities Division Manager to issue a purchase order to Los Angeles Chastang Ford in the amount of \$124,866.

- A.10. AWARD TO CHASTANG FORD FOR THE REPLACEMENT PURCHASE OF TWO FORD F-750 SMALL-CAPACITY MAINTENANCE DUMP TRUCKS (Report of: Public Works)

Recommendations:

1. Award to Chastang Ford, Houston, TX, for the purchase of two 2017 Ford chassis trucks with Dump Body, Ford Model F-750; and
2. Authorize the Purchasing & Facilities Division Manager to issue a purchase order to Chastang Ford in the amount of \$134,888.

- A.11. AWARD TO LOS ANGELES FREIGHTLINER FOR THE REPLACEMENT PURCHASE OF TWO FREIGHTLINER 114SD MEDIUM-CAPACITY MAINTENANCE DUMP TRUCKS (Report of: Public Works)

Recommendations:

1. Award to Los Angeles Freightliner, Fontana, CA, for the purchase of two 2017 Freightliner chassis trucks with Dump Body, Freightliner Model 114SD; and
2. Authorize the Purchasing & Facilities Division Manager to issue a purchase order to Los Angeles Freightliner in the amount of \$383,440.

- A.12. APPROVE THE FUNDING PLAN TO REHABILITATE CERTAIN DISTRESSED STREETS IN THE EDGEMONT NEIGHBORHOOD AND INCLUSION OF THE PROJECT IN THE UPCOMING FY 16/17 CAPITAL IMPROVEMENT PROGRAM (Report of: Public Works)

Recommendations:

1. Approve the funding plan to rehabilitate certain distressed streets in the Edgemont neighborhood.

2. Direct staff to include the Edgemont Neighborhood Pavement Rehabilitation project in the upcoming FY 16/17 Capital Improvement Plan.

A.13. ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7 OF THE CITY OF MORENO VALLEY (Report of: Public Works)

Recommendations:

1. Acting as the legislative body of Community Facilities District No. 7, approve and adopt Resolution No. 2016-29, a resolution of the City Council of the City of Moreno Valley, California, acknowledging receipt of a petition requesting certain amendments related to Improvement Area No. 1 of Community Facilities District No. 7 of the City of Moreno Valley.
2. Acting as the legislative body of Community Facilities District No. 7, approve and adopt Resolution No. 2016-30, a resolution of the City Council of the City Of Moreno Valley, California, for consideration to make various amendments and modifications to the rate and method of apportionment of special tax for Improvement Area No. 1, established in and for Community Facilities District No. 7, to amend the boundaries of the zones established within Improvement Area No. 1, to limit the type of facilities to be financed, and other modifications and related matters.

A.14. MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF MORENO VALLEY AND VAL VERDE UNIFIED SCHOOL DISTRICT FOR DISASTER PREPAREDNESS AND EMERGENCY OPERATIONS (Report of: Fire Department)

Recommendation:

1. Approve the Memorandum of Understanding (MOU) between the City of Moreno Valley (City) and the Val Verde Unified School District (VVUSD) for disaster preparedness and emergency operations.

A.15. MULTI-SPECIES HABITAT CONSERVATION PLAN MITIGATION FEE ADJUSTMENT (FY16-17) (Report of: Community Development)

Recommendation:

1. Adopt Resolution No. 2016-31, a resolution of the City Council of the City of Moreno Valley, California, amending the mitigation fees for the Multi-species Habitat Conservation Plan (MSHCP) Mitigation Fee by the Consumer Price Index (CPI).

A.16. ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN FOR THE BOULDER RIDGE PROJECT (Report of: Financial & Management Services)

Recommendation:

1. Adopt Resolution No. 2016-32, a resolution of the City Council of the City of Moreno Valley, California, authorizing the acceptance of a portion of Assessor's Parcel Number 486-280-043.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- B.2. MINUTES - REGULAR MEETING OF APRIL 19, 2016 (See A.2)

Recommendation: Approve as submitted.

C. CONSENT CALENDAR - HOUSING AUTHORITY

- C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- C.2. MINUTES - REGULAR MEETING OF APRIL 19, 2016 (See A.2)

Recommendation: Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- D.2. MINUTES - REGULAR MEETING OF APRIL 19, 2016 (See A.2)

Recommendation: Approve as submitted.

E. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration. Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Sergeant-at-Arms.

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)

March Joint Powers Commission (JPC)

Riverside County Habitat Conservation Agency (RCHCA)

Riverside County Transportation Commission (RCTC)

Riverside Transit Agency (RTA)

Western Riverside Council of Governments (WRCOG)

Western Riverside County Regional Conservation Authority (RCA)

School District/City Joint Task Force

Southern California Association of Governments (SCAG)

Box Springs Mutual Water District (BSMWD)

G.2. PROPOSED DEVELOPMENT REQUIREMENTS AND A DEMONSTRATION PROJECT FOR LIGHTING AT CLUSTER MAILBOXES IN AN EFFORT TO REDUCE MAIL THEFT (Report of: Community Development)

Recommendations: That the City Council:

1. Provide direction to staff regarding the concept of a new Condition of Approval for new residential and non-residential construction projects to require lighting at cluster mailboxes.
2. Approve a "Demonstration Project" to install lighting at two cluster mailboxes (one residential, one commercial) to serve as a model for private installations in other areas of the City.

G.3. REVIEW OF CITY BOARDS AND COMMISSIONS (Report of: City Manager)

Recommendations: That the City Council:

1. Receive additional information as requested during the April 12, 2016 Study Session regarding City Boards and Commissions and take whatever action Council deems appropriate.

G.4. CITY COUNCIL SUMMER RECESS (Report of: City Clerk)

Recommendation:

1. Discuss and provide staff with direction regarding a 2016 City Council Summer Recess.

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

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

PUBLIC INSPECTION

The contents of the agenda packet are available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

Any written information related to an open session agenda item that is known by the City to have been distributed to all or a majority of the City Council less than 72 hours prior to this meeting will be made available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

ADJOURNMENT

CERTIFICATION

I, Leslie Keane, Interim City Clerk of the City of Moreno Valley, California, certify that 72 hours prior to this Regular Meeting, the City Council Agenda was posted on the City's website at: www.moval.org and in the following three public 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

Leslie Keane
Interim City Clerk

Date Posted: May 5, 2016

**MINUTES
CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY
April 19, 2016**

CALL TO ORDER - 5:30 PM

SPECIAL PRESENTATIONS

1. Recycle All Stars Award (Waste Management)
2. Operating Budget Excellence Award for FY 2015/16
3. DMV/Donate Life California 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**

**REGULAR MEETING – 6:00 PM
April 19, 2016**

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 6:14 p.m. by Mayor Gutierrez in the Council Chamber located at 14177 Frederick Street.

Mayor Gutierrez announced that the City Council receives a separate stipend for CSD meetings.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance was led by Frank Wright

INVOCATION

Pastor Eddie Ogwo, Heartbeat of God Assembly

ROLL CALL

Council:	Dr. Yxstian A. Gutierrez	Mayor
	Jeffrey J. Giba	Mayor Pro Tem
	George E. Price	Council Member
	Jesse L. Molina	Council Member
	D. LaDonna Jempson	Council Member

INTRODUCTIONS

Staff:	Michelle Dawson	City Manager
	Paul Early	Assistant City Attorney
	Leslie Keane	Interim City Clerk
	Marshall Eyerman	Chief Financial Officer
	Thomas M. DeSantis	Assistant City Manager
	Ahmad Ansari	Public Works Director/City Engineer
	Joel Ontiveros	Police Chief

Minutes Acceptance: Minutes of Apr 19, 2016 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

Abdul Ahmad	Fire Chief
Terrie Stevens	Administrative Services Director
Gabriel Garcia	Parks & Community Services Director
Mike Lee	Economic Development Director
Allen Brock	Community Development Director
Ewa Lopez	Deputy City Clerk

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

Mayor Gutierrez announced there would be 30 minutes of public comment.

Public comments were received from:

Guy Zazzaro

1. Sandbags

Roy Bleckert

1. Attracting small and medium businesses to the City

Donovan Saadiq

1. Air show at March Air Reserve Base
2. March Air Reserve Base
3. Commercial vehicles
4. Animal shelter

Melissa Martinez, representing Neighborhood Works, Inc.

1. Giving back to veterans events: American Legion project and Garden for the Remembered
2. Community clean up event on May 28

Rafael Brugueras

1. Commercial vehicles
2. Crossing guards

Tom Jerele

1. Wind Symphony concert
2. Sizzler restaurant grand opening
3. Air show at March Air Reserve Base
4. PushUps for Charity event on May 21

Chris Baca

1. Sign ordinance/political signs
2. PACs/political season
3. Public comments at Council meetings

Kevin Cabrera

1. Wind Symphony concert

Tiffany Alvarez

1. Wind Symphony concert

David Nasser

1. Crossing guards

Monique Sandoval

1. Vanguard Art Walk at Stoneridge Towne Centre on April 30

JOINT CONSENT CALENDARS (SECTIONS A-D)

Mayor Gutierrez opened the Consent Calendar items for public comments, which were received from Rafael Bruguera (Items Nos. A.7 and A.8).

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeffrey J. Giba, Mayor Pro Tem
SECONDER:	George E. Price, Council Member
AYES:	Gutierrez, Giba, Price, Molina, Jempson

A. CONSENT CALENDAR-CITY COUNCIL

- A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- A.2. City Council - Regular Meeting - March 15, 2016

Recommendation: Approve as submitted.

- A.3. PA13-0011 (PARCEL MAP 36465) – APPROVE COOPERATIVE AGREEMENT BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, CITY OF MORENO VALLEY, AND PROLOGIS USLV TRS CASUB, LLC FOR THE SUNNYMEAD – BRODIAEA AVENUE STORM DRAIN, STAGE 2, LOCATED ON THE NORTH SIDE OF BRODIAEA AVENUE WEST OF GRAHAM STREET (Report of: Public Works)

Recommendations:

1. Approve the Cooperative Agreement with the Riverside County Flood Control and Water Conservation District (the District), the City of Moreno Valley, and Prologis USLV TRS CASUB, LLC for the Sunnymead – Brodiaea Avenue Storm Drain facility, Stage 2.

2. Authorize the City Manager to execute the Cooperative Agreement.
3. Direct the City Clerk to forward the signed Cooperative Agreement to the District.

A.4. PA15-0004 – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS ALONG PERRIS BOULEVARD SOUTH OF JOHN F KENNEDY DRIVE - DEVELOPER: INFINITY RS, LLC, NEWPORT BEACH, CA, 92660 (Report of: Public Works)

Recommendations:

1. Accept the Agreement and Cash Security for Public Improvements for Infinity RS, LLC.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

A.5. APPROVE THE CITY OF MORENO VALLEY'S MEASURE A LOCAL STREETS AND ROADS CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2016/17 - 2020/21 AND MAINTENANCE OF EFFORT CERTIFICATION FOR FISCAL YEAR 2016/17 (Report of: Public Works)

Recommendations:

1. Approve the City of Moreno Valley's Measure A Local Streets and Roads Five-Year Capital Improvement Plan for Fiscal Years 2016/17 – 2020/21 and Maintenance of Effort Certification for Fiscal Year 2016/17.
2. Authorize submittal of the Measure A Local Streets and Roads Five-Year Capital Improvement Plan for Fiscal Years 2016/17 – 2020/21 and Maintenance of Effort Certification for Fiscal Year 2016/17 to the Riverside County Transportation Commission.
3. Authorize staff to submit an amended five year plan to the Riverside County Transportation Commission if changes are made by City Council to the listed Measure A projects as part of the upcoming FY 2016/17 budget approval process.

- A.6. ADOPT RESOLUTION NO. 2016-17 AUTHORIZING THE SUBMITTAL OF APPLICATIONS FOR PAYMENT PROGRAMS AND REL (Report of: Public Works)

Recommendation:

1. Adopt Resolution No. 2016-17. Authorizing the Submittal of Applications for Payment Programs and Related Authorizations Under the California Department of Resources Recycling and Recovery (CalRecycle).

- A.7. AWARD TO ALTEC FOR THE REPLACEMENT PURCHASE OF THREE DODGE RAM 5500 TRAFFIC SIGNAL MAINTENANCE BUCKET TRUCKS (Report of: Public Works)

Recommendations:

1. Award to Altec, Inc of Creedmoor, NC, for the purchase of three 2016 Dodge Ram 5500 chassis trucks with Articulating Aerial Bucket, Altec Model AT40M, and:
2. Authorize the Purchasing & Facilities Division Manager to issue a purchase order to Altec, Inc in the amount of \$396,789.

- A.8. AWARD TO TYMCO FOR THE REPLACEMENT PURCHASE OF TWO FREIGHTLINER M2-112 STREET SWEEPERS (Report of: Public Works)

Recommendations:

1. Award to Mar-Co Equipment Company, for the purchase of two 2016 Freightliner M2-112 chassis trucks with Tymco Regenerative Air Sweepers, Model 500X, and:
2. Authorize the Purchasing & Facilities Division Manager to issue a purchase order to Mar-Co Equipment Company in the amount of \$715,548.

- A.9. APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC RATES FOR MORENO VALLEY UTILITY (MVU) (Report of: Financial & Management Services)

Recommendation:

1. Approve Resolution No. 2016-18. A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Rates for Moreno Valley Utility (MVU).

A.10. LIST OF PERSONNEL CHANGES (Report of: Administrative Services)

Recommendation:

1. Ratify the list of personnel changes as described.

A.11. PA13-0011 (PM 36465) – APPROVE PARCEL MAP 36465 AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS AT THE NORTHWEST CORNER OF GRAHAM STREET AND BRODIAEA AVENUE - DEVELOPER: PROLOGIS USLV TRS CASUB, LLC (Report of: Public Works)

Recommendations:

1. Accept the Agreement and Security for Public Improvements for Prologis USLV TRS CASUB, LLC.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.
5. Approve Parcel Map 36465.
6. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.

A.12. ADOPT RESOLUTION 2016-20, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ESTABLISHING NEW MANAGEMENT SIGNATURE AUTHORITY FOR CONTRACTS AND OTHER PROCUREMENT TRANSACTIONS (Report of: Administrative Services)

Recommendations:

1. Adopt Resolution No. 2016-20, Establishing New Management Signature Authority for Contracts and other Procurement Transactions thereby updating the City Manager signature authority.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- B.2. MINUTES - REGULAR MEETING OF MARCH 15, 2016 (See A.2)

Recommendation: Approve as submitted.

- B.3. NAMING OF THE MORENO VALLEY SENIOR COMMUNITY CENTER BANQUET HALL (Report of: Parks & Community Services)

Recommendation:

1. Adopt the Senior Citizens Advisory Board's recommendation to name the Moreno Valley Senior Community Center's banquet hall as the "Moreno Valley Ballroom".

C. CONSENT CALENDAR - HOUSING AUTHORITY

- C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- C.2. MINUTES - REGULAR MEETING OF MARCH 15, 2016 (See A.2)

Recommendation: Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- D.2. MINUTES - REGULAR MEETING OF MARCH 15, 2016 (See A.2)

Recommendation: Approve as submitted.

Recess at 7:03 p.m.;
Reconvened at 7:15 p.m.

Item G.2 was heard after recess.

E. PUBLIC HEARINGS

Item E.1 was heard after Item E.2.

E.1. PUBLIC HEARING FOR DELINQUENT NUISANCE ABATEMENT (Report of: Fire Department)

Mayor Gutierrez opened the public hearing; there being none, public hearing was closed.

Recommendations:

1. Conduct a public hearing and accept public testimony on delinquent nuisance abatement account.
2. Adopt Resolution No. 2016-21. A Resolution of the City Council of the City of Moreno Valley, California, Confirming Statements of Costs against Real Property located in the City of Moreno Valley, for Abatements of Public Nuisances and Direction that Said Statement of Costs Constitute a Lien upon Said Properties.
3. Approve placing the submitted Property Assessment List of delinquent nuisance abatement accounts on the Fiscal Year (FY) 2016/2017 Riverside County property tax roll for collection.
4. Direct the City Clerk to file with the Riverside County Assessor's office a certified copy of Resolution No. 2016-21 and the Property Assessment List as required by Section 6.04.120 of the City of Moreno Valley Municipal Code.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	George E. Price, Council Member
SECONDER:	Jesse L. Molina, Council Member
AYES:	Gutierrez, Giba, Price, Molina, Jempson

Item E.2 was heard before Item E.1 and after Item G.2.

E.2. PUBLIC HEARING TO RECOMMEND CDBG, HOME & ESG PROJECT SELECTIONS FOR FY 2016-17 (Report of: Financial & Management Services)

Mayor Gutierrez opened the public testimony. Public testimony was received from Leida Chambliss (Grid Alternatives), Tom Donahue (Family Service Assn.), Belinda Marquez (Catholic Charities), and Ricardo Forbes (Lutheran Social Services of Southern California).

Recommendations: That the City Council:

1. Conduct a Public Hearing for the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) Programs to allow the public an opportunity to comment on the proposed Fiscal Year (FY) 2016/17 Annual Action Plan.
2. Approve the recommended projects for inclusion in the Annual Action Plan (FY 2016/17) as an application to the U.S. Department of Housing and Urban Development for funding under the federal CDBG, HOME and ESG programs.
3. Authorize the Chief Financial Officer to amend the City's Budget to include the allocations as approved in the FY 2016/17 Action Plan.

Item E.2 will be brought back to the May 3 City Council meeting.

E.3. PUBLIC HEARING FOR THE ABATEMENT OF PUBLIC NUISANCES - CODE ENFORCEMENT (Report of: Community Development)

Mayor Gutierrez opened the public hearing; there being none, public hearing was closed.

Recommendations: That the City Council:

1. Conduct a public hearing and accept public testimony on abatements of code enforcement related public nuisances.
2. Adopt Resolution No. 2016-22. A Resolution of the City Council of the City of Moreno Valley, California, Confirming Statements of Costs Against Real Property Located in the City of Moreno Valley, for Abatements of Code Enforcement Related Public Nuisances and Direction that Said Statement of Costs Constitute a Lien Upon Said Properties.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeffrey J. Giba, Mayor Pro Tem
SECONDER:	Jesse L. Molina, Council Member
AYES:	Gutierrez, Giba, Price, Molina, Jempson

E.4. PA13-0011 (PARCEL MAP 36465) – ADOPTION OF THE PROPOSED RESOLUTION FOR THE VACATION OF JOY STREET LOCATED NORTH OF BRODIAEA AVENUE BETWEEN FREDERICK STREET AND GRAHAM STREET - OWNERS: PROLOGIS USLV TRS CASUB, LLC (Report of: Public Works)

Mayor Gutierrez opened the public hearing; there being none, public hearing was closed.

Recommendations:

1. Hold a public hearing and adopt Resolution No. 2016-19. A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Vacation of Joy Street North of Brodiaea Avenue.
2. Direct the City Clerk to certify said resolution and transmit a copy of the resolution to the County Recorder's office for recording.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jeffrey J. Giba, Mayor Pro Tem
SECONDER:	George E. Price, Council Member
AYES:	Gutierrez, Giba, Price, Molina, Jempson

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)

Item G.1 was heard after Item H.4.1.

March Joint Powers Commission (JPC)

Mayor Pro Tem Giba provided the following update:
The next meeting will be held tomorrow at 8:30 a.m.

At the April 6 meeting, the Joint Powers Commission approved the extension of the Foreign Trade Zone out to Lake Elsinore.

We also provided an update on the Washington DC lobbying trip. We met with numerous offices. The majority of the concerns that were discussed affect the City directly: Heacock Channel, Cactus Channel, BRAC, and the airport, which are within boundaries of the City of Moreno Valley. We also discussed protecting the future of March Air Reserve Base.

The Technical Advisory Committee reported on discouraging conflicting developments within the Accident Potential Zones. These issues will be discussed tomorrow.

Riverside County Habitat Conservation Agency (RCHCA)

None

Riverside County Transportation Commission (RCTC)

Council Member Molina reported the following:

At the April 13 meeting, the Board approved: Amendments to agreements with BNSF Railway for construction, maintenance, and flagging operations in support of the State Route 91 Corridor Improvement project; numerous utility agreements for engineering and relocations in support of the Route 71/91 interchange expansion project; and it received an update on the 2016 State Transportation Improvement Program (STIP), which includes the SR-60 Truck Climbing Lanes project.

Lastly, the Board received a presentation on the California Air Resources Board (CARB) decision to relocate its motor vehicle and engine emissions testing and research facility from El Monte to an 18-acre site at the University of California, Riverside (UCR). The project represents a \$366 million investment in the community and will bring 400 knowledge-based jobs to the Inland Empire. The board chose UCR after deciding that it would provide the best opportunity for growth in the coming decades, and to collaborate with air quality research that is already taking place at the Center for Environmental Research and Technology (CE-CERT).

Riverside Transit Agency (RTA)

Council Member Molina reported the following:

At the April 6 Administration and Operations Committee meeting, the Board approved a Revenue Agreement with the University of California, Riverside (UCR) to provide continued service and operation of Route 51, known as the Crest Cruiser. The Crest Cruiser serves the area in and around the UCR campus. Additionally, the Board approved a revenue agreement with UCR to continue the University Pass (U-Pass) program. The U-Pass Program is one of many college pass programs, which includes Moreno Valley College, Riverside City College, Mount San Jacinto College, La Sierra and Cal Baptist Universities, which allow free fixed route transit service to students. For the period ending on June 30, ridership under these highly successful programs is expected to exceed 400,000 trips.

The Board announced that some RTA routes will change to facilitate veterans living in the area; RTA will have more direct routes from Murrieta, Perris to the U.S. Veterans Center, Moreno Valley, and all the way to VA Loma Linda.

Western Riverside Council of Governments (WRCOG)

None

Western Riverside County Regional Conservation Authority (RCA)

None

School District/City Joint Task Force

None

Southern California Association of Governments (SCAG)

Mayor Pro Tem Giba reported the following:

Together with Public Works Director Ansari and his team, we have been working on a federal grant for the 60 Freeway fast lane within boundaries of the City of Moreno Valley.

At the request of Mayor Pro Tem Giba, Public Works Director Ansari reported that the federal grant application process, called Fast Lane, required support letters; and with the help of Mayor Pro Tem Giba, staff was able to expedite getting a letter from SCAG. Four support letters from regional agencies were received.

With the help of Mayor Pro Tem Giba, staff met with WRCOG to discuss a number of issues and received some ideas on how to get together with the other jurisdictions within the central zone and come up with some creative financing mechanisms for some interchange projects along the 60 freeway, which are short of funds. Also, through this meeting and collaboration with WRCOG staff was able to convince them to make the payments to the City for the Nason project, which were previously denied.

Mayor Pro Tem Giba stated that this was a great meeting and a wonderful opportunity for the City to start moving forward on projects. He stated he will attend the SCAG meeting next month.

Mayor Gutierrez opened the agenda item for public comments, which were received from Tom Jerele.

Item G.2 was heard after recess before Public Hearings items.

G.2. VERBAL PRESENTATION BY BOX SPRINGS MUTUAL WATER COMPANY (BSMWC) ON WATER QUALITY AND WATER SYSTEMS STATUS REPORT (Report of: Public Works)

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

Recommendation:

1. Receive and file the presentation by Box Springs Mutual Water Company (BSMWC).

G.3. MORENO VALLEY SCHOOL CROSSING GUARD COST SHARING PROPOSAL (Report of: City Attorney)

Recommendation:

That the City Council consider the School District's tentative proposal and provide direction to the City Manager and City Attorney on how to proceed.

Item G.3 was tabled with no objections from the City Council. Talks with the School District will continue.

G.4. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)
None

G.5. CITY ATTORNEY'S REPORT

(Informational Oral Presentation - not for Council action)
None

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

Item H.4.1 was heard after Item E.4.

H.4.1. AMENDMENT TO COUNCIL RULES AND PROCEDURES CHANGING ORDER OF BUSINESS (Report of: City Attorney)

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

Recommendations: That the City Council:

1. Review and discuss options for altering the Order of Business at council meetings, provide staff direction and take whatever action the Council deems appropriate.

Item H.4.1 with changes to the resolution will be brought back to the next City Council meeting under Consent Calendar.

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

Council Member Jempson

1. The Riverside County Sheriff's Awards Ceremony was held last week; we are very proud of everyone who received recognition and awards.
2. Air show at March Air Reserve Base was amazing.
3. Upcoming events on Saturday, April 23: African American Trade Career Fair at the Conference & Recreation Center; Community Now, known as Safe Routes, Volunteer Tea, 1-3 p.m., at Bear Valley Elementary School.
4. Responded to speaker's comments regarding signage - Council Member stated that she sent written recommendations to the attorney and has been soliciting the businesses in the community for their input.

Council Member Price

1. Announced that the Wind Symphony concert will be held this Thursday.
2. Air show at March was wonderful; Council Member thanked General Muncy.
3. Sizzler's Grand Opening was a great event; recognized Michele Patterson, Mike Lee, Allen Brock and their team for their efforts in helping Sizzler's owners get through the process.
4. Art Walk will be held on April 30 at Vanguard Gallery to help promote arts in the community.
5. Attended the Sheriff's Awards Dinner, where common every-day people were recognized.
6. Inquired when the Metrolink station will be open.
7. This Saturday, a grand opening will be held 10-2 p.m., at the Cupcake and Espresso Bar, which is located at the Stater Bros shopping center on Moreno Beach.

Council Member Molina

1. Was very impressed with the Sheriff's Awards Ceremony; regular civilians helping out police officers.
2. Attended, with Council Member Price, the Victims' Rights Candlelight Vigil for the victims of murder.
3. Noted Art Walk, which will be held on April 30, and emphasized that the City needs to offer activities for our citizens and kids.

Mayor Pro Tem Giba

1. Attended air show at March on Saturday and Sunday; a wonderful event.
2. Commented on The Press-Enterprise article regarding Riverside County having financial problems.

3. West Coast Thunder will be held on Memorial Day, May 30.
4. WRCOG's 2015 Transportation Uniform Mitigation Fee Annual Report is available at WRCOG.

Mayor Gutierrez

Mayor thanked staff for their hard work on CDBG projects.

ADJOURNMENT

There being no further business to conduct, the Regular Meeting was adjourned at 9:20 p.m.

Submitted by:

Leslie Keane, Interim City Clerk
 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:

Dr. Yxstian Gutierrez, 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



Report to City Council

TO: Mayor and City Council

FROM: Terrie Stevens, Administrative Services Director

AGENDA DATE: May 17, 2016

TITLE: LIST OF PERSONNEL CHANGES

RECOMMENDED ACTION

Recommendation:

1. Ratify the list of personnel changes as described.

DISCUSSION

The attached list of personnel changes scheduled since the last City Council meeting are presented for City Council ratification.

FISCAL IMPACT

All position changes are consistent with appropriations previously approved by the City Council.

PREPARATION OF STAFF REPORT

Prepared By:
Terrie Stevens
Administrative Services Director

Department Head Approval:
Terrie Stevens
Administrative Services Director

CITY COUNCIL GOALS

None

ATTACHMENTS

1. List of Personnel Changes

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/03/16 4:40 PM
City Attorney Approval	<u>✓ Approved</u>	5/03/16 2:49 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 5:04 PM

**City of Moreno Valley
Personnel Changes
May 17, 2016**

New Hires

Rolanda Pickett
Assistant Buyer, Administrative Services

Promotions

Dale Mendenhall
From: GIS Technician, City Manager's Office
To: Applications Analyst, City Manager's Office

Transfers

None

Separations

Virginia Garcia
Assistant Buyer, Administrative Services

Steve Lulli
Animal Services Field Supervisor, Administrative Services



Report to City Council

TO: Mayor and City Council

FROM: Leslie Keane, Interim City Clerk

AGENDA DATE: May 17, 2016

TITLE: APPOINTMENTS TO CITY ADVISORY BOARDS AND COMMISSIONS

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution 2016-28, a resolution of the City Council of the City of Moreno Valley, California, extending the terms of service for twenty advisory board and commission members for three months.

SUMMARY

Currently, the City has 11 advisory boards and commissions. With the exception of the Planning Commission and the Oversight Board, which are governed by state law, Moreno Valley boards and commissions are unique to the City and the furtherance of its mission and vision. Board/commission members serve staggered three year terms. The terms of twenty current members of nine City board/commissions will expire on June 30, 2016.

DISCUSSION

General provisions for the City's advisory boards and commissions are identified in Moreno Valley Municipal Code Chapter 2.06. This chapter includes provisions for staggered three year terms commencing in July of the appointment year. The following is a list of the current four boards and five commissions on which there are members whose terms will expire June 30, 2016.

Boards

- Accessibility Appeals Board (5 members) – 2 expiring terms
- Environmental and Historical Preservation Board (7 members) – 3 expiring terms

- Recreational Trails Board (9 members) – 3 expiring terms
- Senior Citizens Board (9 members) – 3 expiring terms

Commissions

- Arts Commission (9 members) – 1 expiring term
- Library Commission (7 members) – 2 expiring terms
- Park and Recreation Commission (9 members) – 3 expiring terms
- Traffic Safety Commission (7 members/1 vacant) – 2 expiring terms
- Utilities Commission (5 members/1 vacant) – 1 expiring term

Traditionally, the City would advertise for candidates for expiring positions in mid-April and accept applications for 30 days. In addition to this specific application period, the City notices vacancies and upcoming expiring terms in December each year in accordance with the Maddy Act (CA Government Code Sections 54970-54974). Applications received by the advertised deadline are forwarded to the City Council for review and appointments are scheduled for action at the second Council meeting in June.

In April, the Council began a discussion of the structure and duties of its advisory boards and commissions. It is anticipated that this discussion and any subsequent action will not be complete until mid-May or early June, too late to advertise and review applications prior to the end of expiring terms. Extension of existing terms will allow the Council to complete their deliberations and staff to solicit applications.

ALTERNATIVES

1. Adopt the proposed resolution extending the expiring terms of 20 Board and Commission members for 3 months (staff recommendation).
2. Direct the City Clerk to immediately begin advertising for applications for expiring terms and provide the City Council with a list of applicants for appointment at the first meeting in July.
3. Wait for further direction from the City Council.

FISCAL IMPACT

N/A

PREPARATION OF STAFF REPORT

Prepared By:
Leslie Keane
Interim City Clerk

Department Head Approval:
Leslie Keane
City Clerk

CITY COUNCIL GOALS

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

ATTACHMENTS

- 1. Proposed Resolution Extending Terms

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 12:14 PM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 3:39 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 9:11 AM

RESOLUTION NO. 2016–28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, EXTENDING THE TERMS OF SERVICE FOR TWENTY ADVISORY BOARD AND COMMISSION MEMBERS FOR THREE MONTHS

WHEREAS, the City Council has established eleven unique citizen boards and commissions to review issues, receive public concerns and serve in an advisory capacity to the City Council; and

WHEREAS, the requirements, terms and duties of each board and commission is specified in the Moreno Valley Municipal Code; and

WHEREAS, the City Council is currently discussing a variety of alternatives to standardize filling vacancies, modify term limits and/or consolidate its boards and commissions, and this process is expected to take several months; and

WHEREAS, the terms of board and commission members are staggered to provide continuity; and the terms of twenty (20) current members on nine of the City's boards and commissions will expire on June 30, 2016; and

WHEREAS, the City Council would like to delay making appointments to fill these positions until it has finalized its review of the City board and commission structure.

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

1. The recitals are herein incorporated.
2. The terms of commission and board member which expire on June 30, 2016 shall be extended to September 30, 2016.

APPROVED AND ADOPTED this 17th day of May 2016.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Attachment: Proposed Resolution Extending Terms [Revision 1] (2074 : APPOINTMENTS TO CITY ADVISORY BOARDS AND COMMISSIONS)

RESOLUTION JURAT

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

I, Leslie Keane, Interim City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2016-28 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 17th day of May, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)



Report to City Council

TO: Mayor and City Council

FROM: Allen Brock, Community Development Director

AGENDA DATE: May 17, 2016

TITLE: APPROVE PROFESSIONAL SERVICE AGREEMENTS WITH DATA TICKET, INC. FOR PARKING CONTROL AND ADMINISTRATIVE CITATION PROCESSING SERVICES

RECOMMENDED ACTION

Recommendations:

1. Approve professional service agreements with Data Ticket, Inc. for Parking Control and Administrative Citation Processing services.
2. Authorize the City Manager to execute the agreements with Data Ticket, Inc.
3. Authorize the Purchase Order to Data Ticket, Inc. for Parking Control and Administrative Citation Processing services.

SUMMARY

The City has utilized quality vendors to provide citation processing services in support of the parking and administrative citation operations. These vendors provide quick and efficient citation tracking, payment, acceptance, appeal processing and collections ensuring a high level of customer service.

Following a competitive Request for Proposal process, this report recommends approval for a three-year agreement with Data Ticket, Inc. to provide parking control and administrative citation processing services.

DISCUSSION

The Code and Neighborhood Services Division administers the City's Parking Enforcement Program and Administrative Citation processing services. Since 2001, the City has utilized private vendors for parking ticket processing, ticket printing and

miscellaneous citation services related to the Parking Control Program and Administrative Citation processing services.

These services are budgeted annually as general fund expenditures. Annual revenues generated by the City's parking program exceed expenditures necessary to implement these programs.

Currently, Data Ticket, Inc. processes all parking and administrative citations for the City's Code Compliance, Parking, Parks and Recreation, Fire Prevention Divisions and the Moreno Valley Police Department. This agreement expired on June 30, 2015. Current services have been provided on a month-to-month basis.

A Request for Proposal (RFP) was issued on January 11, 2016, for parking control and administrative citation processing services. Responses were received from Data Ticket, Inc. and Turbo Data Systems. Both responses were evaluated based on general experience and qualifications, personnel experience, understanding of the scope of services requested and cost.

The scope of services includes, but is not limited to, the following (full range of services can be found in the attached agreements):

- Citation processing services
- Nationwide DMV access
- Delinquent collections
- Adjudication scheduling and services
- Electronic ticket writers (hand-held field devices)
- Franchise Tax Board collections

The two firms were interviewed, and Data Ticket, Inc. was selected to continue to provide the services based on the criteria fully outlined within the RFP. In addition, Data Ticket, Inc. was the lower cost proposal of the two submittals.

ALTERNATIVES

1. Approve the agreement with Data Ticket, Inc. for Parking Control Program and Administrative Citation Services and authorize the City Manager to execute the agreement upon City Attorney approval as to form. *Staff recommends this alternative as it continues the existing level of service for citation processing across many divisions and departments while maintaining positive revenue.*
2. Do not approve and authorize the agreement to Data Ticket, Inc. and provide staff with further direction. *This alternative is not recommended by staff as it would significantly impact the issuance and processing of citations and significantly reduce revenue.*

FISCAL IMPACT

Approval of staff recommendations will obligate the City to a Fiscal Year 2016/2017 expenditure of \$165,000 for Parking Control Services, \$75,000 for Administrative Citation Processing and \$10,000 for printing supplies.

- \$165,000 in the Parking Control Services Fund (account 1010-20-26-20110-620810)
- \$75,000 in the Administrative Citation Processing Fund (account 1010-20-26-20110-620820)
- \$10,000 in the Printing Supplies Fund (account 1010-20-26-20110-630214)

These funds are included in the Adopted Budget for Fiscal Year 2016/2017.

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Steve Alvarado
Code Compliance Supervisor

Department Head Approval:
Allen D. Brock
Community Development Director

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.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

ATTACHMENTS

1. Data Ticket Agreement - Parking Control Program
2. Data Ticket Agreement - Administrative Citation Program

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	4/28/16 7:53 AM
City Attorney Approval	<u>✓ Approved</u>	4/28/16 9:26 AM
City Manager Approval	<u>✓ Approved</u>	5/03/16 2:40 PM

**AGREEMENT BETWEEN THE CITY OF MORENO VALLEY
AND DATA TICKET, INC. dba REVENUE EXPERTS
FOR PARKING CONTROL PROGRAM SERVICES**

This Agreement is made by and between the City of Moreno Valley, California, a municipal corporation, hereinafter referred to as the "City", and DATA TICKET, INC. dba REVENUE EXPERTS, hereinafter referred to as the "Contractor".

WITNESSETH AS FOLLOWS:

1. RECITALS:

- A) The City requires Contractor to provide parking control program services; including but not limited to processing of parking tickets, penalties, collections, and appeals; and
- B) The City does not have available employees to perform such services; and
- C) The Contractor is ready, willing, and able to supply such services; and
- D) The Contractor has personnel with sufficient training and expertise to provide such services; now, therefore,

The parties agree as follows:

2. SCOPE OF SERVICES TO BE RENDERED: Under the direction of the City Manager, or other designee, the Contractor shall provide said services as more specifically described in Exhibit "A" attached hereto and incorporated herein by this reference.

3. TERMS OF AGREEMENT:

- A) Contract Term: The term of this Agreement shall be three (3) years from July 1, 2016, with a termination date of June 30, 2019.
- B) Amendment: City and Contractor agree that the terms and conditions of this Agreement may be reviewed or modified at any time. Any modifications to this Agreement, however, shall be effective only when agreed to in writing by both City and Contractor.
- C) City's Responsibilities: The City's responsibilities, other than payment, are described in Exhibit "A" attached hereto and incorporated herein by this reference.
- D) Payment Terms: Payment terms are provided in Exhibit "C" attached hereto and incorporated herein by this reference.
- E) Termination or Cancellation: This agreement may be terminated with or without cause by either party or sixty (60) days written notice to the other party.

Either party may terminate this Agreement upon breach of the Agreement by the other party. In the event the City terminates the Agreement, the Contractor shall perform no further services under the Agreement unless the notice of termination authorizes such further work.

4. GENERAL PROVISIONS:

- A) Compensation: For services rendered pursuant to this Agreement, the Contractor shall be compensated according to the fee schedule in Exhibit "B" attached hereto and incorporated herein by this reference. Total compensation during the term of this agreement not to exceed \$165,000.00.
- B) Prevailing Wages: Contractor shall pay prevailing wages as required by the labor laws of the State of California and applicable Federal laws.
- C) 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.
- D) 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 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.
- E) 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].
- F) Legal Considerations. The Contractor shall comply with applicable Federal, State, and local laws in the performance of this Agreement.
- G) Contractor Indemnification. Contractor shall indemnify, defend and hold the City and the Moreno Valley Community Services District (CSD), and 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.

- H) City Indemnification. The City agrees to indemnify, defend and save the Contractor and its officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to the City's employees and all claims which arise from or are connected with the negligent performance or failure to perform the services or other obligations of the City under this Agreement, or are caused or claim to be caused by the negligent acts of the City and it's 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.
- I) Insurance Requirements. Where determined applicable by the City, 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:
- 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:

Bodily Injury	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage	\$1,000,000 per occurrence/ \$1,000,000 aggregate
 - Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and \$2,000,000 aggregate.
 - Worker's Compensation Insurance—in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City, 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
 - Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City/CSD premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City 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 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, 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.

- J) 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.
- K) 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.
- L) 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 Contractors 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 five (5) years following completion of the services under the Agreement.

- M) 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.
- N) Conflict of Interest. During the term of this Agreement, the Contractor shall not engage in any business or transaction or maintain a financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of the Contractor's duties under this Agreement.
- O) 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.
- P) Licenses. The Contractor is required to have in full force and effect all business and/or contractor's licenses and permits required by applicable laws to perform general nuisance abatement services within the City. A State contractor's license, if applicable, shall be current and without any record of disciplinary actions.
- Q) NOTICES: All notices and communications under this Agreement shall be made to:

Data Ticket, Inc.
4600 Campus Drive
Suite 200
Newport Beach, CA 92660
Attention: Brook Westcott

City of Moreno Valley
P.O. Box 88005
Moreno Valley, CA 92552-0805
Attention: (By division as reflected in Exhibit
A, Item 2.h.)

SIGNATURE PAGE TO FOLLOW

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement

City of Moreno Valley

Data Ticket, Inc.

BY: _____
Michelle Dawson
City Manager

BY: 
Marjorie Flemming

DATE: _____

TITLE: President

DATE: April 18, 2016

Approved as to Legal Form:



BY: _____
Paul E. Early
Deputy City Attorney

TITLE: Corporate Secretary

DATE: _____

DATE: 4-18-2016

RECOMMENDED FOR APPROVAL:

By: _____
Allen Brock
Community Development Director

Date: _____

- Attachments:
- Exhibit "A" Scope of Services to be Rendered
 - Exhibit "B" Fee Schedule
 - Exhibit "C" Terms of Payment

**AGREEMENT BETWEEN THE CITY OF MORENO VALLEY,
AND DATA TICKET, INC.
FOR PARKING CONTROL PROGRAM SERVICES**

EXHIBIT A

SCOPE OF SERVICES TO BE RENDERED: The Contractor is authorized to act as an agent for the City to collect administrative citation fines and other items as specified by the city, and to provide an administration appeals procedure for the hearing of appeals of such citations and other items.

1. The City will be obligated as follows:
 - A) To provide a mutually suitable arrangement for the collection of funds, and express authorization to do business on the City's behalf.
 - B) Be responsible to pay the \$25 court-filing fee if the administrative adjudication decisions are overturned by the court.
 - C) Send all correspondence via first class mail
 - D) Be responsible for reporting all collections received from the Interagency Intercept Collections program to the Contactor, by submitting copies of the Interagency Intercept Collections program paperwork, weekly statements and monthly warrant files reporting payments.
 - E) Provide Contractor with names and contact information for each City representative of each program utilizing these services; i.e., Code & Neighborhood Services, Parks & Community Services and Police Department. Each program representative will be responsible for monitoring and contract performance of Contractor.

2. The Contractor will be obligated as follows:
 - A) To provide forms, notices, toll-free phones lines, banking, web-site database access 24 hours per day/7 days per week, postage; maintain files on collected information and provide this information to the city to update its files; provide the City with management reports; and use its best efforts to obtain maximum results.
 - B) The Contractor is responsible for conducting reviews and hearings in accordance with State law, within ninety (90) days of the appeal date, on a site to be provided by the City.
 - C) All correspondence will be mailed first class and is included in the per citation fee. Unpaid citations will receive up to four (4) notices, prior to being sent to the Interagency Intercept Program.
 - D) The City shall receive one-hundred percent (100%) of all revenue collected on its behalf.

- E) The Contractor will not be responsible for the City's failure to provide correct or timely infraction or verification information.
- F) Funds will be collected, deposited and reconciled on a daily basis when collected by the Contractor. On a monthly basis, these funds will be transferred to the City supported by activity reports. Funds reported as collected by the Interagency Intercept Collections program will be applied on a weekly basis. Management reports and an invoice will be sent by the Contractor to the City on a monthly basis.
- G) The Contractor shall adhere to the Penalty and Administrative Fee Schedule described in the City of Moreno Valley Municipal Code Manual, adopted by the City Council. No fee shall exceed the maximum penalty as outlined in said schedule.
- H) Contractor shall maintain separate accounts, billings, records, and citation formats for each department as follows:
 - a) Community Development Department
Code & Neighborhood Services Division
Allen D. Brock, Community Development Director
 - b) Financial & Management Services Department
Treasury Services Division
Brooke McKinney, Treasury Operations Division Manager
 - c) Fire Department
Fire Prevention Division
Adria Reinertson, Fire Marshall
 - d) Parks & Community Services Department
Gabriel Garcia, Parks & Community Services Director
 - e) Moreno Valley Police Department
Joel Ontiveros, Chief of Police

3. Debt Collection Services by Contractor:

- A) Contractor is authorized to act as an agent for the City to collect delinquent revenue from parking citations and other items as specified by City for same period as specified in this Agreement.
- B) City will provide a mutually suitable arrangement for the collection of funds, and express authorization to do business on City's behalf.
- C) All forms, notices, postage and maintenance of files on collected information shall be provided by Contractor and available to City to update its files. Contractor shall

provide City with management reports and use its best efforts to obtain maximum results.

- D) Fees for revenue collected by the collection agency shall be: 25% if no legal action is required; and 30% if legal action is required. Payment shall be made within 30-days of the receipt of invoice.
- E) Contractor shall not be responsible for the City's failure to provide correct or timely administrative citation information.
- F) The operations of the Contractor shall not be disclosed by the City except as required by law, unless written agreement is given by Contractor.

**AGREEMENT BETWEEN THE CITY OF MORENO VALLEY,
AND DATA TICKET, INC. dba REVENUE EXPERTS
FOR PARKING CONTROL PROGRAM SERVICES**

EXHIBIT B

FEE SCHEDULE: Fee schedule from Contractor attached hereto.

Total compensation during the term of this Agreement not to exceed \$165,000.00 per year.

<u>Description</u>	<u>Proposed Fee</u>
Fee for processing and updating (electronically and manually)	\$0.40 per cite
Fee for collecting each out-of-state citation	30% of collected revenue
Fee for sending each delinquent notice	\$0.72 per notice (subject to postage increases)

Specified services and material covered by the Fee for both in-state and out-of-state citations shall include:

- Data entry of handwritten citations and entry of electronically transferred citations
- Collecting and processing all payments
- Processing all status changes to citation database
- Two user passwords for Client Access to Web Site
- Allows viewing and printing of citation management reports and citations at the City 24/7. The City will always have access to its citation database including all status updates real-time. Additional user passwords can be issued for a small additional fee.
- Credit card payments accepted via phone or paper
- Credit card payments accepted real-time on-line via Ticket Wizard 5000 web site
- Allows citizens 24/7 ability to access, view and pay their citations
- On-Line connection to California DMV for daily registered owner information files
- On-Line connection to California DMV for daily hold and release files
- Interface with DMV's nationwide for registered owner information
- Interface with third party vendor for nationwide registered owner information
- All forms and tracking
- Correspondence tracking and response
- Bi-lingual 800 line voice mail information 24 hours per day, 7 days per week
- Bi-lingual 800 line customer service answered by customer service representative
- Daily bank deposits
- Bank reconciliation
- Comprehensive monthly management reports on issuance and revenue
- All required insurance
- Local corporate headquarters

Description	Proposed Fee
Additional Correspondence	\$1.25 per letter (subject to postage increases) 30% of collected revenue
Fee for Delinquent Collection Notices: (Old citations, those which have gone through the normal collection cycle including DMV hold, or are 3-months or older and remain uncollected)	
Six Additional User Passwords: Real time viewing and reporting on Client Database Viewing and printing of citation reports and citations at the City 24/7. The City will always have access to its citation database including all status updates.	Included
NSF Checks: Processed, payments reversed, penalties added and letter sent	\$5.00 per NSF
Scheduling: Review, hearing and court appearances	\$0.50 per appeal
Hearings: Hearing Appointments (Minimum 4-hours per visit. Visits are scheduled in accordance with City requirements, but no less than every 90-days according to California law.	\$75.00 per hour
FTB Tax Lien Participation: <ul style="list-style-type: none"> • Matching social security number to debts (Contractor to maintain database to limit number of searches for same social security number) 	\$2.00 per SS request
<ul style="list-style-type: none"> • Collections, file adjustment and reconciliation reports 	15% of collections
Parking Ticket Contest Review 1st & 2nd level	\$0.50 each cite
Convenience Fee to Violator: for Company Credit Card usage (Web-site, phone and paper credit card payments)	\$3.50 per use
Cost to Purchase Hand Held Ticket Writers:	
Costs sheets for Ticket Writers, upon selection of preferred unit, a total cost proposal will be generated for City including exact costs for all hardware, software, ticket stock, envelopes and additional items.	Prices range from \$75-\$111 per unit plus monthly support and annual handheld license fee.

**AGREEMENT BETWEEN THE CITY OF MORENO VALLEY,
AND DATA TICKET, INC. dba REVENUE EXPERTS
FOR ADMINISTRATIVE CITATION PROCESSING SERVICES**

EXHIBIT C

TERMS OF PAYMENT

1. The Contractor's compensation shall not exceed \$165,000.00.
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 on a monthly basis 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. 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 Contractor for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.
7. Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.
8. Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

**AGREEMENT BETWEEN THE CITY OF MORENO VALLEY
AND DATA TICKET, INC. dba REVENUE EXPERTS
FOR ADMINISTRATIVE CITATION PROCESSING SERVICES**

This Agreement is made by and between the City of Moreno Valley, California, a municipal corporation, hereinafter referred to as the “City”, and DATA TICKET, INC. dba REVENUE EXPERTS, hereinafter referred to as the “Contractor”.

WITNESSETH AS FOLLOWS:

1. RECITALS:

- A) The City is in need of a processing and collection system designed to enhance the City’s ability to obtain code compliance and/or revenue from administrative citations and other debts owed to the City, and to provide for an administrative appeal process as required by law; and
- B) The City does not have available employees to perform such services; and
- C) The Contractor is ready, willing, and able to supply such services; and
- D) The Contractor has personnel with sufficient training and expertise to provide such services; now, therefore,

The parties agree as follows:

2. SCOPE OF SERVICES TO BE RENDERED: Under the direction of the City Manager, or other designee, the Contractor shall provide said services as more specifically described in Exhibit “A” attached hereto and incorporated herein by this reference.

3. TERMS OF AGREEMENT:

- A) Contract Term: The term of this Agreement shall be three (3) years from July 1, 2016, with a termination date of June 30, 2019.
- B) Amendment: City and Contractor agree that the terms and conditions of this Agreement may be reviewed or modified at any time. Any modifications to this Agreement, however, shall be effective only when agreed to in writing by both City and Contractor.
- C) City’s Responsibilities: The City’s responsibilities, other than payment, are described in Exhibit “A” attached hereto and incorporated herein by this reference.
- D) Payment Terms: Payment terms are provided in Exhibit “C” attached hereto and incorporated herein by this reference.

- E) Termination or Cancellation: This agreement may be terminated with or without cause by either party or sixty (60) days written notice to the other party.

Either party may terminate this Agreement upon breach of the Agreement by the other party. In the event the City terminates the Agreement, the Contractor shall perform no further services under the Agreement unless the notice of termination authorizes such further work.

4. GENERAL PROVISIONS:

- A) Compensation: For services rendered pursuant to this Agreement, the Contractor shall be compensated according to the fee schedule in Exhibit "B" attached hereto and incorporated herein by this reference. Total compensation during the term of this agreement not to exceed \$75,000.00.
- B) Prevailing Wages: Contractor shall pay prevailing wages as required by the labor laws of the State of California and applicable Federal laws.
- C) 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.
- D) 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 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.
- E) 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].
- F) Legal Considerations. The Contractor shall comply with applicable Federal, State, and local laws in the performance of this Agreement.
- G) Contractor Indemnification. Contractor shall indemnify, defend and hold the City and the Moreno Valley Community Services District (CSD), and 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.

H) City Indemnification. The City agrees to indemnify, defend and save the Contractor and its officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to the City’s employees and all claims which arise from or are connected with the negligent performance or failure to perform the services or other obligations of the City under this Agreement, or are caused or claim to be caused by the negligent acts of the City and it’s 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.

I) Insurance Requirements. Where determined applicable by the City, 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:

- 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:

Bodily Injury	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage	\$1,000,000 per occurrence/ \$1,000,000 aggregate

- Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and \$2,000,000 aggregate.
- Worker’s Compensation Insurance—in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City, 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

- Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City/CSD premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City 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 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, 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.

- J) 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.
- K) 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.
- L) 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 five (5) years following completion of the services under the Agreement.

- M) 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.
- N) Conflict of Interest. During the term of this Agreement, the Contractor shall not engage in any business or transaction or maintain a financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of the Contractor's duties under this Agreement.
- O) 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.
- P) Licenses. The Contractor is required to have in full force and effect all business and/or contractor's licenses and permits required by applicable laws to perform general nuisance abatement services within the City. A State contractor's license, if applicable, shall be current and without any record of disciplinary actions.
- Q) NOTICES: All notices and communications under this Agreement shall be made to:

Data Ticket, Inc.
4600 Campus Drive
Suite 200
Newport Beach, CA 92660
Attention: Brook Westcott

City of Moreno Valley
P.O. Box 88005
Moreno Valley, CA 92552-0805
Attention: (By division as reflected in Exhibit
A, Item 2.h.)

