



**City Council
Successor Redevelopment Agency
Financing Authority
Housing Authority**

AGENDA

Wednesday

Regular

**Closed Session 5:00 p.m.
Regular Session 6:00 p.m.**

May 4, 2016

**City Hall
100 West California Avenue
Ridgecrest CA 93555**

(760) 499-5000

**Peggy Breeden, Mayor
James Sanders, Mayor Pro Tempore
Lori Acton, Vice Mayor
Eddie B. Thomas, Council Member
Mike Mower, Council Member**

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CITY OF RIDGECREST
Telephone 760 499-5000
FAX 499-1500

100 West California Avenue, Ridgecrest, California 93555-4054

**NOTICE AND CALL OF SPECIAL CLOSED SESSION MEETING OF THE
RIDGECREST CITY COUNCIL / SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AGENCY**

**TO THE MEMBERS OF THE RIDGECREST CITY COUNCIL / SUCCESSOR REDEVELOPMENT
AGENCY/FINANCING AUTHORITY / HOUSING AGENCY AND CITY CLERK:**

PUBLIC NOTICE that a **SPECIAL CLOSED SESSION MEETING** of the Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Agency is hereby called to be held on **Wednesday, May 4, 2016, at 5:00 p.m.**, in the **Council Chambers Conference Room**, 100 W. California Avenue, Ridgecrest, California.

Said **SPECIAL CLOSED SESSION MEETING** shall be for the purpose of:

- | | |
|-------------------|---|
| GC54956.9 (d) (4) | Conference With Legal Counsel – Potential Litigation – Public Disclosure Of Potential Litigant Would Prejudice The City Of Ridgecrest |
| GC54956.8 | Local Agency Real Property Negotiations – Negotiations For Lease Or Purchase – Leroy Jackson Park – Agency Negotiators Dennis Speer, City Manager And Jason Patin, Recreation Supervisor |
| GC54956.8 | Local Agency Real Property Negotiations – Negotiation For Sale – Ridgecrest Business Park Lot Nos. 1, 2, 3, 28, 29, 30, 31, 32, 33, 34, 35, And 36 – Agency Negotiators Economic Development Program Manager Gary Parsons And City Manager Dennis Speer |

Dated: April 28, 2016

Peggy Breeden, Mayor / Chair

PUBLIC NOTICE that a **SPECIAL CLOSED SESSION MEETING** of the Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Agency is hereby called to be held on **Wednesday, May 4, 2016, at 5:00 p.m.**, in the **Council Chambers Conference Room**, 100 W. California Avenue, Ridgecrest, California.

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Dated: April 28, 2016

Rachel J. Ford, CMC, City Clerk

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LAST ORDINANCE NO. 16-01
LAST RESOLUTION CITY COUNCIL NO. 16-45

CITY OF RIDGECREST

CITY COUNCIL REDEVELOPMENT SUCCESSOR AGENCY HOUSING AUTHORITY FINANCING AUTHORITY

AGENDA

Regular Council
Wednesday May 4, 2016

CITY COUNCIL CHAMBERS CITY HALL

100 West California Avenue
Ridgecrest, CA 93555

Closed Session – 5:00 p.m.
Regular Session – 6:00 p.m.

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the City Clerk (499-5002) five working days in advance of the meeting.

In compliance with SB 343. City Council Agenda and corresponding writings of open session items are available for public inspection at the following locations:

1. City of Ridgecrest City Hall, 100 W. California Ave., Ridgecrest, CA 93555
2. Kern County Library – Ridgecrest Branch, 131 E. Las Flores Avenue, Ridgecrest, CA 93555
3. City of Ridgecrest official website at <http://ci.ridgecrest.ca.us>

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

PUBLIC COMMENT – CLOSED SESSION

CLOSED SESSION

- GC54956.9 (d) (4) Conference With Legal Counsel – Potential Litigation – Public Disclosure Of Potential Litigant Would Prejudice The City Of Ridgecrest
- GC54956.8 Local Agency Real Property Negotiations – Negotiations For Lease Or Purchase – Leroy Jackson Park – Agency Negotiators Dennis Speer, City Manager And Jason Patin, Recreation Supervisor
- GC54956.8 Local Agency Real Property Negotiations – Negotiation For Sale – Ridgecrest Business Park Lot Nos. 1, 2, 3, 28, 29, 30, 31, 32, 33, 34, 35, And 36 – Agency Negotiators Economic Development Program Manager Gary Parsons And City Manager Dennis Speer

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
- Other

PRESENTATIONS

1. Presentation Of Mayor Awards To Youth Advisory Committee Recipients
Council
2. Presentation Of A Proclamation Recognizing National Police Week – May 15-21, 2016
Council
3. Presentation Of The Budget Strategy Process For Fiscal Year 2016-2017
Speer