SIGNATURE PAGE TO FOLLOW

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement

City of Moreno Valley

Data Ticket, Inc.

BY: _____
Michelle Dawson
City Manager

BY: 
Marjorie Flemming

DATE: _____

TITLE: President

DATE: April 18, 2016

Approved as to Legal Form:



BY: _____
Paul E. Early
Deputy City Attorney

TITLE: Corporate Secretary

DATE: _____

DATE: 4-18-2016

RECOMMENDED FOR APPROVAL:

By: _____
Allen Brock
Community Development Director

Date: _____

- Attachments:
- Exhibit "A" Scope of Services to be Rendered
 - Exhibit "B" Fee Schedule
 - Exhibit "C" Terms of Payment

**AGREEMENT BETWEEN THE CITY OF MORENO VALLEY,
AND DATA TICKET, INC.
FOR ADMINISTRATIVE CITATION PROCESSING SERVICES**

EXHIBIT A

SCOPE OF SERVICES TO BE RENDERED: The Contractor is authorized to act as an agent for the City to collect administrative citation fines and other items as specified by the city, and to provide an administration appeals procedure for the hearing of appeals of such citations and other items.

1. The City will be obligated as follows:
 - A) To provide a mutually suitable arrangement for the collection of funds, and express authorization to do business on the City's behalf.
 - B) Be responsible to pay the Administrative Hearing cost for the administrative adjudication process.
 - C) Send all correspondence via first class mail
 - D) Be responsible for reporting all collections received from the Interagency Intercept Collections program to the Contactor, by submitting copies of the Interagency Intercept Collections program paperwork, weekly statements and monthly warrant files reporting payments.
 - E) Provide Contractor with names and contact information for each City representative of each program utilizing these services; i.e., Animal Services, Building and Safety, Code & Neighborhood Services, Fire Prevention, Land Development, Parks & Community Services and the Police Department. Each program representative will be responsible for monitoring and contract performance of Contractor.

2. The Contractor will be obligated as follows:
 - A) To provide forms, notices, toll-free phones lines, banking, web-site database access 24 hours per day/7 days per week, postage; maintain files on collected information and provide this information to the city to update its files; provide the City with management reports; and use its best efforts to obtain maximum results.
 - B) The Contractor is responsible for conducting reviews and hearings in accordance with State law, within ninety (90) days of the appeal date, on a site to be provided by the City.
 - C) All correspondence will be mailed first class and is included in the per citation fee. Unpaid citations will receive up to four (4) notices, prior to being sent to the Interagency Intercept Program.

- D) The City shall receive one-hundred percent (100%) of all revenue collected on its behalf.
- E) The Contractor will not be responsible for the City's failure to provide correct or timely infraction or verification information.
- F) Funds will be collected, deposited and reconciled on a daily basis when collected by the Contractor. On a monthly basis, these funds will be transferred to the City supported by activity reports. Funds reported as collected by the Interagency Intercept Collections program will be applied on a weekly basis. Management reports and an invoice will be sent by the Contractor to the City on a monthly basis.
- G) The Contractor shall adhere to the Penalty and Administrative Fee Schedule described in the City of Moreno Valley Municipal Code Manual, adopted by the City Council. No fee shall exceed the maximum penalty as outlined in said schedule.
- H) Contractor shall maintain separate accounts, billings, records, and citation formats for each department as follows:
- a) Administrative Services Department
Animal Services Division
Steve Fries, Animal Services Division Manager
 - b) Financial & Management Services Department
Treasury Services Division
Brooke McKinney, Treasury Operations Division Manager
 - c) Community Development Department
Building & Safety Division
Allen D. Brock, Community Development Director
 - d) Community Development Department
Code & Neighborhood Services Division
Allen D. Brock, Community Development Director
 - e) Fire Department
Fire Prevention Division
Adria Reinertson, Fire Marshall
 - f) Public Works Department
Land Development Division
Michael Lloyd, Interim Land Development Division Manager
 - g) Moreno Valley Police Department
Joel Ontiveros, Chief of Police

- h) Parks & Community Services Department
Gabriel Garcia, Parks & Community Services Director

3. Debt Collection Services by Contractor:

- A) Contractor is authorized to act as an agent for the City to collect delinquent revenue from Administrative citations and other items as specified by City for same period as specified in this Agreement.
- B) City will provide a mutually suitable arrangement for the collection of funds, and express authorization to do business on City's behalf.
- C) All forms, notices, postage and maintenance of files on collected information shall be provided by Contractor and available to City to update its files. Contractor shall provide City with management reports and use its best efforts to obtain maximum results.
- D) Fees for revenue collected by the collection agency shall be: 25% if no legal action is required; and 30% if legal action is required. Payment shall be made within 30-days of the receipt of invoice.
- E) Contractor shall not be responsible for the City's failure to provide correct or timely administrative citation information.
- F) The operations of the Contractor shall not be disclosed by the City except as required by law, unless written agreement is given by Contractor.

**AGREEMENT BETWEEN THE CITY OF MORENO VALLEY,
AND DATA TICKET, INC. dba REVENUE EXPERTS
FOR ADMINISTRATIVE CITATION PROCESSING SERVICES**

EXHIBIT B

FEE SCHEDULE: Fee schedule from Contractor attached hereto.

Total compensation during the term of this Agreement not to exceed \$75,000.00 per year.

<u>Description</u>	<u>Fee</u>
Fee for processing and collecting each citation Specified services and material covered by the fee for all citations shall include: <ul style="list-style-type: none"> • Data entry of handwritten citations and entry of electronically transferred citations • Processing and collection of all payments • Disposition and status updating • All forms and tracking • Correspondence tracking and response • Up to four (4) Notices • 800 line voice mail information 24-hours per day/7-days per week • 800 line customer services answered by customer service representative • Daily bank deposits • Bank reconciliation • Comprehensive monthly management reports on issuance and revenue • All required insurance • Local corporate headquarters 	\$5.00 per cite
Additional client real time viewing and reporting on client database, includes: <ul style="list-style-type: none"> • Client access to entire database real-time includes up to six (6) user passwords. • Viewing and printing citation management reports 24-hours per day/7-days per week. • Citizen web-site access for viewing and paying citations 24-hours per day/7-days per week. 	Included

Description	Fee
Social Security Number access One request for multiple citations attached to one violator.	\$2.00 per request
Franchise Tax Board Interface (Interagency Intercept Program - IIP), includes: <ul style="list-style-type: none"> • Database transfers • Multiple debts consolidated to one record with total due • Files sent to IIP • Noticing • Daily deposits • Payment reconciliation • Deposit reconciliation • Toll-free customer service inquiry lines • Web-site inquiry and payment access 24 hours per day/7 days per week • Overpayment verification and refund service • Customer correspondence as required • Forms • Paperwork back-up • Database updating • IIP updating • Monthly management reports 	\$15% of collected revenue
Fee to Violator for company credit card usage Option:	\$3.50 per transaction
<ul style="list-style-type: none"> • In person hearing and toll-free hearing appointments four (4) hour minimum every sixty (60) to ninety (90) days, two (2) hearings per hour) • All correspondence and taped hearings included; interface with court and client, if hearing goes to court 	\$75.00 per hour

**AGREEMENT BETWEEN THE CITY OF MORENO VALLEY,
AND DATA TICKET, INC. dba REVENUE EXPERTS
FOR ADMINISTRATIVE CITATION PROCESSING SERVICES**

EXHIBIT C

TERMS OF PAYMENT

1. The Contractor's compensation shall not exceed \$75,000.00.
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 on a monthly basis 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. 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 Contractor for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.
7. Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.
8. Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Chief Financial Officer

AGENDA DATE: May 17, 2016

TITLE: APPROVAL OF INTERIM ENGINEERING AND DESIGN PLAN CHECK LETTER AGREEMENT WITH SOUTHERN CALIFORNIA EDISON FOR THE KITCHING STREET ELECTRICAL SUBSTATION AND SWITCHYARD PROJECT, PROJECT NO. 805 0027

RECOMMENDED ACTION

Recommendations:

1. Approve the interim Engineering and Design Plan Check Letter Agreement (Letter Agreement) with Southern California Edison (SCE) for the Kitching Street Electrical Substation and Switchyard Project (Project).
2. Authorize the City Manager to execute the Letter Agreement with SCE.
3. Authorize the Chief Financial Officer/City Treasurer to execute any subsequent related change orders to the Letter Agreement with SCE, subject to the approval of the City Attorney.
4. Appropriate funds for the Project totaling \$200,000 for SCE's review of the Project.

SUMMARY

This report recommends approval of a Letter Agreement with SCE which will allow SCE to review the Project switchyard design prior to execution of a required Interconnection Facilities Agreement with SCE which is still under review. The Letter Agreement will help keep the project moving forward. The project is located at the northwest corner of Kitching Street and Edwin Road. The project is funded with a combination of 2015 lease revenue bonds and cash from Moreno Valley Utility's (MVU) operating budget.

DISCUSSION

The Kitching Substation Project consists of two separate facilities – a substation that will be owned and operated by MVU, and a switchyard that will be owned and operated by SCE. The switchyard is the point of connection between SCE’s electrical transmission system and MVU’s electrical distribution system. Although SCE usually designs and builds their facilities, SCE approved MVU designing and building the switchyard. SCE protocol requires that an Interconnection Facilities Agreement (IFA) be executed with the City. Because certain items of the IFA are under negotiation, the anticipated execution and approval of the IFA is a few months away. This interim Letter Agreement will allow the project to move forward with the engineering design and review of the switchyard. The scope of this interim Letter Agreement will allow SCE to allocate engineering resources to review, comment, and approve drawings related to the switchyard component of the Project which SCE will ultimately own, operate, and maintain.

ALTERNATIVES

1. Approve the Letter Agreement, authorize the City Manager to execute the Letter Agreement, authorize the Chief Financial Officer/City Treasurer to execute change orders subject to the approval of the City Attorney, and appropriate funds for the Project. *Staff recommends this alternative because it will allow the Project to move forward in a timely manner.*

2. Do not approve the Letter Agreement, authorize the City Manager to execute the Letter Agreement, authorize the Chief Financial Officer/City Treasurer to execute minor change orders subject to the approval of the City Attorney, and appropriate funds for the Project. *Staff does not recommend this alternative because it will further delay the construction of the Project and jeopardize its anticipated target operation date. In addition, if MVU could not design and build the switchyard, SCE would have to perform these tasks, which could significantly increase the cost of the switchyard and delay project completion even further.*

FISCAL IMPACT

Design, construction, and equipment purchase of the Project (Project No. 805 0027) is included in the adopted Fiscal Year 2015/2016 CIP budget. The Project is funded with a combination of the 2015 Lease Revenue Bonds and cash. There is no impact to the General Fund. Funding for SCE’s scope of work, which includes design review, as defined in the Letter Agreement scope of work, will be funded by the budget appropriation of \$200,000. Funding for the design work to be performed by HDR Engineering, Inc. was previously approved for appropriation by the City Council on November 24, 2015.

Fund	Project Number (PN) GL Account (GL)	Type (Rev/Exp)	FY 15/16 Budget	Proposed Adjustments	FY 15/16 Amended Budget
6011	805 0027 6011-02 6011-30-80-80005-720140	Exp	\$4,109,885	\$200,000	\$4,309,885

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Clement Jimenez, P.E.
Senior Engineer, P.E.

Department Head Approval:
Marshall Eyerman
Chief Financial Officer/City Treasurer

Concurred By:
Jeannette Olko
Electric Utility Division Manager

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

ATTACHMENTS

- 1. Moreno Valley Plan Check Agreement
- 2. Kitching Substation May 2016 update

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 10:54 AM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 1:46 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 9:30 AM

Southern California Edison
Tariff Title: Transmission Owner Tariff
Tariff Record Title: Service Agreement No.

Title Page
FERC FPA Electric Tariff

**ENGINEERING AND DESIGN PLAN CHECK
LETTER AGREEMENT**

BETWEEN

THE CITY OF MORENO VALLEY

AND

SOUTHERN CALIFORNIA EDISON COMPANY

KITCHING STREET 115 KV LOAD PROJECT

Contract Effective Date: XX/XX/XXXX
906.X.X
TOTXXX

Tariff Record Proposed Effective Date: XX/XX/XXXX
Version Number: 0.0.0
Option Code: A

Attachment: Moreno Valley Plan Check Agreement [Revision 1] (2060 : APPROVAL OF INTERIM ENGINEERING AND DESIGN PLAN CHECK

April 14, 2016

Jeannette Olko
The City of Moreno Valley
Electric Utility Division Manager
14331 Frederick Street, Suite 2
Moreno Valley, CA 92552-0805

Re: Engineering and Design Plan Check Letter Agreement for the Kitching Street 115 kV Load Project

Dear Ms. Olko:

1. Recitals:

The City of Moreno Valley (“Moreno Valley”), is proposing to construct and operate the Kitching Street 115 kV Load Project, which consist of distribution facilities located, on the west side of Kitching Street, north of Edwin Road in Moreno Valley, California, to serve 28,000 kW of Wholesale Distribution Load, (“Project”). Moreno Valley submitted an Interconnection Request to Southern California Edison Company (“SCE”) to provide interconnection and Distribution Service pursuant to SCE’s Wholesale Distribution Access Tariff (“WDAT”) to interconnect the Kitching Street 115 kV Load Project.

All capitalized terms used herein, and not otherwise defined, shall have the meaning ascribed to that term in the WDAT Tariff. Moreno Valley and SCE are hereinafter sometimes referred to individually as “Party” and collectively as “Parties.”

SCE and Moreno Valley intend to execute an Interconnection Facilities Agreement (“IFA”) and a Distribution Service Agreement, that would include the terms for SCE to engineer, design, license, permit, procure, construct, own, operate and maintain, and for Moreno Valley to pay for certain SCE Interconnection Facilities and Distribution Upgrades, and also for SCE to provide Distribution Service to Moreno Valley for the Project.

A Combined System Impact and Facilities Study was performed by SCE and provided to Moreno Valley on July 2, 2015. Subsequent to the submittal of the studies, Moreno Valley requested permission to design, engineer and construct the Kitching Street 115 kV Substation (“Substation”), necessary to interconnect the Project. SCE has determined that it would allow Moreno Valley to design, engineer and construct the Substation to SCE’s standards and specifications, using SCE approved Contractors, and, upon completion, deed ownership of the Substation to SCE.

SCE is currently re-evaluating the Facilities Study to allow for Moreno Valley to design, engineer and construct the Substation. Therefore, in order to expedite certain aspects of the Project, Moreno Valley desires for SCE to commence certain work prior to the execution of the IFA. Accordingly, the purpose of this letter agreement (“Agreement”) is to agree upon an interim arrangement pursuant to which SCE will commence, and Moreno Valley will pay for

SCE to review certain engineering plans, specifications and designs of the Substation, as outlined in Attachment A below and as follows:

2. Effective Date:

This Agreement shall become effective on the date assigned by FERC ("Effective Date"). If SCE does not receive the fully executed Agreement within thirty (30) calendar days of Moreno Valley's receipt of this Agreement, then the offer reflected in this Agreement will expire and this Agreement will be of no effect. SCE shall promptly file this Agreement with FERC following execution. Moreno Valley shall support acceptance of this Agreement as filed, including waiver of any necessary filing and notice requirements. Such support shall include a written statement of concurrence with such filing, if requested by SCE.

3. Termination:

- (a) This Agreement shall terminate upon the earliest of the following to occur: (i) completion of the work as described in Section 4; (ii) notice that this Agreement is not accepted for filing by FERC; (iii) the effective date of the IFA that supersedes this Agreement; (iv) written notice or a request to terminate this Agreement from Moreno Valley to SCE at any time; (v) written notice provided by SCE to Moreno Valley pursuant to Section 3(b); (vi) written notice provided by SCE to Moreno Valley if a default occurs; (vii) written notice provided by SCE to Moreno Valley, pursuant to Section 4(c); (viii) written notice provided by SCE to Moreno Valley pursuant to Section 5(b); or (ix) following the withdrawal of the Project interconnection application.
- (b) This Agreement is provided in order to expedite such work as described in Section 4 and Exhibit A, in advance of the execution of the IFA. However, Moreno Valley understands and agrees that the IFA shall be executed by the Parties, and the IFA shall supersede this Agreement upon its effective date, unless an extension is otherwise agreed upon by SCE in writing. If the IFA is not executed by date and timeline as specified in the WDAT Tariff, without written consent to delay execution by SCE, SCE shall have the right to terminate this Agreement at its sole discretion; in such event, termination will become effective two (2) Business Days after receipt by Moreno Valley of the termination notice.
- (c) In the event that either Party terminates this Agreement, in the absence of an IFA:
 - (i) SCE shall use commercially reasonable efforts to mitigate the costs, damages and charges arising as a consequence of such termination. To that end, SCE shall, to the extent possible, cancel any pending orders of, or return, any materials or equipment procured pursuant to this Agreement.
- (d) Moreno Valley's obligations to pay charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement as of the termination date of this Agreement will survive termination of this Agreement, except insofar as payment of such charges and expenses is provided for in an IFA that is accepted for filing by FERC and becomes effective.

4. Performance of Work:

- (a) Within thirty (30) calendar days following the Effective Date of this Agreement, Moreno Valley shall submit to SCE the items as listed in Exhibit A, Section I.
- (b) Within thirty (30) Calendar Days following the Effective Date of this Agreement, SCE will submit to Moreno Valley the protection requirements specific to the Kitching Street 115 kV Substation.
- (c) Within Sixty (60) Calendar Days following the later of 1) the Effective Date or 2) receipt of the items as specified in Exhibit A, Section I, SCE will provide to Moreno Valley the items as listed in Exhibit A, Section II. Moreno Valley understands and acknowledges that such sixty (60) Calendar Day timeline is only an estimate and that labor availability, or other unforeseen events could delay the actual completion dates of SCE's review beyond those specified. SCE shall not be liable for any cost or damage incurred by Moreno Valley because of any delay in the work provided for in this Agreement.
- (d) If SCE and Moreno Valley enter in to an IFA prior to completion of the work pursuant to this Agreement, such IFA shall supersede this Agreement upon its effective date, any applicable work product performed by SCE pursuant to this Agreement shall be reflected in the scope of the IFA, and this Agreement shall terminate.

5. Charges:

- (a) Moreno Valley shall and pay to SCE the following charges in accordance with this Agreement: (i) Estimated Amounts pursuant to the payment schedule as shown in Exhibit B; (ii) Actual costs pursuant to Section 6 and (iii) termination charges pursuant to Section 3.
- (b) SCE shall notify Moreno Valley in writing within a reasonable time if SCE learns that charges and expenses are likely to exceed the total estimated amount as shown in Exhibit B, which notification shall provide updated cost estimates in the format of Exhibit B. In such notification, SCE shall specify any additional amount required to be paid by Moreno Valley for SCE to continue work under the terms of this Agreement. Moreno Valley shall pay such additional amount within thirty (30) calendar days of receipt of such notification. If Moreno Valley does not pay the additional amount, or make any of the payments as described in Exhibit B by the due dates specified in this Agreement, SCE may stop all work and SCE shall tender a cure notice to Moreno Valley of such non-payment and a final deadline for making such payment, which shall be fifteen (15) Calendar Days from the receipt of the notice. Subject to the foregoing sentence, if the fifteen (15) Calendar Day cure timeline described above has expired and Moreno Valley has not cured the default, SCE may terminate this Agreement immediately upon written notice by SCE, subject to acceptance or approval by FERC.
- (c) If SCE and Moreno Valley enter in to an IFA prior to completion of the work pursuant to this Agreement, Moreno Valley's payments made and the Security Instruments under the terms of this Agreement, including any additional payments

and increases to the Security Instruments, would be credited to the amount due under the terms of the IFA.

6. Final Invoice:

- (a) Following Termination of this Agreement pursuant to Section 3(a)(i), (ii), (iv), (v), (vi), and (vii), or following completion of the work as described in Exhibit A, SCE shall submit a final invoice to Moreno Valley as soon as practicable, but within six (6) months, which will set forth the amount of SCE's charges and expenses actually incurred or irrevocably committed to be incurred pursuant to this Agreement ("Actual Costs") in sufficient detail to enable Moreno Valley to compare the actual costs with the estimates and to ascertain deviations, if any, from the cost estimates, and within thirty (30) days of receipt of the final invoice, Moreno Valley shall pay the Actual Costs.
- (b) In the event that Moreno Valley's amounts paid in accordance with Section 5(a) of this Agreement, including any additional amount paid pursuant to Section 5(b) of this Agreement, exceeds the Actual Costs, SCE shall return the excess amount to Moreno Valley without interest, within thirty (30) Calendar Days after the date of such invoice provided in accordance with Section 6 of this Agreement, without offset for any amount that may be in dispute. In the event of any such dispute, the Parties shall follow the dispute provisions in Section 11. In the event the Parties determine that Moreno Valley did not owe SCE the full amount paid, then SCE shall refund to Moreno Valley, without interest, the amount overpaid within thirty (30) Calendar Days of such determination.
- (c) In the event that Moreno Valley's amounts paid in accordance with Section 5(a) of this Agreement, including any additional amount paid pursuant to Section 5(b) of this Agreement, is less than the Actual Costs, then Moreno Valley shall pay the difference, without interest, within thirty (30) Calendar Days of the date of receipt of the invoice provided in accordance with Section 6 of this Agreement, without offset for any amount which may be in dispute. In the event of any such dispute, the Parties shall follow the dispute provisions in Section 11. In the event the Parties determine that Moreno Valley did not owe SCE the full amount paid, then SCE shall refund to Moreno Valley, without interest, the amount overpaid within thirty (30) Calendar Days of such determination.

7. Addresses For Billing And Payment:

- (a) All payments to be made by Moreno Valley to SCE shall be sent to:

Southern California Edison Company
 Accounts Receivable
 Box 600
 Rosemead, California 91770-0600

SCE may, at any time, by written notice to Moreno Valley, change the address to which

payments will be sent.

(b) All billings to be presented by SCE to Moreno Valley shall be sent to:

[Address]

Moreno Valley may, at any time, by written notice to SCE, change the address to which billings will be sent.

8. Notices:

Any notice or request made to or by either Party regarding this Agreement shall be made to the representative of the other Party as indicated below:

Southern California Edison Company
Transmission & Distribution
Manager, Grid Contract Management
P. O. Box 800
2244 Walnut Grove Avenue
Rosemead, California 91770
Telefax No. (626) 302-1152
Telephone No. (626) 302-9640

Moreno Valley:
[Address]
Telefax No.
Telephone No.

A Party may at any time designate different or additional persons or different addresses for giving of notices, demands or requests.

9. Audit Rights:

- (a) Moreno Valley shall have the right, during normal business hours, and upon prior reasonable notice to SCE, to audit at its own expense SCE's accounts and records pertaining to SCE's performance or either such Party's satisfaction of obligations owed to the other Party under this Agreement. Any audit authorized by this Section 9 shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to SCE's performance and satisfaction of obligations under this Agreement.
- (b) Accounts and records related to the work described in Exhibit A performed by SCE shall be subject to audit for a period of twenty-four (24) months following SCE's issuance of a final invoice in accordance with Section 6.
- (c) If an audit by Moreno Valley determines that an overpayment or an underpayment has occurred, a notice of such overpayment or underpayment shall be given to Moreno Valley together with those records from the audit which supports such

determination. The Party that is owed payment shall render an invoice to the other Party and such invoice shall be paid pursuant to Section 6.

10. Force Majeure:

For the purposes of this Agreement, Force Majeure shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure. Economic hardship is not considered a Force Majeure event.

11. Dispute:

In the event of any dispute, the Parties shall promptly meet and attempt to resolve the dispute. Such dispute shall be referred to a designated senior representative of each party for resolution on an informal basis as promptly as practical in accordance with the dispute procedures set forth in the IFA, except that references to the Generator Interconnection Agreement shall be interpreted as references to this Agreement. In the event that the parties are unable to resolve the dispute on an informal bases and do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

12. Suspension:

This Agreement or work performed under this Agreement may not be suspended, unless approved in writing by the Parties.

13. Default:

No Party shall be considered to be in Default with respect to any obligation hereunder, other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. For the purposes of this Agreement, Default shall mean the failure of a breaching Party to cure its breach. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Section shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

14. Indemnification:

Each Party shall at all times indemnify, defend, and hold the other Party harmless from, any and all Losses arising out of or resulting from the other Party's action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party. For the purposes of this Agreement, Losses shall mean any and all damages, losses, and claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties.

15. Limitation of Liability:

- (a) SCE's liability for any action arising out of its activities relating to this Agreement shall be limited to refund of amounts received hereunder.
- (b) In no event shall either party be liability under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, consequential, or punitive damages included but not limited to loss of profit or revenue, or loss of use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability.

16. Complete and Final Expression:

This Agreement constitutes the complete and final expression of the agreement between the parties and is intended as a complete and exclusive statement of the terms of their agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements which may have been made in connection with the subject matter of this Agreement. Nothing in this Agreement is intended or shall be deemed to require SCE or Moreno Valley to enter into any other agreement, including without limitation, any interconnection agreement.

17. Waiver:

Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising from this Agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, with the exception of the statutory period of limitation in assessing or enforcing any right, shall not be deemed a waiver of such right.

18. Covenants, Obligations and Liabilities:

The covenants, obligations, and liabilities of the parties are intended to be several and not joint or collective, and nothing contained in this Agreement shall ever be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement. Neither Party shall be under the control of the other Party. Neither Party

shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.

19. Rights or Remedies:

The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary either of this Agreement or of any duty, covenant, obligation, or undertaking established herein.

20. Interpretation:

This Agreement shall be interpreted by and in accordance with the laws of the State of California, without regard to the principles of conflict of laws thereof, or the laws of the United States, as applicable, as if executed and to be performed wholly within the United States.

21. This Agreement shall be binding upon the Parties and their successors and assigns.

22. Modification:

- (a) This Agreement may be modified only through a written amendment executed by duly authorized representatives. However, nothing contained herein shall be construed as affecting in any way the right of SCE to unilaterally make application to FERC for a change in the rates, terms, and conditions of this Agreement under section 205 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder.
- (b) SCE and Moreno Valley shall have the right to make a unilateral filing with FERC to modify this Agreement pursuant to section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by another Party and to participate fully in any proceeding before FERC in which such modifications may be considered.

23. Assignment:

This Agreement may be assigned by a Party only with the written consent of the other Party; provided that a Party may assign this Agreement without the consent of the other Parties to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Moreno Valley shall have the right to assign this Agreement, without the consent of SCE, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Moreno Valley will promptly notify SCE of any such assignment. Any financing arrangement entered into by Moreno Valley pursuant to this Section 23 will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify SCE of the date and particulars of any such exercise of assignment right(s) Any attempted assignment that violates this Section 23 is void and ineffective. Any assignment under this Agreement shall

not relieve a Party of its obligations, nor shall a Party’s obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

- 24. Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party, but shall be construed in the manner that most accurately reflects the parties’ intent as of the date they executed this Agreement.
- 25. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____
 Name: _____
 Title: _____
 Date: _____

THE CITY OF MORENO VALLEY

By: _____
 Name: _____
 Title: _____
 Date: _____

Attachment: Moreno Valley Plan Check Agreement [Revision 1] (2060 : APPROVAL OF INTERIM ENGINEERING AND DESIGN PLAN CHECK

**EXHIBIT A
DESCRIPTION AND ESTIMATED COST SUMMARY
ENGINEERING AND DESIGN PLAN CHECK WORK**

Description of Work: The work to be performed under this Agreement are for the SCE Kitching Street 115 kV Substation as part of the interconnection of the proposed Moreno Valley 115 kV Wholesale Load Project.

I. Moreno Valley Shall:

- (a) Pursuant to Section 4(a) of this Letter Agreement, Moreno Valley shall submit to SCE the following:
 - (i) The complete engineering, design drawings and specifications, including, but not limited to:
 1. Grading Design
 2. Hydrology report and geotechnical report
 3. One-Line Diagram
 4. Plot Plan
 5. MEER building design layout
 6. Bill of materials (as required)
 7. MEER building structural drawings and associated calculations
 8. Electrical outdoor drawings and associated calculations
 9. Elementary diagrams
 10. Logic diagrams
 11. Relay rack elevation plans
 12. Wiring diagrams
 - (ii) Submit evidence to SCE's satisfaction that Moreno Valley has ownership of the land, land rights, easements, necessary to accommodate the Substation.
 - (iii) Allow SCE to inspect the site.
 - (iv) Revise any plans or drawings as directed by SCE pursuant to Exhibit A, Section II(c).

II. SCE Shall:

- (a) Provide to Moreno Valley the specific protection requirements associated with the Kitching Street 115 kV Substation.
- (b) Review the items submitted by Moreno Valley as indicated in Exhibit A, Section 1(a)(i) and provide comment and approval of the drawings and plans related to the

- Kitching Street 115 kV Substation.
- (c) Submit to Moreno Valley any issues or suggested changes to Moreno Valley's proposed plans and drawings as necessary.

EXHIBIT B
ESTIMATED COST

Estimated Cost:

The estimated cost for SCE to perform the work as described in Section 4 and Exhibit A, Section II is \$200,000.00.

KITCHING SUBSTATION UPDATE

April 21, 2016

BACKGROUND

As MVU continues to grow and expand its service, several capital improvement projects totaling \$25.1 million have been identified that are necessary to accommodate increasing demands for electricity. The rapid growth of large commercial projects in the South industrial area has created a need to expand capacity by funding and constructing the Kitching Substation project in the amount of \$17.765 million. Additional projects totaling \$7.3 million will be needed within the next two years in order to improve system reliability and to improve system automation. All of the projects have been included in MVU's 10-Year CIP plan approved by the MVU Commission and City Council on May 15, 2015 and May 26, 2015, respectively. These projects include the following:

Project Title	Project Description	Estimated Cost
Kitching Substation	Install 115kV/12kV substation	\$13,489,000
Kitching Substation to Edwin Rd.	Install conduit and cable from Kitching to Edwin Rd.	\$480,000
Kitching Backbone to Indian	Circuit going north towards Heacock for reliability	\$787,000
Kitching Substation to Perris Blvd.	Allow part of Iris circuit to transfer to Kitching substation	\$414,000
Kitching Substation to Lasselle Sports Park	Create a tie to Lasselle 12kV	\$477,000
Load transfer to Iris Interconnect	Install cable from Iris to Indian	\$378,000
Kitching Substation to Globe	Connect new circuit to Globe interconnect	\$459,000
Kitching Backbone to Perris Blvd.	Install conduit and cable along Modular Way to Perris Blvd.	\$465,000
Kitching – Nason 12kV tie	Ties Kitching substation to MoVal substation providing additional reliability	\$816,000
Alessandro Blvd. Tie	Ties Centerpointe interconnects to MoVal substation	\$2,025,000
Heacock St. Tie	Ties Centerpointe interconnects to South Industrial area	\$1,396,350
Electrical system automation	Build automation, communication, and protection in circuits	\$2,000,000
MoVal Substation upgrade	Addition of 3 rd transformer bank	\$1,925,000
Total		\$25,111,350

C. ENVIRONMENTAL

1. A qualified biologist conducted a survey on the property for the smooth tarplant and Coulter's goldfields plant during the week of April 11, 2016, and found no evidence of either plant.

D. EQUIPMENT

1. The City Council approved the bid awards for the purchase of long-lead equipment on April 5, 2016. These items include two (2) transformers, two (2) circuit breakers, five (5) disconnect switches, one (1) switchgear and bus duct, and two (2) capacitor banks.
2. Staff has been working with the vendors since April 6 regarding the submission of the faithful performance bonds and certificates of insurance. Work cannot proceed until the documents are accepted and approved by the city attorney.
3. It is anticipated that the Notice to Proceed to begin the work will be issued the week of May 2, 2016.

E. INTERCONNECTION ACTIVITIES

1. SCE gave approval for Moreno Valley Utility (MVU) to design and build the switchyard on February 11, 2016. An executed Interconnection Facilities Agreement (IFA) is required before any work can proceed, as the design and construction must comply with the terms and conditions described in the IFA. Staff has continuously requested that SCE provide the IFA or an interim Engineering/Plan Check Agreement to allow HDR to start the switchyard design in earnest. SCE has agreed to enter into an interim Engineering/Plan Check Agreement, and has submitted the Agreement for City approval. The Agreement is on the May 17 City Council agenda for approval.

F. FINANCIAL STATUS

1. A cost estimate of the major components of a substation was previously provided. The estimate was based on previous experience only, and not verified by the design engineer. The estimate that was given is provided on the following page.

KITCHING SUBSTATION UPDATE

April 21, 2016

Major Equipment for 115kV/12kV substation 09/03/2015 Non-engineered estimates, based on experience Updated 03/03/2016							
	Quantity	Ea. Price	Total	Estimate of Long-Lead Items	Actual Bid Amount	Contingency	Total Bid Award
28 MVA transformers	2	\$ 1,250,000	\$ 2,500,000	\$ 2,500,000	\$ 1,302,752	\$ 130,275	\$ 1,433,027
115kV breakers	2	\$ 90,000	\$ 180,000	\$ 180,000	\$ 109,565	\$ 10,957	\$ 120,522
12kV breakers*	15	\$ 8,000	\$ 120,000	included in switchgear and bus duct bid			
*Switchgear and bus duct				\$ 935,000	\$ 1,294,088	\$ 64,703	\$ 1,358,791
**Disconnect switch					\$ 34,491	\$ 1,725	\$ 36,216
Capacitor bank	2	\$ 600,000	\$ 1,200,000	\$ 1,200,000	\$ 174,160	\$ 8,708	\$ 182,868
Control room*	1	\$ 500,000	\$ 500,000	included in switchgear and bus duct bid			
Protection relays*	21	\$ 15,000	\$ 315,000	included in switchgear and bus duct bid			
			\$ 4,815,000	\$ 4,815,000	\$ 2,915,056	\$ 216,368	\$ 3,131,424
Steel and bus work	1	\$ 200,000	\$ 200,000				
Design & Engineering	1	\$ 500,000	\$ 500,000				
Construction & other materials	1	\$ 685,000	\$ 685,000				
			\$ 6,200,000	\$ 4,815,000	\$ 2,915,056	\$ 216,368	\$ 3,131,424
SCE Switchyard ***			\$ 6,800,000				
Land purchase, based on appraisal	1	\$ 489,000	\$ 489,000				
			\$ 13,489,000				

*The switchgear and bus duct includes 12kV breakers, control room, and protection relays.
 **We did not previously provide a non-engineered estimate for the disconnect switch.
 *** Includes \$200,000 for SCE plan check.

2. Project budget and actuals to date:

Project No.	Project Title	FY 14/15 Budget	FY 15/16 Budget	Proposed CIP FY 16/17 Budget	Total Budget	Actuals (Cash)	Actuals (Bonds)	Total Actuals
805 0027	Kitching Substation	\$489,000	\$4,109,885	\$8,890,115	\$13,489,000	\$626,059.72	\$211,988.84	\$838,048.56
805 0040	Kitching Sub to Edwin Rd	\$0	\$15,000	\$465,000	\$480,000	\$0.00	\$0.00	\$0.00
805 0034	Kitching backbone to Indian	\$0	\$16,000	\$771,000	\$787,000	\$0.00	\$0.00	\$0.00
805 0036	Kitching Sub to Perris	\$0	\$15,000	\$399,000	\$414,000	\$0.00	\$0.00	\$0.00
805 0037	Kitching Sub to Lasselle Park	\$0	\$35,000	\$442,000	\$477,000	\$6,667.90	\$0.00	\$6,667.90
805 0031	Kitching Sub load transfer	\$0	\$0	\$378,000	\$378,000	\$0.00	\$0.00	\$0.00
805 0041	Kitching Sub to Globe	\$0	\$15,000	\$444,000	\$459,000	\$0.00	\$0.00	\$0.00
805 0042	Kitching backbone to Perris	\$0	\$15,000	\$450,000	\$465,000	\$0.00	\$0.00	\$0.00
805 0032	Kitching – Nason 12kV tie	\$0	\$15,000	\$801,000	\$816,000	\$0.00	\$0.00	\$0.00

G. PICTURES

The following pictures are examples of the type of long-lead equipment that is needed for the substation. These pictures are from the Moreno Valley Substation on Moreno Beach Dr. The equipment at Kitching Substation will be similar to the equipment shown in the pictures below.



Capacitor bank



Transformer



115 kV Circuit breaker



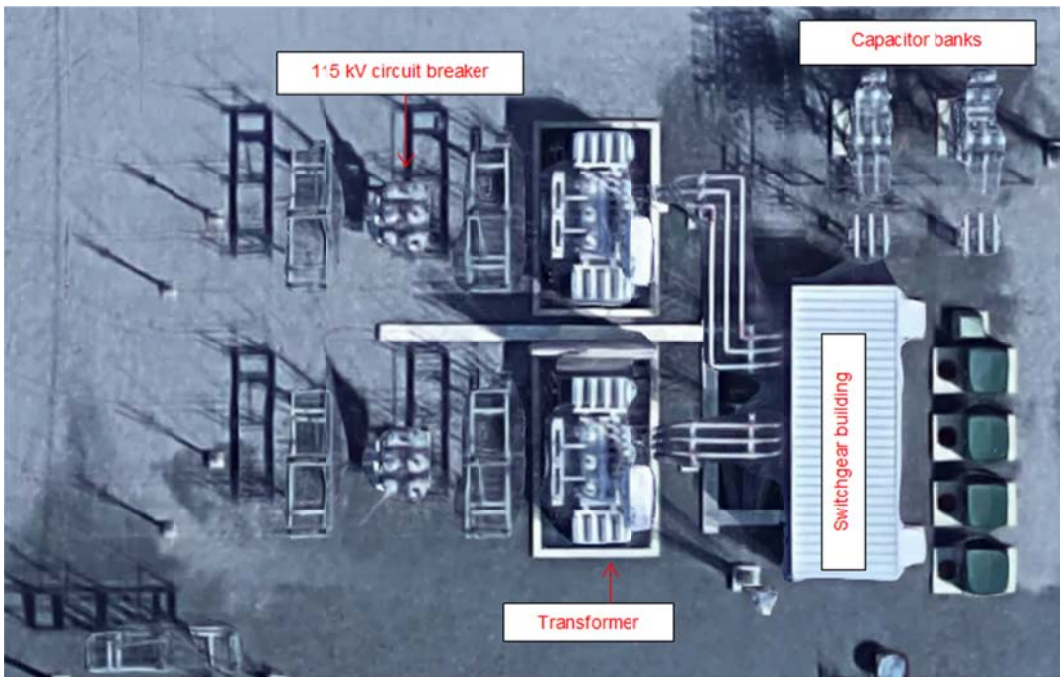
Inside Switchgear building

KITCHING SUBSTATION UPDATE

April 21, 2016



Outside Switchgear building



Attachment: Kitching Substation May 2016 update [Revision 1] (2060 : APPROVAL OF INTERIM ENGINEERING AND DESIGN PLAN CHECK



Report to City Council

TO: Mayor and City Council

FROM: Michelle Dawson, City Manager

AGENDA DATE: May 17, 2016

TITLE: AUTHORIZATION TO PURCHASE ADDITIONAL MICROSOFT SOFTWARE THROUGH SOFTWARE ONE, UTILIZING THE COUNTY OF RIVERSIDE'S MICROSOFT ENTERPRISE MASTER AGREEMENT

RECOMMENDED ACTION

Recommendations:

1. Authorize the Purchasing Manager to issue a purchase order to SoftwareONE for the purchase of Microsoft software that is in addition to current software licensing levels for an amount not to exceed \$41,500.
2. Authorize the City Manager to approve future purchase orders with SoftwareONE to keep the City compliant with the current Microsoft Enterprise Master Agreement (expiring April 30, 2018) in an amount not to exceed ten percent (\$45,900) of the agreement.

SUMMARY

This report recommends approval to purchase Microsoft software that is in addition to the software specified in the City's current Microsoft Enterprise Master Agreement (MEMA). The MEMA, approved by Council on April 14, 2015, allows the City to use the software it needs during each year of the agreement, but once a year the City must "true-up" and pay for any additional software used. The true-up this year will exceed the amount specified in the MEMA; therefore, authorization for additional software is requested.

The not-to-exceed amount of the MEMA was originally set at \$459,000 over three years with the forecast of spending \$153,000 each year. This amount was sufficient for fiscal year (FY) 2014-15; however, that amount is insufficient for FY 2015-16 and is anticipated to be insufficient for FY 2016-17. To remedy the anticipated shortages, staff

recommends authorizing the City Manager to approve purchase orders during the remainder of the contract for up to ten percent over the original MEMA amount. The original MEMA limit is \$459,000; therefore, the maximum contingency amount is \$45,900.

DISCUSSION

The MEMA provides for the maintenance and support of Microsoft server operating system and client access software licenses to provide continued corrective, security, and enhancement updates to the City's existing network in an annual amount not-to-exceed \$153,000 for fiscal years 2014-15 through 2016-17; the agreement expires on April 30, 2018. The agreement utilizes the County of Riverside's Microsoft Enterprise Agreement (a cooperative purchasing agreement used by hundreds of public agencies across California). Since this expenditure is over \$100,000 with the same vendor, City Council approval is required per the City's procurement policy.

The MEMA specifies that the City will purchase its Microsoft software through Compucom System, Inc.; however, SoftwareONE, Inc. has subsequently purchased Compucom so purchases under the existing MEMA will be from SoftwareONE.

The following table lists the software and license counts that have been added to the City's MEMA inventory during the last year. Since software usage has increased, the City needs to increase its license counts and payments to Microsoft. Additional licenses were needed as staff began using more software to increase productivity. For example, additional Visio licenses were used as part of the Development Services project as staff documented their current business processes and planned new, more efficient processes. Likewise, additional CRM (Citizen Relationship Management) licenses were needed as more staff became involved in managing and responding to CRM requests.

Operating Systems, Server and Client Software	Count
Windows Server Operating Systems	1
Microsoft Client Access Licenses	5
Microsoft Database Access Licenses	5
Microsoft Desktop Optimization	5
Microsoft Office Professional	5
Windows Desktop Operating Systems	5
Microsoft Project	7
Microsoft Dynamics CRM	10
Microsoft Visio	10

Additionally, there is a need to purchase Microsoft Office licenses for the new computers at the Employment Resource Center (ERC). The software for the ERC is being funded by the Western Regional Council Of Governments (WRCOG) Beyond Initiative Funding grant approved by the Council on April 5, 2016. Since the purchase of this software is from Microsoft through SoftwareONE and the cumulative amount will be more than the amount approved in the MEMA, City Council approval is also being requested for this purchase.

Operating Systems, Server and Client Software	Count
Microsoft Office Standard	39

Increasing the not-to-exceed limit of the MEMA authorizes staff to purchase the additional Microsoft software that is needed during the agreement. It does not change the budget or alter the agreement; it resets the maximum amount the City can purchase under the agreement. The chart below summarizes the estimated versus actual amounts spent under the MEMA to date.

Fiscal Year	Estimated Cost	Actual Cost
FY 2014-15	\$153,000	\$152,873
FY 2015-16	\$153,000	\$168,475
FY 2016-17	\$153,000	

When the City Council approved the MEMA the original not-to-exceed amount was \$459,000. Authorizing the City Manager to approve future purchase orders for up to ten percent (\$45,900) over the original amount will reset the not-to-exceed amount to \$504,900. That will allow the City to remain compliant with the MEMA during the annual true-up process.

ALTERNATIVES

1. Authorize the Purchasing Manager to issue a purchase order to SoftwareONE for the purchase of Microsoft software that is in addition to current software licensing levels for an amount not to exceed \$41,500.
2. Authorize the City Manager to approve future purchase orders with SoftwareONE to keep the City compliant with the current Microsoft Enterprise Master Agreement (expiring April 30, 2018) in an amount not to exceed ten percent (\$45,900) of the agreement.
Staff recommends alternatives 1-2.
3. Provide staff with further direction.

FISCAL IMPACT

Approval of staff's recommendation will obligate the City to additional FY 2015-16 expenditures of approximately \$41,500. Funds for this purchase are available in the Technology Services software maintenance/support budget and in the Capital Projects account holding the WRCOG grant funds.

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 15/16 Budget
Software Maint/Support/Licenses	1010	16-39-25410-625010	Expense	\$632,408
Capital Projects Grants	2301	70-76-80010-720199	Expense	\$153,294

Increasing the not-to-exceed-limit of the MEMA does not alter the budget. It increases

the maximum amount of Microsoft software that can be purchased through SoftwareONE under this agreement through April 30, 2018. The new not-to-exceed amount is \$504,900.

NOTIFICATION

Publication of the agenda

PREPARATION OF STAFF REPORT

Prepared By:
Steve Hargis
Technology Services Division Manager

Department Head Approval:
Michelle Dawson
City Manager

CITY COUNCIL GOALS

None

ATTACHMENTS

None

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 10:57 AM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 2:00 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 9:30 AM



Report to City Council

TO: Mayor and City Council

FROM: Leslie Keane, Interim City Clerk

AGENDA DATE: May 17, 2016

TITLE: APPOINTMENTS TO THE EMERGING LEADERS COUNCIL (ELC)

RECOMMENDED ACTION

Recommendations:

1. Re-appoint four Emerging Leaders Council members whose terms will expire on May 31, 2016 and who have reapplied for the position; new two year terms will end on May 31, 2018.

SUMMARY

The Emerging Leaders Council has six positions with terms expiring May 31, 2016- four member positions and two alternate positions. This report provides the recommendation to the City Council to re-appoint the members currently serving as they have reapplied and continue to meet the qualifications necessary to serve.

DISCUSSION

Terms for four Emerging Leaders Council (ELC) positions and two unfilled alternate positions are set to expire May 31, 2016. All members with expiring terms have submitted qualifying applications to continue their service to the youth of Moreno Valley. One additional application was submitted, however, the resident did not meet the qualifications.

Only one of the applicants has served their term for the entire two-year period. Three of the four applicants had only served one month since the vacancies they had recently filled were for positions with terms expiring next month.

The Notice of Openings was posted and distributed on April 15, 2016. The deadline to submit was April 28, 2016 with the expectation that the positions would be filled and

approved prior to the May 31, 2016 expiration date so that the business of the ELC would continue uninterrupted with a full slate of members. The ELC currently has an ambitious work plan that requires full membership participation.

The following ELC members have reapplied to serve the youth in Moreno Valley:

- Wendy Acuna
- Patrick Samones
- Mary Linda Reza
- Alexis Castillo

About the Emerging Leaders Council:

The ELC was established by Resolution No. 2014-30 in 2014 and amended by Resolution 2015-31 the following year (See Attachment 1). The purpose of the nine-member Emerging Leaders Council is to provide an opportunity for students with the desire and potential to become community leaders with a practical experience to help develop that potential. Members of the Emerging Leaders Council learn about local and regional government policies and activities as they focus their efforts on serving youth in the Moreno Valley community.

ALTERNATIVES

1. Re-appoint current Emerging Leaders Council members who have submitted applications and meet appointment qualifications.
2. Direct City Clerk to re-advertise the vacant positions and carry over current applications for reconsideration at a future date.

FISCAL IMPACT

There is no fiscal impact.

NOTIFICATION

1. Posting of Notice of Openings
2. Publication of the agenda
3. Report and agenda emailed to applicants

PREPARATION OF STAFF REPORT

Prepared By:
Ewa Lopez
Deputy City Clerk, CMC

Shanna Palau
Management Analyst

Department Head Approval:
Leslie Keane
Interim City Clerk

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

- 1. Resolution No. 2015-31

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 9:49 AM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 1:59 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 9:13 AM

RESOLUTION NO. 2015-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, MODIFYING THE EXISTING PROVISIONS GOVERNING THE EMERGING LEADERS COUNCIL AND REPEALING RESOLUTION NO. 2014-30.

WHEREAS, the actions of the Moreno Valley City Council directly impact the community, including our youth and young adults; and

WHEREAS, Moreno Valley has an abundance of intelligent, civic-minded college students with the potential to become future leaders of this community; and

WHEREAS, Moreno Valley's youth and young adults are capable of participating in a meaningful way in the community's governance; and

WHEREAS, the City Council has a desire to help identify these emerging leaders and provide them with the opportunity to learn about local government, advise the City Council on youth-related issues, and participate in serving their community; and

WHEREAS, a formal Emerging Leaders Council will give Moreno Valley's young adults the opportunity to communicate with the City Council and contribute to the community through participation in City government and service projects; and

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY MODIFY THE EXISTING PROVISIONS OF THE MORENO VALLEY EMERGING LEADERS COUNCIL WHICH SHALL SERVE AND BE GOVERNED AS FOLLOWS:


1. The purpose of the Emerging Leaders Council (ELC) is to identify students with a desire and potential to become community leaders, educate and engage young adults in local government, and focus efforts on service to the Moreno Valley community.
2. The ELC shall consist of nine, (9) members and two (2) alternates appointed by the City Council.
3. The City Council shall appoint one member of the City Council to act as liaison/advisor to the ELC. The Council liaison/advisor shall select one Council Member to assist him/her in reviewing applications and interviewing candidates and will make recommendations to the full City Council for ELC appointments.
4. The City Manager shall appoint a staff liaison to the ELC and provide such reimbursement for their necessary expenses as may be authorized by the City Council in the budget and approved in advance by the City Manager.

5. ELC members shall be high school or college students aged 17 - 25 who reside in Moreno Valley.
6. The Council-appointed liaison/advisor and staff liaison shall prepare an application for ELC membership in accordance in accordance with the standards established by other City Commissions and Boards. All applications will be submitted to the City Clerk.
7. Upon appointment, ELC members and alternates will be required to show proof of age and submit a copy of their class schedule (or other means of verifying enrollment) two times per year, once in October and once in March.
8. The terms of service for permanent members and alternates shall be for two years from June 1 to May 31. Any vacancies created on the ELC will be filled by the City Council after the liaison/advisor reviews applications and interviews candidates as needed.
9. Officers of the ELC shall be selected annually in June of each year by the members and will include a student mayor, student vice mayor and student clerk.
10. The ELC shall meet in regular session once per month on a day and time established by the ELC. All meetings shall be open to the public. Special meetings may be called by the ELC Student Mayor or by a majority of its membership provided that notice of such special meetings is given to each member at least 48 hours prior to the time of the meeting.
11. Alternate members are encouraged to attend monthly ELC meetings and participate on sub-committees adopted by the ELC.
12. The ELC shall be governed by the Brown Act and follow the Rules of Procedure for Council Meetings and Related Functions and Activities as enacted by City Resolution 2013-10, and as amended by future City Resolutions.
13. A quorum exists if 4 or more members are present and a majority vote of the members present shall be required to carry any proposed motion or action.
14. The ELC student clerk shall be responsible for keeping a public record of the ELC's actions. Promptly after approval thereof by the ELC, the original minutes of the meetings shall be filed with the City Clerk.
15. No member may take any action or make any statements committing the ELC as a whole unless given authority to do so by vote of the ELC.
16. All written communication to outside groups shall be approved by the staff liaison to the ELC and shall be sent out under the signature of the ELC student mayor with approval of the majority.

17. If a member of the ELC is absent without cause from three successive regular meetings or from twenty-five percent (25%) of the duly scheduled meetings of the ELC within any fiscal year, the ELC may request the Council liaison declare a position vacant. An absence may be excused if it is due to illness or is unavoidable and the member gives notice to assigned City staff as to the reason.
18. If a vacancy is declared, the city council liaison and staff liaison will conduct interviews to select an alternate member to serve as a permanent member of the ELC.
19. The Emerging Leaders Council shall have the following power and duties:
 - Increase young adult involvement within the community.
 - Educate members and their peers on the responsibilities and importance of local government.
 - Create opportunities for public discussion of issues of importance to the community's youth through meetings and workshops.
 - Explore and identify issues and concerns of special importance to teens and young adults and communicate those issues to the City Council.
 - Make recommendations to the City Council regarding youth-related programs, services, legislation, etc.
 - Encourage youth participation in community service programs and projects.
 - Attend and participate in City-wide special events.
 - Additional goals identified by the members of the Emerging Leaders Council.
 - Solicit funds from private contributions, grants, sponsorships or participate in other fundraising opportunities.
 - Submit periodic status reports to the Mayor and City Council.

IT IS FURTHER RESOLVED THAT RESOLUTION 2014-30 IS HEREBY REPEALED.

APPROVED AND ADOPTED this 12th day of May, 2015.



Mayor of the City of Moreno Valley

ATTEST:



City Clerk

APPROVED AS TO FORM:

by: 

City Attorney

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. 2015-31 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 12th day of May, 2015 by the following vote:

AYES: Council Members Giba, Jempson, Price, Mayor Pro Tem Dr. Gutierrez and Mayor Molina

NOES: None

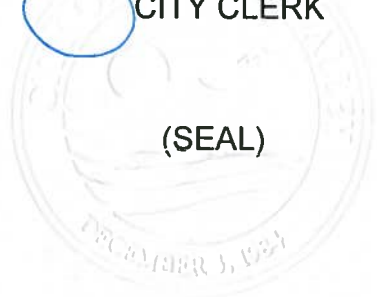
ABSENT: None

ABSTAIN: None

(Council Members, Mayor Pro Tem and Mayor)



CITY CLERK



(SEAL)



Report to City Council

TO: Mayor and City Council

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

AGENDA DATE: May 17, 2016

TITLE: AWARD TO CHASTANG FORD FOR THE REPLACEMENT PURCHASE OF TWO FORD F-750 MAINTENANCE STAKEBED TRUCKS

RECOMMENDED ACTION

Recommendations:

1. Award to Chastang Ford, Houston, TX, for the purchase of two 2017 Ford chassis trucks with Stakebed Body, Ford Model F-750; and
2. Authorize the Purchasing & Facilities Division Manager to issue a purchase order to Los Angeles Chastang Ford in the amount of \$124,866.

SUMMARY

This report recommends approval to purchase two replacement maintenance stakebed trucks for an existing 1995 International 4700 model, and an existing 1996 International 4700 model, that are at the end of their useful life. This purchase is funded through Capital Equipment Replacement funds appropriated within the General Fund, and was approved in the FY 2015/16 – 2016/17 Operating Budget by the City Council on June 23, 2015.

DISCUSSION

The units to be replaced are two small-capacity, maintenance dump trucks, Model 2004 GMC C7500 and Model 2005 GMC C7500. They have exceeded their normal life cycles and are critical to street maintenance operations. These vehicles are in poor mechanical condition and require expensive repairs due to years of heavy use. Replacements for these vehicles are imperative to maintain street maintenance services. City Council approved an appropriation of \$2,482,909 on June 23, 2015 for

fleet replacement from account 1010-70-78-45370-660322. The city's fleet will remain at its current level, the two dump trucks being replaced will be retired and surplus.

Although other truck manufacturers are available for competitive award, the Ford brand is best suited for the City. The reasons the Ford is the best unit for the City are:

1. Only truck manufacturer offering a gasoline engine option in a comparable vehicle, providing significant savings at purchase over an alternative fuel option.
2. Operator safety utilizing familiar brand of vehicle.
3. Equipment design is one with which in-house Vehicle/Equipment staff has familiarity.
4. Parts and warranty repair consistency with a local available vendor.

Per the Moreno Valley Municipal Code, Section 3.12.260, "Where advantageous for the City and to the extent consistent with state law, the City Manager may authorize the Financial & Administrative Services Director or the Purchasing Manager to purchase supplies, materials, equipment or contractual services through legal, competitively awarded contracts with or of other governmental jurisdictions or public agencies, including California Multiple Award Schedules (CMAS) commonly referred to as "piggybacking," without further contracting, solicitation or formal bidding as described in this chapter. (Ord. 624 § 1.7, 2003; Ord. 587 § 2.1 (part), 2001)."

The HGACBuy Cooperative Purchasing Agreement – Contract #HT06-14, was competitively solicited and awarded to Chastang Ford, vendor of medium duty trucks and specialty equipment for street maintenance operations, on June 1, 2014 and expires on May 31, 2016. Staff believes the HGACBuy contract provides the most competitive pricing and highest quality equipment to the City, thereby offering the best value.

ALTERNATIVES

1. Award to Chastang Ford, Houston, TX, for the purchase of two 2017 Ford chassis trucks with Stakebed Body, Ford Model F-750; and authorize the Purchasing & Facilities Division Manager to issue a purchase order to Chastang Ford, Incorporated in the amount of \$124,866. **Staff recommends this action as it is consistent with the best practice of replacing vehicles that exceed their useful life to support a cost-effective fleet replacement/maintenance program and provide reliable equipment for City maintenance programs.**
2. Do not award and do not approve the purchase order in the amount of \$124,866 to Chastang Ford, Incorporated for the purchase of two Ford F-750 maintenance stakebed trucks and direct staff on alternative actions. **Staff does not recommend this action as this may result in excessive maintenance costs to maintain the existing vehicles, which have exceeded their normal life-**

cycle, and result in related potential down-time of the traffic maintenance program supported by this vehicle.

FISCAL IMPACT

The City Council approved an appropriation of \$2,482,909 on June 23, 2015 for fleet replacement; this appropriation. These funds are in account 1010-70-78-45370-660322. No additional appropriation is required.

NOTIFICATION

N/A

PREPARATION OF STAFF REPORT

Prepared By:
Robert Lemon
Maintenance & Operations Division Manager

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

Concurred By:
Rix Skonberg
Purchasing & Facilities Division Manager

CITY COUNCIL GOALS

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

ATTACHMENTS

- 1. HGACBuy Contract Award to Chastang Ford
- 2. Proposal. Chastang Ford F-750 Stakebed Truck

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 9:55 AM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 1:41 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 8:48 AM



MEDIUM & HEAVY TRUCKS & TRUCK BODIES - HT06-14

Contract No.: HT06-14

Effective Date: June 1, 2014 to May 31, 2016

These are complete, legal, turn-key chassis, equipped with EPA 2010 threshold compliant engines/emissions, and consistent with the components and performance of H-GAC specification configuration, [as viewed on this link](#):

For each Base Unit cab-chassis priced in the table, below, other than those options/upgrades called for by an HGAC member (alternate engine, transmission, wheelbase, body, etc), no additional, compulsory equipment or fees are required to render these cab-chassis as functioning, legally-equipped machines meeting those minimums established for each model's base configuration. Unless otherwise noted in the descriptions below, the Base Unit prices below include any emission surcharges and standard factory-to-dealer freight. Freight from dealers to HGAC members (or from dealer to conversion company) shall be recognized as a separate PO line item, unique to end user. Vendors priced various chassis manufacturer options from which HGAC members may build alternative configurations. Contact vendors for a complete quote relative to this contact.

NOTE: The HGACBuy Order Processing Charge for plain chassis is \$600.00 and if body is included, it is \$1000.00.

RE: Truck Bodies: various truck bodies (e.g. aerials, dump bodies, wrecker bodies, service bodies, etc.) are available through each vendor's options pricing. Contact vendors for more details.

FORD

Contractor: Chastang Enterprises - dba Chastang Ford / Chastang's Bayou City Autocar, Grande Truck Center

H-GAC PRODUCT CODE	BASE UNIT (CAB-CHASSIS) DESCRIPTIONS	BASE UNIT PRICE
C1	F-450, 4x2, Regular Cab, Gas Engine	\$27,643
C2	F-550, 4x2, Regular Cab, Gas Engine	\$28,399
C3	F-650, 4x2, Regular Cab, Gas Engine	\$38,076
C4	F-650, 4x2, Regular Cab, Diesel Engine	\$44,373
C5	F-750, 4x2, Regular Cab, Diesel Engine	\$44,822
C6	F-59, Stripped Chassis, Gas Engine	\$19,212
C7	E-450 Cutaway Van Chassis, Gas Engine	\$18,991



CONTRACT PRICING WORKSHEET
For MOTOR VEHICLES Only

Contract No.: HT06-14

Date Prepared: 4/13/2016

*This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents **MUST** be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.*

Buying Agency:	CITY OF MORENO VALLEY	Contractor:	CHASTANG FORD
Contact Person:	JOSEPH MATTOX	Prepared By:	ED MILLER
Phone:	951-413-3166	Phone:	713-678-5007
Fax:		Fax:	713-678-5001
Email:	josephm@moval.org	Email:	emiller@chastangford.com

Product Code:	C5	Description:	2017 FORD F750
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A. Product Item Base Unit Price Per Contractor's H-GAC Contract: 44,8

B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable:
(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
218WB - 218" WHEELBASE	535	GBFB9STK - GENERAL 9' STAKEBED	53
536- FRAME, 14.14SM / 120,000 PSI	475	INCLUDES LIGHTING PACKAGE PER SPECS	INC
76B - TOW HOOKS	70	RECEIVER HITCH AND PLUG	INC
60A - SYNTHETIC LUBE; FRONT AXLE	45		
607- SYNTHETIC LUBE, REAR AXLE	80		
59C - BODY BUILDER WIRING - END OF FRAME	125		
55M - JUMP START STUD	25		
17M - BACKUP ALARM	105		
65L - 50 GAL FUEL TANK	195		
10 - 10 GAL MANDATORY FILL	30		
W75 - UPGRADE TO CREW CAB	3775		
Subtotal From Additional Sheet(s):			
Subtotal B:			108

C. Unpublished Options - Itemize below - attach additional sheet(s) if necessary:
(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
14STK - UPGRADE TO 14' STAKEBED	4213	15S - FRONT STABILIZER BAR	4
59F - UPFITTER SWITCHES	125		
DOWNGRADE TO V10	-665		
Subtotal C:			41

Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). For this transaction the percentage is: 7

D. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C):

Quantity Ordered:	1	X Subtotal of A + B + C:	59815	=	Subtotal D:	598
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E. H-GAC Order Processing Charge (Amount Per Current Policy): Subtotal E:

F. Trade-Ins / Other Allowances / Special Discounts / Freight / Installation:

Description	Cost	Description	Cost
		DELIVERY TO END USER INCLUDED	
Subtotal F:			

Delivery Date: TBD **G. Total Purchase Price (D+E+F):** 598

Attachment: Proposal. Chastang Ford F-750 Stakebed Truck [Revision 1] (2042 : AWARD TO CHASTANG FORD FOR THE REPLACEMENT



Report to City Council

TO: Mayor and City Council

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

AGENDA DATE: May 17, 2016

TITLE: AWARD TO CHASTANG FORD FOR THE REPLACEMENT PURCHASE OF TWO FORD F-750 SMALL-CAPACITY MAINTENANCE DUMP TRUCKS

RECOMMENDED ACTION

Recommendations:

1. Award to Chastang Ford, Houston, TX, for the purchase of two 2017 Ford chassis trucks with Dump Body, Ford Model F-750; and
2. Authorize the Purchasing & Facilities Division Manager to issue a purchase order to Chastang Ford in the amount of \$134,888.

SUMMARY

This report recommends approval to purchase two replacement maintenance dump trucks for an existing 2004 GMC C7500 model and an existing 2005 GMC C7500 model, that are at the end of their useful life. This purchase is funded through Capital Equipment Replacement funds appropriated within the General Fund, and was approved in the FY 2015/16 – 2016/17 Operating Budget by the City Council on June 23, 2015.

DISCUSSION

The units to be replaced are two small-capacity, maintenance dump trucks, Model 2004 GMC C7500 and Model 2005 GMC C7500. They have exceeded their normal life cycles and are critical to street maintenance operations. These vehicles are in poor mechanical condition and require expensive repairs due to years of heavy use. Replacements for these vehicles are imperative to maintain street maintenance services. City Council approved an appropriation of \$2,482,909 on June 23, 2015 for

fleet replacement from account 1010-70-78-45370-660322. The city's fleet; will remain at its current level. The two dump trucks being replaced will be retired and surplus.

Although other truck manufacturers are available for competitive award, the Ford brand is best suited for the City. The reasons the Ford is the best unit for the City are:

1. Only truck manufacturer offering a gasoline engine option in a comparable vehicle, providing significant savings at purchase over an alternative fuel option.
2. Operator safety utilizing familiar brand of vehicle.
3. Equipment design is one with which in-house Vehicle/Equipment staff has familiarity.
4. Parts and warranty repair consistency with a local available vendor.

Per the Moreno Valley Municipal Code, Section 3.12.260, "Where advantageous for the City and to the extent consistent with state law, the City Manager may authorize the Financial & Administrative Services Director or the Purchasing Manager to purchase supplies, materials, equipment or contractual services through legal, competitively awarded contracts with or of other governmental jurisdictions or public agencies, including California Multiple Award Schedules (CMAS) commonly referred to as "piggybacking," without further contracting, solicitation or formal bidding as described in this chapter. (Ord. 624 § 1.7, 2003; Ord. 587 § 2.1 (part), 2001)."

The HGACBuy Cooperative Purchasing Agreement – Contract #HT06-14, was competitively solicited and awarded to Chastang Ford, vendor of medium duty trucks and specialty equipment for street maintenance operations, on June 1, 2014 and expires on May 31, 2016. Staff believes the HGACBuy contract provides the most competitive pricing and highest quality equipment to the City, thereby offering the best value.

ALTERNATIVES

1. Award to Chastang Ford, Houston, TX, for the purchase of two 2017 Ford chassis trucks with Dump Body, Ford Model F-750; and authorize the Purchasing & Facilities Division Manager to issue a purchase order to Chastang Ford, Incorporated in the amount of \$134,888. Staff recommends this action as it is consistent with the best practice of replacing vehicles that exceed their useful life to support a cost-effective fleet replacement/maintenance program and provide reliable equipment for City maintenance programs.
2. Do not award and do not approve the purchase order in the amount of \$134,888 to Chastang Ford, Incorporated for the purchase of two Ford F-750 maintenance dump trucks and direct staff on alternative actions. **Staff does not recommend this action as this may result in excessive maintenance costs to maintain the existing vehicles, which have exceeded their normal life-cycle, and**

result in related potential down-time of the traffic maintenance program supported by this vehicle.

FISCAL IMPACT

The City Council approved an appropriation of \$2,482,909 on June 23, 2015 for fleet replacement. These funds are in account 1010-70-78-45370-660322. No additional appropriation is required.

NOTIFICATION

N/A

PREPARATION OF STAFF REPORT

Prepared By:
Robert Lemon
Maintenance & Operations Division Manager

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

Concurred By:
Rix Skonberg
Purchasing & Facilities Division Manager

CITY COUNCIL GOALS

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

ATTACHMENTS

- 1. HGACBuy Contract Award to Chastang Ford
- 2. Proposal, Chastang Ford F-750 Dump Truck

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 9:47 AM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 1:41 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 8:48 AM



MEDIUM & HEAVY TRUCKS & TRUCK BODIES - HT06-14

Contract No.: HT06-14

Effective Date: June 1, 2014 to May 31, 2016

These are complete, legal, turn-key chassis, equipped with EPA 2010 threshold compliant engines/emissions, and consistent with the components and performance of H-GAC specification configuration, as viewed on this link:

For each Base Unit cab-chassis priced in the table, below, other than those options/upgrades called for by an HGAC member (alternate engine, transmission, wheelbase, body, etc), no additional, compulsory equipment or fees are required to render these cab-chassis as functioning, legally-equipped machines meeting those minimums established for each model's base configuration. Unless otherwise noted in the descriptions below, the Base Unit prices below include any emission surcharges and standard factory-to-dealer freight. Freight from dealers to HGAC members (or from dealer to conversion company) shall be recognized as a separate PO line item, unique to end user. Vendors priced various chassis manufacturer options from which HGAC members may build alternative configurations. Contact vendors for a complete quote relative to this contact.

NOTE: The HGACBuy Order Processing Charge for plain chassis is \$600.00 and if body is included, it is \$1000.00.

RE: Truck Bodies: various truck bodies (e.g. aerials, dump bodies, wrecker bodies, service bodies, etc.) are available through each vendor's options pricing. Contact vendors for more details.

FORD

Contractor: Chastang Enterprises - dba Chastang Ford / Chastang's Bayou City Autocar, Grande Truck Center

H-GAC PRODUCT CODE	BASE UNIT (CAB-CHASSIS) DESCRIPTIONS	BASE UNIT PRICE
C1	F-450, 4x2, Regular Cab, Gas Engine	\$27,643
C2	F-550, 4x2, Regular Cab, Gas Engine	\$28,399
C3	F-650, 4x2, Regular Cab, Gas Engine	\$38,076
C4	F-650, 4x2, Regular Cab, Diesel Engine	\$44,373
C5	F-750, 4x2, Regular Cab, Diesel Engine	\$44,822
C6	F-59, Stripped Chassis, Gas Engine	\$19,212
C7	E-450 Cutaway Van Chassis, Gas Engine	\$18,991



CONTRACT PRICING WORKSHEET
For MOTOR VEHICLES Only

Contract No.: HT06-14

Date Prepared: 4/13/2016

*This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents **MUST** be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.*

Buying Agency:	CITY OF MORENO VALLEY	Contractor:	CHASTANG FORD
Contact Person:	JOSEPH MATTOX	Prepared By:	ED MILLER
Phone:	951-413-3166	Phone:	713-678-5007
Fax:		Fax:	713-678-5001
Email:	josephm@moval.org	Email:	emiller@chastangford.com

Product Code:	C5	Description:	2017 FORD F750
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A. Product Item Base Unit Price Per Contractor's H-GAC Contract: 44,8

B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable:
(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
158WB - 158" WHEELBASE	120	U451-10 - 5 YARD DUMP	131
536- FRAME, 14.14SM / 120,000 PSI	475	W02- BANG BOARDS	4
76B - TOW HOOKS	70	W08 - MANUAL TARP	17
60A - SYNTHETIC LUBE; FRONT AXLE	45	W10 - PINTLE HITCH AND PLUG	17
607- SYNTHETIC LUBE, REAR AXLE	80		
59C - BODY BUILDER WIRING - END OF FRAME	125		
55M - JUMP START STUD	25		
17M - BACKUP ALARM	105		
65L - 50 GAL FUEL TANK	195		
10 - 10 GAL MANDATORY FILL	30		
Subtotal From Additional Sheet(s):			
Subtotal B:			185

C. Unpublished Options - Itemize below - attach additional sheet(s) if necessary:
(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
41B - PTO PROVISION	295	15S - FRONT STABILIZER BAR	4
59F - UPFITTER SWITCHES	125	LIGHTING PACKAGE PER SPECS	33
DOWNGRADE TO V10	-665		
Subtotal C:			36

Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). For this transaction the percentage is: €

D. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C):

Quantity Ordered:	2	X Subtotal of A + B + C:	66944	=	Subtotal D:	1338	
E. H-GAC Order Processing Charge (Amount Per Current Policy):						Subtotal E:	10

F. Trade-Ins / Other Allowances / Special Discounts / Freight / Installation:

Description	Cost	Description	Cost
DELIVERY TO END USER INCLUDED			
Subtotal F:			

Delivery Date: TBD **G. Total Purchase Price (D+E+F):** 1348

Attachment: Proposal, Chastang Ford F-750 Dump Truck [Revision 1] (2041 : AWARD TO CHASTANG FORD FOR THE REPLACEMENT



Report to City Council

TO: Mayor and City Council

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

AGENDA DATE: May 17, 2016

TITLE: AWARD TO LOS ANGELES FREIGHTLINER FOR THE REPLACEMENT PURCHASE OF TWO FREIGHTLINER 114SD MEDIUM-CAPACITY MAINTENANCE DUMP TRUCKS

RECOMMENDED ACTION

Recommendations:

1. Award to Los Angeles Freightliner, Fontana, CA, for the purchase of two 2017 Freightliner chassis trucks with Dump Body, Freightliner Model 114SD; and
2. Authorize the Purchasing & Facilities Division Manager to issue a purchase order to Los Angeles Freightliner in the amount of \$383,440.

SUMMARY

This report recommends approval to purchase two replacement maintenance dump trucks for an existing 2001 International 2555 model and an existing 2002 Peterbuilt 330 model, that are at the end of their useful life. This purchase is funded through Capital Equipment Replacement funds appropriated within the General Fund and was approved in the FY 2015/16 – 2016/17 Operating Budget by the City Council on June 23, 2015.

DISCUSSION

The units to be replaced are two medium-capacity, maintenance dump trucks, Model 2001 International 2555 and Model 2002 Peterbuilt 330. They have exceeded their normal life cycles and are critical to street maintenance operations. These vehicles are in poor mechanical condition and require expensive repairs due to years of heavy use. Replacements for these vehicles are imperative to maintain street maintenance services. City Council approved an appropriation of \$2,482,909 on June 23, 2015 for fleet replacement from account 1010-70-78-45370-660322. The city's fleet will remain at

its current level; the two dump trucks being replaced will be retired and surplused.

Although other truck manufacturers are available for competitive award, the Freightliner brand is best suited for the City. The reasons the Freightliner is the best unit for the City are:

1. Only manufacturer with factory installed CNG equipment that meets AQMD requirements.
2. Operator safety utilizing familiar brand of vehicle.
3. Equipment design is one with which in-house Vehicle/Equipment staff has familiarity.
4. Parts and warranty repair consistency with a local available vendor.

Per the Moreno Valley Municipal Code, Section 3.12.260, "Where advantageous for the City and to the extent consistent with state law, the City Manager may authorize the Financial & Administrative Services Director or the Purchasing Manager to purchase supplies, materials, equipment or contractual services through legal, competitively awarded contracts with or of other governmental jurisdictions or public agencies, including California Multiple Award Schedules (CMAS) commonly referred to as "piggybacking," without further contracting, solicitation or formal bidding as described in this chapter. (Ord. 624 § 1.7, 2003; Ord. 587 § 2.1 (part), 2001)."

The HGACBuy Cooperative Purchasing Agreement – Contract #HT06-14, was competitively solicited and awarded to Los Angeles Freightliner, manufacturer of heavy duty trucks for street maintenance operations, on June 1, 2014 and expires on May 31, 2016. Staff believes the HGACBuy contract provides the most competitive pricing and highest quality equipment to the City, thereby offering the best value.

ALTERNATIVES

1. Award to Los Angeles Freightliner, Fontana, CA, for the purchase of two 2017 Freightliner chassis trucks with Dump Body, Freightliner Model 114SD; and authorize the Purchasing & Facilities Division Manager to issue a purchase order to Los Angeles Freightliner, Incorporated in the amount of \$383,440. **Staff recommends this action as it is consistent with the best practice of replacing vehicles that exceed their useful life to support a cost-effective fleet replacement/maintenance program and provide reliable equipment for City maintenance programs.**
2. Do not award and do not authorize the purchase order in the amount of \$383,440 to Los Angeles Freightliner, Incorporated for the purchase of two Freightliner 114SD maintenance dump trucks and direct staff on alternative actions. **Staff does not recommend this action as this may result in**

excessive maintenance costs to maintain the existing vehicles, which have exceeded their normal life-cycle, and result in related potential down-time of the street maintenance program supported by this vehicle.

FISCAL IMPACT

The City Council approved an appropriation of \$2,482,909 on June 23, 2015 for fleet replacement. These funds are in account 1010-70-78-45370-660322. No additional appropriation is required.

NOTIFICATION

N/A

PREPARATION OF STAFF REPORT

Prepared By:
Robert Lemon
Maintenance & Operations Division Manager

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

Concurred By:
Rix Skonberg
Purchasing & Facilities Division Manager

CITY COUNCIL GOALS

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

ATTACHMENTS

- 1. HGACBuy Contract Award to Freightliner
- 2. Proposal, Los Angeles Freightliner 114SD Dump Truck

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 9:43 AM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 1:39 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 8:48 AM

MEDIUM & HEAVY TRUCKS & TRUCK BODIES - HT06-14

Contract No.: HT06-14

Effective Date: June 1, 2014 to May 31, 2016

These are complete, legal, turn-key chassis, equipped with EPA 2010 threshold compliant engines/emissions, and consistent with the components and performance of H-GAC specification configuration, as viewed on this link:

For each Base Unit cab-chassis priced in the table, below, other than those options/upgrades called for by an HGAC member (alternate engine, transmission, wheelbase, body, etc), no additional, compulsory equipment or fees are required to render these cab-chassis as functioning, legally-equipped machines meeting those minimums established for each model's base configuration. Unless otherwise noted in the descriptions below, the Base Unit prices below include any emission surcharges and standard factory-to-dealer freight. Freight from dealers to HGAC members (or from dealer to conversion company) shall be recognized as a separate PO line item, unique to end user. Vendors priced various chassis manufacturer options from which HGAC members may build alternative configurations. Contact vendors for a complete quote relative to this contact.

NOTE: The HGACBuy Order Processing Charge for plain chassis is \$600.00 and if body is included, it is \$1000.00.

RE: Truck Bodies: various truck bodies (e.g. aerials, dump bodies, wrecker bodies, service bodies, etc.) are available through each vendor's options pricing. Contact vendors for more details.

FREIGHTLINER

Contractor: Houston Freightliner-Western Star

H-GAC PRODUCT CODE	BASE UNIT (CAB-CHASSIS) DESCRIPTIONS	BASE UNIT PRICE
D1	114SD, Conv. Cab, SRA	\$84,267
D2	M2-106-60, Conv. Cab, SRA	\$57,435
D3	M2-106-70, Conv. Cab, SRA	\$59,763
D4	M2-106-80, Conv. Cab, TRA	\$70,819
D5	M2-112, Conv. Cab, SRA	\$75,324
D6	M2-112, Conv. Cab, TRA	\$80,576
D7	108SD-60, Conv. Cab, TRA	\$60,785
D8	108SD-70, Conv. Cab, TRA	\$62,695
D9	108SD-80, Conv. Cab, TRA	\$73,155
D10	Cascadia CA125-DC, Conv Cab Tractor, TRA	\$94,803
D11	122SD, Conv Cab Tractor, TRA	\$97,462
D12	MT45 Stripped Chassis	\$46,651
D13	MT55 Stripped Chassis	\$49,508



CONTRACT PRICING WORKSHEET
For MOTOR VEHICLES Only

Contract No.: HT06-14

Date Prepared: 20-Apr

This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.

Buying Agency:	City of Moreno Valley	Contractor:	Houston Freightliner, Inc
Contact Person:	Joseph Mattox	Prepared By:	Michael McCarthy
Phone:	951-413-3166	Phone:	713-580-8122
Fax:		Fax:	713-955-6282
Email:		Email:	Mike.McCarthy@STRHouston.com

Product Code:	D1	Description:	2017 Freightliner 114SD
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A. Product Item Base Unit Price Per Contractor's H-GAC Contract: 842

B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable.
(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
60 Gallon DGE Fuel Tanks	30008	Air Conditioner	8
Cummins ISLG 320 HP	15030		
Allison 3000 RDS Auto Transmission	7306	Air Cab Mounts	1
18,000 LB Front Axle	1681	315/80R22.5 Front Tires	11
18,000 LB Front Suspension	1028	Trailer Towing Package	15
40,000 LB TufTrac Rear Suspension	2761	Smart Switch Expansion Module	1
214" Wheelbase	812	BW AD-9 Air Dryer	2
Vehicle Interface Connector with PDM at EOF	745		
11/32x3.5x10 15/16 Frame	222	Special Scelzi Equip 14' Dump Body	297
Driver Controlled Traction Lock-Both Axles	905		
1/4" Frame Liner	1058	Subtotal From Additional Sheet(s):	
AM/FM Radio	230	Subtotal B:	956

C. Unpublished Options - Itemize below / attach additional sheet(s) if necessary.
(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
		Subtotal From Additional Sheet(s):	
		Subtotal C:	

Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). For this transaction the percentage is: (

D. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C)

Quantity Ordered:	1	X Subtotal of A + B + C:	179906	=	Subtotal D:	1799
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E. H-GAC Order Processing Charge (Amount Per Current Policy) Subtotal E: 10

F. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges

Description	Cost	Description	Cost
California State Sales Tax	14218		
Discount	-3404		
		Subtotal F:	108

Delivery Date: **G. Total Purchase Price (D+E+F):** 1917

Attachment: Proposal, Los Angeles Freightliner 114SD Dump Truck (2036 : AWARD TO LOS ANGELES FREIGHTLINER FOR THE



Report to City Council

TO: Mayor and City Council

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

AGENDA DATE: May 17, 2016

TITLE: APPROVE THE FUNDING PLAN TO REHABILITATE CERTAIN DISTRESSED STREETS IN THE EDMONT NEIGHBORHOOD AND INCLUSION OF THE PROJECT IN THE UPCOMING FY 16/17 CAPITAL IMPROVEMENT PROGRAM

RECOMMENDED ACTION

Recommendations:

1. Approve the funding plan to rehabilitate certain distressed streets in the Edgemont neighborhood.
2. Direct staff to include the Edgemont Neighborhood Pavement Rehabilitation project in the upcoming FY 16/17 Capital Improvement Plan.

SUMMARY

This report recommends the City Council to approve the funding plan to rehabilitate certain distressed streets in the Edgemont neighborhood as part of the upcoming FY16/17 Capital Improvement Plan (CIP) Budget for \$270,000.

DISCUSSION

On September 22, 2015, the City Council approved appropriation of approximately \$270,000 in projected savings from the Nason Street Improvement from Cactus Avenue to Fir Avenue Project to the Citywide Annual Pavement Resurfacing Program to rehabilitate certain distressed streets in the Edgemont area. The Nason Street Improvement project is funded with Total Road Improvement Program (TRIP) funds. TRIP funds must be expended by June 2016 based on the stipulations of the California

Communities Gas Tax Revenue Certificates of Participation (COPS), Series 2011B TRIP Program. The appropriation of these projected savings allowed staff to prepare necessary construction documents for the projects to ensure that funds are allocated in a timely manner.

Total savings on the Nason Street project reached approximately \$1 million. To ensure that all TRIP funds are fully expended within the allowed timeline, the entire amount saved from the Nason project was programmed into the project budget for the Frederick Street and Elsworth Street Pavement Resurfacing Project. This, in turn, freed Measure A funds that can be allocated to meet Council priorities such as the street improvements.

As a result, the proposed Edgemont area street rehabilitation will be presented as a separate capital improvement project budget (see CIP budget sheet attached) for FY16/17 for City Council consideration and approval in June 2016. The following streets in the Edgemont area are being proposed for rehabilitation.

Street Pavement Rehabilitation Needs

Dracaea Avenue from Edgemont Street to Day Street	\$144,500
Bay Avenue from Day Street to 760 feet east of Day Street	<u>\$ 44,500</u>
Total	\$189,000

Street Slurry Seal Needs

Abington Place: Pan Am Bl. to End	\$ 4,500
Berkshire Lane: Pan Am Bl. to End	\$ 4,500
Bay Avenue: 760 Ft. E/o Day St. to Frederick St.	\$62,000
Dracaea Avenue: Edgemont St. to 500 Ft. West	<u>\$ 8,000</u>
Total	\$79,000

Staff’s recommendations for the proposed street improvements are based on pavement condition, traffic volumes and opportunities to complete segment lengths.

In July 2015, City Public Works Department staff met with Box Springs Mutual Water Company (BSMWC) staff to ensure that water projects are completed before pavement projects move forward. The agency plans to replace the waterline along Dracaea; none of the other proposed projects are in the vicinity of aging water infrastructure. Should BSMWC change its plans with regard to Dracaea, staff would return to the Council with an alternative recommendation for that portion of the street rehabilitation project.

ALTERNATIVES

- 1. Approve the funding plan for Edgemont Neighborhood Pavement Rehabilitation and its inclusion in the upcoming FY 16/17 CIP. *Staff recommends this alternative as the actions will expedite progress on this project as supported by the City Council on September 22, 2015.*
- 2. Do not approve the funding plan for Edgemont Neighborhood Pavement Rehabilitation and its inclusion in the upcoming FY 16/17 CIP. *Staff does not recommend this alternative as it would delay the progress on this project.*

FISCAL IMPACT

Measure A funds in the Citywide Annual Pavement Resurfacing Program will provide sufficient funding for the phased street rehabilitation in the Edgemont neighborhood. At the completion of the project, any remaining project budget balance will be saved for future pavement resurfacing projects. **There is no impact to the General Fund.**

ANTICIPATED PROJECT SCHEDULE:

CIP FY16/17 Budget Approval	June 2016
Edgemont Area Street Rehabilitation Bidding	July 2016
City Council Construction Award	August 2016
Construction Completed	November 2016

NOTIFICATION

N/A

PREPARATION OF STAFF REPORT

Prepared By:
Quang Nguyen
Senior Engineer, P.E.

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

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.

ATTACHMENTS

- 1. Edgemont Neighborhood Pavement Rehabilitation

2. FY 16-17 CIP Budget Sheet

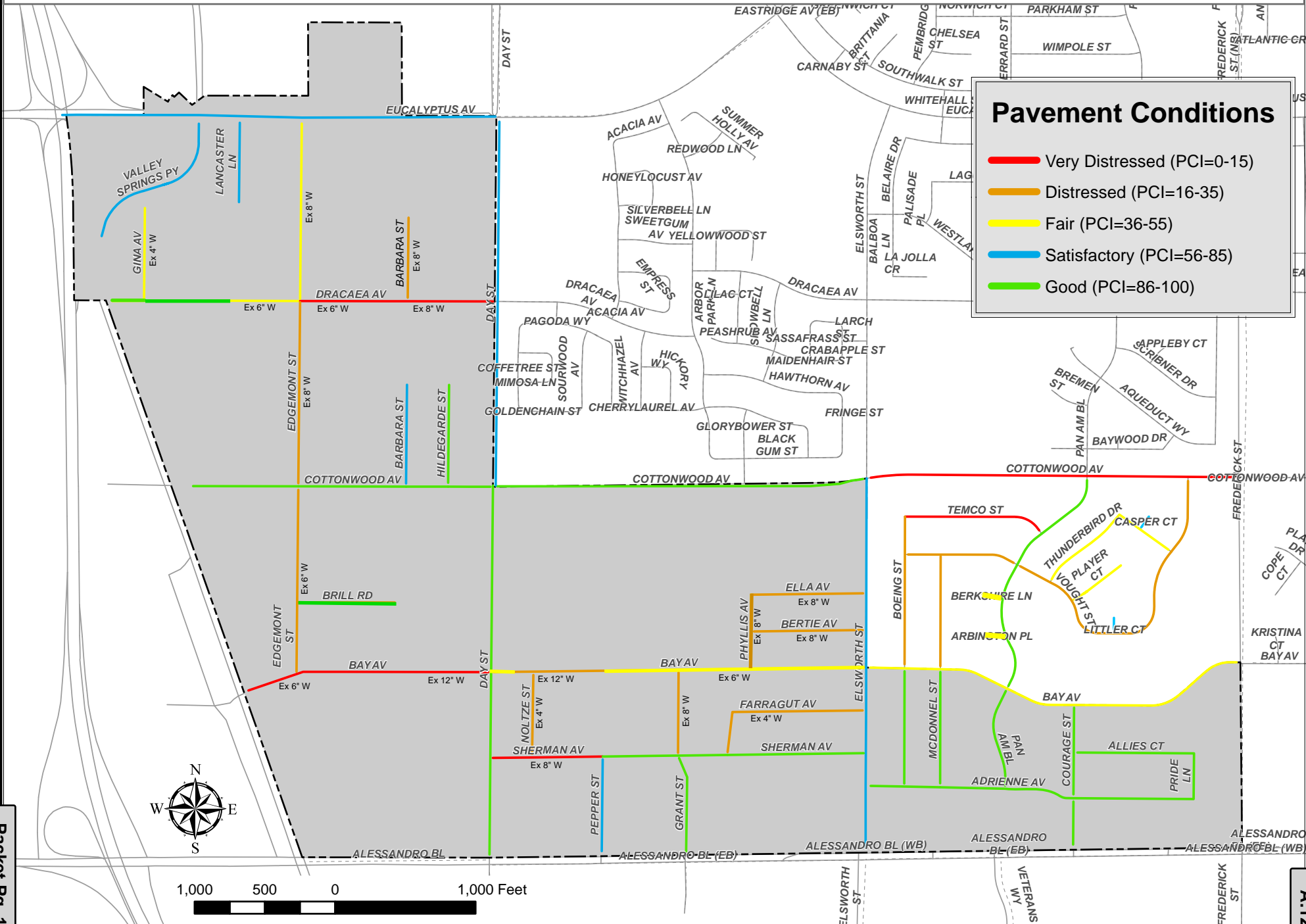
APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	4/18/16 10:52 AM
City Attorney Approval	<u>✓ Approved</u>	4/18/16 10:59 AM
City Manager Approval	<u>✓ Approved</u>	5/03/16 1:49 PM

EDGEMONT COMMUNITY STREET PAVEMENT CONDITIONS AND REHABILITATION PRIORITY

Pavement Conditions

- Very Distressed (PCI=0-15)
- Distressed (PCI=16-35)
- Fair (PCI=36-55)
- Satisfactory (PCI=56-85)
- Good (PCI=86-100)



**CITY OF MORENO VALLEY
Capital Improvement Plan - Project Details
FY 2016-2021 and Beyond**

<p>Project Title: Edgemont Neighborhood Pavement Rehabilitation</p> <p>Department / Division: Public Works Department / Capital Projects Division</p>	<p>Project Status:</p> <input checked="" type="checkbox"/> New <input type="checkbox"/> Deleted <input type="checkbox"/> In Progress <input type="checkbox"/> On Hold <input type="checkbox"/> Completed	<p>Project Priority in CIP Category</p> <input checked="" type="checkbox"/> Essential (Start within 1 yr) <input type="checkbox"/> Necessary (Start within 1 to 3 yrs) <input type="checkbox"/> Desirable (Start within 3 to 5 yrs) <input type="checkbox"/> Deferrable (Start within 5 to 10 yrs)
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Project Description:
 This project is to provide pavement rehabilitation to several collector and residential streets in the Edgemont Neighborhood. The work will include removal and replacement of asphalt pavement surface or application of slurry seal, and restoration of traffic striping. The selected streets for rehab include: Dracaea Avenue (Edgemont St to Day St), Bay Avenue (Day St to Frederick St), Abington Place, and Berkshire Lane.

Advertise/Award: July to September 2016
 Construction: October to December 2016

Justification or Significance of Improvement:
 This project could extend the service life of the street pavement. The streets are selected based on the their conditions and amount of vehicles traveling on these roads daily.

Estimated Maintenance Costs:
 Street maintenance costs over a 20 year period are estimated to average approximately \$12,000 per 13 foot wide lane per year. Sidewalk maintenance costs over a 50 year are estimated to average approximately \$5,400 per 6 foot wide sidewalk mile per year. Currently no new funding source has been identified to fund these maintenance costs.

Project Location Map: Council District(s): 1 2 3 4 5

CIP Category

 Streets and Highways Parks
 Bridges Electric Utility
 Buildings Landscaping Traffic Signals
 Drainage Underground Utilities

S - 19

PROJECT PHASE	Budget FY 2015-2016	Projected Expenditure FY 2015-2016	Return to Fund Balance FY 2015-2016	Carryover to FY 2016-2017	New Request FY 2016-2017	Carryover plus New Request FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021 and Beyond	Total
Prelim. Eng. / Environ. Design Right of Way Construction Other					320,000	320,000					320,000
PROJECT TOTAL	0	0	0	0	320,000	320,000	0	0	0	0	320,000

FUNDING SOURCE	Budget FY 2015-2016	Projected Expenditure FY 2015-2016	Return to Fund Balance FY 2015-2016	Carryover to FY 2016-2017	New Request FY 2016-2017	Carryover plus New Request FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021 and Beyond	Total
Measure A (2001) 801 0070-2001					320,000	320,000					320,000
REVENUE TOTAL	0	0	0	0	320,000	320,000	0	0	0	0	320,000

Attachment: FY 16-17 CIP Budget Sheet (2035 : APPROVE THE FUNDING PLAN TO REHABILITATE CERTAIN DISTRESSED STREETS IN THE



Report to City Council

TO: Mayor and City Council

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

AGENDA DATE: May 17, 2016

TITLE: ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7 OF THE CITY OF MORENO VALLEY

RECOMMENDED ACTION

Recommendations:

1. Acting as the legislative body of Community Facilities District No. 7, approve and adopt Resolution No. 2016-29, a resolution of the City Council of the City of Moreno Valley, California, acknowledging receipt of a petition requesting certain amendments related to Improvement Area No. 1 of Community Facilities District No. 7 of the City of Moreno Valley.
2. Acting as the legislative body of Community Facilities District No. 7, approve and adopt Resolution No. 2016-30, a resolution of the City Council of the City of Moreno Valley, California, for consideration to make various amendments and modifications to the rate and method of apportionment of special tax for Improvement Area No. 1, established in and for Community Facilities District No. 7, to amend the boundaries of the zones established within Improvement Area No. 1, to limit the type of facilities to be financed, and other modifications and related matters.

SUMMARY

The two property owners within Improvement Area (IA) No. 1 of Community Facilities District (CFD) No. 7 of the City of Moreno Valley ("District") have requested the City (acting as the legislative body of the CFD) modify the Rate and Method of Apportionment of Special Tax (RMA), modify the boundary map, and reaffirm its limited obligation to refinance certain flood control facilities in the District. Adopting the

proposed resolutions will initiate the process to modify the RMA and boundary map.

On June 24, 2008, the District was formed with three IAs for the purpose of issuing debt to acquire and construct certain public improvements (e.g. street improvements and flood control facilities). The public infrastructure improvements for IA No. 1 were constructed in 2008. Street and certain flood control improvements were accepted by the City and certain flood control improvements were accepted by Riverside County Flood Control and Water Conservation District (RCFCD) in 2009.

Due to market conditions and difficulty securing favorable financing terms, bonds were not issued. Now, with the market recovering and strong, long-term tenants, the two property owners in IA No. 1 executed a Memorandum of Understanding (MOU) and are requesting the District issue bonds for IA No. 1, based on certain modifications to the RMA. The RMA modifications change which properties are subject to the special tax, limit the public infrastructure eligible for financing, and reduce the total amount to be refunded. Debt service on the bonds will be secured by special taxes levied on the eligible properties within IA No. 1 and will not be an obligation of the City or its general fund.

The Finance Subcommittee reviewed this item during its April 13th meeting.

DISCUSSION

District Formation

On June 24, 2008, the City Council formed CFD No. 7, with IA No. 1, IA No. 2 and IA No. 3. The District was formed to finance the acquisition and construction of street improvements and flood control facilities. Formation of the CFD allows the City to issue debt to finance the public infrastructure and to levy a special tax against the properties within the District to pay the debt service on the bonds. The debt will be secured with the special tax lien on the eligible properties in the District and will not be an obligation of the City. Debt has not been issued for the District nor have the special taxes been levied on any of the properties within the District.

Individual IAs were established so that property owners within each IA could construct public improvements to facilitate future development within their IA and issue bonds specific to those public improvements.

Each IA has its own RMA. The RMA stipulates the calculation of the annual special tax, which will be levied on applicable properties within the District, the formula to calculate a prepayment of the special tax, and the term of the special tax. Properties within the District are classified as Developed, Undeveloped, Annexed, or Exempt and specific clauses mandate the procedure to follow to calculate the annual special tax applicable to each parcel. (IA No. 2 was dissolved in 2012 and IA No. 3 is not expected to request issuance of bonds to finance their public improvements.)

A future annexation boundary map for each IA was adopted. Parcels within the future annexation area have been deemed tributary to the Riverside County flood control facilities which are constructed in each IA. Upon development of a parcel located within the future annexation area, its property owner shall have the option to pay the Local Component portion of the Area Drainage Plan (ADP) fee for RCFCD upfront to the City on behalf of the District, or annex into the District. Projects choosing to annex into the District will finance their Local Component of the ADP fee through the payment of an annual special tax. Payments made either upfront or through the financing mechanism shall be allocated toward the debt service payments on CFD No. 7 bonds for that IA.

Site Development

FR/CAL Moreno Valley, LLC (“FR/CAL”) and Komar Investments, LLC (“Komar”) were the original landowners in IA No. 1 when the District was formed. The RMA identifies the FR/CAL property in Zone 1 and the Komar property in Zone 2 of the District. Pursuant to the terms of the Joint Community Facilities Agreement between the City and RCFCD, County flood control facilities were constructed and accepted by RCFCD for operation and maintenance on April 2, 2009.

On January 26, 2010, the City Council approved an Amended and Restated Acquisition/Financing Agreement (“Acquisition Agreement”). This is the primary document governing how the City will acquire improvements, the priority of payment for the improvements, and the cost estimates for those improvements. It was originally approved on April 8, 2008 and amended to include information on the formation proceedings, incorporate reference to documents that have been entered into since the original agreement was executed, and clarify the difference between RCFCD facilities and City flood control facilities. The amendment also permitted the local component portion of the ADP fee applicable to an IA to be transferred to the CFD to be used for any authorized purpose. Street improvements and city flood control facilities were constructed and accepted into the City’s maintenance system on June 23, 2009.

Due to market conditions and difficulty securing favorable financing terms, bonds were not issued for the acquisition and construction of the public improvements. The Acquisition Agreement terminated prior to issuance of bonds. However, the City can reaffirm its limited obligation to refinance improvements constructed within IA No. 1 of the District.

RMA Changes

I-215 Logistics, LLC (“I-215 Logistics”) has since acquired 73.48 acres from Komar (Zone 1) and FR/CAL (Zone 2) acquired the balance (approximately 20 acres) of the Komar property (Zone 2) (which had been previously transferred to two parties, Alvaraz and Marsal).

With the market recovering, FR/CAL and I-215 Logistics have submitted a petition requesting certain modifications to the RMA to allow the issuance of bonds. Both

parties memorialized the terms of the modifications in a Memorandum of Understanding (MOU). The proposed changes include:

- 1) amending the description of Financed Facilities to mean only Storm Drain Facilities acquired by RCFCD in an amount not in excess of \$2,703,341.58 (effectively lowering the maximum special tax);
- 2) amending the Original Boundary Map by moving approximately 20 acres of FR/CAL property (formerly owned by Komar) from Zone 2 to Zone 1 (after the change, properties located in Zone 1 are owned by FR/CAL while properties in Zone 2 are owned by I-215 Logistics) (see Attachment 5 for the original zone boundaries and proposed zone boundaries); and,
- 3) apportioning the special tax only to parcels located within Zone 2.

In December 2015, after a competitive Request for Proposal process, the City Council designated a Financing Team to assist in issuing bonds. The Financing Team is preparing the necessary documents to implement the property owners' requested changes to the RMA.

The proposed resolutions acknowledge the property owners' petition and start the process to make certain changes to the RMA, amend the boundaries of the zones, limit the type of facilities to financed, etc. A public hearing and a resolution to consider authorizing the RMA changes and an amended special tax ordinance is tentatively scheduled for June 21st. It is anticipated bond documents will be presented for City Council action before the end of the calendar year.

ALTERNATIVES

1. Adopt the proposed resolutions. *Staff recommends this alternative, as it will initiate proceedings to modify the RMA, at the request of the property owners in IA No. 1.*
2. Do not adopt the proposed resolutions. *Staff does not recommend this alternative, as it is not consistent with the petition submitted by the property owners in Improvement Area No. 1. This alternative will prevent the property owner in Zone 2 from using the District to satisfy financial obligations to the property owner in Zone 1.*
3. Do not adopt the proposed resolutions but rather continue the item to a future Council meeting. *Staff does not recommend this alternative, as it will delay the property owners' request to modify the RMA and issuance of bonds.*

FISCAL IMPACT

The City will not incur any costs associated with this process. FR/CAL entered into an Advanced Funding Agreement with the City and made a deposit for the upfront costs

associated with changes to the RMA and boundary map revisions. Any additional costs associated with bond issuance shall be paid from bond proceeds. Debt service on the bonds will be secured solely by the levy of special taxes on properties within the IA No. 1 and are not an obligation of the City or its general fund.

NOTIFICATION

The property owners' affected by this item submitted a petition and an MOU requesting the changes. The item was also posted as part of the agenda posting requirements.

PREPARATION OF STAFF REPORT

Prepared By:
Candace E. Cassel
Special Districts Division Manager

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

Concurred By:
Marshall Eyerman
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

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

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

ATTACHMENTS

1. Resolution Acknowledging Petition
2. Resolution of Consideration
3. RMA Clean w Exhibit A
4. RMA Redline w Exhibit A
5. Boundary Maps
6. Property Owner Petition

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/03/16 7:40 AM
City Attorney Approval	<u>✓ Approved</u>	5/03/16 2:49 PM
City Manager Approval	<u>✓ Approved</u>	5/04/16 12:05 PM

RESOLUTION NO. 2016-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACKNOWLEDGING RECEIPT OF A PETITION REQUESTING CERTAIN AMENDMENTS RELATED TO IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7 OF THE CITY OF MORENO VALLEY

Improvement Area No. 1 of
Community Facilities District No. 7
of the City of Moreno Valley

WHEREAS, pursuant to Resolution No. 8-82, adopted by the City of Moreno Valley (the "City") on June 24, 2008, and the Mello-Roos Community Facilities Act of 1982 (the "Act") the City established Community Facilities District No. 7 (the "Community Facilities District"), which Community Facilities District includes three Improvement Areas; and

WHEREAS, FR/CAL Moreno Valley, LLC, a Delaware limited liability company ("FR/CAL") and I-215 Logistics, LLC, a Delaware a limited liability company ("I-215 Logistics") (together, the "Owners"), are the respective legal owners of all of the property (the "Property"), located within the boundaries of Improvement Area No. 1 ("Improvement Area No. 1") of the Community Facilities District; and

WHEREAS, the City has previously approved a rate and method of apportionment of the special tax for Improvement Area No. 1 (referred to herein as the "RMA"); and

WHEREAS, the Owners have entered into a Memorandum of Understanding (the "MOU") dated as of February 19, 2015 describing certain change proceedings they agreed to petition the City to conduct pursuant to Article 3 of the Act; and

WHEREAS, City has received a written petition, including the MOU attached as Exhibit B thereto (the "Petition") from the Owners requesting the City to modify the RMA and the boundary map of Improvement Area No. 1 to reflect the changes specifically described in Sections 2, 3, 4, 5 and 6 of the MOU.

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

Section 1. Receipt of the Petition is hereby acknowledged.

Section 2. The officers, employees and agents of City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not

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Resolution No. 2016-29
Date Adopted: May 17, 2016

Attachment: Resolution Acknowledging Petition [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND

inconsistent with the provisions hereof. This Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 17th day of May, 2016.