PUBLIC COMMENT

COUNCIL ANNOUNCEMENTS

CONSENT CALENDAR

4. Proposed Action To Approve Renewing The Landscape And Lighting District 2012-1 Resolutions: (1) Initiating Proceedings For The Levy And Collection Of Assessments For Landscaping And Lighting District No. 2012-1, Fiscal Year 2016/2017; And (2) Accepts And Approves The Engineer's Report; And (3) Declaring Its Intention To Levy And Collect Assessments For The Landscaping And Lighting District No. 2012-1 For Fiscal Year 2016/2017, And Sets The Time And Place For The Public Hearing Speer
5. Proposed Action Approving A Resolution Of The Ridgecrest City Council Adopting And Reaffirming The City's Annual Statement Of Investments And Delegating The Authority To Make Such Investments To The City Treasurer Staheli
6. Proposed Action Approving A Resolution Of The Ridgecrest City Council Calling And Giving Notice Of The Holding Of A General Municipal Election To Be Held On Tuesday November 8, 2016 For The Election Of Certain Officers As Required By The Provisions Of The Laws Of The State Of California Relating To General Law Cities Ford
7. Proposed Action Approving A Resolution Of The Ridgecrest City Council Requesting The Board Of Supervisors Of The County Of Kern To Render Specified Services To The City Relating To The Conduct Of A General Municipal Election To Be Held On Tuesday, November 8, 2016 Ford
8. Proposed Action Approving Draft Minutes Of The City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Meeting Dated April 20, 2016 Ford

DISCUSSION ITEM

9. Continued Discussion And Response To Questions Raised At The April 27, 2016 Town Hall Meeting Regarding The Proposed Timbisha Shoshone Tribe Development Project Breeden

COMMITTEE REPORTS

(Committee Meeting dates are subject to change and will be announced on the City website)

City Organization and Services Committee

Members: Lori Acton; Mike Mower
Meeting: 4th Wednesday each month at 5:00 p.m. as needed
Location: Council Conference Room B

Infrastructure Committee

Members: Jim Sanders; Mike Mower
Meeting: 4th Thursday each month at 5:00 p.m. as needed
Location: Council Conference Room B

❖ **Ad Hoc Water Conservation Committee**

Members: Jim Sanders; Peggy Breeden
Meeting: 1st Monday each month at 5:00 p.m. as needed
Location: Conference Room B

Parks, Recreation, and Quality of Life Committee

Members: Eddie Thomas; Lori Acton
Meeting: 1st Tuesday each month at 12:00 p.m. as needed
Location: Kerr-McGee Center Meeting Rooms

❖ **Ad Hoc Youth Advisory Council**

Members: Eddie Thomas
Meeting: 2nd Wednesday of each month, 12:00 p.m. as needed
Location: Kerr-McGee Center Meeting Rooms

Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)

Members: Eddie Thomas; Lori Acton
Meeting: Biannually the 3rd Tuesday of the month at 4:00 p.m. as needed
Location: Kerr McGee Center Meeting Rooms

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Lori Acton and Eddie Thomas
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: To Be Announced

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

CITY MANAGER REPORT

MAYOR AND COUNCIL COMMENTS

ADJOURNMENT

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT:

Presentation of Mayor Awards to participants of the Youth Advisory Committee

PRESENTED BY:

Peggy Breeden – Mayor

SUMMARY:

Mayor Breeden and Council will present awards honoring and recognizing recipients for their valuable participation and contributions to the Youth Advisory Committee.

Recipients:

- ❖ Madeline May
- ❖ Katrina Tamez
- ❖ Hailey Weik
- ❖ Aileen Ponce
- ❖ Subber Dhillon
- ❖ Monica Floyd
- ❖ Omer Dhar
- ❖ Camynn McGrew
- ❖ Breana Davis

FISCAL IMPACT:

None

Reviewed by Finance Director

ACTION REQUESTED:

Presentation of Awards

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

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**A Proclamation of
The City Of Ridgecrest, California**

**RIDGECREST HONORS NATIONAL POLICE WEEK
MAY 15-21, 2016**

WHEREAS, the members of the Ridgecrest Police Department play an essential role in safeguarding the rights and freedoms of the City of Ridgecrest; and

WHEREAS, it is important that all citizens know and understand the duties, responsibilities, hazards, and sacrifices of their law enforcement agency, and that members of our law enforcement agency recognize their duty to serve the people of the community by safeguarding life and property, by protecting them against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

WHEREAS, the men and women of the Ridgecrest Police Department unceasingly provide a vital public service

NOW THEREFORE BE IT PROCLAIMED, The Mayor and Council of the City of Ridgecrest, do hereby proclaim May 15th through May 21st 2016, as "Police Week" in the City of Ridgecrest in honor of the law enforcement officers, past and present, who have rendered a dedicated service to the community, and do further proclaim May 15, 2016, as "Peace Officers' Memorial Day" in honor of those law enforcement officers who through their courageous deeds, have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty.

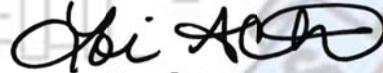
Proclaimed this 20th Day of April 2016



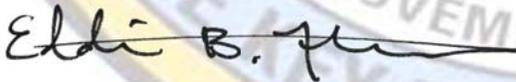
Peggy Breeden, Mayor



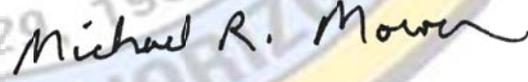
**James Sanders
Mayor Pro Tem**



**Lori Acton
Vice Mayor**



**Eddie B. Thomas
Council Member**



**Mike Mower
Council Member**

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT:

Discussion of Budget Status and Strategy for Fiscal Budget Year 2016-2017.

PRESENTED BY:

Dennis Speer, City Manager

SUMMARY:

In preparation for the budget hearings, staff will present a review of the budget status and strategy that provides perspective, procedure, principles, progress, and preliminary priorities for the fiscal year 2016-2017 budget.

The purpose of the Budget Status and Strategy Meeting is to –

- discuss the budget process,
- delineate focus parameters,
- create priority criteria,
- establish a budget development plan, and
- identify potential budget strategies

This is an informational item.