Mayor of the City of Moreno Valley

ATTEST:

Interim City Clerk

APPROVED AS TO FORM:

Interim City Attorney

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Resolution No. 2016-29
Date Adopted: May 17, 2016

RESOLUTION JURAT

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

I, Leslie Keane, Interim City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2016-29 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 17th day of May, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

INTERIM CITY CLERK

(SEAL)

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Resolution No. 2016-29
Date Adopted: May 17, 2016

RESOLUTION NO. 2016-30

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, FOR CONSIDERATION TO MAKE VARIOUS AMENDMENTS AND MODIFICATIONS TO THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR IMPROVEMENT AREA NO. 1, ESTABLISHED IN AND FOR COMMUNITY FACILITIES DISTRICT NO. 7, TO AMEND THE BOUNDARIES OF THE ZONES ESTABLISHED WITHIN IMPROVEMENT AREA NO. 1, TO LIMIT THE TYPE OF FACILITIES TO BE FINANCED, AND OTHER MODIFICATIONS AND RELATED MATTERS

WHEREAS, the City Council (the "City Council") of the City of Moreno Valley (the "City") conducted proceedings under and pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 (beginning with Section 53311) of the Government Code of the State of California (the "Act"), (i) to form a community facilities district comprising three improvement areas within the City of Moreno Valley, designated and known as "Community Facilities District No. 7, City of Moreno Valley, State of California" (the "Community Facilities District"), with "Improvement Area No. 1," "Improvement Area No. 2" and "Improvement Area No. 3," (ii) to authorize a special tax to finance the acquisition and construction of certain public facilities, (iii) to authorize the issuance of debt to finance the facilities, and (iv) to establish the appropriations limit for the Community Facilities District, all as set forth in the City Council's Resolution No. 2008-82 (the "Resolution of Formation"), adopted on June 24, 2008; and

WHEREAS, the City acting on behalf of the Community Facilities District, FR/CAL Moreno Valley, LLC, a Delaware limited liability company ("FR/CAL"), First Industrial, L.P., a Delaware limited liability partnership ("First Industrial") and FR/CAL Indian Avenue, LLC, a Delaware limited liability company ("FR/CAL IA," and together with FR/CAL and First Industrial, the "Parties") entered into an Amended and Restated Acquisition/Financing Agreement (the "Acquisition Agreement"), dated February 1, 2010, pursuant to which the City and the Parties agreed that, among other facilities, certain flood control facilities (the "Flood Control Facilities") would be constructed by the Parties and subsequently acquired by the Riverside County Flood Control and Water Conservation District (the "Flood Control District"); and

WHEREAS, the Acquisition Agreement further provided that the purchase price for the Flood Control Facilities would be paid from the proceeds of bonds issued by the Community Facilities District pursuant to the Act, secured solely by the levy of special taxes on property within the Community Facilities District; and

WHEREAS, subsequent to the execution of the Acquisition Agreement, I-215 Logistics, LLC, a Delaware limited liability company ("I-215 Logistics") acquired

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Date Adopted: May 17, 2016

Attachment: Resolution of Consideration [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD

approximately 72.48 acres of property located in Zone 2 of Improvement Area No. 1, of the Community Facilities District from the Komar family (“Komar,” the owner of property at the time the Community Facilities District was formed); and FR/CAL acquired the balance of the Komar property, approximately 20 acres (which had been previously transferred to two parties Alvaraz and Marsal) located in Zone 2 of Improvement Area No. 1 of the Community Facilities District; and

WHEREAS, Komar, as a landowner in Improvement Area No. 1 of the Community Facilities District, voted in favor of the issuance of bonds secured solely by the levy of special taxes on property within Improvement Area No. 1 of the Community Facilities District, and I-215 Logistics and FR/CAL acquired the Komar property interest with the expectation that special tax bonds would be issued pursuant to the Act to acquire the Flood Control Facilities; and

WHEREAS, notwithstanding Section 17 of the Acquisition Agreement which provides under certain circumstances for the termination of the Acquisition Agreement, the City reaffirms its limited obligation under Section 15 of the Acquisition Agreement to acquire improvements from proceeds of bonds issued by the Community Facilities District; and

WHEREAS, FR/CAL and I-215 Logistics (together, the “Owners”), as the respective present legal owners of all of the property (the “Property”), which is included within the territory of Improvement Area No. 1, have filed a petition with the City (the “Petition”), requested the City Council of the City to enter into certain change proceedings pursuant to Article 3 of the Act; and

WHEREAS, the Owners’ requested change proceedings are described in Sections 2, 3, 4, 5 and 6 of the Memorandum of Understanding (the “MOU”) dated as of February 19, 2015, which is attached as Exhibit B to the Petition; and

WHEREAS, these proposed changes in the authority conferred upon the City Council by the Community Facilities District are referred to herein as the “Proposed Amendments”; and

WHEREAS, the City Council has determined that the public convenience and necessity require the consideration of the Proposed Amendments; and

WHEREAS, the City Council is fully advised in this matter.

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

Section 1. The City Council hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the City and that the statements, findings and determinations of the City set forth above, including the City’s reaffirmation of its limited obligation under Section 15 of the Acquisition Agreement to acquire improvements from proceeds of bonds issued by the

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Resolution No. 2016-30
Date Adopted: May 17, 2016

Community Facilities District, are true and correct and that the consideration of the Proposed Amendments to the authority conferred upon the City Council by the Community Facilities District is important to the public welfare of the residents of the City, and involve significant public benefits.

Section 2. As more specifically described in Exhibit A attached hereto, the proposed changes are (i) to amend the Original Boundary Map approved in Resolution 2008-50, adopted by the City Council of the City on May 13, 2008, by moving certain property currently in Zone 2 to Zone 1 of Improvement Area No. 1, (ii) to amend the Rate and Method of Apportionment of Special Tax for Improvement Area No. 1, as set forth in Exhibit B to the Resolution of Formation, with the Amended and Restated Rate and Method of Apportionment of Special Tax for Improvement Area No. 1 and (iii) to amend the description of Facilities which shall be financed to mean only Storm Drain Facilities in an amount not in excess of \$2,703,341.58. The Amended Boundary Map is attached as Annex 1 to Exhibit A and the Amended and Restated Rate and Method of Apportionment of Special Tax is attached as Annex 2 to Exhibit A.

Section 3. The Council hereby sets Tuesday, June 21, 2016, at 6:00 p.m., or as soon thereafter as the Council may reach the matter, in the Council Chamber in the Moreno Valley City Hall, 14177 Frederick Street, Moreno Valley, California, as the time and place for a public hearing to be held by the City Council to consider the Proposed Amendments and all other matters set forth in this resolution. At the public hearing, any persons interested, including all taxpayers, property owners, and registered voters within Improvement Area No. 1 of the Community Facilities District, may appear and be heard, and the testimony of all interested persons or taxpayers for or against the adoption of the Proposed Amendments or on any other matters set forth herein, will be heard and considered.

Section 4. Any protests to the proposals in this resolution may be made orally or in writing by any interested persons or taxpayers, except that any protests pertaining to the regularity or sufficiency of these proceedings must be in writing and must clearly set forth the irregularities and defects to which objection is made. The City Council may waive any irregularities in the form or content of any written protest and at the public hearing may correct minor defects in the proceedings. All written protests not presented in person by the protester at the public hearing must be filed with the City Clerk at or before the time fixed for the public hearing in order to be received and considered. Any written protest may be withdrawn in writing at any time before the conclusion of the public hearing.

Section 5. Written protests by a majority of the registered voters residing and registered within Improvement Area No. 1 of the Community Facilities District (if at least six such voters so protest), or by the owners of a majority of the land area within Improvement Area No. 1 of the Community Facilities District not exempt from the special tax, will require suspension of these proceedings for at least one year. If such protests are directed only against certain elements of the Proposed Amendments, only those elements need be excluded from the proceedings.

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Resolution No. 2016-30
Date Adopted: May 17, 2016

Attachment: Resolution of Consideration [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD

Section 6. The public hearing may be continued from time to time, but shall be completed within 30 days, except that if the City Council finds that the complexity of the Community Facilities District or the need for public participation requires additional time, the public hearing may be continued from time to time for a period not to exceed 6 months.

Section 7. At the public hearing, the City Council may modify this resolution by eliminating or modifying (by reducing the extent of) any of the Proposed Amendments.

Section 8. At the conclusion of the public hearing, the City Council may abandon these proceedings or may, after passing upon all protests, determine to proceed with conducting special mailed-ballot election within Improvement Area No. 1 of the Community Facilities District to determine if the Proposed Amendments should be adopted. If, at the conclusion of the public hearing, the City Council determines to proceed with the election, it expects that the proposed voting procedure will involve an election by the landowners within Improvement Area No. 1 of the Community Facilities District voting in accordance with the Act, as the City Council is informed that during the 90 days prior to the date set for the hearing, there were fewer than 12 registered voters residing within Improvement Area No. 1 of the Community Facilities District. The City Council will require this information to be confirmed before ordering the election.

Section 9. The City Clerk shall give notice of the time and place of the public hearing by publishing a Notice of Public Hearing substantially in the form attached hereto as Exhibit B once in the *PRESS ENTERPRISE*, a newspaper of general circulation published in the area of the Community Facilities District, pursuant to section 6061 of the California Government Code, and publication must be completed at least seven days prior to the date set for such public hearing.

This Resolution shall take effect from and after its date of adoption.

APPROVED AND ADOPTED this 17th day of May, 2016.

Mayor of the City of Moreno Valley

ATTEST:

Interim City Clerk

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Resolution No. 2016-30
Date Adopted: May 17, 2016

APPROVED AS TO FORM:

Interim City Attorney

Attachment: Resolution of Consideration [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD

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Resolution No. 2016-30
Date Adopted: May 17, 2016

RESOLUTION JURAT

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

I, Leslie Keane, Interim City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2016-30 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 17th day of May, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

INTERIM CITY CLERK

(SEAL)

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Resolution No. 2016-30
Date Adopted: May 17, 2016

Attachment: Resolution of Consideration [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD

EXHIBIT A

PROPOSED AMENDMENTS
FOR IMPROVEMENT AREA NO. 1
COMMUNITY FACILITIES DISTRICT NO. 7

1. Modification of Original Boundary Map. The Original Boundary Map shall be amended so as to identify the Alvaraz & Marsal Property as being in Zone 1 and not in Zone 2 (herein referred to as the “Amended Boundary Map”).
2. Modification of the RMA - Revising the Zones. The RMA shall be amended as follows:
 - a) The term “Boundary Map” in the RMA shall continue to be used but the definition shall be amended to reflect the name and recording information of the Amended Boundary Map.
 - b) The term “Proportionately” shall be revised in full to read as follows:
 “Proportionately” means, for Developed Property in Zone 2, the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property in Zone 2. For Undeveloped Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Undeveloped Property in Zone 2. For Provisional Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Provisional Property in Zone 2. For Taxable Public Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Public Property in Zone 2. For Annexed Property, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Annexed Property.
 - c) The term “Provisional Property” in the RMA shall be amended to reflect that the new acreage number for Zone 2 is 73.48 acres (instead of 82.53 acres) and to eliminate reference to property in Zone 1.
 - d) The term “Taxable Public Property” in the RMA shall be amended to reflect that the new acreage number for Zone 2 is 73.48 acres (instead of 82.53 acres) and to eliminate reference to property in Zone 1.
 - e) Section C.1. of the RMA shall be amended to provide for a \$0 per acre Maximum Special Tax for Zone 1.

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- f) Section C.2. of the RMA shall be amended to (i) change the commencement year to Fiscal Year 2016-17, (ii) revise the special tax amount to \$3,500 per acre, and (iii) revise the calculation of the maximum special tax for Zone 2 using 73.48 acres (instead of 82.53 acres).
- g) Section D.2. of the RMA shall be amended to reflect that the new acreage number for Zone 2 is 73.48 acres (instead of 82.53 acres) and to eliminate any reference to property in Zone 1.
- h) Section I of the RMA shall be amended to reflect that the minimum acres in Zone 2 are 73.48 acres (instead of 82.53 acres) and to eliminate any reference to property in Zone 1.

3. Modification of RMA - Apportionment. Section E of the RMA shall be amended in full to read as follows:

E. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing in Fiscal Year 2016-2017 and for each subsequent Fiscal Year until terminated, the City Council shall levy Special Taxes on all Taxable Property until the total amount of Special Taxes levied equals the Special Tax Requirement in accordance with the following steps:

Step One: To satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on (i) each Assessor’s Parcel of Annexed Property up to 100% of the applicable Maximum Special Tax, and, (ii) each Assessor’s Parcel of Developed Property in Zone 2 up to 100% of the applicable Maximum Special Tax.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Undeveloped Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Step Three: If additional moneys are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Provisional Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Step Four: If additional moneys are needed to satisfy the Special Tax Requirement after the third step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Taxable Public Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

- 4. Modification of RMA - Facilities. FR/CAL and I-215 Logistics agree that only the Storm Drain Facilities shall be financed by the Bonds and only up to the amount of \$2,703,341.58. Neither FR/CAL nor I-215 Logistics will request that the City or CFD finance (i) any Public Improvements other than the Storm Drain Facilities (notwithstanding that additional Public Improvements were authorized to be financed in Improvement Area No. 1) and (ii) any Storm Drain Costs in excess of \$2,703,341.58. Accordingly, the definition of "Facilities" in the RMA shall be amended to read as follows:

"Facilities" means only the Perris Valley MDP — Lateral B-3, Stage 2 and the Perris Valley MPD - Lateral B-3.2 and in an amount not in excess of \$2,703,341.58.

- 5. Modification of the RMA - Prepayment of the Special Tax. Section F of the RMA shall be amended as follows:

- a) The definition of "Facilities Costs" in Section F of the RMA shall be amended and restated in full to read as follows:

"Facilities Costs" means \$2,703,341.58.

- b) The term "Construction Inflation Index" shall be deleted.

- 6. Modification of the Term of the Special Tax. The termination date for the levy of special taxes shall be changed to Fiscal Year 2050-51 (instead of Fiscal Year 2048-49).

Attachment: Resolution of Consideration [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD

ANNEX 1

**MAP OF PROPOSED AMENDED BOUNDARIES OF
IMPROVEMENT AREA NO. 1 OF
COMMUNITY FACILITIES DISTRICT NO. 7**

CITY OF MORENO VALLEY
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

SHEET 1 OF 1

VICINITY MAP

FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 201__.

CITY CLERK
CITY OF MORENO VALLEY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED AMENDED BOUNDARIES OF IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7, CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY OF MORENO VALLEY AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 201__, BY ITS

RESOLUTION NO. _____

CITY CLERK
CITY OF MORENO VALLEY

FILED THIS _____ DAY OF _____, 201__, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: _____

INSTRUMENT NO. _____

PETER ALDANA, ASSESSOR-COUNTY CLERK-RECORDER

BY DEPUTY
COUNTY RECORDER
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

THIS AMENDED BOUNDARY DIAGRAM AMENDS IMPROVEMENT AREA NO. 1 OF THE MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 7, CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, PRIOR RECORDED THE 18TH DAY OF MAY 2009, IN BOOK 73, PAGES 6 TO 6 OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS AS INSTRUMENT NO. 2009-0265595 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NO.
1	316-170-018
2	316-170-020
3	316-170-023
4	316-170-025
5	316-170-026
6	316-180-012
7	316-180-013
8	316-180-014

Legend

- IMPROVEMENT AREA NO. 1 (IA NO. 1) BOUNDARY
- MAP REFERENCE NUMBER
- ZONE 1
- ZONE 2

Attachment: Resolution of Consideration [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD

10
Resolution No. 2016-30
Date Adopted: May 17, 2016

ANNEX 2

AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

IMPROVEMENT AREA NO. 1 OF
COMMUNITY FACILITIES DISTRICT NO. 7
OF THE CITY OF MORENO VALLEY

A special tax as hereinafter defined shall be levied on and collected within Improvement Area No. 1 of Community Facilities District No. 7 of the City of Moreno Valley ("IA No. 1") each Fiscal Year commencing in Fiscal Year 2016-17, in an amount determined by the City Council of the City of Moreno Valley through the application of the appropriate Special Tax for "Developed Property," "Undeveloped Property," "Provisional Property," and "Taxable Public Property" as described below. IA No. 1 consists of two zones, designated as Zone 1 and Zone 2. All of the real property within IA No. 1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map, or other recorded instrument. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560. The minimum Acreage of Taxable Property is determined in accordance with Section I.

"Act" means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any actual ordinary and necessary expense of the City, or designee thereof or both, to carry out the administration of IA No. 1 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including the expenses of collecting delinquencies and pursuing foreclosures, the administration of Bonds, the payment of a proportional share of salaries and benefits of any City employee whose duties are related to the administration of IA No. 1, fees and expenses for counsel, audits, or other amounts needed to pay rebate to the federal government with respect to the Bonds, costs related to complying with continuing disclosure requirements pursuant to applicable federal and state securities law, costs associated with responding to public inquiries regarding IA No. 1 or the Bonds, and costs otherwise incurred in order to carry out the administration of IA No. 1.

"Annexed Property" means Assessor's Parcels originally identified within the Future Annexation Area that have been annexed to IA No. 1.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel number within the boundaries of IA No. 1.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

“Bonds” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Tax has been pledged.

“Boundary Map” means the “Map of Proposed Amended Boundaries of Improvement Area No. 1 of Community Facilities District No. 7, City of Moreno Valley, County of Riverside, State of California,” filed _____, 2016 in Book _____ of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Building Permit” means a permit for new construction for a non-residential structure. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for commercial or industrial use.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes for IA No. 1.

“CFD No. 7” means Community Facilities District No. 7 of the City of Moreno Valley established by the City under the Act.

“City” means the City of Moreno Valley.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 7, or its designee.

“County” means the County of Riverside.

“Developed Property” means all Assessor’s Parcels of Taxable Property for which Building Permits were issued on or before June 1 preceding the Fiscal Year for which Special Taxes are being levied, provided that a Final Map for such Assessor’s Parcels was recorded on or before January 1 of the prior Fiscal Year for which Special Taxes may be levied.

“Exempt Property” means all Assessor’s Parcels within IA No. 1 which are exempt from the Special Taxes pursuant to law or Section I herein.

“Facilities” means only the Perris Valley MDP – Lateral B-3, Stage 2 and the Perris Valley MDP – Lateral B-3.2 and in an amount not in excess of \$2,703,341.58.

“Final Map” means a recorded final map, parcel map, or lot line adjustment, evidencing the subdivision of property pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.).

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Future Annexation Area” means all Assessor’s Parcels within the future annexation area of IA No. 1 as determined by reference to the boundary map entitled “Map of Proposed Boundaries of Future Annexation Area of Community Facilities District No. 7, City of Moreno Valley, County of Riverside, State of California,” filed May 16, 2008 in Book 73, Pages 9-11 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Goals and Policies” means the local goals and policies adopted by the City Council concerning the use of the Act that are in effect at the time of formation of CFD No. 7.

“Improvement Area No. 1” or **“IA No. 1”** means the area within CFD No. 7 designated as Improvement Area No. 1 by reference to the Boundary Map, as such area may be amended by the addition of Annexed Property.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax determined in accordance with Section C, which may be levied by CFD No. 7 in any Fiscal Year on an Assessor’s Parcel of Taxable Property.

“Partial Prepayment Amount” means the amount required to prepay a portion of the Special Tax obligation for an Assessor’s Parcel, as described in Section G.

“Prepayment Amount” means the amount required to prepay the Special Tax obligation in full for an Assessor’s Parcel, as described in Section F.

“Proportionately” means, for Developed Property in Zone 2, the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property in Zone 2. For Undeveloped Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Undeveloped Property in Zone 2. For Provisional Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Provisional Property in Zone 2. For Taxable Public Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Public Property in Zone 2. For Annexed Property, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Annexed Property.

“Provisional Property” means all Assessor’s Parcels identified under Section I, excluding Public Property, that are not classified as Exempt Property because such classification would reduce the sum of all Taxable Property to less than 73.48 Acres within Zone 2.

“Public Property” means any property within the boundaries of IA No. 1 that is owned by or irrecoverably dedicated to the City, the federal government, the State of California, the County, or any other public agency.

“Special Tax” means the special tax authorized to be levied by CFD No. 7 pursuant to the Act to fund the Special Tax Requirement.

“Special Tax Requirement” means the amount required in any Fiscal Year for IA No. 1 to fund: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) any amount required to establish or replenish any reserve funds established in association with the Bonds, (iv) any delinquencies in the payment of prior years’ Special Taxes, and (v) a reasonable estimate of delinquencies expected to occur in the Fiscal Year in which the Special Tax will be levied, less (vi) any amount available to pay debt service or other periodic costs on the Bonds as reasonably determined by the CFD Administrator pursuant to the Indenture.

“Taxable Property” means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to law or the Amended and Restated Rate and Method of Apportionment of Special Tax.

“Taxable Public Property” means all Assessor’s Parcels defined as Public Property that are not classified as Exempt Property under Section I because such classification would reduce the sum of all Taxable Property to less than 73.48 Acres within Zone 2.

“Trustee” means the trustee, fiscal agent, or paying agent under the Indenture.

“Undeveloped Property” means all Assessor’s Parcels of Taxable Property, exclusive of Annexed Property, which are not classified as Developed Property, Taxable Public Property, or Provisional Property.

“Zone” means one of the two mutually exclusive geographic areas defined below.

- “Zone 1” means the area within IA No. 1 designated as zone 1 by reference to the Boundary Map.
- “Zone 2” means the area within IA No. 1 designated as zone 2 by reference to the Boundary Map.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2016-17, each Assessor’s Parcel shall be classified as Taxable Property or Exempt Property. In addition, each Fiscal Year, each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Undeveloped Property, Provisional Property, or Taxable Public Property.

C. MAXIMUM SPECIAL TAXES

1. ZONE 1

Taxable Property

Each Fiscal Year commencing in Fiscal Year 2016-17, each Assessor’s Parcel of Taxable Property within Zone 1 shall be subject to a Maximum Special Tax equal to \$0 per Acre.

2. ZONE 2

Taxable Property

Each Fiscal Year commencing in Fiscal Year 2016-17, each Assessor’s Parcel of Taxable Property within Zone 2 shall be subject to a Maximum Special Tax equal to \$3,500 per Acre.

The Maximum Special Tax for Taxable Property within Zone 2 shall be recalculated as Assessor’s Parcels within the Future Annexation Area are annexed to IA No. 1, or if there is an adjustment to the Special Tax in accordance with Section D. The Maximum Special Tax for Taxable Property within Zone 2 shall be recalculated as follows:

1) Calculate the total amount of Special Taxes that can be generated through the levy of the Maximum Special Tax within Zone 2, exclusive of Annexed Property, by multiplying the original Maximum Special Tax established for Zone 2 (\$3,500 per Acre) by the minimum taxable Acreage for Zone 2 as defined in Section I (73.48).

$[\$3,500 \times 73.48 = \$257,180.00]$

2) Calculate the total amount of Special Taxes that can be generated by Annexed Property through the levy of the Maximum Special Tax for Annexed Property in accordance with Section C.3.

3) The new Maximum Special Tax for Taxable Property within Zone 2, exclusive of Annexed Property, shall equal the result calculated in Step 1, minus the result calculated in Step 2, and then by dividing such amount by the minimum taxable Acreage originally established for Zone 2 (73.48 Acres), exclusive of Annexed Property.

(\$257,180.00 – Step 2 result)/73.48 =
Maximum Special Tax per Acre for Taxable Property within Zone 2

3. Annexed Property

The Maximum Special Tax for Annexed Property shall be equal to the Maximum Special Tax set forth in Exhibit A multiplied by the Annexed Property acreage.

D. Administrative Adjustments to the Maximum Special Tax

1. Prior to Issuance of Bonds

Prior to the issuance of the first series of Bonds, the CFD Administrator shall calculate the total tax burden for all Assessor's Parcels of Taxable Property, to determine whether or not any reductions are necessary to the Maximum Special Tax rate(s) identified herein in order to comply with the Goals and Policies. In calculating the total tax burden, the CFD Administrator shall (i) refer to the City's Goals and Policies, any market absorption study or price point analysis dated not earlier than 90 days prior to the date of issuance or other such date approved by the City, and any other document available to the City and/or CFD Administrator, and (ii) calculate the total tax burden considering the Maximum Special Tax rates and other governmental liens. The Maximum Special Tax set forth herein may be reduced if it is reasonably determined by the CFD Administrator and/or City, through review of available information related to IA No. 1, that the total tax burden against Taxable Property results in an amount that would reduce the marketability of the Bonds based on consultations with the City's underwriter, financial advisor, and/or other project team consultants engaged by the City. The City will have the final discretion regarding any reduction in the Maximum Special Tax rates identified herein.

If a mandatory Maximum Special Tax reduction is implemented, the same percent reduction shall be applied to the Maximum Special Tax for each Zone, exclusive of the Maximum Special Tax for Annexed Property set forth in Exhibit A, and the City Council shall cause an "Amended Notice of Special Tax Lien" to be recorded in compliance with the Act. The amount of Bonds that may be issued will be recalculated and shall not exceed an amount, in which, the Maximum Special Taxes that could be levied on Taxable Property within IA No. 1 in each Fiscal Year, less Administrative Expenses for such Fiscal Year, shall provide no less than 110% coverage on the annual debt service on all Outstanding Bonds, as defined in Section F herein.

2. Subsequent to Issuance of Bonds

If, in any Fiscal Year after the City has issued the first series of Bonds, either (i) a Final Map is proposed to be recorded or (ii) an existing Final Map is proposed to be amended, that will result in a reduction of total Acreage of Taxable Property to less than 73.48 Acres within Zone 2, then a mandatory prepayment must be made in accordance with Sections F and G. The mandatory prepayment must be made by the landowners of those Assessor's Parcel(s) that are the subject of the proposed Final Map or the landowners of those Assessor's Parcel(s) that will be amended by the amended Final Map.

If a mandatory prepayment is required, the mandatory prepayment shall be paid as a requirement to record such new Final Map or amended Final Map.

E. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing in Fiscal Year 2016-17 and for each subsequent Fiscal Year until terminated, the City Council shall levy Special Taxes on all Taxable Property until the total amount of Special Taxes levied equals the Special Tax Requirement in accordance with the following steps:

City of Moreno Valley
Improvement Area No. 1 of CFD No. 7

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Page 5

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Date Adopted: May 17, 2016

- Step One: To satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on (i) each Assessor's Parcel of Annexed Property up to 100% of the applicable Maximum Special Tax, and (ii) each Assessor's Parcel of Developed Property in Zone 2 up to 100% of the applicable Maximum Special Tax.
- Step Two: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Three: If additional monies are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Four: If additional monies are needed to satisfy the Special Tax Requirement after the third step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

F. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section F:

"Facilities Costs" means \$2,703,341.58, all or a portion of which will be used to determine the prepayment amount only if Bonds have not been issued, in which case the portion of the prepayment attributable to this amount shall be deposited into the Improvement Fund.

"Improvement Fund" means a fund available for expenditure to acquire or construct the Facilities.

"Outstanding Bonds" means all previously issued Bonds secured by the levy of Special Taxes which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Maximum Special Tax.

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time that the Special Tax obligation would be prepaid. The Prepayment Amount for an Assessor's Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor's Parcel intending to prepay all or a part of the Special Tax obligation shall provide the City with written notice of intent to prepay, and within 10 business days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable fee determined to cover the cost to be incurred by CFD No. 7 in calculating the proper amount of a prepayment. Within 30 business days of receipt of such non-refundable fee, the City shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 60 days prior to the next

occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Indenture.

The Prepayment Amount for each applicable Assessor's Parcel shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Defeasance
plus	Administrative Fee
less	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor's Parcel of Taxable Property, compute the Maximum Special Tax applicable to such Assessor's Parcel.
2. For each Assessor's Parcel intending to prepay, divide the Maximum Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel by the sum of the estimated Maximum Special Tax applicable to all Assessor's Parcels of Taxable Property, excluding the Maximum Special Taxes of any Assessor's Parcels for which the Special Tax obligation has been previously prepaid.
3. If Bonds have not been issued, then for each Assessor's Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2 by Facilities Costs. If Bonds have been issued, then for each Assessor's Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2 by Outstanding Bonds. The product shall be the "Bond Redemption Amount," for such Assessor's Parcels, as applicable.
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds on the next available redemption date to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."
5. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, taking into consideration the amount of Special Taxes levied on and paid for the Assessor's Parcel in the current Fiscal Year.
6. Compute the amount the CFD Administrator reasonably expects to be derived from the reinvestment of the Prepayment Amount (defined in paragraph 10) until the earliest redemption date for the Outstanding Bonds.
7. Subtract the amount computed pursuant to paragraph 6 from the result computed pursuant to paragraph 5. This difference is the "Defeasance."
8. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the "Administrative Fee."

- 9. Calculate the "Reserve Fund Credit" as the lesser of: (a) the expected reduction in the applicable reserve requirement, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve fund on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than \$0.
- 10. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Defeasance, and the Administrative Fee, less the Reserve Fund Credit.

With respect to the Special Tax obligation that is prepaid pursuant to this Section F, the City Council shall indicate in the records of CFD No. 7 that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax that may be levied on Taxable Property, net of reasonably estimated annual Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

G. PARTIAL PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid, as calculated in this Section G, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = (P_f - A) \times F + A$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount.
- P_f = the Prepayment Amount calculated according to Section F.
- F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax obligation.
- A = Administrative Fees calculated in Section F, step 8

With respect to any Assessor's Parcel that is partially prepaid, the City Council shall indicate in the records of CFD No. 7 that there has been a partial prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax obligation, to indicate the partial prepayment of the Special Tax obligation and the partial release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax shall cease.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax that may be levied on Taxable Property after such partial prepayment, net of reasonably estimated annual Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all Bonds outstanding after such partial prepayment in each future Fiscal Year.

H. TERMINATION OF SPECIAL TAX

For each Fiscal Year that any Bonds are outstanding, the Special Tax shall be levied on all Assessor's Parcels of Taxable Property within IA No. 1 in accordance with Section E. If any delinquencies for the Special Tax remain uncollected prior to or after all Bonds are retired, the Special Tax may be levied to the extent necessary to reimburse CFD No. 7 for uncollected Special Taxes, but not later than the 2050-51 Fiscal Year.

I. EXEMPTIONS

The City shall classify as Exempt Property: (i) Public Property, (ii) Assessor's Parcels used or owned exclusively by a property owners' association, or (iii) Assessor's Parcels with public or utility easements, including Assessor's Parcels designated as open space or retention basin, making impractical their utilization for other purposes than those set forth in the easement, provided that such classification would not reduce the Acreage of all Taxable Property to less than 73.48 Acres within Zone 2. Public Property that cannot be classified as Exempt Property will be classified as Taxable Public Property and shall be subject to the Special Tax in accordance with Section E. All other Assessor's Parcels identified within this section that cannot be classified as Exempt Property will be classified as Provisional Property and will be subject to the Special Tax in accordance with Section E.

J. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Manager of the City not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the CFD Administrator's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

K. MANNER OF COLLECTION

The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 7 may collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

Exhibit A

IMPROVEMENT AREA 1 OF
CITY OF MORENO VALLEY CFD NO. 7
MAXIMUM SPECIAL TAX RATE FOR ANNEXED PROPERTY ⁽¹⁾

<u>Year After Bond Issuance</u>	<u>Maximum Special Tax per Acre</u>
≤ 0	\$609
1	\$619
2	\$630
3	\$642
4	\$654
5	\$668
6	\$684
7	\$700
8	\$719
9	\$739
10	\$761
11	\$786
12	\$814
13	\$846
14	\$881
15	\$922
16	\$968
17	\$1,022
18	\$1,085
19	\$1,160
20	\$1,250
21	\$1,361
22	\$1,499
23	\$1,678
24	\$1,917
25	\$2,251
26	\$2,754
27	\$3,594
28	\$5,275
29	\$10,321

(1) The above Maximum Special Tax rates are based upon the assumed coupon rate of 4.53%, consistent with the other bonding assumptions. A premium of 15% is added to cover administrative expenses and delinquencies. These rates will be adjusted based upon the final pricing of the bonds at issuance.

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Resolution No. 2016-30
Date Adopted: May 17, 2016

EXHIBIT B

NOTICE OF PUBLIC HEARING
REGARDING PROPOSED CHANGES TO
IMPROVEMENT AREA NO. 1 OF
COMMUNITY FACILITIES DISTRICT NO. 7
OF THE CITY OF MORENO VALLEY

Tuesday, June 21, 2016
6:00 p.m.
Moreno Valley City Council Chamber
14177 Frederick Street, Moreno Valley, California

On Tuesday, May 17, 2016, the City Council (the "Council") of the City of Moreno Valley (the "City") adopted its Resolution No. ____ (the "Resolution of Consideration") by which it has scheduled a public hearing to give consideration to amending the powers currently conferred upon the Council by Community Facilities District No. 7 of the City of Moreno Valley (the "Community Facilities District").

The Community Facilities District is comprised of three improvement areas referred to as "Improvement Area No. 1," "Improvement Area No. 2" and "Improvement Area No. 3". At special elections within each Improvement Area held on June 24, 2008 the City Council was authorized, among other things, to levy a special tax to finance the acquisition and construction of certain public facilities and to issue debt to finance the facilities. The special tax to be levied in Improvement Area No. 1 is referred to herein as the "Rate and Method of Apportionment." The Community Facilities District was formed under the "Mello-Roos Community Facilities Act of 1982," Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, commencing with Section 53311 (the "Act").

The Act provides that changes in the powers conferred upon the City Council by the Community Facilities District and Improvement Area No. 1 may be considered and submitted to the qualified electors of Improvement Area No. 1. The first step in that process is to describe the proposed changes and to schedule and hold a public hearing on them. In its Resolution of Consideration, the Council has set forth the proposed changes to Improvement Area No. 1 (the "Proposed Amendments") and scheduled the public hearing.

This Notice contains a brief summary of the Proposed Amendments, but you are referred to the Resolution of Consideration for the definitive description of the Proposed Amendments.

The Public Hearing: The City of Moreno Valley City Council will hold the public hearing on Tuesday June 21, 2016 at 6:00 p.m. in the Council Chamber in the City of Moreno Valley City Hall at 14177 Frederick Street in Moreno Valley.

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Resolution No. 2016-30
Date Adopted: May 17, 2016

At the public hearing, any persons interested, including all taxpayers, property owners and registered voters within Improvement Area No. 1, may appear and be heard, and the oral or written testimony of all interested persons or taxpayers for or against any of the proposed changes to the authority conferred on the City Council by the Community Facilities District and Improvement Area No. 1, will be heard and considered.

Any protests to the proposed changes may be made orally or in writing by any interested persons or taxpayers, except that any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities and defects to which objection is made. The Council may waive any irregularities in the form or content of any written protest and at the public hearing may correct minor defects in the proceedings. All written protests not presented in person by the protester at the public hearing must be filed with the City Clerk at or before the time fixed for the public hearing in order to be received and considered. Any written protest may be withdrawn in writing at any time before the conclusion of the public hearing.

Written protests by a majority of the registered voters residing and registered within Improvement Area No. 1 of the Community Facilities District (provided they number at least 6), or by the owners of a majority of the land area within Improvement Area No. 1 of the Community Facilities District not exempt from the special tax, will require suspension of these proceedings for at least one year. If such protests are directed only against certain elements of the proposed changes, only those elements need be excluded from the proceedings.

The Amendments: As more specifically described in Exhibit A to the Resolution of Consideration, the proposed changes are (i) to amend the Original Boundary Map approved in Resolution 2008-50, adopted by the City Council of the City on May 13, 2008 by moving certain property currently in Zone 2 to Zone 1 of Improvement Area No. 1, (ii) to amend the Rate and Method of Apportionment for Improvement Area No. 1, as set forth in Exhibit B to the Resolution of Formation, with the Amended and Restated Rate and Method of Apportionment of Special Tax for Improvement Area No. 1, the particular changes of which are set forth in Annex 1 to Exhibit A to the Resolution of Consideration and (iii) to amend the description of Facilities which shall be financed to mean only Storm Drain Facilities in an amount not in excess of \$2,703,341.58.

For a definitive description of the Proposed Amendments you are referred to Exhibit A of the Resolution of Consideration itself, a copy of which is available from the City Clerk.

In order for the Proposed Amendments to take effect, a public hearing must be held on the Proposed Amendments and the qualified electors within Improvement Area No. 1 must approve the Proposed Amendments by a two-thirds vote. As Improvement Area No. 1 is uninhabited, or inhabited by fewer than 12 registered voters, the qualified electors are, pursuant to the Act, the owners of property within Improvement Area No. 1.

Dated: May 18, 2016.

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Resolution No. 2016-30
Date Adopted: May 17, 2016

City Clerk
City of Moreno Valley

Attachment: Resolution of Consideration [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD

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Resolution No. 2016-30
Date Adopted: May 17, 2016

AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7 OF THE CITY OF MORENO VALLEY

A special tax as hereinafter defined shall be levied on and collected within Improvement Area No. 1 of Community Facilities District No. 7 of the City of Moreno Valley ("IA No. 1") each Fiscal Year commencing in Fiscal Year 2016-17, in an amount determined by the City Council of the City of Moreno Valley through the application of the appropriate Special Tax for "Developed Property," "Undeveloped Property," "Provisional Property," and "Taxable Public Property" as described below. IA No. 1 consists of two zones, designated as Zone 1 and Zone 2. All of the real property within IA No. 1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map, or other recorded instrument. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560. The minimum Acreage of Taxable Property is determined in accordance with Section I.

"Act" means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any actual ordinary and necessary expense of the City, or designee thereof or both, to carry out the administration of IA No. 1 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including the expenses of collecting delinquencies and pursuing foreclosures, the administration of Bonds, the payment of a proportional share of salaries and benefits of any City employee whose duties are related to the administration of IA No. 1, fees and expenses for counsel, audits, or other amounts needed to pay rebate to the federal government with respect to the Bonds, costs related to complying with continuing disclosure requirements pursuant to applicable federal and state securities law, costs associated with responding to public inquiries regarding IA No. 1 or the Bonds, and costs otherwise incurred in order to carry out the administration of IA No. 1.

"Annexed Property" means Assessor's Parcels originally identified within the Future Annexation Area that have been annexed to IA No. 1.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel number within the boundaries of IA No. 1.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

“Bonds” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Tax has been pledged.

“Boundary Map” means the “Map of Proposed Amended Boundaries of Improvement Area No. 1 of Community Facilities District No. 7, City of Moreno Valley, County of Riverside, State of California,” filed _____, 2016 in Book _____ of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Building Permit” means a permit for new construction for a non-residential structure. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for commercial or industrial use.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes for IA No. 1.

“CFD No. 7” means Community Facilities District No. 7 of the City of Moreno Valley established by the City under the Act.

“City” means the City of Moreno Valley.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 7, or its designee.

“County” means the County of Riverside.

“Developed Property” means all Assessor’s Parcels of Taxable Property for which Building Permits were issued on or before June 1 preceding the Fiscal Year for which Special Taxes are being levied, provided that a Final Map for such Assessor’s Parcels was recorded on or before January 1 of the prior Fiscal Year for which Special Taxes may be levied.

“Exempt Property” means all Assessor’s Parcels within IA No. 1 which are exempt from the Special Taxes pursuant to law or Section I herein.

“Facilities” means only the Perris Valley MDP – Lateral B-3, Stage 2 and the Perris Valley MDP – Lateral B-3.2 and in an amount not in excess of \$2,703,341.58.

“Final Map” means a recorded final map, parcel map, or lot line adjustment, evidencing the subdivision of property pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.).

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Future Annexation Area” means all Assessor’s Parcels within the future annexation area of IA No. 1 as determined by reference to the boundary map entitled “Map of Proposed Boundaries of Future Annexation Area of Community Facilities District No. 7, City of Moreno Valley, County of Riverside, State of California,” filed May 16, 2008 in Book 73, Pages 9-11 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Goals and Policies” means the local goals and policies adopted by the City Council concerning the use of the Act that are in effect at the time of formation of CFD No. 7.

“Improvement Area No. 1” or **“IA No. 1”** means the area within CFD No. 7 designated as Improvement Area No. 1 by reference to the Boundary Map, as such area may be amended by the addition of Annexed Property.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax determined in accordance with Section C, which may be levied by CFD No. 7 in any Fiscal Year on an Assessor’s Parcel of Taxable Property.

“Partial Prepayment Amount” means the amount required to prepay a portion of the Special Tax obligation for an Assessor’s Parcel, as described in Section G.

“Prepayment Amount” means the amount required to prepay the Special Tax obligation in full for an Assessor’s Parcel, as described in Section F.

“Proportionately” means, for Developed Property in Zone 2, the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property in Zone 2. For Undeveloped Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Undeveloped Property in Zone 2. For Provisional Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Provisional Property in Zone 2. For Taxable Public Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Public Property in Zone 2. For Annexed Property, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Annexed Property.

“Provisional Property” means all Assessor’s Parcels identified under Section I, excluding Public Property, that are not classified as Exempt Property because such classification would reduce the sum of all Taxable Property to less than 73.48 Acres within Zone 2.

“Public Property” means any property within the boundaries of IA No. 1 that is owned by or irrecoverably dedicated to the City, the federal government, the State of California, the County, or any other public agency.

“Special Tax” means the special tax authorized to be levied by CFD No. 7 pursuant to the Act to fund the Special Tax Requirement.

“Special Tax Requirement” means the amount required in any Fiscal Year for IA No. 1 to fund: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) any amount required to establish or replenish any reserve funds established in association with the Bonds, (iv) any delinquencies in the payment of prior years’ Special Taxes, and (v) a reasonable estimate of delinquencies expected to occur in the Fiscal Year in which the Special Tax will be levied, less (vi) any amount available to pay debt service or other periodic costs on the Bonds as reasonably determined by the CFD Administrator pursuant to the Indenture.

“Taxable Property” means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to law or the Amended and Restated Rate and Method of Apportionment of Special Tax.

“Taxable Public Property” means all Assessor’s Parcels defined as Public Property that are not classified as Exempt Property under Section I because such classification would reduce the sum of all Taxable Property to less than 73.48 Acres within Zone 2.

“Trustee” means the trustee, fiscal agent, or paying agent under the Indenture.

“Undeveloped Property” means all Assessor’s Parcels of Taxable Property, exclusive of Annexed Property, which are not classified as Developed Property, Taxable Public Property, or Provisional Property.

“Zone” means one of the two mutually exclusive geographic areas defined below.

- “Zone 1” means the area within IA No. 1 designated as zone 1 by reference to the Boundary Map.
- “Zone 2” means the area within IA No. 1 designated as zone 2 by reference to the Boundary Map.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2016-17, each Assessor’s Parcel shall be classified as Taxable Property or Exempt Property. In addition, each Fiscal Year, each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Undeveloped Property, Provisional Property, or Taxable Public Property.

C. MAXIMUM SPECIAL TAXES

1. ZONE 1

Taxable Property

Each Fiscal Year commencing in Fiscal Year 2016-17, each Assessor’s Parcel of Taxable Property within Zone 1 shall be subject to a Maximum Special Tax equal to \$0 per Acre.

2. ZONE 2

Taxable Property

Each Fiscal Year commencing in Fiscal Year 2016-17, each Assessor’s Parcel of Taxable Property within Zone 2 shall be subject to a Maximum Special Tax equal to \$3,500 per Acre.

The Maximum Special Tax for Taxable Property within Zone 2 shall be recalculated as Assessor’s Parcels within the Future Annexation Area are annexed to IA No. 1, or if there is an adjustment to the Special Tax in accordance with Section D. The Maximum Special Tax for Taxable Property within Zone 2 shall be recalculated as follows:

- 1) Calculate the total amount of Special Taxes that can be generated through the levy of the Maximum Special Tax within Zone 2, exclusive of Annexed Property, by multiplying the original Maximum Special Tax established for Zone 2 (\$3,500 per Acre) by the minimum taxable Acreage for Zone 2 as defined in Section I (73.48).

$[\$3,500 \times 73.48 = \$257,180.00]$

- 2) Calculate the total amount of Special Taxes that can be generated by Annexed Property through the levy of the Maximum Special Tax for Annexed Property in accordance with Section C.3.

- 3) The new Maximum Special Tax for Taxable Property within Zone 2, exclusive of Annexed Property, shall equal the result calculated in Step 1, minus the result calculated in Step 2, and then by dividing such amount by the minimum taxable Acreage originally established for Zone 2 (73.48 Acres), exclusive of Annexed Property.

(\$257,180.00 – Step 2 result)/73.48 =
Maximum Special Tax per Acre for Taxable Property within Zone 2

3. Annexed Property

The Maximum Special Tax for Annexed Property shall be equal to the Maximum Special Tax set forth in Exhibit A multiplied by the Annexed Property acreage.

D. Administrative Adjustments to the Maximum Special Tax

1. Prior to Issuance of Bonds

Prior to the issuance of the first series of Bonds, the CFD Administrator shall calculate the total tax burden for all Assessor's Parcels of Taxable Property, to determine whether or not any reductions are necessary to the Maximum Special Tax rate(s) identified herein in order to comply with the Goals and Policies. In calculating the total tax burden, the CFD Administrator shall (i) refer to the City's Goals and Policies, any market absorption study or price point analysis dated not earlier than 90 days prior to the date of issuance or other such date approved by the City, and any other document available to the City and/or CFD Administrator, and (ii) calculate the total tax burden considering the Maximum Special Tax rates and other governmental liens. The Maximum Special Tax set forth herein may be reduced if it is reasonably determined by the CFD Administrator and/or City, through review of available information related to IA No. 1, that the total tax burden against Taxable Property results in an amount that would reduce the marketability of the Bonds based on consultations with the City's underwriter, financial advisor, and/or other project team consultants engaged by the City. The City will have the final discretion regarding any reduction in the Maximum Special Tax rates identified herein.

If a mandatory Maximum Special Tax reduction is implemented, the same percent reduction shall be applied to the Maximum Special Tax for each Zone, exclusive of the Maximum Special Tax for Annexed Property set forth in Exhibit A, and the City Council shall cause an "Amended Notice of Special Tax Lien" to be recorded in compliance with the Act. The amount of Bonds that may be issued will be recalculated and shall not exceed an amount, in which, the Maximum Special Taxes that could be levied on Taxable Property within IA No. 1 in each Fiscal Year, less Administrative Expenses for such Fiscal Year, shall provide no less than 110% coverage on the annual debt service on all Outstanding Bonds, as defined in Section F herein.

2. Subsequent to Issuance of Bonds

If, in any Fiscal Year after the City has issued the first series of Bonds, either (i) a Final Map is proposed to be recorded or (ii) an existing Final Map is proposed to be amended, that will result in a reduction of total Acreage of Taxable Property to less than 73.48 Acres within Zone 2, then a mandatory prepayment must be made in accordance with Sections F and G. The mandatory prepayment must be made by the landowners of those Assessor's Parcel(s) that are the subject of the proposed Final Map or the landowners of those Assessor's Parcel(s) that will be amended by the amended Final Map.

If a mandatory prepayment is required, the mandatory prepayment shall be paid as a requirement to record such new Final Map or amended Final Map.

E. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing in Fiscal Year 2016-17 and for each subsequent Fiscal Year until terminated, the City Council shall levy Special Taxes on all Taxable Property until the total amount of Special Taxes levied equals the Special Tax Requirement in accordance with the following steps:

- Step One: To satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on (i) each Assessor’s Parcel of Annexed Property up to 100% of the applicable Maximum Special Tax, and (ii) each Assessor’s Parcel of Developed Property in Zone 2 up to 100% of the applicable Maximum Special Tax.
- Step Two: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Undeveloped Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Three: If additional monies are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Provisional Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Four: If additional monies are needed to satisfy the Special Tax Requirement after the third step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Taxable Public Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

F. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section F:

“Facilities Costs” means \$2,703,341.58, all or a portion of which will be used to determine the prepayment amount only if Bonds have not been issued, in which case the portion of the prepayment attributable to this amount shall be deposited into the Improvement Fund.

“Improvement Fund” means a fund available for expenditure to acquire or construct the Facilities.

“Outstanding Bonds” means all previously issued Bonds secured by the levy of Special Taxes which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Maximum Special Tax.

The Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time that the Special Tax obligation would be prepaid. The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay all or a part of the Special Tax obligation shall provide the City with written notice of intent to prepay, and within 10 business days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable fee determined to cover the cost to be incurred by CFD No. 7 in calculating the proper amount of a prepayment. Within 30 business days of receipt of such non-refundable fee, the City shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next

occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Indenture.

The Prepayment Amount for each applicable Assessor’s Parcel shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Defeasance
plus	Administrative Fee
less	Reserve Fund Credit
equals	Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor’s Parcel of Taxable Property, compute the Maximum Special Tax applicable to such Assessor’s Parcel.
2. For each Assessor’s Parcel intending to prepay, divide the Maximum Special Tax computed pursuant to paragraph 1 for such Assessor’s Parcel by the sum of the estimated Maximum Special Tax applicable to all Assessor’s Parcels of Taxable Property, excluding the Maximum Special Taxes of any Assessor’s Parcels for which the Special Tax obligation has been previously prepaid.
3. If Bonds have not been issued, then for each Assessor’s Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2 by Facilities Costs. If Bonds have been issued, then for each Assessor’s Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2 by Outstanding Bonds. The product shall be the “Bond Redemption Amount,” for such Assessor’s Parcels, as applicable.
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds on the next available redemption date to be redeemed with the proceeds of the Bond Redemption Amount. This product is the “Redemption Premium.”
5. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, taking into consideration the amount of Special Taxes levied on and paid for the Assessor’s Parcel in the current Fiscal Year.
6. Compute the amount the CFD Administrator reasonably expects to be derived from the reinvestment of the Prepayment Amount (defined in paragraph 10) until the earliest redemption date for the Outstanding Bonds.
7. Subtract the amount computed pursuant to paragraph 6 from the result computed pursuant to paragraph 5. This difference is the “Defeasance.”
8. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the “Administrative Fee.”

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- 9. Calculate the "Reserve Fund Credit" as the lesser of: (a) the expected reduction in the applicable reserve requirement, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve fund on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than \$0.
- 10. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Defeasance, and the Administrative Fee, less the Reserve Fund Credit.

With respect to the Special Tax obligation that is prepaid pursuant to this Section F, the City Council shall indicate in the records of CFD No. 7 that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax that may be levied on Taxable Property, net of reasonably estimated annual Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

G. PARTIAL PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid, as calculated in this Section G, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = (P_f - A) \times F + A$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount.
- P_f = the Prepayment Amount calculated according to Section F.
- F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax obligation.
- A = Administrative Fees calculated in Section F, step 8

With respect to any Assessor's Parcel that is partially prepaid, the City Council shall indicate in the records of CFD No. 7 that there has been a partial prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax obligation, to indicate the partial prepayment of the Special Tax obligation and the partial release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax shall cease.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax that may be levied on Taxable Property after such partial prepayment, net of reasonably estimated annual Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all Bonds outstanding after such partial prepayment in each future Fiscal Year.

H. TERMINATION OF SPECIAL TAX

For each Fiscal Year that any Bonds are outstanding, the Special Tax shall be levied on all Assessor's Parcels of Taxable Property within IA No. 1 in accordance with Section E. If any delinquencies for the Special Tax remain uncollected prior to or after all Bonds are retired, the Special Tax may be levied to the extent necessary to reimburse CFD No. 7 for uncollected Special Taxes, but not later than the 2050-51 Fiscal Year.

I. EXEMPTIONS

The City shall classify as Exempt Property: (i) Public Property, (ii) Assessor's Parcels used or owned exclusively by a property owners' association, or (iii) Assessor's Parcels with public or utility easements, including Assessor's Parcels designated as open space or retention basin, making impractical their utilization for other purposes than those set forth in the easement, provided that such classification would not reduce the Acreage of all Taxable Property to less than 73.48 Acres within Zone 2. Public Property that cannot be classified as Exempt Property will be classified as Taxable Public Property and shall be subject to the Special Tax in accordance with Section E. All other Assessor's Parcels identified within this section that cannot be classified as Exempt Property will be classified as Provisional Property and will be subject to the Special Tax in accordance with Section E.

J. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Manager of the City not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the CFD Administrator's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

K. MANNER OF COLLECTION

The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 7 may collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

Exhibit A

**IMPROVEMENT AREA 1 OF
CITY OF MORENO VALLEY CFD NO. 7
MAXIMUM SPECIAL TAX RATE FOR ANNEXED PROPERTY ⁽¹⁾**

<u>Year After Bond Issuance</u>	<u>Maximum Special Tax per Acre</u>
≤ 0	\$609
1	\$619
2	\$630
3	\$642
4	\$654
5	\$668
6	\$684
7	\$700
8	\$719
9	\$739
10	\$761
11	\$786
12	\$814
13	\$846
14	\$881
15	\$922
16	\$968
17	\$1,022
18	\$1,085
19	\$1,160
20	\$1,250
21	\$1,361
22	\$1,499
23	\$1,678
24	\$1,917
25	\$2,251
26	\$2,754
27	\$3,594
28	\$5,275
29	\$10,321

(1) The above Maximum Special Tax rates are based upon the assumed coupon rate of 4.53%, consistent with the other bonding assumptions. A premium of 15% is added to cover administrative expenses and delinquencies. These rates will be adjusted based upon the final pricing of the bonds at issuance.

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AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

IMPROVEMENT AREA ~~No~~NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7 OF THE CITY OF MORENO VALLEY

A special tax as hereinafter defined shall be levied on and collected within Improvement Area No. 1 of Community Facilities District No. 7 of the City of Moreno Valley ("IA No. 1") each Fiscal Year commencing in Fiscal Year ~~2008-2009~~2016-17, in an amount determined by the City Council of the City of Moreno Valley through the application of the appropriate Special Tax for "Developed Property," "Undeveloped Property," "Provisional Property," and "Taxable Public Property" as described below. IA No. 1 consists of two zones, designated as Zone 1 and Zone 2. All of the real property within IA No. 1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map, or other recorded instrument. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560. The minimum Acreage of Taxable Property is determined in accordance with Section I.

"Act" means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any actual ordinary and necessary expense of the City, or designee thereof or both, to carry out the administration of IA No. 1 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including the expenses of collecting delinquencies and pursuing foreclosures, the administration of Bonds, the payment of a proportional share of salaries and benefits of any City employee whose duties are related to the administration of IA No. 1, fees and expenses for counsel, audits, or other amounts needed to pay rebate to the federal government with respect to the Bonds, costs related to complying with continuing disclosure requirements pursuant to applicable federal and state securities law, costs associated with responding to public inquiries regarding IA No. 1 or the Bonds, and costs otherwise incurred in order to carry out the administration of IA No. 1.

"Annexed Property" means Assessor's Parcels originally identified within the Future Annexation Area that have been annexed to IA No. 1.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel number within the boundaries of IA No. 1.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

“Bonds” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Tax has been pledged.

“Boundary Map” means the “Map of Proposed Amended Boundaries of Improvement Area No. 1 of Community Facilities District No. 7, City of Moreno Valley, County of Riverside, State of California,” filed May 16, 2008, 2016 in Book 73, Pages 6-8 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Building Permit” means a permit for new construction for a non-residential structure. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation commercial or industrial use.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes for IA No. 1.

“CFD No. 7” means Community Facilities District No. 7 of the City of Moreno Valley established by the City under the Act.

“City” means the City of Moreno Valley.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 7, or its designee.

“County” means the County of Riverside.

“Developed Property” means all Assessor’s Parcels of Taxable Property for which Building Permits were issued on or before June 1 preceding the Fiscal Year for which Special Taxes are being levied, provided that a Final Map for such Assessor’s Parcels was recorded on or before January 1 of the prior Fiscal Year for which Special Taxes may be levied.

“Exempt Property” means all Assessor’s Parcels within IA No. 1 which are exempt from the Special Taxes pursuant to law or Section I herein.

“Facilities” means those public facilities authorized to be funded by CFD No. 7 as set forth in the formation documents for CFD No. 7: only the Perris Valley MDP – Lateral B-3, Stage 2 and the Perris Valley MDP – Lateral B-3.2 and in an amount not in excess of \$2,703,341.58.

“Final Map” means a recorded final map, parcel map, or lot line adjustment, evidencing the subdivision of property pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.).

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Future Annexation Area” means all Assessor’s Parcels within the future annexation area of IA No. 1 as determined by reference to the boundary map entitled “Map of Proposed Boundaries of Future Annexation Area of Community Facilities District No. 7, City of Moreno Valley, County of Riverside, State of California,” filed May 16, 2008 in Book 73, Pages 9-11 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Goals and Policies” means the local goals and policies adopted by the City Council concerning the use of the Act that are in effect at the time of formation of CFD No. 7.

“Improvement Area No. 1” or **“IA No. 1”** means the area within CFD No. 7 designated as Improvement Area No. 1 by reference to the Boundary Map, as such area may be amended by the addition of Annexed Property.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax determined in accordance with Section C, which may be levied by CFD No. 7 in any Fiscal Year on an Assessor’s Parcel of Taxable Property.

“Partial Prepayment Amount” means the amount required to prepay a portion of the Special Tax obligation for an Assessor’s Parcel, as described in Section G.

“Prepayment Amount” means the amount required to prepay the Special Tax obligation in full for an Assessor’s Parcel, as described in Section F.

“Proportionately” means, for Developed Property in Zone 2, the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property in Zone 2. For Undeveloped Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Undeveloped Property in Zone 2. For Provisional Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Provisional Property in Zone 2. For Taxable Public Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Public Property in Zone 2. For Annexed Property, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Annexed Property.

“Provisional Property” means all Assessor’s Parcels identified under Section I, excluding Public Property, that are not classified as Exempt Property because such classification would reduce the sum of all Taxable Property to less than ~~47.92 Acres within Zone 1 or, to less than 82.5373.48~~ Acres within Zone 2.

“Public Property” means any property within the boundaries of IA No. 1 that is owned by or irrecoverably dedicated to the City, the federal government, the State of California, the County, or any other public agency.

“Special Tax” means the special tax authorized to be levied by CFD No. 7 pursuant to the Act to fund the Special Tax Requirement.

“Special Tax Requirement” means the amount required in any Fiscal Year for IA No. 1 to fund: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) any amount required to establish or replenish any reserve funds established in association with the Bonds, (iv) any delinquencies in the payment of prior ~~years~~ years’ Special Taxes, and (v) a reasonable estimate of delinquencies expected to occur in the Fiscal Year in which the Special Tax will be levied, ~~and (vi) the acquisition or construction of eligible Facilities, provided that the inclusion of such amount does not cause an increase in the levy of the Special Tax on Undeveloped Property, less (vii) less (vi)~~ any amount available to pay debt service or other periodic costs on the Bonds as reasonably determined by the CFD Administrator pursuant to the Indenture.

“Taxable Property” means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to law or the Amended and Restated Rate and Method of Apportionment of Special Tax.

“Taxable Public Property” means all Assessor’s Parcels defined as Public Property that are not classified as Exempt Property under Section I because such classification would reduce the sum of all Taxable Property to less than ~~47.92 Acres within Zone 1 or, to less than 82.53~~73.48 Acres within Zone 2.

“Trustee” means the trustee, fiscal agent, or paying agent under the Indenture.

“Undeveloped Property” means all Assessor’s Parcels of Taxable Property, exclusive of Annexed Property, which are not classified as Developed Property, Taxable Public Property, or Provisional Property.

“Zone” means one of the two mutually exclusive geographic areas defined below.

- “Zone 1” means the area within IA No. 1 designated as zone 1 by reference to the Boundary Map.
- “Zone 2” means the area within IA No. 1 designated as zone 2 by reference to the Boundary Map.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year ~~2008-2009~~2016-17, each Assessor’s Parcel shall be classified as Taxable Property or Exempt Property. In addition, each Fiscal Year, each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Undeveloped Property, Provisional Property, or Taxable Public Property.

C. MAXIMUM SPECIAL TAXES

1. ZONE 1

Taxable Property

Each Fiscal Year commencing in Fiscal Year ~~2008-2009~~2016-17, each Assessor’s Parcel of Taxable Property within Zone 1 shall be subject to a Maximum Special Tax equal to ~~\$7,999~~0 per Acre.

~~The Maximum Special Tax for Taxable Property within Zone 1 shall be recalculated as Assessor’s Parcels within the Future Annexation Area are annexed to IA No. 1, or if there is an adjustment to the Special Tax in accordance with Section D. The Maximum Special Tax for Taxable Property within Zone 1 shall be recalculated as follows:~~

~~1) Calculate the total amount of Special Taxes that can be generated through the levy of the Maximum Special Tax within Zone 1, exclusive of Annexed Property, by multiplying the original Maximum Special Tax established for Zone 1 (\$7,999 per Acre) by the minimum taxable Acreage originally established for Zone 1 as defined in Section I (47.92 Acres):~~

~~[\$7,999 x 47.92 = \$383,312]~~

~~2) Calculate the total amount of Special Taxes that can be generated by Annexed Property through the levy of the Maximum Special Tax for Annexed Property in accordance with Section C.3.~~

~~3) The new Maximum Special Tax for Taxable Property within Zone 1 shall equal the result calculated in Step 1, minus the result calculated in Step 2 multiplied by 49.44%, and then by dividing such amount by the minimum taxable Acreage originally established for Zone 1 (47.92 Acres), exclusive of Annexed Property.~~

~~$$\frac{[\$383,312 - (\text{Step 2 result} * 0.4944)]}{47.92} =$$~~
Maximum Special Tax per Acre for Taxable Property within Zone 1

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2. ZONE 2

Taxable Property

Each Fiscal Year commencing in Fiscal Year ~~2008-2009~~2016-17, each Assessor’s Parcel of Taxable Property within Zone 2 shall be subject to a Maximum Special Tax equal to \$~~4,7503,500~~4,7503,500 per Acre.

The Maximum Special Tax for Taxable Property within Zone 2 shall be recalculated as Assessor’s Parcels within the Future Annexation Area are annexed to IA No. 1, or if there is an adjustment to the Special Tax in accordance with Section D. The Maximum Special Tax for Taxable Property within Zone 2 shall be recalculated as follows:

- 1) Calculate the total amount of Special Taxes that can be generated through the levy of the Maximum Special Tax within Zone 2, exclusive of Annexed Property, by multiplying the original Maximum Special Tax established for Zone 2 (\$~~4,7503,500~~4,7503,500 per Acre) by the minimum taxable Acreage for Zone 2 as defined in Section I (~~82.53 Acres~~73.48).

$$[\$4,7503,500 \times \del{82.53} = \$392,01873.48 = \$257,180.00]$$

2) Calculate the total amount of Special Taxes that can be generated by Annexed Property through the levy of the Maximum Special Tax for Annexed Property in accordance with Section C.3.

~~2) Calculate the total amount of Special Taxes that can be generated by Annexed Property through the levy of the Maximum Special Tax for Annexed Property in accordance with Section C.3.~~

- 3) The new Maximum Special Tax for Taxable Property within Zone 2, exclusive of Annexed Property, shall equal the result calculated in Step 1, minus the result calculated in Step 2 ~~multiplied by 50.56%~~, and then by dividing such amount by the minimum taxable Acreage originally established for Zone 2 (~~82.53~~73.48 Acres), exclusive of Annexed Property.

$$[\$392,018 - (\$257,180.00 - \text{Step 2 result} * 0.5056)] / \del{82.53} / 73.48 =$$

Maximum Special Tax per Acre for Taxable Property within Zone 2

3. Annexed Property

The Maximum Special Tax for Annexed Property shall be equal to the Maximum Special Tax set forth in Exhibit A multiplied by the Annexed Property acreage.

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D. Administrative Adjustments to the Maximum Special Tax

1. Prior to Issuance of Bonds

Prior to the issuance of the first series of Bonds, the CFD Administrator shall calculate the total tax burden for all Assessor's Parcels of Taxable Property, to determine whether or not any reductions are necessary to the Maximum Special Tax rate(s) identified herein in order to comply with the Goals and Policies. In calculating the total tax burden, the CFD Administrator shall (i) refer to the City's Goals and Policies, any market absorption study or price point analysis dated not earlier than 90 days prior to the date of issuance or other such date approved by the City, and any other document available to the City and/or CFD Administrator, and (ii) calculate the total tax burden considering the Maximum Special Tax rates and other governmental liens. The Maximum Special Tax set forth herein may be reduced if it is reasonably determined by the CFD Administrator and/or City, through review of available information related to IA No. 1, that the total tax burden against Taxable Property results in an amount that would reduce the marketability of the Bonds based on consultations with the City's underwriter, financial advisor, and/or other project team consultants engaged by the City. The City will have the final discretion regarding any reduction in the Maximum Special Tax rates identified herein.

If a mandatory Maximum Special Tax reduction is implemented, the same percent reduction shall be applied to the Maximum Special Tax for each Zone, exclusive of the Maximum Special Tax for Annexed Property set forth in Exhibit A, and the City Council shall cause an "Amended Notice of Special Tax Lien" to be recorded in compliance with the Act. The amount of Bonds that may be issued will be recalculated and shall not exceed an amount, in which, the Maximum Special Taxes that could be levied on Taxable Property within IA No. 1 in each Fiscal Year, less Administrative Expenses for such Fiscal Year, shall provide no less than 110% coverage on the annual debt service on all Outstanding Bonds, as defined in Section F herein.

2. Subsequent to Issuance of Bonds

If, in any Fiscal Year after the City has issued the first series of Bonds, either (i) a Final Map is proposed to be recorded or (ii) an existing Final Map is proposed to be amended, that will result in a reduction of total Acreage of Taxable Property to less than ~~47.92 Acres within Zone 1 or, to less than 82.5373.48~~ Acres within Zone 2, then a mandatory prepayment must be made in accordance with Sections F and G. The mandatory prepayment must be made by the landowners of those Assessor's Parcel(s) that are the subject of the proposed Final Map or the landowners of those Assessor's Parcel(s) that will be amended by the amended Final Map.

If a mandatory prepayment is required, the mandatory prepayment shall be paid as a requirement to record such new Final Map or amended Final Map.

E. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing in Fiscal Year ~~2008-2009~~2016-17 and for each subsequent Fiscal Year until terminated, the City Council shall levy Special Taxes on all Taxable Property until the total amount of Special Taxes levied equals the Special Tax Requirement in accordance with the following steps:

Step One: ~~————The~~To satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on (i) each Assessor’s Parcel of Annexed Property ~~and each Assessor’s Parcel of Developed Property~~ up to 100% of the applicable Maximum Special Tax, and (ii) each Assessor’s Parcel of Developed Property in Zone 2 up to ~~satisfy~~100% of the applicable Maximum Special Tax ~~Requirement~~.

Step Two: ~~————If~~ additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Undeveloped Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Step Three: If additional monies are needed to satisfy the Special Tax Requirement after the ~~first two steps have~~second step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Provisional Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Step Four: If additional monies are needed to satisfy the Special Tax Requirement after ~~all previous steps have occurred~~the third step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Taxable Public Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

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F. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section F:

~~“Facilities Costs” means either \$6.15 million, expressed in 2008 dollars, which shall increase by the Construction Inflation Index on January 1, 2009, and on each January 1 thereafter, or such lower numbers as shall be determined either by (a) the CFD Administrator as sufficient to finance the Facilities, or (b) the City Council concurrently with a covenant that it will not issue any more CFD No. 7 Bonds secured by IA No. 1 (except refunding bonds) to be secured by Special Taxes levied under this Rate and Method of Apportionment.~~

~~“Construction Inflation Index” means the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the Calendar Year, which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.~~

~~“Future Facilities Costs” means the Facilities Costs minus that (a) portion of the Facilities Costs previously and actually funded (i) from the proceeds of all previously issued Bonds, (ii) from interest earnings on the Improvement Fund actually earned prior to the date of prepayment and (iii) directly from Special Tax revenues and (b) amount of the proceeds of all previously issued Bonds then on deposit in the Improvement Fund.~~

“Facilities Costs” means \$2,703,341.58, all or a portion of which will be used to determine the prepayment amount only if Bonds have not been issued, in which case the portion of the prepayment attributable to this amount shall be deposited into the Improvement Fund.

~~“Improvement Fund” means a fund specifically identified in the Indenture to hold funds, which are currently available for expenditure to acquire or construct the Facilities.~~

“Outstanding Bonds” means all previously issued Bonds secured by the levy of Special Taxes which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Maximum Special Tax.

The Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time that the Special Tax obligation would be prepaid. The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay all or a part of the Special Tax obligation shall provide the City with written notice of intent to prepay, and within 10 business days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable deposit fee determined to cover the cost to be incurred by CFD No. 7 in calculating the proper amount of a prepayment. Within 30 business days of receipt of such non-refundable deposit fee, the City shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Indenture.

The Prepayment Amount for each applicable Assessor’s Parcel shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance
plus	Administrative Fee
less	Reserve Fund Credit
less	Capitalized Interest Credit
equals	Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor’s Parcel of Taxable Property, compute the Maximum Special Tax applicable to such Assessor’s Parcel.
2. For each Assessor’s Parcel intending to prepay, divide the Maximum Special Tax computed pursuant to paragraph 1 for such Assessor’s Parcel by the sum of the estimated Maximum Special Tax applicable to all Assessor’s Parcels of Taxable Property, excluding the Maximum Special Taxes of any Assessor’s Parcels for which the Special Tax obligation has been previously prepaid.
- ~~3.~~ ~~For 3.~~ ~~If Bonds have not been issued, then for each Assessor’s Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2 by Facilities Costs. If Bonds have been issued, then for~~ each Assessor’s Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2 by Outstanding Bonds. The product shall be the “Bond Redemption Amount,” for such Assessor’s Parcels, as applicable.
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds on the next available redemption date to be redeemed with the proceeds of the Bond Redemption Amount. This product is the “Redemption Premium.”
- ~~5.~~ ~~If (a) all the Bonds authorized to be issued by CFD No. 7 for IA No. 1 have not been issued, and (b) the City Council has not restricted its ability to issue additional bonds in the future, then compute the Future Facilities Amount.~~
- ~~6.~~ ~~The “Future Facilities Amount” shall be calculated by multiplying the quotient computed pursuant to paragraph 2, by the amount if any, determined pursuant to paragraph 5. The product shall be the “Future Facilities Amount.”~~
- ~~7-5.~~ Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, taking into consideration the amount of Special Taxes levied on and paid for the Assessor’s Parcel in the current Fiscal Year.
- ~~8-6.~~ Compute the amount the CFD Administrator reasonably expects to be derived from the reinvestment of the Prepayment Amount ~~less the Future Facilities Amount and Administrative Fee~~ (defined in paragraph 10) until the earliest redemption date for the Outstanding Bonds.
- ~~9-7.~~ Subtract the amount computed pursuant to paragraph ~~86~~ from the result computed pursuant to paragraph ~~75~~. This difference is the “Defeasance.”

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- ~~108.~~ Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the “Administrative Fee.”
- ~~119.~~ Calculate the “Reserve Fund Credit” as the lesser of: (a) the expected reduction in the applicable reserve requirement, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve fund on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than \$0.
- ~~12.~~ ~~If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to step 2 by the expected balance in the capitalized interest fund after such first interest payment (the “Capitalized Interest Credit”).~~
- ~~1310.~~ The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the ~~Future Facilities Amount, the~~ Defeasance, and the Administrative Fee, less the Reserve Fund ~~Credit and less the Capitalized Interest~~ Credit.

With respect to the Special Tax obligation that is prepaid pursuant to this Section F, the City Council shall indicate in the records of CFD No. 7 that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor’s Parcel, and the obligation of such Assessor’s Parcel to pay such Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax that may be levied on Taxable Property, net of reasonably estimated annual Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

G. PARTIAL PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of an Assessor’s Parcel of Taxable Property may be partially prepaid, as calculated in this Section G, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time the Special Tax obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = (P_f - A) \times F + A$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount.
- P_f = the Prepayment Amount calculated according to Section F.
- F = the percent by which the owner of the Assessor’s Parcel is partially prepaying the Special Tax obligation.
- A = Administrative Fees calculated in Section F, step ~~408~~

With respect to any Assessor’s Parcel that is partially prepaid, the City Council shall indicate in the records of CFD No. 7 that there has been a partial prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax obligation, to indicate the partial prepayment of the Special Tax obligation and the partial release of the Special Tax lien on such Assessor’s Parcel, and the obligation of such Assessor’s Parcel to pay such prepaid portion of the Special Tax shall cease.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax that may be levied on Taxable Property after such partial prepayment, net of reasonably estimated annual Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all Bonds outstanding after such partial prepayment in each future Fiscal Year.

H. TERMINATION OF SPECIAL TAX

For each Fiscal Year that any Bonds are outstanding, the Special Tax shall be levied on all Assessor’s Parcels of Taxable Property within IA No. 1 in accordance with Section E. If any delinquencies for the Special Tax remain uncollected prior to or after all Bonds are retired, the Special Tax may be levied to the extent necessary to reimburse CFD No. 7 for uncollected Special Taxes, but not later than the ~~2048-~~492050-51 Fiscal Year.

I. EXEMPTIONS

The City shall classify as Exempt Property: (i) Public Property, (ii) Assessor’s Parcels used or owned exclusively by a property owners’ association, or (iii) Assessor’s Parcels with public or utility easements, including Assessor’s Parcels designated as open space or retention basin, making impractical their utilization for other purposes than those set forth in the easement, provided that such classification would not reduce the Acreage of all Taxable Property to less than ~~47.92 Acres within Zone 1 or, to less than 82.5373.48~~ Acres within Zone 2. Public Property that cannot be classified as Exempt Property will be classified as Taxable Public Property and shall be subject to the Special Tax in accordance with Section E. All other Assessor’s Parcels identified within this section that cannot be classified as Exempt Property will be classified as Provisional Property and will be subject to the Special Tax in accordance with Section E.

J. APPEALS

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Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Manager of the City not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the CFD Administrator’s decision requires that the Special Tax for an Assessor’s Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor’s Parcel in the subsequent Fiscal Year(s).

K. MANNER OF COLLECTION

The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 7 may collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

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Exhibit A

**IMPROVEMENT AREA 1 OF
CITY OF MORENO VALLEY CFD NO. 7
MAXIMUM SPECIAL TAX RATE FOR ANNEXED PROPERTY ⁽¹⁾**

<u>Year After Bond Issuance</u>	<u>Maximum Special Tax per Acre</u>
≤ 0	\$609
1	\$619
2	\$630
3	\$642
4	\$654
5	\$668
6	\$684
7	\$700
8	\$719
9	\$739
10	\$761
11	\$786
12	\$814
13	\$846
14	\$881
15	\$922
16	\$968
17	\$1,022
18	\$1,085
19	\$1,160
20	\$1,250
21	\$1,361
22	\$1,499
23	\$1,678
24	\$1,917
25	\$2,251
26	\$2,754
27	\$3,594
28	\$5,275
29	\$10,321

(1) The above Maximum Special Tax rates are based upon the assumed coupon rate of 4.53%, consistent with the other bonding assumptions. A premium of 15% is added to cover administrative expenses and delinquencies. These rates will be adjusted based upon the final pricing of the bonds at issuance.

Attachment: RMA Redline w Exhibit A (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF

June 24, 2008

City of Moreno Valley
Communities Facilities District No. 7**Exhibit A****IMPROVEMENT AREA 1 NO. OF
CITY OF MORENO VALLEY CFD NO. 7
MAXIMUM SPECIAL TAX RATE FOR ANNEXED PROPERTY ⁽¹⁾**

<u>Year After Formation</u>	<u>Maximum Special Tax per Acre</u>
1	\$658
2	\$665
3	\$673
4	\$682
5	\$692
6	\$702
7	\$714
8	\$727
9	\$742
10	\$758
11	\$777
12	\$798
13	\$821
14	\$848
15	\$879
16	\$915
17	\$956
18	\$1,005
19	\$1,064
20	\$1,135
21	\$1,222
22	\$1,332
23	\$1,474
24	\$1,665
25	\$1,934
26	\$2,339
27	\$3,015
28	\$4,371
29	\$8,446

(1) The above Maximum Special Tax rates are based upon the assumed coupon rate of 7.25%, consistent with the other bonding assumptions. These rates will be adjusted based upon the final pricing of the bonds at issuance. Once property is annexed into the CFD, that property's Maximum Special Tax is fixed at the final adjusted amount per acre (after bond issuance) for the year after formation in which the property is annexed.

Attachment: RMA Redline w Exhibit A (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF

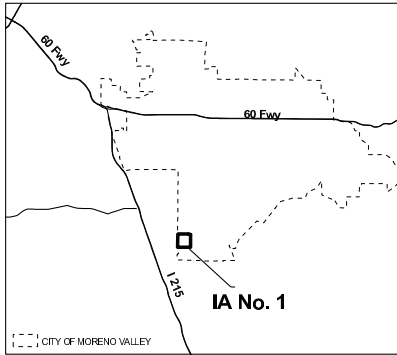
Proposed Boundary Map

SHEET 1 OF 1

MAP OF PROPOSED AMENDED BOUNDARIES OF IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7

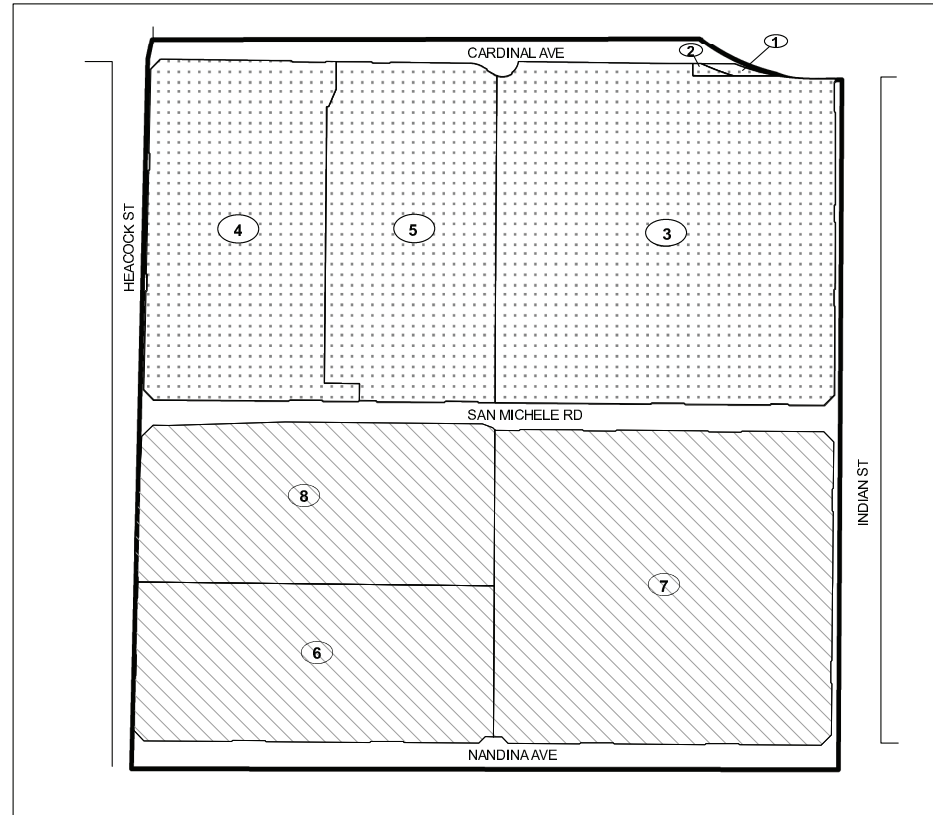
CITY OF MORENO VALLEY
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

VICINITY MAP



MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NO.
1	316-170-018
2	316-170-020
3	316-170-023
4	316-170-025
5	316-170-026
6	316-180-012
7	316-180-013
8	316-180-014

Legend	
	IMPROVEMENT AREA NO. 1 (IA NO. 1) BOUNDARY
	MAP REFERENCE NUMBER
	ZONE 1
	ZONE 2



FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 201____.

CITY CLERK
CITY OF MORENO VALLEY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED AMENDED BOUNDARIES OF IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7, CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY OF MORENO VALLEY AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 201____, BY ITS RESOLUTION NO. _____

CITY CLERK
CITY OF MORENO VALLEY

FILED THIS _____ DAY OF _____, 201____, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ PAGE(S) _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: _____

INSTRUMENT NO.: _____

PETER ALDANA, ASSESSOR-COUNTY CLERK-RECORDER

BY DEPUTY
COUNTY RECORDER
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

THIS AMENDED BOUNDARY DIAGRAM AMENDS IMPROVEMENT AREA NO. 1 OF THE MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 7, CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, PRIOR RECORDED THE 16TH DAY OF MAY, 2008, IN BOOK 73, PAGES 6 TO 8 OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS AS INSTRUMENT NO. 2008-0265595 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.



27368 VIA INDUSTRIA, #200
TEMECULA, CA 92590
PH: (951) 587-3500

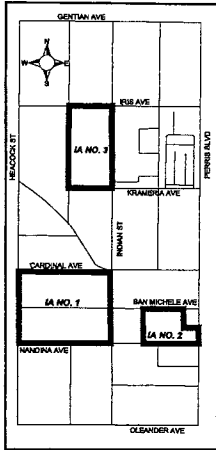
A-13.e

Original Boundary Map

MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 7

SHEET 1 OF 3

CITY OF MORENO VALLEY
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

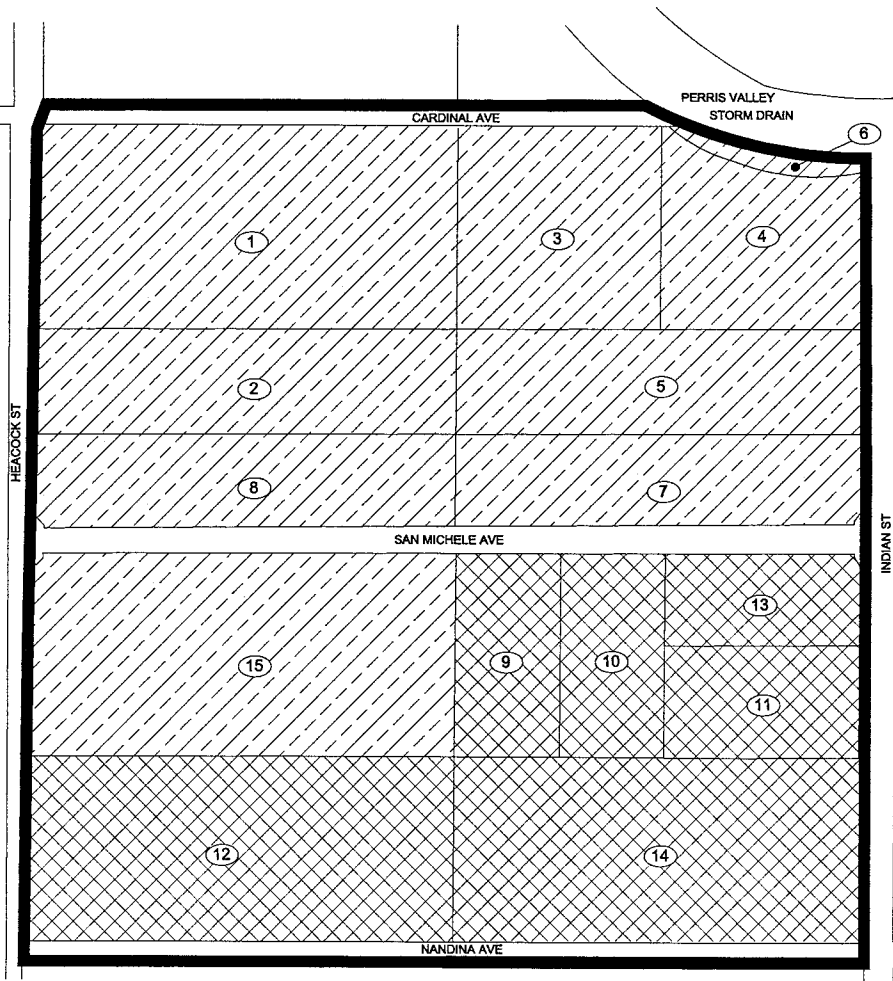


Vicinity Map

MAP REF. NO.	ASSESSOR'S PARCEL NO.
1	316-170-001
2	316-170-002
3	316-170-004
4	316-170-006
5	316-170-007
6	316-170-010
7	316-170-013
8	316-170-014
9	316-180-002
10	316-180-003
11	316-180-006
12	316-180-008
13	316-180-009
14	316-180-009
15	316-180-010

LEGEND FOR SHEET 1

- IMPROVEMENT AREA NO. 1 (IA NO. 1) BOUNDARY
- MAP REFERENCE NUMBER
- ZONE 1
- ZONE 2



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF MORENO VALLEY THIS _____ DAY OF _____ 2008.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 7, CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF MORENO VALLEY AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF _____, 2008, BY ITS RESOLUTION NO. _____.

CITY CLERK
CITY OF MORENO VALLEY

RIVERSIDE COUNTY RECORDER'S CERTIFICATE

FILED THIS _____ DAY OF _____, 2008, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE(S) _____ IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: _____

INSTRUMENT NO.: _____

LARRY WARD, ASSESSOR-COUNTY CLERK-RECORDER

BY DEPUTY
COUNTY RECORDER
COUNTY OF RIVERSIDE

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAIL CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

MuniFinancial
 27368 Via Induistris
 Suite 110
 Temecula, California 92590-3651
 Phone (951) 587-3500 Fax (951) 587-3510

Attachment: Boundary Maps [Revision 1] (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO

**PETITION REQUESTING
CERTAIN AMENDMENTS RELATED TO
IMPROVEMENT AREA NO. 1 OF
COMMUNITY FACILITIES DISTRICT NO. 7
OF THE CITY OF MORENO VALLEY
(Including Waivers)**

City Council
City of Moreno Valley
14177 Frederick Street
Moreno Valley, California 92553-9014

Members of the City Council:

This is a landowners' petition requesting certain change proceedings in connection with Improvement Area No. 1 ("Improvement Area No. 1") of Community Facilities District No. 7 of the City of Moreno Valley, State of California (the "Community Facilities District") pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Mello-Roos Act") and a waiver with respect to certain procedural matters under the Mello-Roos Act, and the undersigned hereby state as follows:

1. Petitioners. This petition is submitted by FR/CAL Moreno Valley, LLC, a Delaware limited liability company ("FR/CAL") and I-215 Logistics, LLC, a Delaware limited liability company ("I-215 Logistics") (together, the "Petitioners"), as the respective legal owners of the property described in Exhibit A attached hereto and made a part hereof (the "Property"), which is the site of Improvement Area No. 1 of the Community Facilities District. By submitting this petition, Petitioners warrant to the City of Moreno Valley (the "City") that they are the respective legal owners of the fee interest of all of the land included within Improvement Area No. 1. The City has previously approved a rate and method of apportionment of the special tax for Improvement Area No. 1 (referred to herein as the "RMA"). Petitioners have entered into a Memorandum of Understanding (the "MOU") dated as of February 19, 2015 and attached hereto as Exhibit B describing certain change proceedings they agree to petition the City to conduct pursuant to Article 3 of the Mello-Roos Act.

2. Proceedings Requested. Petitioners hereby request that the City Council of the City institute proceedings pursuant to the Mello-Roos Act to modify the RMA and the boundary map of Improvement Area No. 1 to reflect the changes specifically described in Sections 2, 3, 4, 5 and 6 of the MOU (collectively, the "Amendments").

3. Elections. Petitioners hereby request that a special election be held under the Mello-Roos Act in order to approve the Amendments, all to be consolidated into a single election and that the election be conducted by the City and its officials using mailed or hand-delivered ballots and

that such ballots be opened and canvassed and the results certified at the same meeting of the City Council as the public hearing on the proposed Amendments under the Mello-Roos Act or as soon thereafter as possible.

4. **Waiver.** To expedite the completion of the change proceedings for Improvement Area No. 1 of the Community Facilities District, Petitioners accompany this petition with an executed Waiver and Consent Shortening Time Periods and Waiving Various Requirements for Conducting a Mailed-Ballot Election.

6. **Mailing Address.** The address of each Petitioner for receiving notices is: (i) with respect to FR/CAL, 19125 North Creek Parkway, Suite 120, Bothell, WA 98011: Attention: William G. Williams; e-mail: Williams.bill@principal.com; (ii) with respect to I-215 Logistics, c/o Clarion Partners, 717 McKinney Avenue, Suite 1900, Dallas, TX 75202, Attention: Stacey Magee, Director; e-mail: Stacey.magee@clarionpartners.com.


This petition is dated April 6, 2016.

FR/CAL MORENO VALLEY,
a Delaware limited liability company

By: FirstCal Industrial, LLC,
a Delaware limited liability company,
its sole member

By: California State Teacher's Retirement System,
a public entity,
its sole member

By: Principal Real Estate Investors, LLC,
a Delaware limited liability company,
its authorized agent

By: 
Name: William G. Williams III
Title: Investment Director – Asset Management

I-215 LOGISTICS, LLC,
a Delaware limited liability company

By: LIT Holdings GP, LLC,
a Delaware limited liability company,
its manager

By: Lion Industrial Properties, L.P.,
a Delaware limited partnership,
its sole member

By: LIT GP Sub, LLC,
a Delaware limited liability company,
its general partner

By: Lion Industrial Trust,
a Maryland real estate investment trust,
its sole member

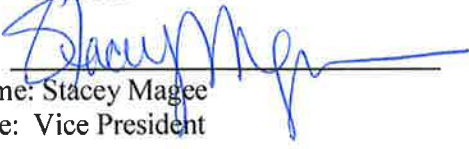
By: 
Name: Stacey Magee
Title: Vice President

EXHIBIT A
PROPERTY DESCRIPTION

That certain real property situated in the State of California, City of Moreno Valley, more particularly described as follows:

With respect to FR/CAL, the following Riverside County Parcel Numbers:

316-180-012, 316-180-013 and 316-180-014

With respect to I-215 Logistics, the following Riverside County Parcel Numbers:

316-170-023, 316-170-025, 316-170-026, 316-170-018 and 316-170-020

EXHIBIT B
MEMORANDUM OF UNDERSTANDING

Attachment: Property Owner Petition (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF

Memorandum of Understanding

Improvement Area No. 1 of
Community Facilities District No. 7 of the City of Moreno Valley

This Memorandum of Understanding (“**MOU**”) is made and entered into effective as of February 19, 2015 (“**Effective Date**”). The MOU is by and between FR/Cal Moreno Valley, LLC, a Delaware corporation (“**FR/Cal**”), and I-215 Logistics, LLC, a Delaware limited liability company (“**I-215 Logistics**”). FR/Cal and I-215 Logistics may be referenced in this MOU individually as a “**Party**” and collectively as the “**Parties**.”

Recitals

WHEREAS, pursuant to the Mello-Roos Community Facilities Act of 1982 (the “**Act**”), Community Facilities District No. 7 of the City of Moreno Valley (“**CFD No. 7**”) was formed on June 24, 2008, by the City of Moreno Valley (“**City**”) with the consent and approval of the property owners within CFD No. 7 to facilitate financing of certain public improvements;

WHEREAS, CFD No. 7 consists of three Improvement Areas, which are additionally subdivided into Zones;

WHEREAS, Improvement Area No. 1, containing Zone 1 and Zone 2, was created at the formation of CFD No. 7, and is shown on the boundary map filed on May 16, 2008, at Book 73 of Maps of Assessment and Community Facilities Districts at Pages 6-8 in the office of the County Recorder of Riverside County (the “**Original Boundary Map**”) and attached hereto as Exhibit “**A**”;

WHEREAS, CFD No. 7 authorizes the financing by Improvement Area No. 1 of specific and distinct public improvements (“**Public Improvements**”);

WHEREAS, the financing of the Public Improvements is authorized by means of the issuance of special tax bonds by the City on behalf of Improvement Area No. 1, which authorization was approved by unanimous vote of property owners within CFD No. 7 on June 24, 2008 (the “**Bonds**”);

WHEREAS, the special taxes levied on assessor’s parcels within Improvement Area No. 1 shall be calculated and subject to the limitations set forth in the Rate and Method of Apportionment of Special Tax for Improvement Area No. 1 (the “**RMA**”), attached hereto as Exhibit “**B**”, as such RMA is amended pursuant to this MOU, and such special taxes shall be used to pay the annual debt service on the Bonds;

WHEREAS, the authorized Public Improvements for Improvement Area No. 1 include master planned storm drain facilities (“**Storm Drain Facilities**”) to be owned and operated by the Riverside County Flood Control and Water Conservation District (“**Flood Control District**”);

WHEREAS, the inclusion of the Storm Drain Facilities in CFD No. 7 required entering into the Joint Community Facilities Agreement relating to CFD No. 7, by and among the City, the Flood Control District, FR/Cal, First Industrial, LP, and FR/Cal Indian Avenue, LLC;

WHEREAS, FR/Cal constructed the Storm Drain Facilities, and the Final Audit Report, prepared by Willdan Financial Services, for the City and the Flood Control District, the summary cover letter of which is attached hereto as **Exhibit "C"**, recommended a purchase price for the Storm Drain Facilities of Five Million, Two Hundred and Eleven Thousand, Seven Hundred and Sixty Three Dollars and Twenty-One Cents (\$5,211,763.21) (herein, the "**Storm Drain Cost**");

WHEREAS, the Parties have determined that 51.87% of the Storm Drain Cost, and only 51.87% of the Storm Drain Cost, or \$2,703,341.58, should be financed by the issuance of Bonds;

WHEREAS, the Parties have determined to modify the definition of "Facilities" in the RMA to limit the Public Improvements that may be financed by Improvement Area No. 1 to the Storm Drain Facilities only and to further limit the amount of the Storm Drain Costs that may be financed by Improvement Area No. 1 to \$2,703,341.58, as further set forth in this MOU;

WHEREAS, on February 20, 2014, FR/Cal purchased property from Alvaraz & Marsal (the "**Alvaraz & Marsal Property**") immediately to the north of Parcel 1 of Parcel Map 35150, designated as Building A site owned by FR/Cal (bordered by San Michele Avenue on the north and Heacock Street on the west);

WHEREAS, pursuant to the Original Boundary Map, the Alvaraz & Marsal Property is located in Zone 2 of Improvement Area No. 1, but the Parties desire to have the Alvaraz & Marsal Property located in Zone 1 of Improvement Area No. 1;

WHEREAS, to accommodate the change in the Zone identification for the Alvaraz & Marsal Property, the Original Boundary Map must be amended, as set forth in this MOU;

WHEREAS, in addition, the Parties have determined that a change to the RMA is necessary (i) to modify the prepayment provisions to reflect the change in the definition of "Facilities," (ii) to reflect the change in the boundaries of Zone 1 and Zone 2 resulting from the change to the Original Boundary Map, and (iii) to revise the apportionment of special taxes under the RMA so that only the property in Zone 2 will be taxed; and

WHEREAS, the Parties desire to set forth their basic agreement in this MOU and provide the terms and conditions that shall be binding on the Parties.

NOW, THEREFORE, in consideration of mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

Agreement

1. Petition for Change Proceedings.

- a) FR/Cal and I-215 Logistics shall collectively petition the City to conduct change proceedings under Article 3 of the Act. The petition shall conform to the provisions of Section 53332 of the Act.
- b) The petition shall state that FR/Cal (and FR/Cal only) will provide any fee or deposit required by Section 53332 of the Act to commence change proceedings.
- c) The petition shall request that the RMA and the Original Boundary Map be modified to reflect the changes described in Sections 2, 3, 4, 5, and 6 below.
- d) FR/Cal and I-215 Logistics shall cooperate with each other and the City in connection with, and not protest, the change proceedings within Improvement Area No. 1 provided that the change proceedings are conducted in a manner consistent with the terms of this MOU and provided that the changes proposed to be made and that are actually made to the RMA and the Original Boundary Map are consistent with the terms of this MOU.

2. Modification of Original Boundary Map. The Original Boundary Map shall be amended and restated so as to identify the Alvaraz & Marsal Property as being in Zone 1 and not in Zone 2 (as amended pursuant to this Agreement, herein referred to as the “**Amended and Restated Boundary Map**”).

3. Modification of the RMA – Revising the Zones. The RMA shall be amended as follows:

- a) The term “Boundary Map” in the RMA shall continue to be used but the definition shall be amended to reflect the name and recording information of the Amended and Restated Boundary Map.
- b) The term “Proportionately” shall be revised in full to read as follows:

“**Proportionately**” means, for Developed Property in Zone 2, that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property in Zone 2. For Undeveloped Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Undeveloped Property in Zone 2. For Provisional Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Provisional Property in Zone 2. For Taxable Public Property in Zone 2, it means

that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Public Property in Zone 2. For Annexed Property in Zone 2, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor's Parcels of Annexed Property in Zone 2.

- c) The term "Provisional Property" in the RMA shall be amended to reflect that the new acreage number for Zone 1 is 62.78 acres (instead of 47.92 acres) and that the new acreage number for Zone 2 is 67.67 acres (instead of 82.53 acres).
- d) The term "Taxable Public Property" in the RMA shall be amended to reflect that the new acreage number for Zone 1 is 62.78 acres (instead of 47.92 acres) and that the new acreage number for Zone 2 is 67.67 acres (instead of 82.53 acres).
- e) Section C.1. of the RMA shall be amended to revise the calculation of the maximum special tax for Zone 1 using 62.78 acres (instead of 47.92 acres).
- f) Section C.2. of the RMA shall be amended to revise the calculation of the maximum special tax for Zone 2 using 67.67 acres (instead of 82.53 acres).
- g) Section D.2. of the RMA shall be amended shall be amended to reflect that the new acreage number for Zone 1 is 62.78 acres (instead of 47.92 acres) and that the new acreage number for Zone 2 is 67.67 acres (instead of 82.53 acres).
- h) Section I of the RMA shall be amended to reflect that the minimum acres in Zone 1 are 62.78 acres (instead of 47.92 acres) and that the minimum acres in Zone 2 are 67.67 acres (instead of 82.53 acres).

4. **Modification of RMA - Apportionment.** Section E of the RMA shall be amended in full to read as follows:

E. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing in Fiscal Year 2015-2016 and for each subsequent Fiscal Year until terminated, the City Council shall levy Special Taxes on all Taxable Property within Zone 2 until the total amount of Special Taxes levied equals the Special Tax Requirement in accordance with the following steps:

- Step One: To satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on (i) each Assessor's Parcel of Annexed Property in Zone 2 up to 100% of the applicable Maximum Special Tax, and (ii) each Assessor's Parcel of Developed Property in Zone 2 up to 100% of the applicable Maximum Special Tax.
- Step Two: If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Three: If additional moneys are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Four: If additional moneys are needed to satisfy the Special Tax Requirement after the third step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property in Zone 2 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

5. **Modification of RMA - Facilities.** FR/Cal and I-215 Logistics agree that only the Storm Drain Facilities shall be financed by the Bonds and only up to the amount of \$2,703,341.58. Neither FR/Cal nor I-215 Logistics will request that the City or CFD finance (i) any Public Improvements other than the Storm Drain Facilities (notwithstanding that additional Public Improvements were authorized to be financed in Improvement Area No. 1) and (ii) any Storm Drain Costs in excess of \$2,703,341.58. Accordingly, the definition of "Facilities" in the RMA shall be amended to read as follows:

"Facilities" means only the Perris Valley MDP – Lateral B-3, Stage 2 and the Perris Valley MPD – Lateral B-3.2 and in an amount not in excess of \$2,703,341.58.

6. **Modification of the RMA – Prepayment of the Special Tax.** Section F of the RMA shall be amended as follows:
- a) The definition of "Facilities Costs" in Section F of the RMA shall be amended and restated in full to read as follows:
- "Facilities Costs" means \$2,703,341.58.
- b) The term "Construction Inflation Index" shall be deleted.

7. **Issuance of Special Tax Bonds.** FR/Cal will take the lead in coordinating the issuance of Bonds by the City. The overall bond issuance process may take between six (6) to nine (9) months to accomplish. The process requires retention of professional services by the City, and the City may require that a deposit of certain costs of issuance be made prior to conducting any Bond issuance procedures. These professional services may include bond counsel, disclosure counsel, bond underwriter, market absorption consultant, special tax consultant, and appraisal services, as needed. FR/Cal will make any required deposits and enter into any required agreements for such deposits. I-215 Logistics will not be required to provide any deposits or advances in connection with the issuance of Bonds.
8. **Cooperation in Issuance of Bonds.** I-215 Logistics shall reasonably cooperate with both FR/Cal, the City, and any professionals hired by the City to assist in the issuance of Bonds, including, but not limited to, the following:
- a) If required by the underwriter for the Bonds, entering into a continuing disclosure undertaking providing for semi-annual reports to assist the underwriter in complying with Rule 15c2-12 of Securities Exchange Act of 1934. The continuing disclosure undertaking shall be customary for non-residential property in a CFD.
 - b) Providing non-proprietary, non-confidential, and reasonable information regarding the property owned by I-215 Logistics in Zone 2 and the tenant residing on the property to any appraiser, underwriter, or disclosure counsel; provided, however, that I-215 Logistics shall not be required to provide any confidential or proprietary information about its tenant, nor any information that could in any way violate or does violate the lease agreement with its tenant.
9. **Cooperation.** Both Parties agree to cooperate with each other and to execute such instruments and documents and to diligently undertake such actions as may be reasonably required in order to effectuate the intent of this MOU. Both Parties shall perform the obligations under this MOU in an expeditious manner so as to cause the modification of the RMA and the Original Boundary Map to occur as soon as practicable.
10. **Indemnification.** Each Party agrees to indemnify and hold harmless the other Party, their officers, agents and employees from any and all liability, claims, demands, damages, or injuries to any person as a result of any breach of this MOU (after notice and reasonable opportunity to cure) by the Party against which the other Party seeks indemnification.
11. **Binding on Successors and Assigns.** This MOU shall be binding on the successors and assigns of the Parties, and each Party covenants that it will specifically include this MOU in any assignment or sale of the property it owns within Improvement Area No. 1 of CFD No. 7.
12. **California Law.** This MOU shall be interpreted and enforced under the laws of the State of California.

13. **Miscellaneous.** The terms of this MOU may not be modified or amended except by an instrument in writing executed by each of the Parties hereto. No subsequent agreement, representation or promise made by either Party hereto, or by or to an employee, officer, agent or representative of either Party, shall be of any effect unless it is in writing and executed by the Party to be bound thereby. In the event that enforcement or interpretation of the terms, of the provisions of this MOU become necessary, the prevailing Party (whether or not such enforcement or interpretation results in resolution for or against either Party) shall be entitled to seek and collect reimbursement of all of the costs in seeking such enforcement or interpretation (including by way of example only, court costs, arbitration or mediation costs, discovery costs, and service of process expenses), as well as all attorneys' fees, expert fees, mediator fees, arbitrator fees, accountant fees, other third-party fees and costs, and any other costs or expenses incurred in the bringing such action or seeking such interpretation.


IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the Effective Date.