FISCAL IMPACT: Undetermined

Reviewed by Finance Director

ACTION REQUESTED:

Discussion and Direction to staff.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Dennis Speer
(Rev. 02/13/12)

Action Date: May 4, 2016

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**CITY COUNCIL /SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUORITY AGENDA ITEM**

SUBJECT: Adoption of Resolutions (1) initiating proceedings for the levy and collection of assessments for Landscaping And Lighting District No. 2012-1, fiscal year 2016/2017; and (2) accepting and approving the engineer's report; and (3) declaring its intention to levy and collect assessments for the Landscaping and Lighting District No. 2012-1 for fiscal year 2016/2017, and sets the time and place for the public hearing.

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

The City of Ridgecrest formed a Landscaping and Lighting District No. 2012-1 ("District") to pay for the ongoing maintenance, operation and servicing of the local streetscape landscaping and street lighting improvements established in connection with development of the properties within the residential subdivision of Oriole Homes Inc. which is generally located on the west side of College Heights Boulevard, just north of Kendall Avenue. The District includes sixty-seven (67) single-family residential properties, associated public right-of-ways and easements as identified on the approved tract map for Tract No. 6740.

The formation of the District will allow for the levy and collection of annual assessments for fiscal year 2016/2017 on the County tax rolls. The annual assessments provide funding for the costs and expenses required to service and maintain the landscaping and lighting improvements associated with and resulting from the development of properties within the District. However, to levy such assessments, the City must conduct a public hearing.

Staff recommends that the City adopt Resolutions (1) initiating proceedings for the levy and collection of assessments for Landscaping And Lighting District No. 2012-1, fiscal year 2016/2017; and (2) accepting and approving the engineer's report; and (3) declaring its intention to levy and collect assessments for the landscaping and Lighting District No. 2012-1 for fiscal year 2016/2017.

Staff also recommends that the City Council directs the City Clerk to notice the Public Hearing ten (10) days prior to June 1, 2016 at 6:00 pm. A copy of the notice has been provided.

FISCAL IMPACT: 4100.00 for Engineer's Report to Willdan Engineering

ACTION REQUESTED:

- 1.) Adopt the resolution to Initiate Proceedings for Levy and Collection of Assessment
- 2.) Adopt the resolution of the Engineers Report
- 3.) Adopt the resolution that Initiates the Levy and Collection of Taxes with the Kern Kern County Assessor's Office.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Karen Harker

Action Date: May 4, 2016

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RESOLUTION NO. 16-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST, CALIFORNIA INITIATING PROCEEDINGS FOR THE LEVY AND COLLECTION OF ASSESSMENTS FOR LANDSCAPING AND LIGHTING DISTRICT NO. 2012-1, FISCAL YEAR 2016/2017, PURSUANT TO THE PROVISIONS OF PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE

The City Council of the City of Ridgecrest (hereafter referred to as the "City Council") does resolve as follows:

WHEREAS, The City Council by previous Resolutions formed and levied annual assessments for the Landscaping and Lighting District No. 2012-1 (hereafter referred to as the "District"), pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with section 22500) (hereafter referred to as the "Act"); and,

WHEREAS, the Act provides the City Council the authority to annually levy and collect assessment for the District on the Kern County tax roll on behalf of the City of Ridgecrest to pay the maintenance and services of the improvements and facilities related thereto; and,

WHEREAS, the City Council has retained Willdan Financial Services for the purpose of assisting with the Annual Levy of the District, to prepare and file an Engineer's Annual Levy Report (hereafter referred to as the "Engineer's Report") with the City Clerk in accordance with the Act.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, PURSUANT TO CHAPTER 3, SECTION 22624 OF THE ACT, AS FOLLOWS:

Section 1: The above recitals are true and correct.

Section 2: The City Council hereby orders Willdan Financial Services to prepare and file with the City Clerk the preliminary Engineer's Report concerning the levy of assessments for the District for the fiscal year commencing July 1, 2016, and ending June 30, 2017, in accordance with Chapter 3, Section 22622 of the Act.

Section 3: The proposed improvements within the District include: turf, ground cover, shrubs and plants, natural vegetation, trees, irrigation and drainage systems, masonry walls or other fencing, hardscapes, monuments, and associated appurtenant facilities located in the public right-of-ways or landscape easements on the perimeter of Tract No. 6740 that have been dedicated to the City for maintenance. Lighting improvements may include, but are not limited to, electrical energy, lighting fixtures, poles, meters, conduits, electrical cable and associated appurtenances with said improvements. The preliminary Engineer's Report describes the improvements and any substantial changes in existing improvements.

Section 4: Assessments: The City Council hereby determines that to provide the improvements generally described in Section 3 of this resolution and to be detailed in the Engineer's Report, it is necessary to levy and collect assessments against lots and parcels within the District for fiscal year 2016/2017 and said assessments shall be outlined and described in the preliminary Engineer's Report and imposed pursuant to the provisions of the Act and the California Constitution Article XIID.

PASSED, APPROVED, AND ADOPTED this 4th day of May, 2016.

Peggy Breeden,
Mayor of the City of Ridgecrest, California

ATTEST:

Rachel J. Ford, CMC
City Clerk of the City of Ridgecrest, California

I hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Ridgecrest at a regular meeting thereof held on May 4, 2016.

Rachel J. Ford, CMC
City Clerk of the City of Ridgecrest, California

Ayes:

Noes:

Absent:

Abstained:

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RESOLUTION NO. 16-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST, CALIFORNIA FOR PRELIMINARY APPROVAL OF THE ENGINEER'S REPORT REGARDING THE PROPOSED LEVY AND COLLECTION OF ASSESSMENTS FOR THE LANDSCAPING AND LIGHTING DISTRICT NO. 2012-1, FISCAL YEAR 2016/2017

The City Council of the City of Ridgecrest (hereafter referred to as the "City Council") does resolve as follows:

WHEREAS, this City Council pursuant to provisions of the Landscaping and Lighting Act of 1972 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code (hereafter referred to as the "Act") did by previous Resolution, order the preparation of an Engineer's Annual Levy Report (hereafter referred to as the "Engineer's Report") for the District known and designated as the Landscaping and Lighting District No. 2012-1 (hereafter referred to as the "District") for fiscal year 2016/2017; and,

WHEREAS, The City Council pursuant to provisions of the Act proposes to levy and collect assessments against lots and parcels of land within Tract 6740 of the District for the fiscal year 2016/2017, to pay the maintenance, servicing and operation of the improvements related thereto, and

WHEREAS, there has now been presented to this City Council the preliminary Engineer's Report as required by Chapter 3, Section 22623 of said Act; and,

WHEREAS, this City Council has examined and reviewed the preliminary Engineer's Report as presented. This City Council is preliminarily satisfied with the budget items and documents as set forth therein and is satisfied that the levy amounts have been spread in accordance with the special benefit received from the improvements, operation, maintenance and services to be performed within the District, as set forth in said Report.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:

Section 1: That the above recitals are true and correct.

Section 2: That the "Engineer's Report" as presented, consists of the following:

- a) A Description of Improvements.
- b) The Annual Budget (Costs and Expenses of Services, Operations and Maintenance).
- c) A diagram of the District that identifies the parcels within the District.
- d) The District Roll containing the proposed levy of assessments for each Assessor Parcel within the District for fiscal year 2016/2017.

Section 3: The "Engineer's Report" as presented or as amended is hereby approved on a preliminary basis, and ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection.

Section 4: That the City Clerk shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the presentation of the Report.

PASSED, APPROVED, AND ADOPTED this this 4th day of May, 2016.

Peggy Breeden,
Mayor of the City of Ridgecrest, California

ATTEST:

Rachel J. Ford, CMC
City Clerk of the City of Ridgecrest, California

I hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Ridgecrest at a regular meeting thereof held on May 4, 2016.

Rachel J. Ford, CMC
City Clerk of the City of Ridgecrest, California

Ayes:

Noes:

Absent:

Abstained:

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RESOLUTION NO.16-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST, CALIFORNIA DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR THE LANDSCAPING AND LIGHTING DISTRICT NO. 2012-1 FOR FISCAL YEAR 2016/2017

The City Council of the City of Ridgecrest (hereafter referred to as the "City Council") does resolve as follows:

WHEREAS, The City Council has by previous Resolution initiated proceedings for fiscal year 2016/2017 regarding the levy and collection of assessments for the Landscaping and Lighting District No. 2012-1 (hereafter referred to as the "District"). Pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with section 22500) (hereafter referred to as the "Act"), assessments for the District shall be levied and collected by the County of Kern for the City of Ridgecrest to pay the maintenance and services of the improvements and facilities related thereto; and,

WHEREAS, the proposed District assessments for fiscal year 2016/2017 are less than or equal to the maximum assessments previously approved in accordance with the requirements of the California Constitution, Article XIID; and,

WHEREAS, there has now been presented to this City Council a preliminary Engineer's Annual Levy Report (hereafter referred to as the "Engineer's Report"), and said preliminary Engineer's Report has been filed with the City Clerk in accordance with the Act; and,

WHEREAS, the City Council has examined and reviewed the Engineer's Report as presented and is satisfied with the District, the budget items and documents as set forth therein and is satisfied that the proposed assessments contained therein, have been spread in accordance with the benefits received from the improvements, operation, maintenance and services to be performed within the District, as set forth in said Report.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, PURSUANT TO CHAPTER 3, SECTION 22624 OF THE ACT, AS FOLLOWS:

Section 1: The above recitals are true and correct.

Section 2: The City Council hereby declares its intention to seek the annual levy and collection of assessments within the District pursuant to the Act, over and including the lands, lots and parcels within the District boundary. The City Council further declares its intention to levy and collect assessments on such land to pay the annual costs and expenses of the improvements and

services described in Section 4 of this Resolution, for fiscal year 2016/2017.