FR/CAL MORENO VALLEY,
a Delaware limited liability company

By: FirstCal Industrial, LLC,
a Delaware limited liability company,
its sole member

By: California State Teachers' Retirement System,
a public entity,
its sole member

By: Principal Real Estate Investors, LLC,
a Delaware limited liability company,
its authorized agent

By: 
Name: William G. Williams III
Title: Investment Director – Asset Management

[Signatures on MOU continued on the next page]

Attachment: Property Owner Petition (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF

[Signatures on MOU continued from the previous page]

I-215 LOGISTICS, LLC,
a Delaware limited liability company

By: LIT Holdings GP, LLC,
a Delaware limited liability company,
its manager

By: Lion Industrial Properties, L.P.,
a Delaware limited partnership,
its sole member

By: LIT GP Sub, LLC,
a Delaware limited liability company,
its general partner

By: Lion Industrial Trust,
a Maryland real estate investment trust,
its sole member

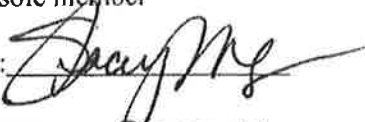
By: 
Name: Stacey Magee
Title: Vice President

EXHIBIT "A"
THE ORIGINAL BOUNDARY MAP

Attachment: Property Owner Petition (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF

2008-0265595
Original

73
6

SHEET 1 OF 3

MAP OF PROPOSED BOUNDARIES OF
COMMUNITY FACILITIES DISTRICT NO. 7

CITY OF MORENO VALLEY
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

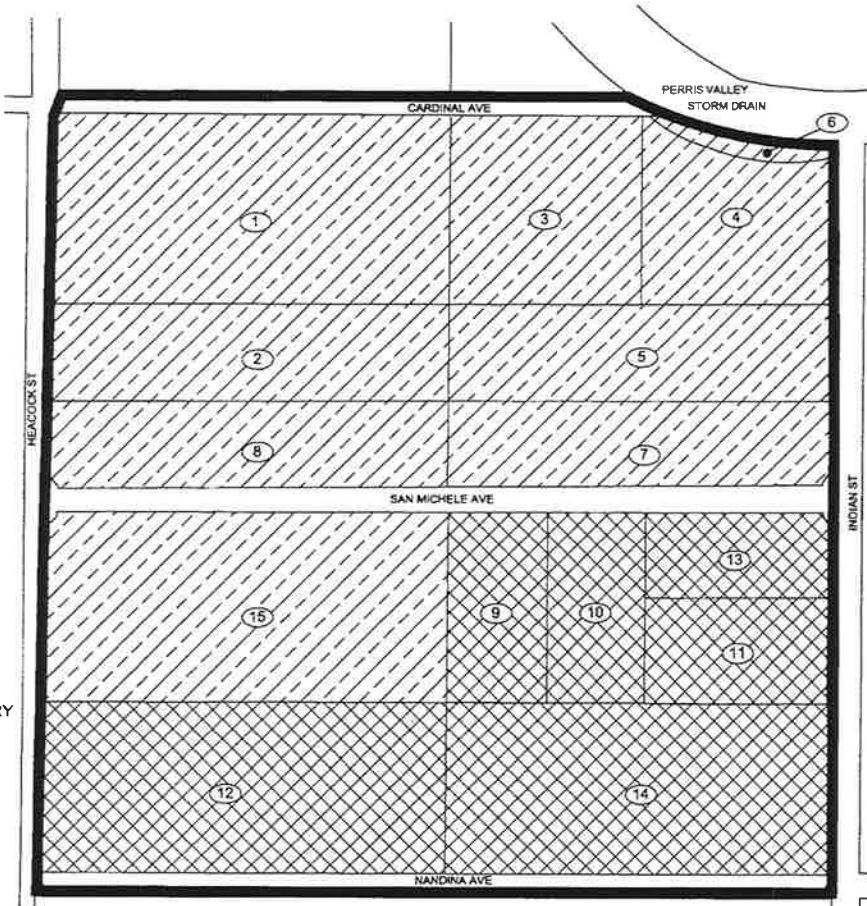


Vicinity Map

MAP REF. NO.	ASSESSOR'S PARCEL NO.
1	346-170-001
2	346-170-002
3	346-170-004
4	346-170-006
5	346-170-007
6	346-170-010
7	346-170-012
8	346-170-014
9	346-180-002
10	346-180-003
11	346-180-004
12	346-180-006
13	346-180-008
14	346-180-009
15	346-180-010

LEGEND FOR SHEET 1

- IMPROVEMENT AREA NO. 1 (IA NO. 1) BOUNDARY
- MAP REFERENCE NUMBER
- ZONE 1
- ZONE 2



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF MORENO VALLEY THIS 14 DAY OF May 2008.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 7, CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF MORENO VALLEY AT A REGULAR MEETING THEREOF, HELD ON THE 13 DAY OF May, 2008, BY ITS RESOLUTION NO. 2008-50.

James H. Haskins
CITY CLERK
CITY OF MORENO VALLEY

RIVERSIDE COUNTY RECORDER'S CERTIFICATE

FILED THIS 14TH DAY OF MAY, 2008, AT THE HOUR OF 8 O'CLOCK A.M. IN BOOK 72 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE(S) 1a-B IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE \$ 13.00

INSTRUMENT NO.: 2008-0265595

LARRY WARD, ASSESSOR-COUNTY CLERK-RECORDER

M. Garcia
BY DEPUTY
COUNTY RECORDER
COUNTY OF RIVERSIDE

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAIL CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.



Packet Pg. 193

A.13.f

EXHIBIT "B"
**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
FOR CFD NO. 7**

Attachment: Property Owner Petition (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

IMPROVEMENT AREA No. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7 OF THE CITY OF MORENO VALLEY

A special tax as hereinafter defined shall be levied on and collected within Improvement Area No. 1 of Community Facilities District No. 7 of the City of Moreno Valley ("IA No. 1") each Fiscal Year commencing in Fiscal Year 2008-2009, in an amount determined by the City Council of the City of Moreno Valley through the application of the appropriate Special Tax for "Developed Property," "Undeveloped Property," "Provisional Property," and "Taxable Public Property" as described below. IA No. 1 consists of two zones, designated as Zone 1 and Zone 2. All of the real property within IA No. 1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map, or other recorded instrument. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560. The minimum Acreage of Taxable Property is determined in accordance with Section I.

"Act" means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any actual ordinary and necessary expense of the City, or designee thereof or both, to carry out the administration of IA No. 1 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including the expenses of collecting delinquencies and pursuing foreclosures, the administration of Bonds, the payment of a proportional share of salaries and benefits of any City employee whose duties are related to the administration of IA No. 1, fees and expenses for counsel, audits, or other amounts needed to pay rebate to the federal government with respect to the Bonds, costs related to complying with continuing disclosure requirements pursuant to applicable federal and state securities law, costs associated with responding to public inquiries regarding IA No. 1 or the Bonds, and costs otherwise incurred in order to carry out the administration of IA No. 1.

"Annexed Property" means Assessor's Parcels originally identified within the Future Annexation Area that have been annexed to IA No. 1.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel number within the boundaries of IA No. 1.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

“Bonds” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Tax has been pledged.

“Boundary Map” means the “Map of Proposed Boundaries of Community Facilities District No. 7, City of Moreno Valley, County of Riverside, State of California,” filed May 16, 2008 in Book 73, Pages 6-8 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Building Permit” means a permit for new construction for a non-residential structure. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes for IA No. 1.

“CFD No. 7” means Community Facilities District No. 7 of the City of Moreno Valley established by the City under the Act.

“City” means the City of Moreno Valley.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 7, or its designee.

“County” means the County of Riverside.

“Developed Property” means all Assessor’s Parcels of Taxable Property for which Building Permits were issued on or before June 1 preceding the Fiscal Year for which Special Taxes are being levied, provided that a Final Map for such Assessor’s Parcels was recorded on or before January 1 of the prior Fiscal Year for which Special Taxes may be levied.

“Exempt Property” means all Assessor’s Parcels within IA No. 1 which are exempt from the Special Taxes pursuant to law or Section I herein.

“Facilities” means those public facilities authorized to be funded by CFD No. 7 as set forth in the formation documents for CFD No. 7.

“Final Map” means a recorded final map, parcel map, or lot line adjustment, evidencing the subdivision of property pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.).

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Future Annexation Area” means all Assessor’s Parcels within the future annexation area of IA No. 1 as determined by reference to the boundary map entitled “Map of Proposed Boundaries of Future Annexation Area of Community Facilities District No. 7, City of Moreno Valley, County of Riverside, State of California,” filed May 16, 2008 in Book 73, Pages 9-11 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Goals and Policies” means the local goals and policies adopted by the City Council concerning the use of the Act that are in effect at the time of formation of CFD No. 7.

“Improvement Area No. 1” or “IA No. 1” means the area within CFD No. 7 designated as Improvement Area No. 1 by reference to the Boundary Map, as such area may be amended by the addition of Annexed Property.

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Maximum Special Tax” means the maximum Special Tax determined in accordance with Section C, which may be levied by CFD No. 7 in any Fiscal Year on an Assessor’s Parcel of Taxable Property.

“Partial Prepayment Amount” means the amount required to prepay a portion of the Special Tax obligation for an Assessor’s Parcel, as described in Section G.

“Prepayment Amount” means the amount required to prepay the Special Tax obligation in full for an Assessor’s Parcel, as described in Section F.

“Proportionately” means, for Developed Property, the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property. For Undeveloped Property, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Undeveloped Property. For Provisional Property, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Provisional Property. For Taxable Public Property, it means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Public Property.

“Provisional Property” means all Assessor’s Parcels identified under Section I, excluding Public Property, that are not classified as Exempt Property because such classification would reduce the sum of all Taxable Property to less than 47.92 Acres within Zone 1 or, to less than 82.53 Acres within Zone 2.

“Public Property” means any property within the boundaries of IA No. 1 that is owned by or irrecoverably dedicated to the City, the federal government, the State of California, the County, or any other public agency.

“Special Tax” means the special tax authorized to be levied by CFD No. 7 pursuant to the Act to fund the Special Tax Requirement.

“Special Tax Requirement” means the amount required in any Fiscal Year for IA No. 1 to fund: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) any amount required to establish or replenish any reserve funds established in association with the Bonds, (iv) any delinquencies in the payment of prior years Special Taxes, (v) a reasonable estimate of delinquencies expected to occur in the Fiscal Year in which the Special Tax will be levied, and (vi) the acquisition or construction of eligible Facilities, provided that the inclusion of such amount does not cause an increase in the levy of the Special Tax on Undeveloped Property, less (vii) any amount available to pay debt service or other periodic costs on the Bonds as reasonably determined by the CFD Administrator pursuant to the Indenture.

“Taxable Property” means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to law or the Rate and Method of Apportionment of Special Tax.

“Taxable Public Property” means all Assessor’s Parcels defined as Public Property that are not classified as Exempt Property under Section I because such classification would reduce the sum of all Taxable Property to less than 47.92 Acres within Zone 1 or, to less than 82.53 Acres within Zone 2.

“Trustee” means the trustee, fiscal agent, or paying agent under the Indenture.

“Undeveloped Property” means all Assessor’s Parcels of Taxable Property, exclusive of Annexed Property, which are not classified as Developed Property, Taxable Public Property, or Provisional Property.

“Zone” means one of the two mutually exclusive geographic areas defined below.

- “Zone 1” means the area within IA No. 1 designated as zone 1 by reference to the Boundary Map.
- “Zone 2” means the area within IA No. 1 designated as zone 2 by reference to the Boundary Map.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2008-2009, each Assessor’s Parcel shall be classified as Taxable Property or Exempt Property. In addition, each Fiscal Year, each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Undeveloped Property, Provisional Property, or Taxable Public Property.

C. MAXIMUM SPECIAL TAXES

1. ZONE 1

Taxable Property

Each Fiscal Year commencing in Fiscal Year 2008-2009, each Assessor’s Parcel of Taxable Property within Zone 1 shall be subject to a Maximum Special Tax equal to \$7,999 per Acre.

The Maximum Special Tax for Taxable Property within Zone 1 shall be recalculated as Assessor’s Parcels within the Future Annexation Area are annexed to IA No. 1, or if there is an adjustment to the Special Tax in accordance with Section D. The Maximum Special Tax for Taxable Property within Zone 1 shall be recalculated as follows:

1) Calculate the total amount of Special Taxes that can be generated through the levy of the Maximum Special Tax within Zone 1, exclusive of Annexed Property, by multiplying the original Maximum Special Tax established for Zone 1 (\$7,999 per Acre) by the minimum taxable Acreage originally established for Zone 1 as defined in Section I (47.92 Acres).

$[\$7,999 \times 47.92 = \$383,312]$

2) Calculate the total amount of Special Taxes that can be generated by Annexed Property through the levy of the Maximum Special Tax for Annexed Property in accordance with Section C.3.

3) The new Maximum Special Tax for Taxable Property within Zone 1 shall equal the result calculated in Step 1, minus the result calculated in Step 2 multiplied by 49.44%, and then by dividing such amount by the minimum taxable Acreage originally established for Zone 1 (47.92 Acres), exclusive of Annexed Property.

$$[\$383,312 - (\text{Step 2 result} \times 0.4944)] / 47.92 =$$

Maximum Special Tax per Acre for Taxable Property within Zone 1

2. ZONE 2

Taxable Property

Each Fiscal Year commencing in Fiscal Year 2008-2009, each Assessor's Parcel of Taxable Property within Zone 2 shall be subject to a Maximum Special Tax equal to \$4,750 per Acre.

The Maximum Special Tax for Taxable Property within Zone 2 shall be recalculated as Assessor's Parcels within the Future Annexation Area are annexed to IA No. 1, or if there is an adjustment to the Special Tax in accordance with Section D. The Maximum Special Tax for Taxable Property within Zone 2 shall be recalculated as follows:

1) Calculate the total amount of Special Taxes that can be generated through the levy of the Maximum Special Tax within Zone 2, exclusive of Annexed Property, by multiplying the original Maximum Special Tax established for Zone 2 (\$4,750 per Acre) by the minimum taxable Acreage for Zone 2 as defined in Section I (82.53 Acres).

$$[\$4,750 \times 82.53 = \$392,018]$$

2) Calculate the total amount of Special Taxes that can be generated by Annexed Property through the levy of the Maximum Special Tax for Annexed Property in accordance with Section C.3.

3) The new Maximum Special Tax for Taxable Property within Zone 2 shall equal the result calculated in Step 1, minus the result calculated in Step 2 multiplied by 50.56%, and then by dividing such amount by the minimum taxable Acreage originally established for Zone 2 (82.53 Acres), exclusive of Annexed Property.

$$[\$392,018 - (\text{Step 2 result} \times 0.5056)] / 82.53 =$$

Maximum Special Tax per Acre for Taxable Property within Zone 2

3. Annexed Property

The Maximum Special Tax for Annexed Property shall be equal to the Maximum Special Tax set forth in Exhibit A.

D. Administrative Adjustments to the Maximum Special Tax

1. Prior to Issuance of Bonds

Prior to the issuance of the first series of Bonds, the CFD Administrator shall calculate the total tax burden for all Assessor's Parcels of Taxable Property, to determine whether or not any reductions are necessary to the Maximum Special Tax rate(s) identified herein in order to comply with the Goals and Policies. In calculating the total tax burden, the CFD Administrator shall (i) refer to the City's Goals and Policies, any market absorption study or price point analysis dated not earlier than 90 days prior to the date of issuance or other such date approved by the City, and any other document available to the City and/or CFD Administrator, and (ii) calculate the total tax burden considering the Maximum Special Tax rates and other governmental liens. The Maximum Special Tax set forth herein may be reduced if it is reasonably determined by the CFD Administrator and/or City, through review of available information related to IA No. 1, that the total tax burden against Taxable Property results in an amount that would reduce the marketability of the Bonds based on consultations with the City's underwriter, financial advisor, and/or other project team consultants engaged by the City. The City will have the final discretion regarding any reduction in the Maximum Special Tax rates identified herein.

If a mandatory Special Tax reduction is implemented, the same percent reduction shall be applied to the Maximum Special Tax for each Zone, exclusive of the Maximum Special Tax for Annexed Property set forth in Exhibit A, and the City Council shall cause an "Amended Notice of Special Tax Lien" to be recorded in compliance with the Act. The amount of Bonds that may be issued will be recalculated and shall not exceed an amount, in which, the Maximum Special Taxes that could be levied on Taxable Property within IA No. 1 in each Fiscal Year, less Administrative Expenses for such Fiscal Year, shall provide no less than 110% coverage on the annual debt service on all Outstanding Bonds, as defined in Section F herein.

2. Subsequent to Issuance of Bonds

If, in any Fiscal Year after the City has issued the first series of Bonds, either (i) a Final Map is proposed to be recorded or (ii) an existing Final Map is proposed to be amended, that will result in a reduction of total Acreage of Taxable Property to less than 47.92 Acres within Zone 1 or, to less than 82.53 Acres within Zone 2, then a mandatory prepayment must be made in accordance with Sections F and G. The mandatory prepayment must be made by the landowners of those Assessor's Parcel(s) that are the subject of the proposed Final Map or the landowners of those Assessor's Parcel(s) that will be amended by the amended Final Map.

If a mandatory prepayment is required, the mandatory prepayment shall be paid as a requirement to record such new Final Map or amended Final Map.

E. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing in Fiscal Year 2008-2009 and for each subsequent Fiscal Year until terminated, the City Council shall levy Special Taxes on all Taxable Property until the total amount of Special Taxes levied equals the Special Tax Requirement in accordance with the following steps:

- Step One: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Annexed Property and each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Two: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Three: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.
- Step Four: If additional monies are needed to satisfy the Special Tax Requirement after all previous steps have occurred, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

F. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section F:

“Facilities Costs” means either \$6.15 million, expressed in 2008 dollars, which shall increase by the Construction Inflation Index on January 1, 2009, and on each January 1 thereafter, or such lower numbers as shall be determined either by (a) the CFD Administrator as sufficient to finance the Facilities, or (b) the City Council concurrently with a covenant that it will not issue any more CFD No. 7 Bonds secured by IA No. 1 (except refunding bonds) to be secured by Special Taxes levied under this Rate and Method of Apportionment.

“Construction Inflation Index” means the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the Calendar Year, which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

“Future Facilities Costs” means the Facilities Costs minus that (a) portion of the Facilities Costs previously and actually funded (i) from the proceeds of all previously issued Bonds, (ii) from interest earnings on the Improvement Fund actually earned prior to the date of prepayment and (iii) directly from Special Tax revenues and (b) amount of the proceeds of all previously issued Bonds then on deposit in the Improvement Fund.

“Improvement Fund” means a fund specifically identified in the Indenture to hold funds, which are currently available for expenditure to acquire or construct the Facilities.

“Outstanding Bonds” means all previously issued Bonds secured by the levy of Special Taxes which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Maximum Special Tax.

The Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time that the Special Tax obligation would be prepaid. The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay all or a part of the Special Tax obligation shall provide the City with written notice of intent to prepay, and within 10 business days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by CFD No. 7 in calculating the proper amount of a prepayment. Within 30 business days of receipt of such non-refundable deposit, the City shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Indenture.

The Prepayment Amount for each applicable Assessor's Parcel shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance
plus	Administrative Fee
less	Reserve Fund Credit
<u>less</u>	<u>Capitalized Interest Credit</u>
equals	Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor's Parcel of Taxable Property, compute the Maximum Special Tax applicable to such Assessor's Parcel.
2. For each Assessor's Parcel intending to prepay, divide the Maximum Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel by the sum of the estimated Maximum Special Tax applicable to all Assessor's Parcels of Taxable Property, excluding the Maximum Special Taxes of any Assessor's Parcels for which the Special Tax obligation has been previously prepaid.
3. For each Assessor's Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2 by Outstanding Bonds. The product shall be the "Bond Redemption Amount," for such Assessor's Parcels, as applicable.
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds on the next available redemption date to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."
5. If (a) all the Bonds authorized to be issued by CFD No. 7 for IA No. 1 have not been issued, and (b) the City Council has not restricted its ability to issue additional bonds in the future, then compute the Future Facilities Amount.
6. The "Future Facilities Amount" shall be calculated by multiplying the quotient computed pursuant to paragraph 2, by the amount if any, determined pursuant to paragraph 5. The product shall be the "Future Facilities Amount."
7. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, taking into consideration the amount of Special Taxes levied on and paid for the Assessor's Parcel in the current Fiscal Year.
8. Compute the amount the CFD Administrator reasonably expects to be derived from the reinvestment of the Prepayment Amount less the Future Facilities Amount and Administrative Fee (defined in paragraph 10) until the earliest redemption date for the Outstanding Bonds.
9. Subtract the amount computed pursuant to paragraph 8 from the result computed pursuant to paragraph 7. This difference is the "Defeasance."

10. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the "Administrative Fee."
11. Calculate the "Reserve Fund Credit" as the lesser of: (a) the expected reduction in the applicable reserve requirement, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve fund on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than \$0.
12. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to step 2 by the expected balance in the capitalized interest fund after such first interest payment (the "Capitalized Interest Credit").
13. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Future Facilities Amount, the Defeasance, and the Administrative Fee, less the Reserve Fund Credit and less the Capitalized Interest Credit.

With respect to the Special Tax obligation that is prepaid pursuant to this Section F, the City Council shall indicate in the records of CFD No. 7 that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax that may be levied on Taxable Property, net of reasonably estimated annual Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

G. PARTIAL PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid, as calculated in this Section G, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = (P_F - A) \times F + A$$

The terms above have the following meanings:

PP = the Partial Prepayment Amount.

P_F = the Prepayment Amount calculated according to Section F.

F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax obligation.

A = Administrative Fees calculated in Section F, step 10

With respect to any Assessor's Parcel that is partially prepaid, the City Council shall indicate in the records of CFD No. 7 that there has been a partial prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax obligation, to indicate the partial prepayment of the Special Tax obligation and the partial release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax shall cease.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax that may be levied on Taxable Property after such partial prepayment, net of reasonably estimated annual Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all Bonds outstanding after such partial prepayment in each future Fiscal Year.

H. TERMINATION OF SPECIAL TAX

For each Fiscal Year that any Bonds are outstanding, the Special Tax shall be levied on all Assessor's Parcels of Taxable Property within IA No. 1 in accordance with Section E. If any delinquencies for the Special Tax remain uncollected prior to or after all Bonds are retired, the Special Tax may be levied to the extent necessary to reimburse CFD No. 7 for uncollected Special Taxes, but not later than the 2048-49 Fiscal Year.

I. EXEMPTIONS

The City shall classify as Exempt Property: (i) Public Property, (ii) Assessor's Parcels used or owned exclusively by a property owners' association, or (iii) Assessor's Parcels with public or utility easements, including Assessor's Parcels designated as open space or retention basin, making impractical their utilization for other purposes than those set forth in the easement, provided that such classification would not reduce the Acreage of all Taxable Property to less than 47.92 Acres within Zone 1 or, to less than 82.53 Acres within Zone 2. Public Property that cannot be classified as Exempt Property will be classified as Taxable Public Property and shall be subject to the Special Tax in accordance with Section E. All other Assessor's Parcels identified within this section that cannot be classified as Exempt Property will be classified as Provisional Property and will be subject to the Special Tax in accordance with Section E.

J. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Manager of the City not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the CFD Administrator's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

K. MANNER OF COLLECTION

The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 7 may collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

EXHIBIT "C"
SUMMARY COVER LETTER TO FINAL AUDIT REPORT

Attachment: Property Owner Petition (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT
AND
CITY OF MORENO VALLEY**

**PRELIMINARY AUDIT REPORT
For
Payment Request No. 1**

**Improvement Area 1
Flood Control Facilities**

**Submitted by
First Industrial, LP**

**Per
Joint Community Facilities Agreement
Dated October 1, 2009
And
Amended and Restated
Acquisition/Financing Agreement
Dated February 2, 2010**

**Relating to
City of Moreno Valley
Community Facilities District No. 7**

**Prepared by:
WILLDAN FINANCIAL SERVICES
27368 Via Industria Suite 110
Temecula, CA 92590**

September 30, 2010

Attachment: Property Owner Petition (2014 : ADOPT RESOLUTIONS TO MAKE MODIFICATIONS TO THE RATE AND METHOD OF



September 30, 2010

Ms. Candace Cassel
 Special District Division Manager
 City of Moreno Valley
 14325 Frederick Street, Suite 9
 P.O. Box 88005
 Moreno Valley, California 92552-0805

**Re: Community Facilities District No. 7
 Preliminary Audit Report for Payment Request No. 1
 Improvement Area 1, Flood Control Facilities
 Perris Valley MDP Lateral B-3 and B-3.2**

Dear Ms. Cassel:

In accordance with the Joint Community Facilities Agreement (the "JCFA"), dated October 1, 2009 between the City of Moreno Valley (the "City"), the Riverside County Flood Control and Water Conservation District (the "RCFCD"), FR/CAL Moreno Valley LLC, First Industrial, LP, and FR/CAL Indian Avenue LLC (collectively the "Owner"), and the Amended and Restated Acquisition/Financing Agreement (the "Agreement") dated February 2, 2010 between the City and the Owner, we are submitting this Preliminary Audit Report for Payment Request No. 1 ("Report") presenting our findings and recommended payment for the Improvement Area 1 Flood Control Facilities, namely Perris Valley MDP Lateral B-3, Stage 2 and Lateral B-3.2 (the "Facilities") as further described in "Exhibit C" of the JCFA.

This Report is in response to the Payment Request No. 1 that was received from the Owner requesting payment for the completed Facilities. Payment Request No. 1 included supporting documentation required by Section 8(c) of the Agreement, such as copies of contracts, change orders, invoices, lien releases, cancelled checks, and other relevant documents that were combined and are located in the following titled binders, which are considered an integral part of Payment Request No. 1 for the Facilities.

CITY OF MORENO VALLEY
 Community Facilities District No. 7

Volume No.'s I, II, and III

Submitted by:

First Industrial Realty Trust, Inc.
 898 North Sepulveda Boulevard
 El Segundo, California 90245
 Mr. Matt Englard

CONTRACTS AND COST DATA

This Report includes the following tables summarizing the Facilities' costs:

- Table 1 – Contract/Purchase Order Summary.** Lists the individual vendor contracts and/or purchase orders submitted with Payment Request No. 1. Information includes vendor's name, work description, contract/purchase order date and number, contract amount, and ineligible and eligible contract amounts relative to the Facilities.
- Table 2 – Summary of Audited Costs.** Identifies incidental, construction and construction management costs, and the *Amount Requested* by the Owner. As the result of "Audit Review Procedures" listed on the following page, the *Amount Recommended* represents the amount eligible for inclusion in the *Recommended Purchase Price*. The *Amount Recommended* is allocated between the RCFCD and City segments of the Facilities by using the agreed upon cost sharing percentages. Individual vendor invoice detail included in pages 2 through 14 of Table 2 provides additional descriptions, amount of work performed, and any audit comments.

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REQUIRED DOCUMENTATION

This Report includes the following exhibits, which present documentation evidencing fulfillment by the Owner of obligations, as required by Section 3.3 of the JCFA for determination of Purchase Price and processing of the payment request.

1. **Exhibit A – Owner's Payment Request.** The request is in a form consistent with "Exhibit G" of the JCFA. Requested project costs total \$5,514,716.63, including Owner's project administration of \$108,131.70. Also included is a schedule labeled "Payment Request-Actual Cost," which shows the agreed upon allocation of H&H Construction, Inc. ("H&H"), contract costs between the RCFCD and City segments, with resulting percentage allocations of 96.4 percent and 3.6 percent, respectively. These percentages serve as the basis for allocating all joint costs.
2. **Exhibit B – Acceptance of Facilities.** These two documents include a letter from the RCFCD dated April 2, 2009, accepting the Facilities for operations and maintenance and City Resolution No. 2009-62 dated June 23, 2009, accepting the Facilities.
3. **Exhibit C – Notice of Completion.** The Notice of Completion for the Facilities was recorded with the Riverside County Recorder on April 8, 2009.
4. **Exhibit D – "As-Built" Plans.** Because of their volume, "Exhibit D" includes only page 1 of the final "As-Built" plans approved by the RCFCD and the City for Drawing No. 4-948 relating to the Facilities. The full set of "As-Built" plans is on file with the City's public works department and is incorporated in this Report by reference.
5. **Exhibit E – One year Maintenance Bond.** This is a letter from the City that, upon acceptance by the City on June 23, 2009, reduced the project's performance bond to 10 percent of the H&H contract cost and commenced the one year warranty period pursuant to Section 5 of the Agreement.
6. **Exhibit F – Release of Liens/Material & Labor Bond.** This is a letter from the City dated September 24, 2009, acknowledging that no mechanics' liens have been filed during the allotted time, thereby releasing 90 percent of the Material and Labor Bond. This letter serves as a substitute for the provision of Section 8. (c). (1) of the Agreement requiring written unconditional lien releases from all contractors.
7. **Exhibit G – Evidence of Dedication.** This is a letter from the RCFCD providing the Owner with a "Notice to Proceed" for the construction of Facilities; and a copy of Section 1, Item 10, of the Cooperation Agreement that requires an "Irrevocable Offer of Dedication" of the Facilities, as a condition precedent to providing the notice.
8. **Exhibit H – Amended and Restated Acquisition/Financing Agreement with Joint Community Facilities Agreement.** These are the governing documents relating to the identification, construction, acquisition, funding, and ownership of the Facilities. Due to its volume, only the first page of this document is included in Exhibit H. The document in its entirety is on file with the City and is incorporated in this Report by reference.

AUDIT PROCEDURES

Audit procedures were performed on the contracts, change orders, invoices, cancelled checks, and lien releases to verify the eligibility of costs presented in Payment Request No. 1. These procedures included:

1. Review of applicable sections of the JCFA and Agreement relating to payment provisions and identification of Facilities to be maintained by the RCFCD and City.
2. Verification of receipt of all required documents for the Owner's payment request.
3. Review of all contracts, including change orders, purchase orders, and other supporting documents.
4. Review of invoices and cancelled checks to the prime and subcontractors.
5. Review of contractor lien releases.
6. Verification of specific improvement costs and reasonableness of any cost allocations.

When discovered, missing documents and explanations for certain discrepancies were promptly requested from the Owner. The amounts that could not be verified or satisfactorily resolved were

Ms. Candace Cassel
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communicated to the Owner, and deducted from the Amount Recommended on the detailed vendor spreadsheets.

AUDIT FINDINGS AND ADJUSTMENTS

The Owner has satisfied the documentary requirements of the JCFA and Agreement in support of Payment Request No.1. Requested amounts that were adequately supported with contracts, change orders, and cancelled checks and that were reasonably identified to the Facilities were included in the Amount Recommended in Table 2. Requested amounts that did not satisfy this requirement were excluded and are further discussed below.

Formation Costs: Permits and Fees to the City (page 2 of Table 2) include \$129,940.00 in deposits paid by the Owner to fund CFD formation costs, such as legal fees, special tax consultants, etc. These deposits were included by the Owner in the Payment Request No. 1 for the Facilities. The Owner's payment and formation cost details that were provided by the City have been reviewed; and the amounts appear to be eligible for reimbursement as a formation costs upon issuance of the bonds, but not eligible as a Facilities Cost. Therefore, the Amount Recommended for payment of Facilities Costs in Table 2 has been reduced by \$129,940.00.

Non-related Costs: Permits and Fees (pages 2 and 3 of Table 2) include fees that were identified to projects other than to the Facilities and are not eligible for payment. These include \$2,340.00 paid to the City, \$1,420.99 paid to the RCFCD, and \$1,856.00 paid to the State Water Resources Control Board. There are also two Albert A. Webb and Associates contracts that were related to street improvements or to a combination of street and storm drain that could not be clearly identified to the Facilities and are, therefore, not eligible for payment. These include Webb contract no. 2007-0262 (page 6 of Table 2) for \$39,978.65, and no. 2007-040 (page 11 of Table 2) for \$7,862.08. The Amount Recommended for payment has been reduced by a total of \$53,457.72 that relate to these non-related costs.

Overpayment: Permits and Fees (pages 3 of Table 2) include an apparent overpayment to the RCFCD for the cost of inspection fees. Pursuant to its letter dated October 25, 2007, the amount requested by RCFCD was \$100,936.15; but the amount paid was \$110,936.15. The Amount Recommended for payment for Facilities Costs has been reduced by a total of \$10,000 for this apparent overpayment.

Unallowable Over-time: Certain invoices relating to Albert Webb contract no. 20060146S (page 8 of Table 2) include survey team overtime charges for hours exceeding standard 8-hour work days. Justification by Webb for the overtime hours was to avoid a next-day trip to the job, which would have cost the project a minimum of 4 hours pursuant to the Survey Master Labor Agreement, Southern California Local 12, in affect at the time. By authorizing the occasional overtime hours, Webb had determined that this would be a cost saving to the project. However, it was determined that, in most instances, the number of hours charged at regular straight time rates were less than the eight hours required before overtime rates were applicable. Therefore, the Amount Recommended payment for payment for Facilities has been reduced by \$1,424 to account for these apparent excess charges.

Owner's Project Administration: Payment Request No. 1 includes a project administration charge by First Industrial Realty Trust, the Owners' representative, for \$108,131.70 that is computed at 2 percent of the total Facilities costs. However, the JCFA disallows payment for any portion of the Owner's overhead; and only allows for reimbursement to the Owner for actual reasonable costs, as defined in Article I, Section 1.1, of the JCFA. Therefore, the Amount Recommended for payment for Facilities has been reduced by \$108,131.70, the entire amount of this project's administration charge. The Owner has stated that the amount allowable for eventual payment will be discussed with the City and the RCFCD.

The aforementioned adjustments are summarized in the calculation of the Recommended Purchase Price and Allocation, shown below. The Recommended Purchase Price for the Facilities is \$5,211,763.21.

ALLOCATION OF FACILITIES COSTS BETWEEN RCFCD AND CITY SEGMENTS

"Exhibit C" of the JCFA identifies certain segments of the Facilities that, upon acceptance, are to be maintained separately by the RCFCD and the City. The H&H contract summarized on page 1 of Table 1 includes the primary construction costs for the Facilities. The allocation of these costs between the RCFCD and City segments were reviewed for reasonableness by representatives from the City and the Owner. The final allocation of the H&H contract costs resulted in a 96.4 percent allocation of cost to RCFCD segments, and 3.6 percent allocation to City segments. These percentages were determined to be a reasonable basis for allocating joint costs and were used to allocate all remaining Facilities Costs

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that were not specific to a particular segment. The allocation of costs by major category is shown on page 1 of Table 2.

RECOMMENDED PURCHASE PRICE

The Recommended Purchase Price for the Improvement Area 1 Flood Control Facilities presented in Payment Request No. 1, and the allocation of the purchase price between the RCFCD and the City, is shown below.

<u>Recommended Purchase Price and Allocation</u>	
	<u>Improvement Area 1</u>
Owner's Payment Request	\$5,514,716.63
Ineligible Costs	
Costs of Formation	\$ (129,940.00)
Non-Related Costs	(53,457.72)
Overpayment	(10,000.00)
Unallowable Over-Time	(1,424.00)
Owner's Project Administration	(108,131.70)
	<u>\$ (302,953.42)</u>
Recommended Purchase Price	<u>\$5,211,763.21</u>
Allocation of Purchase Price	
RCFCD	96.4% \$5,025,481.27
City	3.6% \$ 186,281.94

Pursuant to the provisions of the Joint Community Facilities Agreement (See "Exhibit H"), the *Recommended Purchase Price* for both the FCFCD and City portions of the Facilities will be financed, in whole or in part, through the proceeds of bonds issued for the City of Moreno Valley's Community Facilities District No. 7.

Should you have any questions regarding the content of this Report, please call me at (951) 587-3527; I may also be reached via email at bquaid@willdan.com.

Yours truly,

Willdan Financial Services



Robert D. Quaid,
 Senior Project Manager

cc: Mr. Arturo Diaz, Riverside County Flood (aadiaz@rcflood.org)
 Mr. Ken Consaul, Riverside County Flood (keconsaul@rcflood.org)
 Ms. Cynthia Gordon, City of Moreno Valley (cynthiag@moval.org)
 Mr. Marshall Eyeran, City of Moreno Valley (marshalle@moval.org)
 Mr. Chris Fisher, Willdan Financial Services (cfisher@willdan.com)
 Mr. Habib Isaac, Willdan Financial Services (hisaac@willdan.com)
 Mr. Matt Enghard, First Industrial (matt.enghard@cox.net)
 Mr. Phil Lemoine, Webb Associates, (phil.lemoine@webbassociates.com)
 Mr. Dick Kopecky, Willdan Financial Services, (dkopecky4@hotmail.com)
 Mr. Tom Breikreuz, (breikreuz@roadrunner.com)
 Mr. Patrick Spillane (pspillane@idsrealestate.com)



Report to City Council

TO: Mayor and City Council

FROM: Abdul Ahmad, Fire Chief

AGENDA DATE: May 17, 2016

TITLE: MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF MORENO VALLEY AND VAL VERDE UNIFIED SCHOOL DISTRICT FOR DISASTER PREPAREDNESS AND EMERGENCY OPERATIONS

RECOMMENDED ACTION

Recommendation:

1. Approve the Memorandum of Understanding (MOU) between the City of Moreno Valley (City) and the Val Verde Unified School District (VVUSD) for disaster preparedness and emergency operations.

SUMMARY

This report recommends approval of a Memorandum of Understanding (MOU) between the City of Moreno Valley (City) and the Val Verde Unified School District (MVUSD) in preparation of future emergency incidents and disasters within the City. The City has a previously approved MOU with the Moreno Valley Unified School District (MVUSD).

DISCUSSION

In preparation of the El Niño season, an extensive interdepartmental strategic plan was adopted and implemented that included outreach to surrounding jurisdictions. During disaster preparedness discussions, it was identified that an MOU between the two agencies would allow for potential sharing of resources during emergencies which could enhance the response efforts during incidents. The City and VVUSD have been working collaboratively to identify mutually supportive resources to be utilized under the Incident Command System (ICS) in the event of a significant emergency event affecting the City and/or school campuses.

The purpose of this MOU is to define advanced working relationships between the City

and VVUSD, in preparing for and responding to disasters or emergencies. The proposed MOU provides the broad framework for cooperation and support between the City and the District in assisting residents who have been impacted by disaster, providing other humanitarian services, and restoring facilities to normal operations. The City and the District have established a formal process where they may provide additional support to each other in the form of personnel, services, and equipment as deemed to be necessary or advisable in a declared emergency. During disastrous incidents, it is critical to recognize that various types of emergencies can occur and may overwhelm the resources and capabilities of individual agencies. Under these circumstances, it may be necessary for each agency to request assistance in the form of personnel, services, and equipment to continue to deliver essential and critical services.

Execution of this MOU does not create any duty to provide assistance. When either agency receives a request for assistance, the providing agency shall have sole and absolute discretion as to whether or not to furnish assistance. Neither agency shall be required to unreasonably deplete its own personnel, services, and/or equipment in furnishing such assistance. Each agency retains the right to withdraw some or all of their respective resources at any time for any reason under practical circumstances and reasonable timeframes.

ALTERNATIVES

1. Approve the recommended Memorandum of Understanding between the City and VVUSD for disaster preparedness and emergency operations and future emergency incidents and disasters within the City. ***Staff recommends this alternative as this will allow the City and VVUSD to enhance preparedness and response efforts to future emergency incidents and disasters within the City.***
2. Do not approve the Memorandum of Understanding between the City and VVUSD for disaster preparedness and emergency operations and future emergency incidents and disasters within the City. ***Staff does not recommend this alternative as this would preclude the City and VVUSD from enhancing preparedness and response efforts to future emergency incidents and disasters within the City.***

FISCAL IMPACT

This MOU does not create any financial commitments from one party to the other except for reimbursement for mutual agency use of personnel, equipment, materials, and supplies.

Any reimbursement costs shall be additionally tracked through the use of project accounts and if eligible for reimbursement through the Federal Emergency Management Agency (FEMA), California Office of Emergency Services (Cal OES), or another

available source, this process shall help facilitate any potential request for reimbursement. If any funds are received in the future, such funds may be applied to reimburse the General Fund.

Any City reimbursement costs to VVUSD shall be brought to Council for action/ratification as a budget adjustment.

NOTIFICATION

The VVUSD Governing Board gave approval for the District to enter into the proposed MOU.

The proposed MOU was introduced to the Public Safety Subcommittee on April 20, 2016. The Subcommittee recommended that it be presented to City Council for approval.

PREPARATION OF STAFF REPORT

Prepared By:
Alia A. Rodriguez
Emergency Management Program Manager

Department Head Approval:
Abdul R. Ahmad
Fire Chief

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.

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

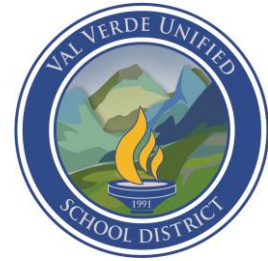
Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

ATTACHMENTS

- 1. MOU City and VVUSD

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	4/25/16 8:44 AM
City Attorney Approval	<u>✓ Approved</u>	4/28/16 9:10 AM
City Manager Approval	<u>✓ Approved</u>	5/02/16 10:39 AM



Memorandum of Understanding

between

The Val Verde Unified School District

and

The City of Moreno Valley, California

for

**Disaster Preparedness and Emergency
Operations**

I. Purpose

The purpose of this Memorandum of Understanding ("MOU") is to define advanced working relationships between The City of Moreno Valley (hereinafter "the City") and the Val Verde Unified School District (hereinafter "the District"), in preparing for and responding to disasters. This MOU provides the broad framework for cooperation and support between the City and the District in assisting residents who have been impacted by disaster, providing other humanitarian services, and restoring facilities to normal operations. The City and the District have established a formal process whereby they may receive and provide additional support to each other in the form of personnel, services, and equipment as deemed to be necessary or advisable in an emergency. Recognizing that emergencies and other events may overwhelm the resources and capabilities of individual agencies, and agencies may require assistance in the form of personnel, services, and equipment to continue to deliver essential and critical services, the City and the District hereby establish this MOU.

II. Parties

A. City of Moreno Valley

The City of Moreno Valley is a municipal corporation formed under the laws of the State of California.

B. Val Verde Unified School District

The District is a public local education agency formed under the laws of the State of California.

C. Authorized Official

An employee or officer of the City or the District who is empowered and legally authorized to: (1) request assistance; (2) offer assistance; (3) refuse to offer assistance; (4) cancel a request or release assistance; or (5) withdraw assistance under this MOU.

D. Emergency

A natural or human caused event or circumstance causing, or imminently threatening to cause, impact to the operations of the City or the District, loss of life, injury to person or property, human suffering or financial loss, and includes, but is not limited to, fire, flood, severe weather, earthquake, civil disturbance, riot, explosion, drought, volcanic activity, spills or releases of oil or hazardous material, utility interruption, transportation emergencies, disease, blight, infestation, intentional acts, sabotage, declaration of war, or other conditions which are, or are likely to exceed, the resources of the City or the District and requires assistance.

E. Period of Assistance

A specified period of time when a Providing Agency assists a Requesting Agency. The period shall commence when personnel and/or equipment expenses are initially incurred by the Providing Agency in response to the official request of the Requesting Agency and shall end

upon agreement of the parties.

F. Providing Agency

An Agency that responds to a Requesting Agency by agreeing to provide personnel, services, equipment, etc. under the terms and conditions of this MOU.

G. Requesting Agency

An Agency who requests Assistance under this MOU.

III. Cooperative Actions

The City and the District will use best efforts to coordinate their respective disaster relief activities to maximize services to the community and mitigate duplication of efforts in the following ways:

1. Maintain close coordination, liaison, and support at all levels with briefings, conferences, meetings, and other means of communication. Include a representative of the other party in appropriate committees, planning groups and task forces formed to mitigate, prepare for, respond to, and recover from disasters and other emergencies. Develop joint Standard Operating Procedures for notification of disaster and emergency situations.
2. During disasters and emergencies, keep each other informed of the human needs created by the events and the services they are providing. Share current data regarding disasters, to include statistical information, historical information, emerging needs and trends, damage assessments, among others, and disaster declarations, and service delivery.
3. During a disaster or declared emergency situation, the City will coordinate all operations through the Emergency Operations Center (EOC). The District, as appropriate and at the request of the City, shall provide liaison personnel to the City EOC. The City will provide work space and, whenever possible, other required support, such as a computer, internet access, e-mail access and a designated phone line for the District liaison personnel assigned to the City EOC.
4. Work together to develop plans and secure resources to facilitate delivery of services to people with disabilities and/or functional and access needs during a disaster or declared emergency situation.
5. Actively participate in reviewing and carrying out responsibilities outlined in the local emergency operations plans.
6. During the time of disaster and readiness, keep the public informed of the parties' cooperative efforts through the public information offices of the City and the District.
7. Advocate for programs and public policy/decisions, when appropriate, designed to mitigate disaster damage and loss of life in the City.

8. Make training, educational and other developmental opportunities available to the other party's personnel and explore joint training and exercises. Encourage all staff and volunteers to engage in training, exercises, and disaster response activities, as appropriate.
9. Explore opportunities for collaboration to provide community, family, and citizen disaster preparedness within the City.
10. Allow the use of each other's facilities, as available and if agreed upon in writing, for the purpose of preparedness training, meetings and response and recovery activities.
11. Widely distribute this MOU within City and District departments and administrative offices and urge full cooperation.
12. With respect to each Period of Assistance, Requesting Agencies agree that they will provide appropriate reimbursement to the Providing Agency regarding all costs and expenses incurred by the Providing Agency in furnishing Assistance as identified under the articles of this MOU, unless otherwise agreed to in writing by each Agency. Entities must maintain auditable records in a manner consistent with generally accepted practices and in a manner consistent with the Agency's adopted practices and methods of record keeping and retention.
13. Agree to furnish personnel, services, and/or equipment to each other to prevent and/or respond to any type of emergency in accordance with duly adopted plans, whether heretofore or hereafter adopted, detailing the method and manner by which such personnel, services, and equipment are to be made available and furnished; provided, however, that no Agency shall be required to unreasonably deplete its own personnel, services, and/or equipment in furnishing such assistance.
14. In general, assistance will be in the form of resources, such as personnel, services equipment, and/or supplies. Assistance shall be given only when Providing Agency, in its sole and absolute discretion, determines that its own needs can be met while rendering Assistance. The execution of this MOU shall not create any duty to furnish assistance on the part of the City or the District.
15. Execution of this MOU does not create any duty to furnish assistance. When an Agency receives a request for assistance, the Authorized Official shall have sole and absolute discretion as to whether or not to furnish assistance, or the availability of resources to be furnished in such response. A potential Providing Agency shall not be held liable for refusing to provide assistance. An Authorized Official's decisions on the availability of resources and the furnishing of assistance shall be final.
16. Personnel of the Providing Agency shall at all times during the Period of Assistance continue to be personnel of the Providing Agency and shall not be deemed personnel of the Requesting Agency for any purpose. Wages, hours, and other terms and conditions of employment of the Providing Agency shall remain applicable to its personnel during the Period of Assistance.

17. The Providing Agency's safety and security rules, procedures, policies, guidelines, regulations, and laws shall apply to all work done by its personnel unless as mutually agreed otherwise. Any conflict, disagreement, questions and/or concerns arising about any safety and security rules and/or procedures should be brought to the Authorized Officials for prompt resolution between the Requesting Agency and Providing Agency.
18. Retain the right to withdrawal some or all of their respective resources at any time for any reason in the Providing Agency's sole and absolute discretion. Notice of intention to withdraw resources must be communicated by the Providing Agency to the Requesting Agency's Authorized Official as soon as possible under the circumstances. Actual release of the furnished resources shall be made as soon as it is safe and practicable as determined by the Requesting Agency's Authorized Official. All resources shall be returned to the Providing Agency as soon as is practicable and reasonable under the circumstances.
19. The City and the District shall maintain an insurance policy or maintain a self-insurance program that covers activities that it may undertake by virtue of this MOU.

Examples of additional Cooperative Actions (as applicable):

- Provide 24-hour emergency response numbers to City and District EOCs.
- Identify key personnel, including 12 hour watch schedule for extended operations.
- District to provide to City key breaks in the instructional calendar.
- Identify process for capturing labor and material costs, invoicing and payments.
- Initiate request for assistance orally or in writing. When requests are made orally, the request shall also be prepared in writing and submitted as soon as possible, but in no event longer than forty-eight (48) hours after the oral request was made. Requests for assistance shall be directed to the Authorized Official of the Requesting Agency.
- Provide advanced approval for City use of District vehicles for emergency food distribution.
- Provided advanced approval for City and District mutual assistance between public work and maintenance and operations. May include, but not be limited to:
 - Sand bagging operations
 - Use of rolling stock (skip loader, back hoe, forklifts, etc.)
 - Loss of power, electrical shock hazards, gas main ruptures, etc.
 - Other restoration operations as emergency events dictate
- Advanced identification of historical flooding areas with the City. City to clear drains in advance of and during a significant rain event:
 - Lasselle Elementary School
 - M.M. Bethune Elementary School
 - Rainbow Ridge Elementary School

- Victoriano Elementary School
 - El Potrero Preschool
 - Val Verde Academy
 - March Middle School
 - Vista Verde Middle School
 - Rancho Verde High School
- Advanced identification of District facilities designated for Red Cross Sheltering Operations. The following District facilities are currently designated in writing:
 - Lasselle Elementary School
 - M.M. Bethune Elementary School
 - Rainbow Ridge Elementary School
 - Victoriano Elementary School
 - El Potrero Preschool
 - Val Verde Academy
 - March Middle School
 - Vista Verde Middle School
 - Rancho Verde High School
 - Advanced identification of District schools sites, boundary maps, bell schedules and break schedules.
 - Advanced coordination of City EOC and District communications frequencies.
 - Advanced agreement for City use of District EOC as an Alternate City EOC.

IV. Cost Reimbursement

Except as herein otherwise provided, the Requesting Agency shall reimburse the Providing Agency for each of the following categories of costs and expenses incurred by the Providing Agency as a result of furnishing Assistance during the specified Period of Assistance, as set forth below, or by written mutual agreement reached at the time the request for assistance is agreed to by the Providing Agency. Agencies will use their respective documented financial, accounting, and procurement policies in managing costs and coordinating reimbursement and payment.

1. Personnel – Providing Agency’s fully burdened personnel costs (i.e., equal to the personnel’s applicable salary or hourly wage plus fringe benefits and overhead, and consistent with Providing Agency’s collective bargaining agreements or other prescribed conditions). All personnel costs incurred for work performed during the specified Period of Assistance will be included. The Requesting Agency shall be responsible for all direct and indirect labor costs.
2. Equipment – Use of equipment, including construction equipment, revenue and/or non-revenue vehicles, or any other equipment, shall be at Providing Agency's current equipment rates and subject to the following conditions:
 - a. The Requesting Agency shall reimburse the Providing Agency for the use of equipment during the specified Period of Assistance, including, but not limited to, any rental rates, fuel, lubrication, maintenance, transportation, and loading/unloading of equipment furnished for Mutual Assistance. Alternatively,

Requesting Agency may, at its own expense, provide fuel, lubrication and maintenance for furnished equipment until such time as the equipment is returned to the Providing Agency.

- b. Providing Agency’s costs related to the transportation, handling and loading/unloading of equipment shall be chargeable to the Requesting Agency.
- 3. Materials and Supplies – Requesting Agency shall reimburse the Providing Agency in kind or at actual replacement cost, plus handling charges, for use of expendable or non-returnable supplies. Other supplies and reusable items that are returned to the Providing Agency in a clean, damage-free condition shall not be charged to the Requesting Agency and no rental fee will be charged; otherwise, they shall be treated as expendable supplies.

V. Periodic Review

The parties will, on an annual basis, on or around the anniversary date of this MOU, jointly evaluate their progress in implementing this MOU and revise and develop new plans or goals as appropriate.

VI. Term and Termination.

This MOU is effective as of May 18, 2016 and it expires on October 31, 2020. Six months prior to expiration, the parties will meet to review the progress and success of the cooperative effort. In connection with such review, the parties may decide to extend this MOU for an additional period not exceeding five years, and if so shall confirm this in a signed writing. This MOU may be terminated by written notification from either party to the other at any time and for any reason or for no reason.

VII. Miscellaneous

This MOU does not create a partnership nor a joint venture and does not create any financial commitments from one party to the other except for reimbursement for mutual agency use of labor, materials, and supplies. Neither party has the authority to bind the other to any other obligation. It is not intended that this MOU be enforceable as a matter of law in any court or dispute resolution forum. The sole remedy for non-performance under this MOU shall be termination, with no damages or penalty to either public agency.

Signature page follows.