- Section 3: The boundaries of the District are described in the Engineer's Report and are consistent with the boundary established and described in the original formation documents, on file with the City Clerk, and incorporated herein by reference. The District is within the boundaries of the City of Ridgecrest, within the County of Kern, State of California and includes the territory known as the Landscaping and Lighting District No. 2012-1.
- Section 4: The improvements within the District include: turf, ground cover, shrubs and plants, natural vegetation, trees, irrigation and drainage systems, masonry walls or other fencing, hardscapes, monuments, and associated appurtenant facilities located in the public right-of-ways or landscape easements on the perimeter of Tract No. 6740 that have been dedicated to the City for maintenance. Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, landscaping and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping or appurtenant facilities; providing for the satisfactory working condition, life, growth, health and beauty of the improvements, including cultivation, irrigation, trimming, spraying, fertilization and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste. Servicing means the furnishing of water and electricity for the irrigation and control of the landscaping or appurtenant facilities. Lighting improvements may include, but are not limited to, electrical energy, lighting fixtures, poles, meters, conduits, electrical cable and associated appurtenances with said improvements. The preliminary Engineer's Report describes the improvements and any substantial changes in existing improvements.
- Section 5: Assessments: The City Council hereby determines that to provide the improvements generally described in Section 4 of this resolution and to be detailed in the preliminary Engineer's Report, it is necessary to levy and collect assessments against lots and parcels within the District for fiscal year 2016/2017 and said assessments shall be outlined and described in the preliminary Engineer's Report and imposed pursuant to the provisions of the Act and the California Constitution Article XIID.
- Section 6: The proposed assessments for fiscal year 2016/2017, as outlined in the preliminary Engineer's Report, do not exceed the maximum assessment approved by the property owners through a property owner balloting proceeding conducted in 2012. As such, the proposed assessments do not constitute an increased assessment and do not require additional property owner approval in accordance with the requirements of the California Constitution, Article XIID.

Section 7: The City Council hereby declares its intention to conduct a Public Hearing concerning the District and the levy of assessments in accordance with Chapter 3, Section 22626 of the Act.

Section 8: Notice is hereby given that a Public Hearing on these matters will be held by the City Council on Wednesday, June 1, 2016, at 6:00 p.m., or as soon thereafter as feasible in the City Council Chambers, located at 100 West California Ave. Ridgecrest Ca, 93555.

Section 9: The City Council hereby authorizes and directs the City Clerk to give notice of the time and place of the Public Hearing to the property owners within the District pursuant to Sections 22626, 22552 and 22553 of the Act and 6061 of the Government Code. The City Clerk shall give notice to the property owners by: causing notice of the public hearing to be published in the local newspaper one time at least 10 days prior to the Public Hearing; and, posting a copy of this resolution on the official bulletin board (s) customarily used for posting such notices.

PASSED, APPROVED, AND ADOPTED this this 4th day of May, 2016.

Peggy Breeden,
Mayor of the City of Ridgecrest, California

ATTEST:

Rachel J. Ford, CMC
City Clerk of the City of Ridgecrest, California

I hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Ridgecrest at a regular meeting thereof held on May 4, 2016.

Rachel J. Ford, CMC
City Clerk of the City of Ridgecrest, California

Ayes:

Noes:

Absent:

Abstained:



City of Ridgecrest

Landscaping and Lighting District No. 2012-1

ENGINEER'S ANNUAL LEVY REPORT FISCAL YEAR 2016/2017

Intent Meeting: May 4, 2016

Public Hearing: June 1, 2016

27368 Via Industria
Suite 200
Temecula, CA 92590
T 951.587.3500 | 800.755.6864
F 951.587.3510

www.willdan.com/financial



ENGINEER'S REPORT AFFIDAVIT

City of Ridgecrest

Landscaping and Lighting District No. 2012-1,

Tract No. 6740

This Report describes the District and the relevant zones therein including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2016/2017 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Kern County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this _____ day of _____, 2016.

Willdan Financial Services
Assessment Engineer
On Behalf of the City of Ridgecrest

By: _____

Josephine Perez-Moses, Senior Project Manager
District Administration Services

By: _____

Richard Kopecky
R.C.E. # 16742

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Introduction

Pursuant to the provisions of the *Landscape and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500* (hereafter referred to as the “1972 Act”), and in compliance with the substantive and procedural requirements of *Article XIII D of the California State Constitution* (hereafter referred to as the “California Constitution”), the City Council of the City of Ridgecrest, County of Kern, State of California (hereafter referred to as “City”), annually levies and collects special assessments in order to provide annual maintenance for parks, landscaping and lighting improvements within the Landscaping and Lighting District No. 2012-1 (hereafter referred to as the “District”), which includes all lots and parcels of land within the planned residential development known as DR Horton (Tract No. 6740). This Engineer’s Report (hereafter referred to as “Report”) has been prepared in connection with the levy and collection of annual assessments related thereto as required pursuant to *Chapter 1, Article 4* of the 1972 Act.

The City Council will levy and collect annual assessments on the County tax roll for fiscal year 2016/2017, to provide funding for the ongoing costs and expenses required to service and maintain the street lighting and landscape improvements associated with and resulting from the development of the residential properties identified as Tract No. 6740 and known as the DR Horton development located on the west side of College Heights Boulevard, just north of Kendall Avenue. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1972 Act and the provisions of the California Constitution.

This Report describes the District, the improvements, and the assessments to be imposed upon properties in connection with the special benefits the properties receive from the maintenance and servicing of the District improvements. The assessments outlined in this Report represent an estimate of the annual direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the improvements to be provided by the District and are based on development plans and specifications for Tract No. 6740. The development plans and specifications for Tract No. 6740 and the associated improvements are on file in the Office of Public Works of the City of Ridgecrest and by reference these plans and specifications are made part of this Report.

The word “parcel,” for the purposes of this Report, refers to an individual property assigned its own Assessment Number (Assessor’s Parcel Number—“APN”) by the Kern County Assessor’s Office. The County Auditor/Controller uses Assessment Numbers and specific District Fund Numbers, to identify on the tax roll, properties assessed for special district assessments. Each parcel within the District will be assessed proportionately for only those improvements for which the parcel receives special benefit.

Each fiscal year, an annual engineer’s report for the District shall be prepared and presented to the City Council to address any changes to the District

including any annexations, changes to the improvements, budgets and assessments for that fiscal year. The City Council shall annually hold a noticed public hearing regarding these matters prior to approving and ordering the levy of assessments for the upcoming fiscal year.

This Report consists of five (5) parts:

Part I

Plans and Specifications: A general description of the properties and developments within the boundaries of the District and the improvements associated with the District is provided in this section of the Report. The District is being established with a single zone of benefit encompassing each of the residential properties within Tract No. 6740.

Part II

Method of Apportionment: A discussion of benefits the improvements and services provided to the properties within the District and the method of calculating each property's proportional special benefit and annual assessment. This section also identifies and outlines an assessment range formula that provides for an annual adjustment to the maximum assessment rate that establishes limits on future assessments, but also provides for reasonable cost adjustments due to inflation without the added expense of additional Ballot Proceedings.

Part III

District Budget: An estimate of the annual costs to operate, maintain, and service the landscaping, lighting, and appurtenant facilities installed and constructed in connection with the development of properties within the DR Horton development (Tract No. 6740). This budget includes an estimate of anticipated direct maintenance costs and incidental expenses including, but not limited to, administration expenses and collection of appropriate fund balances. The maximum assessment amount for each parcel represents that parcel's proportional special benefit of the estimated net annual costs to provide the improvements and excludes any costs that are considered general benefit or are funded by other sources. The assessments for fiscal year 2016/2017 reflected in the budget shall be based on the estimated annual cost of operating, maintaining, and servicing the improvements for fiscal year 2016/2017 as well as funds to be collected for authorized reserves or installments for long term maintenance activities that cannot be reasonably collected in a single fiscal year's assessments. The authorized maximum assessment (also referred to as the "Rate per Equivalent Benefit Unit") identified in the budget of this Report reflects the current maximum assessment for fiscal year 2016/2017 and shall continue to be adjusted annually by the Assessment Range Formula described in Part II of this Report.

Part IV

District Diagram: A Diagram showing the exterior boundaries of the District that encompasses each parcel determined to receive special benefits from the improvements. Parcel identification, and the lines and dimensions of each lot and parcel of land within the District, is inclusive of all lots and parcels of land within Tract No. 6740.

Part V

Assessment Roll: A listing of the authorized maximum assessment amount and the levy of assessments for each parcel for fiscal year 2016/2017. The assessment amounts for each parcel is based on the parcel's proportional special benefit as outlined in the method of apportionment and the assessment rates.

Part I — Plans and Specifications

Description of the District

The territory within this District consists of the lots and parcels of land within Tract No. 6740 within the City of Ridgecrest and referred to as the DR Horton development. This residential subdivision consists of sixty-seven (67) planned single-family residential home sites, associated public right-of-ways and easements as identified on the approved tract maps for Tract No. 6740, and by reference these maps and documents are made part of this Report. This District and the territory therein is currently identified on the Kern County Assessor's Parcel Maps as Book 510; Page 010, Parcel 12 (22.70 acres) and is generally located on the west side of College Heights Boulevard, just north of Kendall Avenue and will eventually include the residential streets designated as Del Rosa Drive, Rain Shadow Court, Salt River Drive, Majestic Sky Court and Wild Thorne Drive.

Improvements and Services

Improvements Authorized under the 1972 Act

As generally defined by the 1972 Act and may be applicable to this District, the improvements and associated assessments may include one or more of the following:

- The installation or planting of landscaping;
- The installation or construction of statuary, fountains, and other ornamental structures and facilities;
- The installation or construction of public lighting facilities including, but not limited to street lights and traffic signals;
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof;
- The installation of park or recreational improvements, including, but not limited to, all of the following:
 - Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - Lights, playground equipment, play courts, and public restrooms.
- The acquisition of land for park, recreational, or open-space purposes or any existing improvement otherwise authorized pursuant to this section.

- The maintenance or servicing, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement including but not limited to:
 - Repair, removal, or replacement of all or any part of any improvements;
 - Grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities;
 - Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
 - The removal of trimmings, rubbish, debris, and other solid waste;
 - The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti;
 - Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements;
 - Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- Incidental expenses associated with the improvements including, but not limited to:
 - The costs of the report preparation, including plans, specifications, estimates, diagram, and assessment;
 - The costs of printing and advertising, and publishing, posting and mailing of notices;
 - Compensation payable to the County for collection of assessments;
 - Compensation of any engineer or attorney employed to render services;
 - Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
 - Costs associated with any elections held for the approval of a new or increased assessment.

District Improvements

The purpose of this District is to ensure the ongoing maintenance, operation and servicing of local landscaping and lighting improvements and amenities established or installed in connection with development of the properties within the DR Horton residential subdivision (Tract No. 6740). The specific improvements to be maintained are identified in various plans and documents associated with Tract No. 6740, which are on file with the City and by reference these plans and documents are made part of this Report. These improvements generally include street lighting within and adjacent to the tract and the various landscaped areas on the perimeter of this development including the public

parkways and easements on the west side of College Heights Boulevard and the north side of Kendall Avenue.