CITY OF MORENO VALLEY

VAL VERDE UNIFIED SCHOOL DISTRICT

Michelle Dawson, City Manager

Mr. Michael McCormick, Superintendent

Attest:

City Clerk

Approved as to Form:

City Attorney

APPENDIX A - the City of Moreno Valley and Val Verde Unified School District MOU

Val Verde Unified School District – Equipment List

- Qty 1 – Small John Deere tractor
- Qty 1 – Small Kubota backhoe
- Qty 1 – Medium Kubota tractor
- Qty 6 – John Deere Gator gas powered utility carts
- Qty 6 – 18” enclosed utility trailers
- Qty 6 – Heavy duty flatbed work trucks
- Qty 17 – Heavy duty utility bed work trucks with tools
- Qty 1 – Box truck 18”
- Qty 1 – 2,500 kw generator
- Qty 1 – 2’ trash pump gas
- Qty 2 – 1’ trash pumps gas
- Qty 2 – Tandem axle 18” flatbed trailers (2-5/16 ball)
- Qty 2 – Single axle 12” flatbed trailers (2-5/16 ball)
- Qty 1 – Tandem axle 14” flatbed vehicle hauler (2-5/16 ball)
- Qty 1 – 14” Tandem axle dump trailer (2-5/16 ball)
- Qty 5 – 21’ chain saws
- Qty 2 – 12” pole chain saws
- Qty 20 – 15” pole saws
- Qty 2 – Medium roto roter snakes
- Qty 1 – Large power roto roter snake
- Qty 1 – Water Jetter power drain cleaner
- Qty 1 – Video camera snake
- Qty 6 – 2,500 psi pressure washers
- Qty 1 – Trailer mounted 3,500 psi pressure washer (2’ ball)
- Qty 10 – Wet Dry Vacuums



Report to City Council

TO: Mayor and City Council

FROM: Allen Brock, Community Development Director

AGENDA DATE: May 17, 2016

TITLE: MULTI-SPECIES HABITAT CONSERVATION PLAN
MITIGATION FEE ADJUSTMENT (FY16-17)

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. 2016-31, a resolution of the City Council of the City of Moreno Valley, California, amending the mitigation fees for the Multi-species Habitat Conservation Plan (MSHCP) Mitigation Fee by the Consumer Price Index (CPI).

SUMMARY

This report recommends City Council approval of a Resolution authorizing a fee adjustment increase to the existing Multi-Species Habitat Conservation Plan (MSHCP) mitigation fees based on increases in the Consumer Price Index (CPI). The Western Riverside County-Regional Conservation Authority (WRC-RCA) Board of Directors recently took action to approve a CPI adjustment of 2.03% for Fiscal Year 2016-2017. The adopted MSHCP fee ordinance allows for CPI adjustments to MSHCP fees if approved by City Council.

DISCUSSION

The City of Moreno Valley is one of 18 member cities that participate in the Multiple Species Habitat Conservation Plan (MSHCP), along with the County of Riverside. The MSHCP is an important policy document that protects 146 native species of plants and animals. As identified on the agency's website, "the regional effort to set aside habitat and protect species allows for the development and transportation infrastructure necessary for a healthy economy to move ahead without sacrificing our region's environment and quality of life."

The Multi-Species Habitat Conservation Agency fee was initially adopted by the City in 2004 in conjunction with implementation of the MSHCP. In 2007, the City adopted an updated fee ordinance that incorporated CPI increases at that time. The City Council action further allowed for subsequent CPI adjustments to be made by City Council Resolution. In 2008, the City Council approved a CPI adjusted fee increase as recommended by the WRC-RCA Board of Directors.

On March 7, 2016, the WRC-RCA Board of Directors took action to approve the annual CPI based fee adjustment of 2.03% for Fiscal Year 2016-2017 (Attachment 1). As a comparison, the CPI adjustment was 0.73% last year for the period from July 1, 2015 to July 1, 2016. The larger CPI adjustment for the development mitigation fee suggests improving economic conditions for the County and the member cities.

Notification letters were sent to member cities describing the fee increase and requesting action by the cities. The adopted MSHCP ordinance specifically allows for CPI adjustments to the MSHCP fees if approved by the City Council. Upon authorization, the proposed adjustment would become effective on July 1, 2016.

As provided for in Section 15061(b)(3) of the CEQA Guidelines, the proposed fee adjustment is an activity that is exempt from the California Environmental Quality Act (CEQA) since there is no possibility that the activity may have a significant impact on the environment.

ALTERNATIVES

1. Approve the proposed fee resolution and implement the 2.03% increased fee adjustment. ***Staff recommends this alternative as it is consistent with the action of the WRC-RCA Board of Directors, and the City's approved agreements pertaining to the MSHCP.***
2. Take no action, and thereby do not approve the proposed fee resolution to implement the 2.03% increased fee adjustment. ***Staff does not recommend this alternative as it would be inconsistent with the action of the WRC-RCA Board of Directors, and the City's approved agreements pertaining to the MSHCP.***

FISCAL IMPACT

The Multi-Species Habitat Conservation Agency fee is a pass-through fee to the WRC-RCA for the purpose of habitat conservation. The CPI increase will have no direct fiscal impact on the City. If the City does not approve the CPI adjustment, the City could become liable for not collecting the fees recommended by the WRC-RCA Board of Directors.

NOTIFICATION

Notification is not applicable or required for the MSHCP fee adjustment. The proposed

increase is based on the CPI, and is allowed by the MSHCP fee ordinance with the approval of a corresponding fee resolution by the City Council.

PREPARATION OF STAFF REPORT

Prepared By:
Mark Gross, AICP
Senior Planner

Department Head Approval:
Allen D. Brock
Community Development Director

Concurred By:
Richard J. Sandzimier
Planning Official

CITY COUNCIL GOALS

None

ATTACHMENTS

- 1. MSHCP Fee Adjustment Letter from WRC-RCA dated March 22, 2016
- 2. Proposed Resolution

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/03/16 4:48 PM
City Attorney Approval	<u>✓ Approved</u>	5/04/16 8:55 AM
City Manager Approval	<u>✓ Approved</u>	5/05/16 9:08 AM

Board of Directors

Chairman
Eugene Montanez
City of Corona

George Moyer
City of Banning

Brenda Knight
City of Beaumont

Jeffrey Hewitt
City of Calimesa

Tim Brown
City of Canyon Lake

Clint Lorimore
City of Eastvale

Linda Krupa
City of Hemet

Verne Lauritzen
City of Jurupa Valley

Natasha Johnson
City of Lake Elsinore

Matt Liesemeyer
City of Menifee

D. LaDonna Jempson
City of Moreno Valley

Jonathan Ingram
City of Murrieta

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City of Riverside

Crystal Ruiz
City of San Jacinto

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City of Temecula

Ben Benoit
City of Wildomar

Kevin Jeffries
County of Riverside

John Tavaglione
County of Riverside

Chuck Washington
County of Riverside

John Benoit
County of Riverside

Marion Ashley
County of Riverside

Executive Staff

Charles Landry
Executive Director

3403 10th Street, Suite 320
Riverside, California 92501

P.O. Box 1667
Riverside, California 92502-1667

Phone: (951) 955-9700
Fax: (951) 955-8873
www.wrc-rca.org

March 22, 2016



Michelle Dawson, City Manager
City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92552

RE: RCA BOARD ACTION TO APPROVE IMPLEMENTING THE WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP) LOCAL DEVELOPMENT MITIGATION FEE CPI ADJUSTMENT FOR FISCAL YEAR 2017

Dear Ms. Dawson:

The MSHCP calls for an automatic annual CPI adjustment to local development mitigation fees collected to fund the implementation of the MSHCP. Fee ordinances adopted by the County and Cities reflect this requirement. Based on the CPI increase from December 2014 to December 2015, MSHCP fees will increase 2.03% effective July 1, 2016.

On March 7, 2016, the RCA Board of Directors took action to approve implementing the CPI adjustment for Fiscal Year 2017 and directed RCA staff to inform the County and Cities of this action.

Member Agencies are required to implement the automatic CPI adjustment, effective July 1, 2016, and begin collecting fees at the Fiscal Year 2017 rates, as outlined in the attached.

If you have any questions or need additional information, please feel free to call me at (951) 955-9700.

Sincerely,

Honey Bernas
Director of Administrative Services

Attachment

cc: D. LaDonna Jempson, RCA Board Member
Allen Brock, Director of Community Development
Marshall Eyeran, Chief Financial Officer



Board of Directors

Chairman
Eugene Montanez
City of Corona

George Moyer
City of Banning

Brenda Knight
City of Beaumont

Jeffrey Hewitt
City of Calimesa

Tim Brown
City of Canyon Lake

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City of Eastvale

Linda Krupa
City of Hemet

Verne Lauritzen
City of Jurupa Valley

Natasha Johnson
City of Lake Elsinore

Matt Liesemeyer
City of Menifee

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Kevin Jeffries
County of Riverside

John Tavaglione
County of Riverside

Chuck Washington
County of Riverside

John Benoit
County of Riverside

Marion Ashley
County of Riverside

Executive Staff

Charles Landry
Executive Director

WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN

LOCAL DEVELOPMENT MITIGATION FEE SCHEDULE FOR FISCAL YEAR 2017 (Effective July 1, 2016 – June 30, 2017)

Fee Category	Fee
Residential, density less than 8.0 dwelling units per acre (fee per dwelling unit)	\$ 1,992
Residential density between 8.0 and 14.0 dwelling units per acre (fee per dwelling unit)	\$ 1,275
Residential density greater than 14.0 dwelling Units per acre (fee per dwelling unit)	\$ 1,036
Commercial (fee per acre)	\$ 6,780
Industrial (fee per acre)	\$ 6,780

3403 10th Street, Suite 320
Riverside, California 92501

P.O. Box 1667
Riverside, California 92502-1667

Phone: (951) 955-9700
Fax: (951) 955-8873
www.wrc-rca.org

RESOLUTION NO. 2016-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING THE MITIGATION FEES FOR THE MULTI-SPECIES HABITAT CONSERVATION PLAN (MSHCP) MITITGATION FEE BY THE CONSUMER PRICE INDEX (CPI)

WHEREAS, the City of Moreno Valley (“City”) is a member agency of the Western Riverside County-Regional Conservation Authority (WRC-RCA), a joint powers agency comprising the County of Riverside and eighteen cities in Western Riverside County; and

WHEREAS, the member agencies of the WRC-RCA recognized that a Consumer Price Index (CPI) increase is needed to assist with funding of the implementation of the MSHCP Plan; and

WHEREAS, on April 24, 2007, the WRC-RCA Board of Directors requested that member agencies include a provision to allow for future Consumer Price Index (CPI) increases to be approved by resolution which served as a basis for the City Council to repeal and re-enact Chapter 3.48 of the Municipal Code; and

WHEREAS, Section 3.48.050 of the City’s Municipal Code specifically allows for CPI adjustments to be approved by City Council Resolution if the adjustments to the fees are justified based on inflation; and

WHEREAS, on March 7 2016, the WRC-RCA Board of Directors recommended the implementation of a 2.03% CPI adjustment; and

WHEREAS, City staff reviewed the CPI fee adjustment and recognizes that the adjustment is consistent with the City’s Municipal Code; and

WHEREAS, the fees collected pursuant to this Resolution shall be used by the Western Riverside County-Regional Conservation Authority for habitat purposes consistent with the implementing documents of the Multi-species Habitat Conservation Plan; and

WHEREAS, the levying of a CPI increase has been reviewed by the City Council and City staff in accordance with the California Environmental Quality Act (“CEQA”) and the CEQA Guidelines and it has been determined that the CPI fee increase would be exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines.

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

In accordance with Section 3.48.050 of the Moreno Valley Municipal Code there is hereby approved the following fee schedule for MSHCP mitigation fees which replaces the prior fee schedule set forth in Resolution 2008-76:

1. The following fee schedule reflecting a 2.03% increase in the MSHCP mitigation fees based on the Consumer Price Index is hereby approved and adopted:

Residential, density less than 8.0 dwelling units per acre	\$ 1,992/unit
Residential, density 8.1 and 14.0 dwelling units per acre	\$ 1,275/unit
Residential, density greater than 14.1 dwelling units per acre	\$ 1,036/unit
Commercial and Industrial (per acre)	\$ 6,780

2. All fees established by this Resolution, shall, when collected, be paid to the City Treasurer for deposit into a trust account for transmittal to the Western Riverside County-Regional Conservation Authority.

3. If any provision, clause, sentence or paragraph of this Resolution or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect any other provision or application of the provisions of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are hereby declared to be severable.

4. The fees approved, increased and established herein shall become effective July 1, 2016.

Approved and Adopted this 17th day of May, 2016.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

3
Resolution No. 2016-31
Date Adopted: May 17, 2016

Attachment: Proposed Resolution [Revision 2] (2039 : MULTI-SPECIES HABITAT CONSERVATION PLAN MITIGATION FEE ADJUSTMENT

RESOLUTION JURAT

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

I, Leslie Keane, Interim City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2016-31 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 23rd day of June, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

4
Resolution No. 2016-31
Date Adopted: May 17, 2016



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Chief Financial Officer

AGENDA DATE: May 17, 2016

TITLE: ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN FOR THE BOULDER RIDGE PROJECT

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. 2016-32, a resolution of the City Council of the City of Moreno Valley, California, authorizing the acceptance of a portion of Assessor's Parcel Number 486-280-043.

SUMMARY

This report recommends acceptance of a portion of land adjacent to the proposed Boulder Ridge project to provide for a desilting basin to meet the project's required conditions of approval.

DISCUSSION

On March 15, 2016, the City Council approved the Disposition and Development/Affordable Housing Agreement (DDA/AHA) by and between City of Moreno Valley and RB Boulder Ridge Limited Partnership for the potential development of 141-unit multi-family affordable housing project that will be located on the southeast corner of Alessandro Boulevard and Lasselle Street, proposed by Rancho Belago Developers ("Developer").

The site consists of an 8.61 acre vacant parcel with Assessor's Parcel Number (APN) 486-280-044, with a current zoning of 30 units per usable acre. It is anticipated that 6 acres of the site will be usable for the development; the unusable acreage will be preserved as open space. The site, which is fully entitled, is centrally-located and is in close proximity to various community services and other neighborhood conveniences such as: a regional hospital, supermarket/local shopping, bus stop/bus route, high

school, elementary school, library and public park.

As part of the current entitlements for the project (Plot Plan PA13-0006), the conditions of approval require the acceptance of additional land adjacent to the project site at the southeast corner of Alessandro / Lasselle to allow for the development of the project. The land to be accepted is part of APN 486-280-043 and is a small pie-shaped area south of the lot that is proposed for a desilting basin and graded slopes. The current owner of the parcel has agreed to transfer the area to the City at no cost.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this Staff Report. *Staff recommends this alternative to allow for the proposed development of the project.*
2. Do not approve and authorize the recommended actions as presented in this Staff Report. *Staff does not recommend this alternative as it may not allow for the proposed development of the project.*

FISCAL IMPACT

The current owner of APN 486-280-043 has agreed to transfer the area to the city at no cost to allow for the proposed development of the Boulder Ridge project. There is no impact to the General Fund.

NOTIFICATION

Publication of agenda.

CITY COUNCIL GOALS

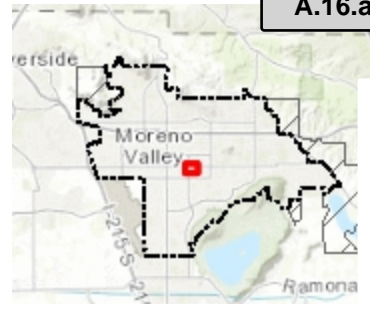
None

ATTACHMENTS

1. Location Site Map
2. Resolution Authorizing Acceptance of Parcel
3. Grant Deed

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 10:53 AM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 5:15 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 9:35 AM

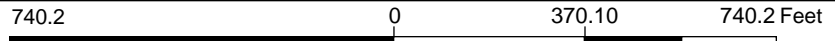


Legend

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

A. Project Site APN 486-280-044
B. Basin Site, portion of APN 486-280-043

Notes



WGS_1984_Web_Mercator_Auxiliary_Sphere

Print Date: 4/29/2016

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.

Attachment: Location Site Map (2061) : ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN FOR

RESOLUTION NO. 2016-32

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE ACCEPTANCE OF A PORTION OF ASSESSORS PARCEL NUMBER 486-280-043

WHEREAS, On March 15, 2016, the City Council approved the Disposition and Development/Affordable Housing Agreement (DDA/AHA) by and between City of Moreno Valley and RB Boulder Ridge Limited Partnership for the potential development of 141-unit multi-family affordable housing project that will be located on the southeast corner of Alessandro Boulevard and Lasselle Street, proposed by Rancho Belago Developers (“Developer”); and

WHEREAS, the proposed project requires the use of a desilting basin to comply with certain storm water runoff and discharge elimination requirements; and

WHEREAS, the desilting basin may be located on a portion of the adjacent Assessor’s Parcel Number 486-280-043; and

WHEREAS, the Owner of APN 486-280-043 has agreed to transfer a small pie-shaped area portion of the parcel to the City for a desilting basin at no cost; and

WHEREAS, the City Council hereby authorizes the City Manager to sign the Certificate of Acceptance for the portion of APN 486-280-043 to be accepted by the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS: that the portion of APN 486-280-043 is to be accepted by the City.

APPROVED AND ADOPTED this 17TH day of May, 2016.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

1
Resolution No. 2016-32
Date Adopted: May 17, 2016

Attachment: Resolution Authorizing Acceptance of Parcel [Revision 1] (2061 : ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN

APPROVED AS TO FORM:

City Attorney

2
Resolution No. 2016-32
Date Adopted: May 17, 2016

Attachment: Resolution Authorizing Acceptance of Parcel [Revision 1] (2061 : ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN

RESOLUTION JURAT

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

I, Leslie Keane, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2016-32 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 17th day of May 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

3
Resolution No. 2016-32
Date Adopted: May 17, 2016

Attachment: Resolution Authorizing Acceptance of Parcel [Revision 1] (2061 : ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN

Recorded at request of and return to:
City Clerk
City of Moreno Valley
P. O. Box 88005
Moreno Valley, CA 92552-805

Exempt from Recording Fee
Govt Code Sections. 6103 and 27383
City of Moreno Valley

PROJECT: Boulder Ridge
A.P.N. 486-280-043

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, GRANITE CAPITOL, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, AS TO AN UNDIVIDED 50% INTEREST, AND THE 26TH CORPORATION, A NEVADA CORPORATION, AS TO AN UNDIVIDED 50% INTEREST, AS TENANTS IN COMMON grants and conveys to the CITY OF MORENO VALLEY, a municipal corporation, all that real property in the City of Moreno Valley, County of Riverside, State of California, as described in the attached description.

See Exhibits "A" attached hereto and made a part hereof

GRANITE CAPITOL, LLC, a limited liability company

DATED:

By: _____

By: _____

26th CORPORATION, a Nevada Corporation

By: _____

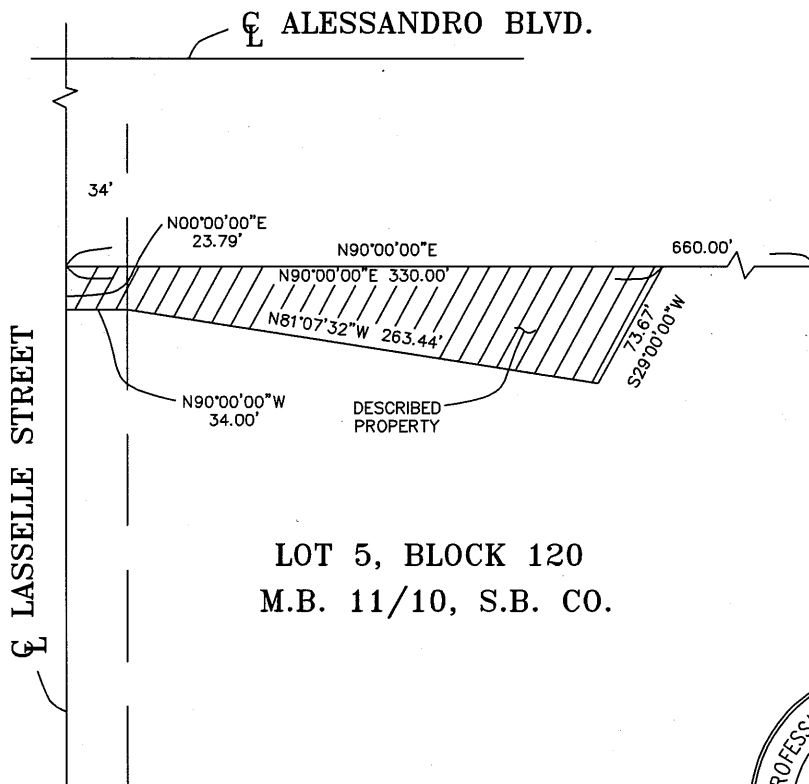
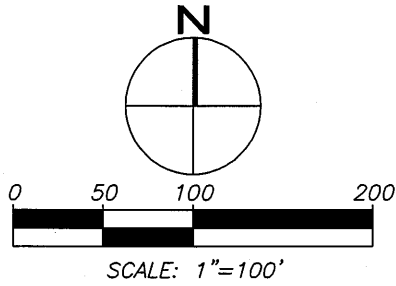
By: _____

Attachment: Grant Deed [Revision 1] (2061 : ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN FOR THE BOULDER RIDGE

EXHIBIT A
LEGAL DESCRIPTION

BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF LOT 5, BLOCK 120, AND THE CENTERLINE OF LASSELLE STREET, AS SHOWN ON M.B. 11/10, S.B. CO, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
THENCE ALONG SAID WESTERLY EXTENSION AND SAID NORTH LINE OF SAID LOT 5, NORTH 90°00'00" EAST A DISTANCE OF 330.00 FEET;
THENCE SOUTH 29°00'00" WEST A DISTANCE OF 73.67 FEET;
THENCE NORTH 81°07'32" WEST A DISTANCE OF 263.44 FEET TO A POINT LYING PERPENDICULAR TO, AND 34.00 FEET MEASURED AT RIGHT ANGLES FROM, SAID CENTERLINE OF SAID LASSELLE STREET;
THENCE NORTH 90°00'00" WEST A DISTANCE OF 34.00 FEET TO A POINT OF SAID CENTERLINE OF LASSELLE STREET.
THENCE ALONG SAID CENTERLINE NORTH 00°00'00" EAST A DISTANCE OF 23.79 FEET TO THE POINT OF BEGINNING AND THE END OF THIS DESCRIPTION.
THE ABOVE DESCRIPTION CONTAINS 13,441.78 SQUARE FEET, MORE OR LESS.

EXHIBIT B
PLAT



Attachment: Grant Deed [Revision 1] (2061 : ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN FOR THE BOULDER RIDGE

CERTIFICATE OF ACCEPTANCE

This is to certify that the fee interest in real property conveyed under the foregoing Grant Deed by GRANITE CAPITOL, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, AS TO AN UNDIVIDED 50% INTEREST, AND THE 26TH CORPORATION, A NEVADA CORPORATION, AS TO AN UNDIVIDED 50% INTEREST, AS TENANTS IN COMMON, as to the following property:

A portion of real property, with APN 486-280-043, in the City of Moreno Valley, County of Riverside, State of California, described as follows:

BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF LOT 5, BLOCK 120, AND THE CENTERLINE OF LASSELLE STREET, AS SHOWN ON M.B. 11/10, S.B. CO, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
THENCE ALONG SAID WESTERLY EXTENSION AND SAID NORTH LINE OF SAID LOT 5, NORTH 90°00'00" EAST A DISTANCE OF 330.00 FEET;
THENCE SOUTH 29°00'00" WEST A DISTANCE OF 73.67 FEET;
THENCE NORTH 81°07'32" WEST A DISTANCE OF 263.44 FEET TO A POINT LYING PERPENDICULAR TO, AND 34.00 FEET MEASURED AT RIGHT ANGLES FROM, SAID CENTERLINE OF SAID LASSELLE STREET;
THENCE NORTH 90°00'00" WEST A DISTANCE OF 34.00 FEET TO A POINT OF SAID CENTERLINE OF LASSELLE STREET.
THENCE ALONG SAID CENTERLINE NORTH 00°00'00" EAST A DISTANCE OF 23.79 FEET TO THE POINT OF BEGINNING AND THE END OF THIS DESCRIPTION.
THE ABOVE DESCRIPTION CONTAINS 13,441.78 SQUARE FEET, MORE OR LESS.

is hereby accepted by the City Manager of the City of Moreno Valley on behalf of the City Council of the City of Moreno Valley pursuant to authority conferred by action of the City Council of the City of Moreno Valley on May 17, 2016, in accordance with Resolution No. 2016-_____ and the Grantee consents to recordation thereof by its duly authorized officer.

CITY OF MORENO VALLEY,
a municipal corporation

By: _____
Thomas DeSantis, Assistant City Manager

Date: _____

Attachment: Grant Deed [Revision 1] (2061 : ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN FOR THE BOULDER RIDGE

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____, Notary Public,
(Print Name of Notary Public)

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 acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

Title(s)

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

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

Title Or Type Of Document

Number Of Pages

Date Of Documents

Signer(s) Other Than Named Above

Attachment: Grant Deed [Revision 1] (2061 : ACCEPTANCE OF LAND FOR PROPOSED DESILTING BASIN FOR THE BOULDER RIDGE



Report to City Council

TO:

FROM: Allen Brock, Community Development Director

AGENDA DATE: May 17, 2016

TITLE: PROPOSED DEVELOPMENT REQUIREMENTS AND A DEMONSTRATION PROJECT FOR LIGHTING AT CLUSTER MAILBOXES IN AN EFFORT TO REDUCE MAIL THEFT

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Provide direction to staff regarding the concept of a new Condition of Approval for new residential and non-residential construction projects to require lighting at cluster mailboxes.
2. Approve a "Demonstration Project" to install lighting at two cluster mailboxes (one residential, one commercial) to serve as a model for private installations in other areas of the City.

SUMMARY

Communities across the nation are grappling with problems associated with mail theft, particularly from cluster mailboxes which serve residential and business customers. While police and postal inspectors can undertake enforcement activities, the City Council feels strongly that Moreno Valley must take proactive steps to deter this criminal activity.

The City Council discussed the issue of mail and identity theft at the March 8, 2016 Study Session meeting. At its April 20 meeting, the Public Safety Sub-Committee (PSSC) requested that staff seek City Council support for a new Condition of Approval to require lighting over cluster mailboxes in all new commercial and residential development. To demonstrate the effectiveness of this proactive measure, the PSSC also recommends Council approval of a demonstration project to install solar powered

lighting at two locations (one residential and one at a commercial location), to serve as a model for private installations in locations throughout our City.

DISCUSSION

Mail theft is a chronic crime affecting nearly every community throughout the country. The City Council has discussed this growing problem, and the City has interacted on several occasions with the United States Postal Service (USPS) and the community at large on this topic.

In advocating for proactive measures, the USPS encourages residents and businesses to pick up mail immediately after delivery, suspend mail delivery while on vacation, bring outgoing mail to the post office and to never send cash through the mail.

While these precautions are very important, the City Council has sought additional deterrent measures to help preclude mail theft from occurring. As cluster mailboxes in unlit (or dimly lit) areas are more susceptible to criminal activity, the PSSC is recommending that the City can have a positive impact by requiring lights at all new cluster mailboxes installed in Moreno Valley.

To encourage Homeowners Associations and business owners to retrofit their existing cluster mailboxes with lighting, the PSSC recommends a demonstration project to illustrate the benefits of adding solar lights at those locations. As discussed below, a solar lighting installation can be installed for approximately \$1,500. This figure compares quite favorably to the cost of replacing damaged cluster mailboxes; as an example, the Moreno Valley Ranch Homeowners Association indicates that they spent nearly \$90,000 replacing damaged cluster mailboxes in less than two years.

Conditions of Approval

A key objective outlined in the City's General Plan is to reduce the risk of crime through planning strategies that maximize surveillance opportunities and minimize crime opportunities. This objective can be accomplished by implementing a new Condition of Approval for all new residential and non-residential development that includes the installation of a cluster mailbox as required by the USPS.

The following language is proposed to be applied to all new development projects as deemed appropriate:

Concurrent with the submittal of a grading plan for plan check, the applicant shall include a detailed site plan for review by the Moreno Valley Police Department, Planning Division and Public Works showing the proposed location and installation details (i.e. City Standard Plan MVS1-117B-0) of all proposed cluster mailboxes and associated lighting details. All City plan review comments shall be shared with the United States Postal Service for consideration during the required review by the USPS.

Projects moving through the development review process would be subject to various plan checks from multiple divisions to ensure compliance with the above condition prior to issuance of any permits for construction.

Demonstration Project

In Bakersfield, a local electrician installed a solar powered light at his neighborhood's cluster mailbox unit to deter mail theft. According to the Homeowners Association, there has not been any evidence of tampering and the residents appreciate the additional light when collecting their mail in the evening after dark. The installed lighting fixture has been stated to cost approximately \$1,500.

A demonstration project in Moreno Valley would consist of two locations experiencing recent and frequent mail theft. The Moreno Valley Police Department would be consulted in site selection. The City would install a solar powered mounted light fixture at a cluster mailbox in one existing residential and one existing non-residential development. The fixture would be solar powered with a battery storage system and include a motion sensor for additional energy efficiency; the fixture would be mounted on a metal pole. Prior to installation, the property owner would be required to sign a waiver to hold the City harmless for the installations.

The implementation of a demonstration project would allow Homeowners Associations and business owners to consider options to retrofit their existing cluster mailboxes with lighting.

The estimated cost for the proposed demonstration project is approximately \$1,500 per location. This includes the LED light fixture, solar panel with battery, mounting pole and adequate concrete footing or other appropriate attachment method. The work will be completed as an in-house Maintenance & Operations Division project, with costs absorbed within the approved Fiscal Year 2016-17 Maintenance & Operations Division operational budget. No additional appropriations are requested to support this project. Maintenance costs are anticipated to be minimal at this time; the system installed in Bakersfield has a stated life span of three years for the battery as well as a two year warranty on the LED component.

ALTERNATIVES

1. Provide direction to staff regarding the concept of a new Condition of Approval for new residential and non-residential construction projects to require lighting at cluster mailboxes and approve a "Demonstration Project" to install lighting at two cluster mailboxes (one residential, one commercial) to serve as a model for private installations in other areas of the City. *The Public Safety Sub-Committee and Staff recommend this option as a proactive approach to addressing mail theft in Moreno Valley.*
2. Direct staff not to take action as outlined in the report. *Staff does not recommend this option.*

FISCAL IMPACT

There is no fiscal impact associated with the recommended action as presented in this Staff report. The anticipated \$3,000 cost for the Demonstration Project can be accommodated within the Council-approved budget for the Public Works Department.

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Allen D. Brock
Community Development Director

Department Head Approval:
Allen D. Brock
Community Development Director

Concurred By:
Ahmad Ansari
Public Works Director/City Engineer

Concurred By:
Joel Ontiveros
Chief of Police

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.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

ATTACHMENTS

None

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	4/28/16 7:48 AM
City Attorney Approval	<u>✓ Approved</u>	4/28/16 9:29 AM
City Manager Approval	<u>✓ Approved</u>	5/03/16 10:54 AM



Report to City Council

TO: Mayor and City Council

FROM: Thomas M. DeSantis, Assistant City Manager

AGENDA DATE: May 17, 2016

TITLE: REVIEW OF CITY BOARDS AND COMMISSIONS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Receive additional information as requested during the April 12, 2016 Study Session regarding City Boards and Commissions and take whatever action Council deems appropriate.

DISCUSSION

On April 12, 2016 the City Council held a Study Session regarding City Boards and Commissions. Staff was asked to prepare a series of models to reflect concepts that the Council discussed at that meeting as well as a range of additional models.

Staff has assembled a series of consolidation models per the City Council's request, to facilitate continued discussion of potential options to refine the Board and Commission structure to meet the City's evolving needs over time.

The process and procedural revisions that were discussed at the April 12 Study Session will be brought back to the City Council for action at a later date along with any Board/Commission consolidations that may result from tonight's discussion.

FISCAL IMPACT

N/a

PREPARATION OF STAFF REPORT

Prepared By:
Thomas M. DeSantis
Assistant City Manager

Department Head Approval:
Thomas M. DeSantis
Assistant City Manager

CITY COUNCIL GOALS

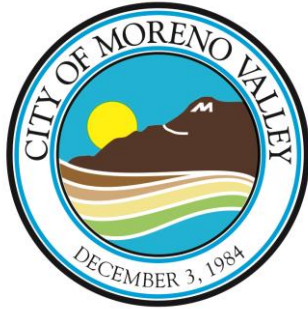
Positive Environment. Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

1. Mayor Pro Tem Giba's April 28, 2016 Memorandum
2. Status Quo
3. Consolidation Model 1
4. Consolidation Model 2
5. Consolidation Model 3
6. Consolidation Model 4
7. Consolidation Model 5
8. Consolidation Model 6
9. Consolidation Model 7
10. City Attorney's April 12, 2016 Staff Report with Attachments

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/02/16 5:19 PM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 5:17 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 9:10 AM



CITY OF MORENO VALLEY City Council Office

MEMORANDUM

To: Mayor and City Council Members
 From: Mayor Pro Tem Jeffrey J. Giba
 Date: April 28, 2016
 Subject: Review of City Boards and Commissions

BACKGROUND:

During the downturn in the economy and the reduction of staff to stave off a potential Bankruptcy Scenario, the Council and the City have been asking of our staff to do even more. The Council is always looking for ways to “work smarter and not harder” with less. The ongoing analysis and evaluation of ways and means to trim down costs and maximize the staff potential without additional personnel increases has led to streamlining and recommendations for freeing staff time to do a more efficient job for the direct work of the city. The review of all areas of personnel management is continuously being reviewed and recommendations made in order to save costs in personnel, equipment and projects across the board. It has been mentioned on numerous occasions, that the staff is too busy to expedite projects and/or efficiently carry out tasks that benefit the entirety of the City Mission, on behalf of all residents of the City of Moreno Valley.

DISCUSSION:

One area of cost and time savings while increasing staff morale and efficiency was the consolidation and / or elimination of our City Boards, Commissions and Committees. Currently there are at least eleven (11) of these “Resident Volunteer” programs. For each of them, the staff must develop an agenda, attend evening meetings that may extend the staff day to way beyond any normal work hour causing potential fatigue and

possible errors during daily performance. Additionally they must keep notes and prepare reports and minutes for all of these Commissions. By evaluating the needs, participation and possible reduction savings of time to staff, potential viable alternatives may be realized.

To achieve this, the evaluation and consideration of all Commissions, Boards and Committees was taken under consideration. Although some may consider this reduction and consolidation recommendation as a reduction of city resident participation it may be pointed out that participation by our residents may be achieved in many different ways that may not be readily utilized or observed. All residents have access to their District Council Member and future At Large Mayor, they have opportunities to write, call and E-mail ideas and visit personally to make recommendations. Also they are welcome to personally participate at Commission, Sub Committee and Council Meetings.

A variety of scenarios were evaluated and the following variation is presented as one suggested alternative for discussion and final decisions:

Eliminations: (The following are only evaluative suggestions and not intended to be any final decision)

- ***Accessibility Appeals Board***

The AAB is a board established for appeals of building and safety department decisions affecting disability access. This board has been silent for upwards of five (5) years and any future appeals can easily be agendaized for council review. The board is obsolete in its current use and non-functioning in its capacity.

- ***Utility Commission***

The Utility Commission was hastily thrown together by a previous Council with no real goal or objective for its advisory capacity. The Moreno Valley Electric Utility (MVU) was the apparent target for future Economic Development. However, the short description of this Commissions requirement has been questioned, no real usable advice has been passed on to the Finance Sub-Committee, in fact the UC became adversarial when advice, that did not follow the Council direction, was ignored. Since the start of its second year, no clear direction has come from this Commission, items that should have gone to the UT first were already agendaized, discussed and passed to council before coming to this Commission making its mission ineffective, advisory capacity of no value, reporting process both latent and redundant and therefore should therefore be eliminated.

- ***Traffic Safety Commission***

It was suggested that perhaps the TSC was also a redundant reporting commission that could be easily handled by the Public Safety Sub Committee. Items vetted by the TSC are passed on to the PSSC for review and then passed to the full Council for approval. Senior Staff suggested that this Commission

operates for issues that are not handled by the PSSC, yet they report to the PSSC for review and approval to send to council. There appears to be some confusion with the missions and reporting's. Since TS issues are a public safety concern, it would appear appropriate to simply relinquish these responsibilities directly to the PSSC. This would again free personnel to dedicate or invest in other services for the city.

Alternate Suggestion:

1. Retain the TSC with modifications. Have the TSSC report directly to the Council if in fact its mission is not the same as the PSSC since it would no longer be necessary to report to this Sub Committee.
2. Task the TSC to realign its Mission & Purpose to establish a more streamlined, time and cost effective Commission.
3. Assemble a list of recommendations for a new TSC within a Council defined timeline for approval of the Council.

Consolidation: (The following are only evaluative suggestions and not intended to be any final decision)

The remaining Commissions comprise some very logical similarities perhaps affording the opportunity to Consolidate and Collaborate under one Commission. The Parks and Community Service Department appears to be the primary overseer for the majority of these Commission and creating more compact, streamlined advisory programs would reduce the workload on this departments' staff, afford greater use of staff time while allowing greater input and collaboration for the future programs. The Emerging Leaders is a Leadership Development Council and is not included in this Consolidation Strategy.

• **PARKS & RECREATION COMMISSION**

Under this Commission heading there would be the existing P&R Commission but additionally, the responsibilities for the Ecological Preservation & Recreational Trails would be added for advisory agendized representation. Ecology & Trails are an excellent synergy of ideas and uses. Combining trails and our environment can go hand and hand creating potential "Nature Trails" or botanical walks in a collaborate effort.

As an alternative recommendation:

1. Parks & Recreation Commission would remain as it is, having already absorbed the duties for the 4th of July.
2. A new Commission consisting of Trails and Ecological Preservation would be created.

3. This would create four (4) major reporting / advisor Commissions rather than the maximum consolidation of three (3).

- **ARTS COMMISSION**

Under this Commission Heading there would exist the two Commissions of the Arts and Library. Again, there is a perfect synergy in this concept in that these two commission comprise the total Arts agenda. The Library is considered Literary Arts and the Arts would comprise both visual and performing arts. It has been many times suggested that this city needs a Library and a Performing Arts building. All three of these programs are many times housed under one Library/Performing Arts Center in a City. Their collaboration in the field of the Arts would give this Commission a future Mission on behalf of the City. The focus is the Arts.

- **COMMUNITY SERVICES COMMISSION**

Under this Commission Heading there would be an opportunity for our Seniors and their History to participate in the Memories of our City, and lifestyle. By combining the Seniors Board and Historical Commission into one, it helps give real purpose to our elder members and contribute to the History of our City and Region. It has been suggested that this City should have a Museum and this Collaborative Commission may be the Catalyst for a future project as part of the Mission.

SUMMARY:

The previous recommendations / ideas would give greater workmanship and collaboration for our Advisory Commissions. To better afford participation it may also be suggested that all Commission maintain no more than nine (9) Members and two (2) alternates for maximum contributions and maintain a quorum. A quorum may be set at four (4) sitting or sworn alternates. Additionally, each Advisory Commission would be tasked with providing a summary advisory report to council after each meeting, not just minutes.

RECOMMENDATIONS:

1. Accept the recommendation of three (3) Commissions – Maximum Consolidation
2. Accept the Alternate four (4) Commission Model-Alternate Consolidation
3. Derive and Accept any variation on these Models by Council and approve-Derivative Model
4. Accept the Members numbers as recommended-Members Recommendation
5. Derive and Accept any alternate Membership Model by Council-Derived Members Model

Current Board & Commission Structure

<u>Board/Commission</u>	<u>Current # Seats</u>	
ACCESSIBILITY APPEALS BOARD	5	
ARTS COMMISSION	9	(incl. 2 Teen)
EMERGING LEADERS COUNCIL	9	(+2 Alt)
ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD	7	
LIBRARY COMMISSION	7	
PARKS AND RECREATION COMMISSION	9	(incl. 2 Teen)
RECREATIONAL TRAILS BOARD	9	
PLANNING COMMISSION	7	(+2 Alt)
SENIOR CITIZENS BOARD	9	
TRAFFIC SAFETY COMMISSION	7	
UTILITIES COMMISSION	5	

Total Seats 83

Attachment: Status Quo (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

Consolidation Model 1: Maximum Consolidation
Retain ELC, Planning Comm

<u>Board/Commission</u>	<u>Current # Seats</u>		<u>Proposed # Seats</u>		<u>Comments</u>
PARKS & RECREATION COMMISSION incl. Recreational Trails and Ecological Preservation	0		9	(+2 Alt)	New Commission
ARTS COMMISSION incl. Performing, Visual, Literary (Library)	0		9	(+2 Alt)	New Commission
COMMUNITY SERVICE COMMISSION incl. Senior, Historical	0	(+2 Alt)	9	(+2 Alt)	New Commission
ACCESSIBILITY APPEALS BOARD	5				Options to assign functions: 1) Ind. Hearing Officer 2) City Council
ARTS COMMISSION	9	(incl. 2 Teen)			Functions move to new Arts Commission
EMERGING LEADERS COUNCIL	9	(+2 Alt)	9	(+2 Alt)	No Change
ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD	7				Functions move to new Community Services Commission
LIBRARY COMMISSION	7				Functions move to new Arts Commission

Attachment: Consolidation Model 1 (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

PARKS AND RECREATION COMMISSION	9	(incl. 2 Teen)			Functions move to new Parks & Recreation Commission
RECREATIONAL TRAILS BOARD	9				Functions move to new Parks & Recreation Commission
PLANNING COMMISSION	7	(+2 Alt)	7	(+2 Alt)	No Change
SENIOR CITIZENS BOARD	9				Functions move to new Community Services Commission
TRAFFIC SAFETY COMMISSION	7				Options to assign functions: 1) Public Safety Sub-Committee 2) City Council 3) PW Staff
UTILITIES COMMISSION	5				Functions move to Finance Sub-Committee
Total Seats	83		43		
Net Change	0		-40		

Attachment: Consolidation Model 1 (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

Consolidation Model 2: Partial Consolidation

Retain ELC, Planning, Traffic Safety

<u>Board/Commission</u>	<u>Current # Seats</u>		<u>Proposed # Seats</u>		<u>Comments</u>
PARKS & RECREATION COMMISSION incl. Recreational Trails and Ecological Preservation	0		9	(+2 Alt)	New Commission
ARTS COMMISSION incl. Performing, Visual, Literary (Library)	0		9	(+2 Alt)	New Commission
COMMUNITY SERVICE COMMISSION incl. Senior, Historical	0	(+2 Alt)	9	(+2 Alt)	New Commission
ACCESSIBILITY APPEALS BOARD	5				Options to assign functions: 1) Ind. Hearing Officer 2) City Council
ARTS COMMISSION	9	(incl. 2 Teen)			Functions move to new Arts Commission
EMERGING LEADERS COUNCIL	9	(+2 Alt)	9	(+2 Alt)	No Change
ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD	7				Functions move to new Community Services Commission
LIBRARY COMMISSION	7				Functions move to new Arts Commission

Attachment: Consolidation Model 2 (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

PARKS AND RECREATION COMMISSION	9	(incl. 2 Teen)			Functions move to new Parks & Recreation Commission
RECREATIONAL TRAILS BOARD	9				Functions move to new Parks & Recreation Commission
PLANNING COMMISSION	7	(+2 Alt)	7	(+2 Alt)	No Change
SENIOR CITIZENS BOARD	9				Functions move to new Community Services Commission
TRAFFIC SAFETY COMMISSION	7		7		No Change
UTILITIES COMMISSION	5				Functions move to Finance Sub-Committee
Total Seats	83		50		
Net Change	0		-33		

Attachment: Consolidation Model 2 (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

Consolidation Model 3: Partial Consolidation

Retain Accessibility Appeals, ELC, Env./Historical Preservation, Planning, Senior, Traffic Safety

<u>Board/Commission</u>	<u>Current # Seats</u>		<u>Proposed # Seats</u>		<u>Comments</u>
PARKS & RECREATION COMMISSION incl. Recreational Trails and Ecological Preservation	0		9	(+2 Alt)	New Commission
ARTS COMMISSION incl. Performing, Visual, Literary (Library)	0		9	(+2 Alt)	New Commission
ACCESSIBILITY APPEALS BOARD	5		5		No Change
ARTS COMMISSION	9	(incl. 2 Teen)			Functions move to new Arts Commission
EMERGING LEADERS COUNCIL	9	(+2 Alt)	9	(+2 Alt)	No Change
ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD	7		7		No Change
LIBRARY COMMISSION	7				Functions move to new Arts Commission
PARKS AND RECREATION COMMISSION	9	(incl. 2 Teen)			Functions move to new Parks & Recreation Commission
RECREATIONAL TRAILS BOARD	9				Functions move to new Parks & Recreation Commission

PLANNING COMMISSION	7	(+2 Alt)	7	(+2 Alt)	No Change
SENIOR CITIZENS BOARD	9		9		No Change
TRAFFIC SAFETY COMMISSION	7		7		No Change
UTILITIES COMMISSION	5				Functions move to Finance Sub-Committee
Total Seats	83		62		
Net Change	0		-21		

Attachment: Consolidation Model 3 (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

Consolidation Model 4: Partial Consolidation

Retain Accessibility Appeals, Arts (current), ELC, Library, Planning, Traffic Safety

<u>Board/Commission</u>	<u>Current # Seats</u>		<u>Proposed # Seats</u>		<u>Comments</u>
PARKS & RECREATION COMMISSION incl. Recreational Trails and Ecological Preservation	0		9	(+2 Alt)	New Commission
COMMUNITY SERVICE COMMISSION incl. Senior, Historical	0	(+2 Alt)	9	(+2 Alt)	New Commission
ACCESSIBILITY APPEALS BOARD	5		5		No Change
ARTS COMMISSION	9	(incl. 2 Teen)	9	(incl. 2 Teen)	No Change
EMERGING LEADERS COUNCIL	9	(+2 Alt)	9	(+2 Alt)	No Change
ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD	7				Functions move to new Community Services Commission
LIBRARY COMMISSION	7		7		No Change
PARKS AND RECREATION COMMISSION	9	(incl. 2 Teen)			Functions move to new Parks & Recreation Commission

RECREATIONAL TRAILS BOARD	9				Functions move to new Parks & Recreation Commission
PLANNING COMMISSION	7	(+2 Alt)	7	(+2 Alt)	No Change
SENIOR CITIZENS BOARD	9				Functions move to new Community Services Commission
TRAFFIC SAFETY COMMISSION	7		7		No Change
UTILITIES COMMISSION	5				Functions move to Finance Sub-Committee
Total Seats	83		62		
Net Change	0		-21		

Consolidation Model 5: Partial Consolidation

Retain Accessibility Appeals, Arts (current), ELC, Env./Historical Preservation, Library, Planning, Senior, Traffic Safety

<u>Board/Commission</u>	<u>Current # Seats</u>		<u>Proposed # Seats</u>		<u>Comments</u>
PARKS & RECREATION COMMISSION incl. Recreational Trails and Ecological Preservation	0		9	(+2 Alt)	New Commission
ACCESSIBILITY APPEALS BOARD	5		5		No Change
ARTS COMMISSION	9	(incl. 2 Teen)	9		No Change
EMERGING LEADERS COUNCIL	9	(+2 Alt)	9	(+2 Alt)	No Change
ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD	7		7		No Change
LIBRARY COMMISSION	7		7		No Change
PARKS AND RECREATION COMMISSION	9	(incl. 2 Teen)			Functions move to new Parks & Recreation Commission
RECREATIONAL TRAILS BOARD	9				Functions move to new Parks & Recreation Commission
PLANNING COMMISSION	7	(+2 Alt)	7	(+2 Alt)	No Change
SENIOR CITIZENS BOARD	9		9		No Change

TRAFFIC SAFETY COMMISSION	7	7	No Change
UTILITIES COMMISSION	5		Functions move to Finance Sub-Committee
Total Seats	83	69	
Net Change	0	-14	

Attachment: Consolidation Model 5 (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

Consolidation Model 6: Partial Consolidation

Fold Recreational Trails Board into Parks & Recreation Commission. Retain all other existing Boards & Commissions

<u>Board/Commission</u>	<u>Current # Seats</u>		<u>Proposed # Seats</u>		<u>Comments</u>
ACCESSIBILITY APPEALS BOARD	5		5		No Change
ARTS COMMISSION	9	(incl. 2 Teen)	9		No Change
EMERGING LEADERS COUNCIL	9	(+2 Alt)	9	(+2 Alt)	No Change
ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD	7		7		No Change
LIBRARY COMMISSION	7		7		No Change
PARKS AND RECREATION COMMISSION	9	(incl. 2 Teen)	9		No Change
RECREATIONAL TRAILS BOARD	9				Functions move to Parks & Recreation Commission
PLANNING COMMISSION	7	(+2 Alt)	7	(+2 Alt)	No Change
SENIOR CITIZENS BOARD	9		9		No Change
TRAFFIC SAFETY COMMISSION	7		7		No Change
UTILITIES COMMISSION	5		5		No Change

Total Seats	83	74
Net Change	0	-9

Consolidation Model 7: Partial Consolidation

Retain Env./Historical Preservation, Planning, Senior Citizen Advisory Board, Traffic Safety

<u>Board/Commission</u>	<u>Current # Seats</u>	<u>Proposed # Seats</u>	<u>Comments</u>
PARKS & RECREATION COMMISSION incl. Recreational Trails and Ecological Preservation	0	9 (+2 Alt)	New Commission
ARTS COMMISSION incl. Performing, Visual, Literary (Library)	0	9 (+2 Alt)	New Commission
ACCESSIBILITY APPEALS BOARD	5		Options to assign functions: 1) Ind. Hearing Officer 2) City Council
ARTS COMMISSION	9 (incl. 2 Teen)		Functions move to new Arts Commission
EMERGING LEADERS COUNCIL	9 (+2 Alt)	(+2 Alt)	Disband
ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD	7	7	No Change
LIBRARY COMMISSION	7		Functions move to new Arts Commission

Attachment: Consolidation Model 7 (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

PARKS AND RECREATION COMMISSION	9	(incl. 2 Teen)			Functions move to new Parks & Recreation Commission
RECREATIONAL TRAILS BOARD	9				Functions move to new Parks & Recreation Commission
PLANNING COMMISSION	7	(+2 Alt)	7	(+2 Alt)	No Change
SENIOR CITIZENS BOARD	9		9		No Change
TRAFFIC SAFETY COMMISSION	7		7		No Change
UTILITIES COMMISSION	5				Functions move to Finance Sub-Committee
Total Seats	83		48		
Net Change	0		-35		



Report to City Council

TO: Mayor and City Council

FROM: Steve Quintanilla, Interim City Attorney

AGENDA DATE: April 12, 2016

TITLE: REVIEW OF CITY BOARDS AND COMMISSIONS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Provide staff direction on alternative policies and procedures with respect to City boards and commissions.

SUMMARY

This report discusses alternatives for Council discussion with respect to the streamlining and updating of the operating policies for City of Moreno Valley ("City") boards and commissions ("Commissions"). Proposed uniform policies for Commission rules and procedures and uniform operating policies for all Commissions are included in this report. Additionally, consideration of possible consolidation or elimination of underused or poorly attended Commissions is presented.

DISCUSSION

The City has established eleven (11) advisory Commissions. The advisory Commissions each have their own rules and procedures governing how the Commission meetings are run. Some Commissions also have different Council adopted operating policies regarding how applications are received and how candidates are selected. Additionally, there was concern to make eligibility, qualifications and the selection process for serving a more defined and constant process with enhanced qualification criteria. The following is a list of the active boards and commissions along with their current membership levels (The Emerging Leaders Council is not included in this report and is not a board or commission subject to the changes proposed herein):

Accessibility Appeals Board - 5 members

- Arts Commission - 7 + 2 teen members
- Environmental & Historical Preservation Board - 7
- Library Commission - 7
- Parks & Recreation Commission - 7 + 2 teens
- Planning Commission - 7 + 2 alternates
- Recreational Trails Board - 7 + 2 vacant positions
- Senior Citizens' Board - 9
- Traffic Safety Commission - 7
- Utilities Commission - 4 + 1 vacant position

Uniform Rules of Procedure

Currently, each board or commission establishes their own rules of procedure. These rules govern the internal operation of each Commission and covers such terms as meeting dates and times, selection of Chair and Vice-Chair, attendance, voting process and rules for public comment. Attached hereto as Exhibit "A" is a proposed Uniform Rules of Procedure that would be Council adopted and apply to each Commission. The proposed Uniform rules are based largely on the current Planning Commission Rules and Procedure which have been recently updated, amended and adopted. By adopting a uniform set of procedural rules, all Commissions will operate the same and provide for a more consistent presentation to the public.