Landscape Improvements

The landscape improvements for the District may include, but are not limited to turf, ground cover, shrubs and plants, natural vegetation, trees, irrigation and drainage systems, masonry walls or other fencing, hardscapes, monuments, and associated appurtenant facilities located in the public right-of-ways or landscape easements on the perimeter of Tract No. 6740 that have been dedicated to the City for maintenance. These landscape areas may include, but are not limited to the parkway and entryway areas located on the west side of College Heights Boulevard between Kendall Avenue and the northern boundary of Tract 6740 and the north side of Kendall Avenue between College Heights Boulevard to Del Rosa Drive. The maintenance and servicing of the improvements generally include, but are not limited to all materials, equipment, utilities, labor and incidental expenses including administrative expenses required for the annual operation of the District as well as the performance of periodic repairs, replacement and expanded maintenance activities as needed to provide for the growth, health, and beauty of landscaping and/or the proper operation and functioning of the irrigation and drainage systems as well as the related hardscape amenities including fencing and sidewalks within the public-right-of-ways. The following is a general description of the landscape improvements planned for this District and for which properties may be assessed:

College Heights Boulevard:

- Approximately 5,450 square feet of landscaped area located on the west side of College Heights Boulevard from the northern boundary of Tract 6740 (Northeast Corner of Lot 1) south to Salt River Drive including the entryway landscaping at the corner of Salt River Drive, which is adjacent to Lot 33. Including, but not limited to approximately:
 - 1,485 square feet of landscaped area in the street right-of-way;
 - 1,826 square feet of landscaped easement associated with Lot 1;
 - 613 square feet of landscaped easement associated with Lot 2;
 - 1,526 square feet of landscaped easement associated with Lot 33;
 - 15 Trees;
 - 207 Shrubs;
 - 25 vines attached to the masonry wall;
 - 313 linear feet of masonry wall;
 - 2,058 square feet of sidewalk area; and
 - The drip irrigation system for these landscaped areas.

- Approximately 3,982 square feet of landscaped area located on the west side of College Heights Boulevard from Salt River Drive south to Kendall Avenue including the entryway landscaping at the corners of Salt River Drive (adjacent to Lot 34) and Kendall Avenue (adjacent to Lot 61). Including, but not limited to approximately:
 - 2,850 square feet of landscaped area in the street right-of-way;
 - 76 square feet of landscaped easement associated with Lot 34;
 - 38 square feet of landscaped easement associated with Lot 59;
 - 1,018 square feet of landscaped easement associated with Lot 60;
 - 15 Trees;
 - 128 Shrubs;
 - 34 vines attached to the masonry wall;
 - 449 linear feet of masonry wall;
 - 1 metal gate;
 - 2,916 square feet of sidewalk area; and
 - The drip irrigation system for these landscaped areas.

Kendall Avenue:

- Approximately 1,480 square feet of landscaped area located on the north side of Kendall Avenue between College Heights Boulevard (adjacent to Lot 62) to Wild Thorne Drive including the entryway landscaping at the corner of Wild Thorne Drive (adjacent to Lot 67). Including, but not limited to approximately:
 - 1,310 square feet of landscaped area in the street right-of-way;
 - 170 square feet of landscaped easement associated with Lot 67 at the corner of Wild Thorne Drive;
 - 2 Trees;
 - 122 Shrubs;
 - 47 vines attached to the masonry wall;
 - 561 linear feet of masonry wall;
 - 3,486 square feet of sidewalk area; and
 - The drip irrigation system for these landscaped areas.
- Approximately 1,243 square feet of landscaped area located on the north side of Kendall Avenue between Wild Thorne Drive and Del Rosa Street including the entryway landscaping and easements at the corners of Wild Thorne Drive (adjacent to Lot 50) and Del Rosa Street (adjacent to Lot 49). Including, but not limited to approximately:
 - 1,243 square feet of landscaped area in the street right-of-way;

- 5 Trees;
- 69 Shrubs;
- 15 vines attached to the masonry wall;
- 186 linear feet of masonry wall;
- 1,530 square feet of sidewalk area; and
- The drip irrigation system for these landscaped areas.

Public Street Lighting Improvements

Public street lighting improvements to be funded by the District assessments may include, but are not limited to, electrical energy, lighting fixtures, poles, meters, conduits, electrical cable and associated appurtenant facilities including, but not limited to:

- Sixteen (16) street lights located within Tract No. 6740 including:
 - 4 lights on the south side of Rainshadow Court
 - 3 lights on the north side of Salt River Drive
 - 2 lights on either side of Wild Thorne Drive
 - 3 lights on either side of Majestic Sky Court
 - 4 lights on the east side of Del Rosa Street
- Ten (10) street lights on the perimeter of Tract No. 6740 including:
 - 4 lights on the north side Kendall Street
 - 6 lights on the west side of College Heights Boulevard
- Any other public lighting facilities on the streets surrounding or adjacent to Tract No. 6740 including future traffic signals that may be deemed necessary or desired for the safe ingress or egress to the properties within the District.

Excluded Improvements

Not included as District improvements are improvements located on private property other than the areas designated above as easements. Such improvements and facilities including street trees shall be provided and maintained by the individual property owners.

Part II — Method of Apportionment

Based on the provisions of the 1972 Act and the California Constitution, this section of the Report summarizes an analysis of the benefits associated with the improvements and services to be provided by the District (both general and special); the resulting District structure (zones of benefit); the formulas used to calculate each parcel's proportional special benefit and assessment obligation based on the entirety of the cost to provide the improvements (method of assessment); and the establishment of an inflationary formula for such assessments to address anticipated cost increases due to inflation (assessment range formula).