If the Council decides to adopt a uniform set of rules of procedure for Commissions, it is recommended that the Council continue to provide for Commissions to adopt their own rules as long as those rules do not conflict with the Council adopted Uniform rules. Attached hereto as Exhibit "B" are proposed amendments to the City's municipal code which would provide for this procedure.

Operating Policy for Boards and Commissions

Current procedures regarding the appointment of Commissioners is scattered among various municipal code sections and an administrative policy. Attached hereto as Exhibit "C" is Policy #1.11 entitled "Operating Policy for Boards and Commissions." In an effort to consolidate the operating policies for all Commissions into one document and incorporate councilmember suggestions, the proposed amended Policy 1.11 is attached hereto as Exhibit "D". The significant proposed changes are as follows:

1. Added general statements of purpose and policy in Section I.

2. Provided specific requirements for meeting locations and that they shall be public meetings conducted pursuant to the Brown Act in Section IV.

3. Proposed eligibility criteria for membership on a Commission. Several requirements have been incorporated from various municipal code provisions and are currently in effect. New proposed requirements include:

A. In addition to the general residency requirement, the proposed Section V.B now provides that applicants must be current registered and eligible voters of the City. This section further provides that if that status ever changes, the Commissioner will become automatically ineligible and the seat will be vacated without the need for any formal action of the Council.

B. A provision is proposed at Section V.C that would disqualify an applicant if they have ever been convicted of a felony. To mirror regulations within California Labor Code related to employees, there are exceptions if the felony has been judicially set aside or ordered sealed.

C. An anti-nepotism provision is proposed at Section V.D. This proposed rule would disqualify individuals living with a relative that is a council member or employed at an executive level with the City.

D. A new requirement for Commissioner applications is proposed in Section VII.B. This proposal would now require the application form to be completely filled out before being advanced to the Council for review and consideration. Incomplete applications would be returned to the applicant by the City Clerk for completion.

E. A fingerprinting and background check requirement is proposed at Section VII.C for all Commissions that interact with minors.

F. Current City practice is to hold interviews with potential Commissioners only for the Planning Commission. Section VII.D would create an interview process for all Commissions.

G. The procedure for voting on the appointment is proposed to change in Section VIII.B. Under this proposal, the mayor would make a nomination for appointment and the Council would take up a vote on that nominee. If a majority approves the nomination, the seat is filled. If no majority is reached, the City Clerk would call the remaining candidates for a vote and the candidate receiving the highest number of affirmative votes would fill the vacant seat. In the event of a tie, a run off would occur.

H. A proposed addition to Section IX.A would require incoming Commissioners to all take the standard Oath of Office,

I. Currently, only Commissioners that receive compensation are required to take any ethics training pursuant to state law. Section IX.C would carry over that requirement to all Commissioners and would allow them to take either the state approved training or in-house training provided periodically by the City Attorney's Office.

J. Current attendance provisions of the various codes and policies provide that Commissioners must not have more than 3 (or 25%) unexcused absences. The current policies are vague on what constitutes or who decides if an absence is "excused." The proposed policy would eliminate the distinction between excused and unexcused absences and provide a firm rule that Commissioners should not miss more than 25% of the meetings held each year. The proposed rule further provides that in the event that threshold is exceeded, notice will be provided to the Commissioner and upon one additional absence, the seat will automatically be vacated.

If all of the aforementioned proposals are adopted, some minor changes to the municipal code will also be required. See for example, Attachment "E" for proposed revisions to Chapter 2.06.

Board and Commission Consolidation

There has been Council interest in considering new options for the streamlining, elimination, and consolidation of various commissions and Boards in an effort to reduce redundant reporting, duplication of staff efforts, maximize staff time to improve city operational effectiveness and potentially create a more productive use of the public, council and staff time. This would in turn potentially produce an enhanced service to the community and council for discussion as well as decision making purposes.

The following are some options provided by Mayor Pro Tem Giba for consideration:

"Elimination and Absorption:

Currently there are two (2) Commissions that duplicate efforts already served by two (2) Council Sub-Committees. These are the Traffic Safety Commission and the Utility Commission. Their advisory capacity are the only two that create a redundant reporting to a sub-committee rather than the direct advisory to the Council. This is a duplication of efforts and may easily be absorbed into the current responsibilities and public input of both the Public Safety Sub-Committee and the Finance Sub-Committee, free up staff from these two commissions to better serve the City while allowing the same public input, dialogue and pathway as the other Commissions.

Consolidation:

The final nine (9) commissions may be consolidated and or absorbed into a model as

follows:

PARKS & RECREATION

Recreational trails
Environmental & Historical
(Already absorbed) Fourth of July

COMMUNITY SERVICE

Senior Citizens
Library
Arts

The obsolete accessibility Appeals Board would be eliminated.

Expansion of Participation:

The final two Commissions would then be consolidated to reflect the model but for a total of nine (9) member and two alternates with a four (4) member quorum to allow for expanded participation with a lower meeting cancellation threshold while reducing the support by staff members.”

ALTERNATIVES

1. Direct staff to return to the Council with Resolutions and Ordinance necessary to adopt the proposed policy and code changes reflected in this staff report.
2. Provide staff direction on changes to the proposed policies set forth in this report and to return to the Council with final documents, Resolutions and Ordinances required to adopt those changes.
3. Discuss the Council’s interest in considering potential consolidation of existing advisory boards and commissions.
4. Make no changes to current polices and procedures.

FISCAL IMPACT

With respect to the proposed Uniform Rules of Procedure and Operating Policy for Boards and Commissions, there are no fiscal impacts associated with these changes. With respect to any consolidation or elimination of boards and/or commissions, there could be a positive fiscal impact if a reduction in staff resources was associated with any revisions.

PREPARATION OF STAFF REPORT

Prepared By:
Paul Early,
Assistant City Attorney

Department Head Approval:
Steve Quintanilla
City Attorney

Concurred By:
Tom DeSantis,
Assistant City Manager

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

1. Exhibit A - Boards and Commissions Rules of Procedure
2. Exhibit B - Chapter 2.18 Revisions
3. Exhibit C - Current Boards and Commissions Policy
4. Exhibit E - Chapter 2.06 Revisions
5. Exhibit D - Operating Policy for Boards and Commissions
6. List of Boards and Commissions / Members-Terms

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>
City Attorney Approval	<u>✓ Approved</u>
City Manager Approval	<u>✓ Approved</u>

Attachment: City Attorney's April 12, 2016 Staff Report with Attachments (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

CITY OF MORENO VALLEY

RULES OF PROCEDURE FOR BOARDS AND COMMISSIONS

I. RULES OF ORDER, ORGANIZATION AND OFFICERS

A. RULES OF ORDER

Except as otherwise provided in these Rules of Procedure, "The Standard Code of Parliamentary Procedure 4th Edition," shall be used as a guide to the conduct of meetings of City Boards and Commissions. Except as may otherwise be provided by applicable law, no omission to conform to said rules of order shall in any instance be deemed to invalidate any action taken by and Board or Commission.

B. ORGANIZATION

All Boards and Commissions shall consist of regular and alternate members in the number prescribed by Ordinance of the City of Moreno Valley. Hereinafter, the term "Commission" or "Commissioner" shall be used to collectively to include "Board" and "Board Member".

C. OFFICERS

1. SELECTION

- a. A Chairperson and Vice-Chairperson shall be elected annually from among the Commission's membership at the first meeting in April, to serve at the pleasure of the Commission. The term of office for Chairperson and Vice-Chairperson shall be one (1) year. No person shall serve more than two consecutive terms as either Chairperson or Vice-Chairperson, however a commissioner may serve for two consecutive terms as Vice-Chairperson followed by two consecutive terms as Chairperson, or vice versa.
- b. If the Chairperson vacates his or her office before the term of office is completed, a new Chairperson shall be elected at the next regular meeting. A new Vice-Chairperson shall also be elected if the former Vice-Chairperson is elected Chairperson.
- c. In the absence of the Chairperson and Vice-Chairperson, any other member may call the Commission to order, whereupon a Chairperson pro tem shall be elected from the members present to preside. Alternate members shall not be eligible to serve as Chairperson or Vice-Chairperson.

2. RESPONSIBILITIES

The responsibilities and powers of the officers and staff of the Commission shall be as follows:

- a. Chairperson
 - 1) Preside at all meetings of the Commission.
 - 2) Call special meetings of the Commission in accordance with legal requirements and these Rules of Procedure.
 - 3) Sign documents of the Commission.
 - 4) See that all actions of the Commission are properly taken.
 - 5) Assist staff in determining agenda items.

- b. Vice-Chairperson

During the absence, disability or disqualification of the Chairperson, the Vice-Chairperson shall exercise or perform all the duties and be subject to all the responsibilities of the Chairperson.

- c. The City Manager shall assign staff who shall be responsible for providing the Commission with proposed minutes of its meetings, with proposed forms of resolutions when appropriate, with staff reports and recommendations on matters of business which come before the Commission and with proposed forms of recommendations and reports for the Commission.

D. POWERS AND DUTIES

The functions, powers and duties of the Planning Commission shall be all those functions, powers and duties of a Planning Commission and Board of Zoning Adjustment as provided in Chapters 3 and 4 of Title 7 commencing with Section 65100 of the Government Code of the State (the Planning and Zoning Law), as the same may be hereafter amended. The Planning Commission shall perform such other duties and functions as set forth by Ordinance of the City Council.

The functions, powers and duties of all other Commissions shall be as set forth by Ordinance of the City Council.

E. ETHICAL PROCESS AND PROCEDURE

1. Whenever after appointment, a Commissioner possesses or is likely to possess a financial interest in a project, approval, recommendation or other item which is pending or likely to be pending in the foreseeable future before the Commission, it is the duty of the Commissioner to disclose for the record the interest

and abstain from discussion and voting, as well as exercise a higher duty to abstain from discussion with any other Commissioner or staff concerning any matters relevant to the project, approval, recommendation or other item, wherein the Commissioner has a financial interest in the decision.

2. It is equally unethical and improper for such Commissioner to recommend to other individuals that they contact other Commissioners or staff with respect to any matter relevant to the project, approval, recommendation or other item.
3. Whenever a Commissioner discovers the existence of a possible conflict of interest and is unsure as to that situation, the Commissioner should consult with the City Attorney or the staff of the FPPC for clarification of his or her position. In the event a financial interest or likely financial interest exists in a project, approval, recommendation or other item, the record should so disclose and be available for review.
4. No Commissioner should continue to serve as a Commissioner if it appears likely that he or she will receive substantial financial gain (obtain a financial interest as defined in the FPPC) from a large number of Commission decisions on projects, approvals, recommendations or other items in a broad area of interest.
5. Nothing contained herein shall be construed to relieve a Commissioner of any duty imposed by State law or to change the law and regulations applicable to conflict and disclosure matters.
6. With respect to membership by a Commissioner in any other organization which may be incompatible with membership on the Commission on which they serve, the Commissioner should consider, to the extent recognized by law, any or all of the following, as may be applicable:
 - a. Withdrawal of membership from either the Commission or the organization.
 - b. Leave of absence from the conflicting organization.
 - c. Inactivity during Commission tenure.
 - d. Being a non-voting participant in the conflicting organization.
 - e. Being a non-office holder in the conflicting organization.

- f. Being a non-policy making member in the conflicting organization.
- g. Making no public statements within or about the organization.

F. FITNESS TO SERVE; STATEMENT OF PRIOR CONVERSATIONS

- 1. Any Commissioner who wishes to serve the City of Moreno Valley shall adhere to the goals, performance objectives, duties, responsibilities, ethical process and procedure, and public relations standards as herein listed.
- 2. Present Commissioners who wish to serve but cannot justifiably adhere to the contents of these Rules of Procedure must evaluate their fitness to serve.
- 3. Any Commissioner shall declare, prior to voting in the recorded minutes, whether or not they talked or otherwise communicated independently with the proponents, or with the opponents or with a representative of the proponents or opponents concerning a project, approval, recommendation or other item under consideration. Commissioners shall further publicly disclose the substance of any such communication.

G. ABSENCES AND VACANCIES

- 1. Permanent or long term Commissioner vacancies on Commissions for which the City Council has appointed alternate Commissioners shall be filled by alternate Commissioners in accordance with Ordinance 890 of the City of Moreno Valley.
- 2. Regular and alternate Commissioners should attempt to attend all meetings. In the event of an absence of a regular Commissioner for all, or any part of a meeting, and when alternate Commissioners have been appointed by the City Council, an alternate Commissioner who is present shall be seated to serve as a full voting member of the Commission. If alternate Commissioners are not available to serve or are disqualified from serving for any reason, the Commission shall continue with the remaining regular Commissioners as long as a quorum is present. The minutes shall reflect the attendance, seating and voting record of all regular and alternate Commissioners.
- 3. Alternate Commissioners shall be called on a rotational basis if available. Each meeting will have a Primary and Secondary alternate Commissioner, which assignment shall rotate every meeting. If there is more than one absence or vacancy, the secondary alternate Commissioner may also be called to serve. The service or non-service of one or both alternate Commissioners at any meeting shall not affect the rotational order for any future meeting. For the first meeting after any appointment, the rotational order shall be established in

alphabetical order by the last name of the Alternate Commissioner.

4. If a regular or alternate Commissioner is seated on the first day of any public hearing item, such Commissioner shall continue to be seated for that item until the completion of the vote on that item, without regard to the number of meeting dates the item is continued over. In the event of an absence on any subsequent hearing date, no new Commissioner shall be seated in the vacant seat. A regular or alternate Commissioner may fill a previously absent seat on a public hearing item only if he/she makes a statement on the record that he/she has attended all prior hearing dates, read all prior hearing transcripts, or listened to the recordings of all prior hearings on the item. If a Commissioner has not met the aforementioned requirements, they shall be declared ineligible to be seated on the Commission for that item. In no case shall two different Commissioners fill the same vacant seat on any single public hearing item.
5. Alternate members shall be deemed to be participating in a meeting if they are seated as a voting member for all, or any part, of a meeting.
6. Alternate Commissioners may participate in the discussion and debate of an agenda item only if seated as a voting Commissioner.

II. MEETINGS

A. PUBLIC MEETINGS

All meetings shall be held in full compliance with state law, ordinances of the City, and these Rules of Procedure.

B. REGULAR MEETINGS

1. Regular meetings of the Commission shall be held on the dates and times established by the City Council.
2. Whenever a regular meeting falls on a public holiday, no regular meeting shall be held on that day. Such regular meeting shall occur on the next business day, or cancelled by motion adopted by the Commission.

C. ADJOURNED MEETINGS

In the event it is determined by the Commission to adjourn its meeting to a certain hour on another day, a specific date, time, and place must be set by the Commission prior to the regular motion to adjourn, and the meeting so adjourned.

D. SPECIAL MEETINGS

Special meetings of the Commission may be held at any time upon the call of the Chairperson or by a majority of the voting members of the Commission or upon request of the City Council following at least 48 hours notice to each member of the Commission and to the press, and to each person who has duly requested notice of such meetings. The time and place of the special meeting shall be determined by the convening authority, except that the meeting place shall be within the corporate limits of the City. Only those matters of business described in the call and notice for a special meeting shall be considered by the Commission.

E. STUDY SESSIONS/WORKSHOPS

1. The Commission may be convened as a whole or as a committee of the whole in the same manner as prescribed for the calling of a special meeting for the purpose of holding a study session provided that no official action shall be taken and no quorum shall be required.
2. All study sessions shall be open to the public.

F. AGENDA

1. An agenda for each meeting of the Commission shall be prepared by the assigned staff member with the cooperation and approval of the Chairperson or in the absence of the Chairperson, by the Vice-Chairperson.
 - a. The Commission cannot guarantee that applicants meeting filing deadlines will be placed on the agenda of the first meeting thereafter.
 - b. A copy of the agenda for each meeting of the Commission shall be posted at City Hall seventy-two (72) hours prior to each regular meeting and at least twenty-four (24) hours prior to each special meeting of the Commission.

G. ORDER OF MEETINGS

1. Unless the Chairperson in his or her discretion otherwise directs, the order of business shall be as follows:
 - a. The Chairperson shall take the chair precisely at the hour appointed for the meeting and shall immediately call the Commission to order.
 - b. Members present and absent shall be recorded, including any alternate members. Alternate members shall be seated on the Commission, if necessary. If all regular Commissioners are present and no conflicts of interest have been announced or appear to be likely, the alternate members may be excused and review the video or transcript of the meeting in lieu of attendance.
 - c. Pledge of Allegiance shall be made.

- d. The agenda shall be approved as submitted or revised (to the extent permitted by law).
- e. The public shall be advised of the procedures to be followed in the meeting.
- f. The minutes of any preceding meeting shall be submitted for approval.
- g. Public comment shall be taken, during which any member of the audience may comment on any matter which is not listed on the agenda. A time limit of three minutes shall be imposed on each individual.
- h. The Commission shall then hear and act upon those proposals scheduled for consideration at public hearing, followed by such other matters of business and reports as the Commission or staff finds to require Commission consideration, and as may be properly considered at that time.
- i. No action shall be taken by the Commission during any regular meeting on any item not appearing on the posted agenda unless any of the following conditions apply:
 - 1) A majority of the Commission determines that an “emergency situation” exists.
 - 2) The Commission determines by a two-thirds vote, or by a unanimous vote if less than two-thirds of the members are present, that the “need to take action” on the item arose subsequent to the posting of the agenda, or
 - 3) The item was included in a properly posted agenda for a prior meeting occurring not more than five days prior to the date of the meeting at which the action is taken and was continued to the meeting at which the action is taken.
- j. At 11:00 p.m., or as soon thereafter as practicable, a Commissioner may make a motion to adjourn the meeting and continue any remaining items to a future date.
- k. Adjournment.

2. PRESENTATION OR HEARING OF PROPOSALS

The following shall be the order of procedure for public hearings or other proposals concerning planning and zoning matters, and for testimony, unless the Chairperson in his or her discretion shall otherwise direct.

- a. The Chairperson shall announce the subject of the public hearing or other proposals as advertised.
- b. If a request is made for continuance, a motion may be made, seconded and voted upon to continue the public hearing to a definite time, date and place. The Commission may elect to open the hearing and receive evidence prior to acting upon a request or motion to continue the matter.
- c. The staff shall be asked to present the substance of the application, staff report and recommendation, and to answer technical questions from the Commission.
- d. ORDER OF TESTIMONY
 - 1) Applicant's statement.
 - 2) Public comment.
 - 3) A rebuttal from the applicant.
 - 4) The Chairperson may allow further comments from opponents, proponents and applicant as deemed appropriate by the Chairperson.
 - 5) Public Hearing closed.
 - 6) The Commission shall then deliberate and either determine the matter or continue the matter to another date and time certain.
- e. RULES OF TESTIMONY
 - 1) Persons presenting testimony to the Commission are requested to give their name and address for the record.
 - 2) If there are numerous people in the audience who wish to participate on the issue, and it is known that all represent the same opinion, a spokesman should be selected to speak for the entire group, if possible. The spokesman will thus have the opportunity of speaking for a reasonable length of time and of presenting a complete case.
 - 3) To avoid unnecessary cumulative evidence, the Chairperson may limit the number of witnesses or the time of testimony on a particular issue.

- 4) Irrelevant and off-the-subject comments will be ruled out of order.
- 5) The Chairperson will not permit personal remarks regarding the staff or individual Commissioners during a Public Hearing. Complaints should be submitted in writing or presented verbally as a separate item on the agenda.
- 6) No person shall address the Commission without first securing the permission of the Chairperson to do so.
- 7) All comments shall be addressed to the Commission. All questions shall be placed through the Chair.

H. MOTIONS

1. Action upon an order, resolution or other action of the Commission may be proposed by any commissioner by a motion. Before a motion can be considered it must be seconded, at which time it shall be on the floor and must be considered. If not seconded, the motion is lost for lack of a second.
2. A motion to adjourn shall always be in order except during roll call.
3. The Chairperson of the Commission, or other presiding officer, may make and second motions and debate from the Chair subject only to such limitations of debate as are imposed on all members of the Commission. However, since the Chairperson is primarily responsible for the conduct of the meeting, if he or she personally desires to engage in extended debate on questions before the Commission, he or she should consider turning the Chair over to another Commissioner.

I. VOTING

1. VOTING REQUIREMENTS

- a. A majority of the regular Commissioners appointed to the Commission shall constitute a quorum. Alternate members shall not be counted in determining if a quorum is present. An affirmative vote of a majority of Commissioners present and voting (but not less than three votes) shall be required to carry a motion, unless a larger number of votes is required by applicable ordinance or other law.

- b. When a member of the Commission abstains from voting on any matter before it because of a potential conflict of interest, that member shall not be counted towards meeting any quorum requirement. Furthermore, said vote shall not constitute nor be considered as either a vote in favor of or opposition to the matter being considered. When a member of the Commission abstains from voting for any reason other than a potential conflict of interest, the abstention shall be counted with the majority.

2. RECORDING OF VOTES

The minutes of the Commissioner's proceedings shall show the vote of each member, including if they were absent or failed to vote on a matter considered.

3. DISQUALIFICATION FROM VOTING

A member shall disqualify himself or herself from voting in accordance with the applicable Conflict of Interest Code. When a person disqualifies himself or herself, he or she shall disclose the disqualification prior to Commission consideration of the matter, and the disqualified member shall then leave the voting area.

4. RECONSIDERATION

A motion for reconsideration of a matter may be made by any commissioner who voted with the prevailing majority on the matter to be reconsidered. Any commissioner may second a motion for reconsideration. If the matter under reconsideration was first considered under a public hearing, the public hearing shall be reopened before any additional evidence is considered. A motion for reconsideration must be made at the same meeting as the meeting where the matter was voted upon.

- J. The Chairperson or such other person who may be presiding at meetings of the Commission is responsible for the maintenance of order and decorum at all times. No person should speak who has not first been recognized by the Chair. All questions and remarks should be addressed to the Chair.
- K. Any Commissioner may move to require the Chairperson or person presiding at the meeting to enforce the rules, and the affirmative vote of a majority of the Commissioners present shall require him or her to so act.
- L. Commissioners shall accord the utmost courtesy to each other, to City employees, and to the public appearing before the Commission, and shall refrain at all times from rude and derogatory remarks, negative reflections as to integrity, abusive comments, and statements as to motive and personality.
- M. All written materials to be delivered to the Commission concerning its official business shall be delivered to the assigned staff person for

distribution. Staff is advised to distribute written materials concerning any matter on the agenda to the Commissioners at least seven days before the date of the meeting when the matter is to be considered by the Commission. If it is not reasonably possible to distribute the material at least seven days before the meeting when the matter is to be considered, the material may be distributed at the earliest possible time with a copy also distributed at the meeting.

- N. During Commission meetings, all written materials not already included in the materials which have been previously provided to the Commission and which are offered for consideration by the Commission, shall be distributed to the Commission. The Commission shall consider such written materials as reasonably possible at the time of the meeting.
- O. Failure to comply with the strict provisions of these rules shall not necessarily invalidate any action taken by the Commission.

Chapter 2.18 PLANNING COMMISSION

2.18.010 Created.

A. There is created a planning commission for the city. It shall consist of seven members who shall receive such compensation as may be established from time to time by resolution of the city council. In addition to the compensation hereinabove provided, each planning commissioner shall be reimbursed for actual out-of-pocket expenses incurred on commission business in accordance with the travel policy of the city and applicable law.

B. Initial terms of office of the members of the planning commission shall be set by lot, with four members serving terms expiring on January 1, 1989, and three members serving terms expiring on January 1, 1987. Thereafter, all terms shall be for four years and shall expire on March 31, four years after the effective date of the appointment, except those appointments made after the commencement of the term to fill a vacancy or removal, in which case, the term of office shall be for the balance of the unexpired term. Members of the planning commission may be removed pursuant to the provisions in Section 2.06.010(C) of this code and, as required by Section 2.06.010(D) of this code, all members of the planning commission shall be at the time of appointment to the commission and throughout their incumbencies, bona fide residents of the city. No member of the planning commission shall be at the time of appointment or during his or her incumbency, an employee of the city.

C. To appoint the initial planning commission, written applications submitted by candidates for the commission will be screened by a planning committee of the city council. For the first planning commission, the planning committee will select at least fourteen (14) applicants and refer these to the full city council. A seat shall be considered vacant upon the death of the incumbent, expiration of the term of the incumbent commissioner, upon acceptance by the city council of the resignation of a commissioner, upon his or her removal from office pursuant to Section 2.06.010(C) of this code, or upon removal of the incumbent's residence from the city.

D. The fourteen (14) or more applicants referred to the full city council for the initial planning commission will be interviewed publicly by the city council at a special meeting, and the council will then select seven candidates to serve as the first city planning commission. Selection by the council will be by majority vote, with the voting to be public.

E. Subsequent vacancies shall be filled in accordance with the Operating Policy for Boards and Commissions adopted by the Council ~~as follows: Applications submitted by candidates will be screened by the city council, which will again publicly interview the candidates and, by majority vote taken in public, will select a commissioner to fill the vacancy.~~

2.18.020 Chair—Committees—Staff.

Designation of chairpersons for the commission shall be in accordance with the Operating Policy for Boards and Commissions adopted by the Council governed by Section

~~2.06.020 of this code.~~ The commission shall be authorized to appoint and fix the membership of such number of standing and temporary committees as it may find expedient for the performance of its duties. The city manager may appoint an executive secretary and other staff and provide such compensation for their services as may be authorized by the city council and by the annual city budget of expenditures.

2.18.030 Meetings—Rules of procedure.

The commission shall ~~adopt~~ utilize the Uniform Rules of Procedure for Boards and Commissions approved by the Council rules for the transaction of business, shall keep a public record of its resolutions, transactions, findings, and determinations, and shall hold at least one regular meeting each month at a time, date and place designated by the commission. The commission may adopt additional rules of procedure not in conflict with the Uniform Rules of Procedure for Boards and Commission. Special meetings may be called by the chair or a majority of the commission, provided notice has been given to all members at least forty-eight (48) hours prior to the meeting. A majority of commissioners shall constitute a quorum. The original minutes of the planning commission shall be filed with the city clerk's department.

2.18.040 Functions, powers and duties.

The functions, powers and duties of the planning commission shall be all those functions, powers and duties of a planning commission and board of zoning adjustment as provided in Chapters 3 and 4 of Title 7 commencing with Section 65100 of the Government Code of the state (the Planning and Zoning Law), as the same may be hereafter amended. The planning commission shall perform such other duties and functions as may be designated by the city council.

2.18.050 Alternate members of the planning commission.

A. In addition to the seven regular members, the city council may, at its discretion, appoint two planning commission alternates who shall serve for a term of two years. The alternate members of the planning commission shall attend all regular and special meetings of the planning commission. If a regular member of the commission is absent for any reason from all or any part of a regular or special meeting of the planning commission, a sworn alternate member shall participate in such meeting during the period of absence. During such participation, the alternate member shall receive and exercise all rights and privileges of a regular member, including the right to vote on matters before the planning commission. Only when participating in a meeting shall the alternate member receive a stipend.

B. The alternates shall also be subject to the requirements of and shall abide by the Ralph M. Brown Act, the Political Reform Act and other laws applicable to the regular members of the planning commission.

~~C. The planning commission shall adopt such rules as are necessary to effectuate the purpose of this section.~~

OPERATING POLICY FOR BOARDS AND COMMISSIONS

ESTABLISHMENT: All advisory boards, commissions and committees shall be established by ordinance or resolution. Commissions may be established by resolution. The enabling document may establish the duration, manner of appointment, term of office, and powers and duties.

DEFINITIONS:**A. Legislative Body:**

- (1) The governing body of a local agency;
- (2) A commission, committee, board, or other body of a local agency, whether permanent or temporary, decision-making or advisory, created by ordinance, resolution, or formal action of a legislative body. [Advisory committees composed solely of the members of the legislative body which are less than a quorum of the legislative body are not legislative bodies], except that standing committees of a legislative body, irrespective of their composition, which have a continuing subject matter jurisdiction, or a meeting schedule fixed by ordinance, resolution, or formal action of a legislative body are legislative bodies for all purposes.

B. Board:

A body of members appointed by ordinance or resolution to serve in a continuing advisory capacity to the City Council.

C. Commission:

A body of members appointed by ordinance or resolution to serve in a continuing advisory capacity to the City Council and/or which may have decision-making authority pursuant to Government Code of the State of California and perform such other duties and functions as may be designated by the City Council.

D. Committee:

A body of members appointed by ordinance to serve on an ad-hoc basis to advise the City Council on particular matters.

E. Subcommittee/Standing Committee:

A body of members consisting of less than a quorum of a legislative body.

I. STAFF LIAISON

The City Manager may assign a staff liaison to provide staff assistance, as may be required, to each board and commission. The staff liaison aids the board or commission by communicating its concerns/requests to the Council liaison.

II. COUNCIL LIAISON

The Council may annually select a Council liaison to each board and commission. The Council liaison shall attend one meeting per annum of their respective appointment(s); further attendance shall be on an as-needed/requested basis. The Council Liaison, with the assistance of the Staff Liaison, provides a contact person for the Council to ask questions, receive clarification, or for Council to bring concerns to the board or

OPERATING POLICY FOR BOARDS AND COMMISSIONS

commission.

III. SERVICE LIMITATION

No person shall serve on more than one board or commission at any one time.

IV. DURATION OF TERMS

Members shall serve until their respective successors are appointed and qualified. The City Council shall have the power to fill any vacancies. Unless otherwise specified, terms of members of boards and commissions shall be for three (3) years.

V. ATTENDANCE

Any person appointed to any city board, commission, or committee shall automatically vacate the office upon being absent without advance permission from three (3) or 25% of the regular meetings in a fiscal year (July 1 through June 30), unless excused by advance permission. The appointing authority (City Council) shall appoint a successor to fill the vacancy.

VI. OPEN MEETINGS

All meetings of boards, commissions, committees and subcommittees serving in a continuing advisory capacity, or having a meeting schedule fixed by ordinance, resolution, or formal action of the legislative body shall be open to the public unless subject to the closed session exceptions contained in the Ralph M. Brown Act (G.C. section 54950, et seq.).

VII. RULES

Each board and commission may adopt such bylaws and rules as may be necessary or convenient for the conduct of its business, subject to approval of the City Council.

VIII. APPLICABILITY

These policies shall apply to all boards, commissions, committees and sub/standing committees, unless the Council by ordinance, resolution or minute order.

Chapter 2.06 BOARDS AND COMMISSIONS—GENERAL PROVISIONS

2.06.010 General rules regarding appointments, terms, vacancies.

A. Unless otherwise provided by law or by ordinance or resolution, all members of boards and commissions of the city shall be appointed and serve in accordance with the Operating Policy for Boards and Commissions adopted by the Council ~~by the mayor with the approval of the city council~~ for three-year terms commencing as of July 1st of the year of appointment; provided, that interim vacancies shall be filled by appointment to the specific unexpired term of the member replaced. This rule shall not apply to newly established boards or commissions, the initial appointments to which shall be made on a staggered-term basis, provided that the longest such term shall not exceed three years, commencing with the July 1st next following the appointment.

B. In addition to the regular members of any board or commission, the city council may, at its discretion, appoint two alternates who shall serve for the same term as regular members of the board or commission. The alternate board members or commissioners shall attend all regular and special meetings of the board or commission to which they are appointed. If a regular member of the board or commission is absent for any reason from all or any part of a regular or special meeting of the board or commission, a sworn alternate member shall participate in such meeting during the period of absence. During such participation, the alternate member shall receive and exercise all rights and privileges of a regular member, including the right to vote on matters before the board or commission. Only when participating in a meeting shall the alternate member receive a stipend if the board or commission so provides. ~~Unless otherwise provided by law, and notwithstanding that an ordinance or resolution establishing a board or commission may fail to so provide, then in addition to the number of members of a board or commission set forth in the enactment establishing such board or commission, the mayor may, with the approval of the city council and in his or her discretion, appoint one or more alternate members to each board or commission. During their incumbency as such, alternate members shall have no vote in the proceedings of the board or commission. In the event of one or more interim vacancies in a board or commission as declared by the city council, and subject to confirmation by the city council, alternate members to such board or commission shall assume the vacated seat or seats for the unexpired portion of the term of the member replaced.~~

C. Any member of a board or commission of this city may be removed from office at any time, with or without cause, by a majority vote of the city council, except in cases where the mayor or city council are not the appointing authority (in which cases such regular appointing authority may exercise this power of removal). If a member is absent without advance ~~permission of the board or commission or of the appointing authority, from three regular meetings or from~~ more than twenty-five (25) percent of the duly scheduled meetings of the board or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy.

D. Unless otherwise provided by law, or by ordinance or resolution of the city council, all members of any board or commission of the city appointed by the mayor and approved by the city council shall be at the inception of and throughout their incumbencies, bona

fide residents of the city. No member of a board or commission of the city shall be an employee of the city during such membership.

E. Unless otherwise specifically provided by the action establishing the body or appointing its initial members, no person shall be at the same time a member of more than one citizens advisory body created by ordinance or resolution of the city council.

~~2.06.020 Chairperson, vice chairperson—Selection.~~

~~A. Unless otherwise required by state law or by ordinance or resolution of the city council, and except as provided in subsection B of this section, each board and commission of the city shall annually at its first meeting held after June 30th, choose one of its number as chairperson and one as vice chairperson. Each chairperson and vice chairperson shall have authority and perform such duties as are commonly associated with their respective titles, and as may be specially prescribed by law or by the by-laws or other rules of the board or commission. Vacancies in either such position occurring prior to July 1st may be filled as in the first instance, and a new chairperson or vice chairperson may be chosen at any time by majority vote of all members of the board or commission.~~

~~B. The planning commission shall be subject to the provisions of subsection A of this section, except that annual selection of the chairperson and vice chairperson of the planning commission shall take place at its first meeting held after March 31st.~~

2.06.030 Board or commission meeting minutes.

Unless otherwise provided by law, or by ordinance or resolution, or unless by the very nature of a situation the provisions hereof are inapplicable, the minutes of all board or commission meetings shall be filed with, and maintained by, the respective liaison departments.

[Proposed] OPERATING POLICY FOR BOARDS AND COMMISSIONS

PURPOSE: The purpose of this policy is to outline those Council policies pertaining to the City's Boards and Commissions. This policy does not apply to ad-hoc committees.

POLICY:**I. Policy Statement**

A. Boards and commissions are created by the City Council for the following general purposes:

1. To recommend to City Council specific policy-related issues for possible Council study and action, and to provide a forum and opportunity for broad community participation in the identification and prioritization of those issues; and,

2. To advise City Council on specific policy issues Council has chosen to study, and to provide a forum and opportunity for broad community input on those issues.

B. Boards and commissions shall not involve themselves in administrative or operational matters or the implementation of Council policy, except as requested by Council.

II. Staff Liaison

The City Manager shall assign not less than one (1) staff liaison to provide staff assistance, as may be required, to each board and commission. The staff liaison aids the board or commission by communicating its concerns/requests to the Council liaison, preparing agenda, keeping minutes and providing administrative support for the board or commission.

III. Council Liaison

The Council may annually select a Council liaison to each board and commission. The Council liaison shall attend one meeting per annum of their respective appointment(s); further attendance shall be on an as needed/requested basis. The Council Liaison, with the assistance of the Staff Liaison, provides a contact person for the Council to ask questions, receive clarification, or for Council to bring concerns to the board or Commission.

IV. Meetings and Structure

A. Meeting locations for boards and commission shall be selected by staff according to the following guidelines:

1. Meeting rooms should be of a size adequate to allow for public participation.
2. Boards and commissions should meet in a location permitting recurring usage of that location to the greatest extent possible.

B. All meetings of boards, commissions, committees and subcommittees serving in a continuing advisory capacity, or having a meeting schedule fixed by ordinance, resolution, or formal action of the City Council shall be open to the public unless subject to the closed session exceptions contained in the Ralph M. Brown Act (California Government Code section 54950, et seq.).

Approved by: City Council
00/00/00

Revised: 00/00/00

[Proposed] OPERATING POLICY FOR BOARDS AND COMMISSIONS

C. All boards and commissions shall consist of a nine (9) member body with two (2) alternate members. A quorum for any meeting shall be four (4) regular members. Alternate members shall not be counted towards the quorum requirement. [Alternate language can change numbers].

V. Eligibility and Membership

Unless otherwise set forth in state law or the City's Municipal Code, the following eligibility requirements shall apply to all City boards and commissions.

A. No board or commission members shall hold any other paid office or employment in the City Government.

B. All persons appointed shall be registered and eligible voters of the City and shall maintain their principal place of residence within the City at the time of their appointment. If at any time during their term any member of a board or commission shall cease to be an elector of the City or shall cease to maintain their principal place of residence within the City, then such person shall become ineligible to continue to serve as a member of the board or commission and said position shall be declared vacant by the City Council.

C. No board or commission member shall have been convicted of a felony unless such conviction has been judicially set aside or ordered sealed pursuant to state law. Conviction of a felony during a term of office shall result in the automatic and immediate removal from office. [Alternate language could provide for specific listed offenses or provide time frames from past convictions].

D. No individual shall be eligible to serve on a City board or commission who has a spouse, household member living under the same roof, or designated relative (parent, step-parent, grandparent, child, sister, brother, niece, nephew, uncle, or aunt of the individual or of the individual's spouse), currently serving as a member of the City Council, or employed as the city manager, assistant city manager, city attorney, assistant city attorney, city clerk, department director or assistant director or equivalent for the City of Moreno Valley. [Alternative Language could include relationship with any City employee].

E. No member of any board or commission may serve on more than one board or commission at the same time.

F. Any person appointed to a board or commission shall be immediately eligible, upon the expiration of their term or resignation prior to completion of their term if appointed to a different board or commission, to serve on a different board or commission.

VI. Duration of Terms

Members shall serve until their respective successors are appointed and qualified. The City Council shall have the power to fill any vacancies. Unless otherwise specified, terms of members of boards and commissions shall be for three (3) years.

VII. Recruitment and Application

A. The City Council shall periodically consider appointments to its commissions, boards and committees, as deemed necessary by the City Clerk's review of upcoming or current vacancies due to the expiring terms or the resignation of members. The City Clerk shall advertise for applications to fill vacancies on commissions, boards and committees as required by State law.

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Revised: 00/00/00

[Proposed] OPERATING POLICY FOR BOARDS AND COMMISSIONS

B. All applicants, including incumbents, for a position on a City board or commission shall complete an application in the form provided by the City Clerk. Completed applications shall be forwarded to the City Council for review. Incomplete applications will be returned to the applicant as incomplete and will not be forwarded to the City Council for review. A single application form shall be used for all boards and commissions and shall be valid for up to one (1) year.

C. Applicants for consideration to any board or commission with responsibility over youth activities or that interact with, sponsor activities for, or work with with minors under the age of 18, shall submit to fingerprinting and background check clearance in the same manner as employees for the City.

D. Interviews of all eligible applicants for vacancies shall be conducted in a public meeting by the City Council within 30 days following any application deadline, or as close to that date as is possible to schedule. Interviews may be set for a special meeting with proper notice.

E. A decision regarding appointment of the applicants and/or incumbents shall be made at the next regular City Council meeting following the completion of interviews. Communication of the City Council's decision regarding appointments shall be made by the City Clerk to each applicant within one week of this meeting.

VIII. Appointment

A. Appointments shall be placed on the agenda for a regular City Council meeting.

B. The Mayor shall make a recommendation for appointment for each vacancy. The mayoral recommendation shall be called for a vote and if a majority of the Council vote in the affirmative, the mayoral recommendation shall be confirmed to the appointment. In the event, there is no majority approval for the mayoral recommendation; the Clerk shall call for a vote on the remaining applicants in a random order. The candidate receiving the most votes, but not less than a majority, shall be appointed. [Alternative processes can be considered but must include a public vote].

C. Should a tie between the candidates receiving the most votes occur, only the affected applicants will be voted on again.

IX. Responsibilities of Office

A. Each board or commission member, before entering upon the discharge of the duties of his/her office, shall take, subscribe to, and file with the City Clerk the Oath of Office.

B. Board and commission members that receive compensation for their positions must complete mandatory training pursuant to AB1234 in accordance with state law.

C. Board and commission members that do not receive compensation for their positions must complete ethics, conflict of interest and brown act training within 6 months of their appointment. An approved AB1234 training will meet this requirement. In addition, the City Attorney's office provides training opportunities that will meet this requirement.

X. Attendance

Members of each board and commission are expected to make every effort to attend all meetings and be present for the entire meeting. Members are allowed to miss no more than 25% of the meetings held in each twelve month period from the anniversary date of their appointment. Staff shall track attendance and report

Approved by: City Council
00/00/00
Revised: 00/00/00

[Proposed] OPERATING POLICY FOR BOARDS AND COMMISSIONS

to the Chair of the board or commission whenever a member is in danger of exceeding the 25% threshold. Staff shall notify the City Clerk in writing (with a copy to members of the City Council) of any member that is in violation of this policy. The City Clerk will then send a letter to the member indicating his/her non-conformance to this policy stating that with an additional absence in that same twelve month period, the member's position on the board or commission will be automatically vacated. If an additional absence occurs within that same twelve month period, the position shall be automatically vacated. The City Clerk shall notify the member, City Council and board or commission of the vacancy. [Alternative language could include excused/unexcused absences, thresholds different from 25% and more than one notice prior to vacation].

XI. Removal

Members of boards and commissions serve at the will of the City Council and may be removed at any time by a vote of at least three (3) council members at a public meeting. [Alternate/Additional language could require annual review by Council of all Commissioners].

Attachment: City Attorney's April 12, 2016 Staff Report with Attachments (2073 : REVIEW OF CITY BOARDS AND COMMISSIONS)

Approved by: City Council
00/00/00
Revised: 00/00/00

ACCESSIBILITY APPEALS BOARD

The Accessibility Appeals Board shall conduct hearings on written appeals regarding Title 24 accessibility issues brought by any person aggrieved by enforcement action taken by the Building Division of the Community Development Department of the City of Moreno Valley, and render decisions regarding accessibility “hardship” cases as prescribed by the State’s Title 24 Accessibility Regulations. Hearings shall be held within 30 days of receipt of an appeal.

Consists of five (5) members; has no vacancies

Mary McBean, RN Physically Challenged Representative	Term expires 6/30/16
Lawrence Baird Physically Challenged Representative	Term expires 6/30/16
Jeffrey M. Barnes Construction Representative	Term expires 6/30/17
Toya Vick Construction Representative	Term expires 6/30/17
Arlen Henry Gaynor Public Representative	Term expires 6/30/18

ARTS COMMISSION

The Arts Commission considers matters pertaining to, but not limited to, the planning for the arts in the City; facilitating interaction among artists, promoting arts activities and education, and researching possible sources of funding, in addition to public funds, for potential City public art projects.

Consists of seven (7) members + two (2) teen members; has no vacancies

Eric von Mizener	Term expires 6/30/16
Leonardo Gonzalez	Term expires 6/30/17
Debby Johnson, Chairperson	Term expires 6/30/17
Natalie Mann	Term expires 6/30/17
Constance "Saf"i Jiroh	Term expires 6/30/18
Stephen "Steve" Heaton, Vice Chairperson	Term expires 6/30/18
Christopher Baca	Term expires 6/30/18
Christophe Johnson	Term - <i>three years after the effective date of appointment, or until high school graduation, whichever comes first</i>
Teen Member	
Ian McPherson	Term - <i>three years after the effective date of appointment, or until high school graduation, whichever comes first</i>
Teen Member	

ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD

The Environmental and Historical Preservation Board considers matters pertaining to the preservation of the City's heritage and cultures, including the designation of landmarks and review of all restoration, rehabilitation, alteration and demolition projects in preservation areas; and matters of environmental concern, including matters pertaining to hazardous materials and waste within or affecting the City.

Consists of seven (7) members; has no vacancies

Jan Beyers, Vice Chairperson	Term expires 6/30/16
M. Naeem Qureshi	Term expires 6/30/16
Arlen Henry Gaynor	Term expires 6/30/16
Geraldo Mercado	Term expires 6/30/17
Gerald M. Budlong, Chairperson	Term expires 6/30/17
Keith Mullins	Term expires 6/30/18
Nanci Gomez	Term expires 6/30/18

LIBRARY COMMISSION

The Library Commission considers matters pertaining to the administration, operation, development, improvement and maintenance of library services within the City.

Consists of seven (7) members; has no vacancies

David Namazi, Chairperson	Term expires 6/30/16
Elena Santa Cruz	Term expires 6/30/16
Mona Lisa Stallworth	Term expires 6/30/17
Sharon B. Clements, Vice Chairperson	Term expires 6/30/17
Melissa Clark	Term expires 6/30/17
Norberto Robert Perez	Term expires 6/30/18
Karen Singleton	Term expires 6/30/18

PARKS AND RECREATION COMMISSION

The Parks and Recreation Commission considers matters pertaining to the administration, operation, development, improvement and maintenance of parks, recreation facilities, and parks and recreation programs within the City.

Consists of seven (7) members + two (2) teen members; has no vacancies

Virgil L. Chancy, Vice Chairperson	Term expires 6/30/16
Juanita Barnes	Term expires 6/30/16
James C. Baker II, Chairperson	Term expires 6/30/16
Andre Gutierrez <i>Teen Member</i>	Term expires 1/27/19 <i>or until high school graduation</i>
Bill Alvarez	Term expires 6/30/17
Saifu R. Osmani	Term expires 6/30/17
Stephanie Torres <i>Teen Member</i>	Term expires 9/23/17, <i>or until high school graduation, whichever comes first</i>
Jonneshia C. Bright	Term expires 6/30/18
Linda Joyce Echols	Term expires 6/30/18

RECREATIONAL TRAILS BOARD

The Recreational Trails Board considers matters pertaining to single-use and multi-use recreational trails, including bicycle, jogging and equestrian trails within or affecting the City

Consists of nine (9) members; has two (2) vacancies

Sarah Martinez	Term expires 6/30/16
Kim M. Nelson	Term expires 6/30/16
John Menke	Term expires 6/30/16
Margie Breitzkreuz	Term expires 6/30/17
Gilbert Brooks , Chairperson	Term expires 6/30/17
VACANT	Term expires 6/30/17
Brenda Y. Jackson, Vice-Chairperson	Term expires 6/30/18
VACANT	Term expires 6/30/18
Vivian Joneswhy-Brock	Term expires 6/30/18

PLANNING COMMISSION

The Planning Commission considers matters pertaining to development and zoning within the City and has decision-making authority pursuant to the Government Code of the State of California.

Consists of seven (7) members + two (2) alternates; no vacancies

Mary E. "Meli" Van Natta	Term expires 3/31/17
Ray L. Baker	Term expires 3/31/17
Carlos Ramirez	Term expires 3/31/17
Brian R. Lowell, Chairperson	Term expires 3/31/17
Jeffrey Barnes	Term expires 3/31/19
Jeffrey D. Sims, Vice Chairperson	Term expires 3/31/19
Patricia Korzec	Term expires 3/31/19
ALTERNATES	
Erlan Gonzalez	
Lori Nickel	

SENIOR CITIZENS' BOARD

The Senior Citizens' Board considers matters pertaining to senior citizens, senior citizens programs, including policies for the Moreno Valley Senior Community Center.

Consists of nine (9) members; has no vacancies

Miguel Arciniega	Term expires 6/30/16
Mary E. McBean	Term expires 6/30/16
Robert Palomarez	Term expires 6/30/16
Delorise Anderson	Term expires 6/30/17
Vonzetta Fielding, Chair	Term expires 6/30/17
Delanna Townsend	Term expires 6/30/17
Cleveland Johnson	Term expires 6/30/18
Robert Snyder, Vice Chair	Term expires 6/30/18
Sara W. Anderson	Term expires 6/30/18

TRAFFIC SAFETY COMMISSION

The Traffic Safety Commission considers matters pertaining to traffic safety within the City; evaluates proposals for traffic control devices; and evaluates the need for striping, signing or other measures not of a regulatory nature. The Commission educates the public on traffic issues and responds to public concerns regarding traffic and pedestrian safety.

Consists of seven (7) members; has vacancies on representatives of outside agencies

VACANT MV-PTA Council Representative	Term expires 6/30/16
Shor Denny, Vice Chairperson	Term expires 6/30/16
Frank A. Wright	Term expires 6/30/16
Corey A. Jackson	Term expires 6/30/17
James P. Kelly	Term expires 6/30/17
Darlene Moore	Term expires 6/30/17
Carla Thornton	Term expires 6/30/18
Michael J. Riiff, Chairperson	Term expires 6/30/18
VACANT VVUSD-PTO	Term expires 6/30/18
Jason Songer MVUSD Representative	Term waived
VACANT VVUSD Representative	Term waived
Vacant Automobile Club of Southern California Representative	Term waived
Vacant California Department of Transportation Representative	Term waived
Vacant MVUSD Student Representative	Term waived
Vacant VVUSD Student Representative	Term waived

UTILITIES COMMISSION

The Utilities Commission has the general power and duty to act in an advisory capacity to the city council and staff in all matters pertaining to Moreno Valley Utility, pertaining to other utility services such as water, sewer, gas, and the investor-owned electric utility serving parts of the city; review the budget for the Moreno Valley Utility during the process of its preparation and make recommendations with respect thereto to the City Council, review and make recommendations on all MVU capital improvements which require City Council approval, review and make recommendations to the City Council regarding rates for Moreno Valley Utility, and respond to requests and concerns of the public relating to utility issues.

Consists of five (5) members; has one (1) vacancy

Misty V. Cheng, Chairperson Customer of Moreno Valley Utility	Term expires 6/30/16
VACANT Business Customer of Moreno Valley Utility	Term expires 6/30/16
Roy Bleckert Public Member	Term expires 6/30/17
Larry E. Denman Customer of Moreno Valley Utility	Term expires 6/30/17
Oscar A. Alvarez Customer of Moreno Valley Utility	Term expires 6/30/18



Report to City Council

TO: Mayor and City Council

FROM: Leslie Keane, Interim City Clerk

AGENDA DATE: May 17, 2016

TITLE: CITY COUNCIL SUMMER RECESS

RECOMMENDED ACTION

Recommendation:

1. Discuss and provide staff with direction regarding a 2016 City Council Summer Recess.

SUMMARY

Traditionally, the City Council goes dark from mid-July through mid-August, and meetings during this period are cancelled. If, for example, the Council were to begin its recess following the July 12th study session and return for the August 16th regular meeting, two regular meetings (July 19th and August 2nd) and one study session (August 9th) would be cancelled.

A calendar of meetings currently scheduled in July and August is attached.

ALTERNATIVES

1. Schedule a summer recess and cancel appropriate regular and study session meetings.
2. Do not schedule a summer recess and hold all scheduled meetings.

FISCAL IMPACT

N/A

PREPARATION OF STAFF REPORT

Prepared By:

Department Head Approval:

Leslie Keane
Interim City Clerk

Leslie Keane
Interim City Clerk

CITY COUNCIL GOALS

None

ATTACHMENTS

- 1. 2016 July and August City Council Calendar

APPROVALS


Budget Officer Approval	<u>✓ Approved</u>	5/02/16 9:57 AM
City Attorney Approval	<u>✓ Approved</u>	5/02/16 2:03 PM
City Manager Approval	<u>✓ Approved</u>	5/03/16 9:12 AM


2016

City of Moreno Valley

JULY						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

AUGUST						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

 Council Meeting

 Study Session

 Holidays