Benefit Analysis

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, which include but are not limited to the construction, maintenance, operation, and servicing of landscape improvements, public street lighting and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

In conjunction with the provisions of the 1972 Act, the California Constitution Article XIID addresses several key criteria for the levy of assessments, notably:

Article XIID Section 2d defines District as:

“District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service”;

Article XIID Section 2i defines Special Benefit as:

“Special benefit” means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit.”

Article XIID Section 4a defines proportional special benefit assessments as:

“An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property

related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”

Each of the District improvements and the associated costs to maintain and service those improvements have been reviewed, identified and allocated to properties within the District based on special benefit pursuant to the provisions of the California Constitution and 1972 Act. The local improvements provided by this District and for which properties will be assessed have been identified as necessary, desired and required for the orderly development of the properties within District (Tract No. 6740) to their full potential, consistent with the development plans and applicable portions of the City's General Plan. As such, these particular improvements are clearly the direct result of developing each of the individual lots and parcels within the District and although the improvements are within the public right-of-ways or dedicated easements, the financial obligation to support and maintain such improvements would be necessary and required of the individual property owners either directly or through an association if this District was not established. Clearly these local improvements and the long term maintenance and servicing of those improvements directly affect each property and provide shared special benefits including, but not limited to:

- enhanced property safety (protection and access) from local street lights within and adjacent to the development;
- enhanced property and neighborhood appearance (esthetics) resulting from well-maintained landscaped areas, graffiti and debris control on the perimeter and entryways to the development; and,
- the long term economic and environmental advantages to properties including the enhanced presentation and marketability of properties that have such improvements, expanded green space and trees which reduce traffic noise and dust, and the long-term cost-efficiency of services being provided by the City (economy of scale) as well as the regulatory restrictions on future cost increases.

Based on the parameters of special benefit as outlined by the Constitution, general benefit may be described as an overall and similar benefit to the public in general resulting from the improvements, activity or service to be provided for which an assessment is levied. Although the District improvements are located on public streets that are visible to the general public, it is clear that the ongoing maintenance of these improvements are only necessary for the appearance, safety and advantage of the properties within the District and are not required nor necessarily desired by any properties outside the District boundary. As the improvements and the services to be provided are specific to the development and properties within the District boundaries and these improvements and services do not extend beyond the District boundaries (The District encompasses all properties receiving special benefits), any access or proximity to these improvements by other nearby properties or developments would be considered

incidental and the potential general benefits to the public at large are considered intangible. Therefore, it has been determined that these District improvements provide no measurable or quantifiable general benefit to properties outside the District or to the public at large.

The method of apportionment (method of assessment) established herein is based on the premise that each assessed property receives special benefits from the improvements, services and activities to be funded by such assessments, and the assessment obligation for each parcel reflects that parcel's proportional special benefits as compared to other properties that receive special benefits as outlined in the preceding definitions established in the California Constitution. The assessment revenues to be collected for the District provide a means by which property owners can collectively and effectively fund the cost of shared local improvements that directly impact their property. The District assessments will support the operation and maintenance of the District improvements and shall be used for only that purpose, consistent with the intent of the Act and the Constitution.

Assessment Methodology

The City proposes to annually levy and collect special benefit assessments in order to maintain and service the improvements associated with Tract No. 6740. The estimated annual cost to maintain the improvements are identified in the budget section of this Report, including all estimated annual expenditures; funding for long term repair, replacement and rehabilitation costs; incidental expenses necessary to operate and support the district including administration and authorized reserve; and any revenues from other sources or previous deficit funding that would adjust the amount to be assessed.

In order to calculate and identify the proportional special benefit received by each parcel and ultimately each parcel's proportionate share of the improvement costs it is necessary to consider not only the improvements and services to be provided, but the relationship each parcel has to those improvements as compared to other parcels in the District

Article XIIID Section 4a reads in part:

"...The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement or for the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The benefit formula used to determine the assessment obligation should therefore be based upon both the improvements that benefit the parcels within the District as well as the land use of each property as compared to other parcels that benefit from those specific improvements. To identify and determine the special benefit to be received by each parcel and its proportional share of the

improvement costs it is necessary to consider both the planned improvements and the properties that benefit from those improvements.

Landscaping and lighting improvements like most public improvements, provide varying degrees of benefit (whether they be general or special) based largely on the extent of such improvements, the location of the improvements in relationship to properties, the different types of properties associated with the improvements and the reason or need for such improvements as it relates to individual properties. To establish the proportional special benefit of each parcel, these factors need to be addressed and formulated in the method of apportionment by the use of benefit zones that reflect the extent and location of the improvements in relationship to the properties, as well as the specific use and size of each property which reflects each parcel's need for such improvements and its reasonable cost of the proportional special benefit as compared to other properties that benefit from those same improvements.

Zones of Benefit

In an effort to ensure an appropriate allocation of the estimated annual cost to provide various improvements based on proportional special benefits, Districts often times include benefit zones ("Zones") as authorized pursuant to Chapter 1 Article 4, Section 22574 of the 1972 Act:

"The diagram and assessment may classify various areas within an assessment district into different zones where, by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements. A zone shall consist of all territory which will receive substantially the same degree of benefit from the improvements."

While the California Constitution requires that "The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement..."; it is reasonable to conclude that certain landscaping and lighting improvements may benefit most if not all properties within a district while other improvements may only provide special benefits to specific parcels, developments or portions of the district (particularly in larger districts), while still other improvements may be identified and proportionately allocated as both special benefits and a general benefit.

Based on a review of the location and extent of the improvements for this District and the direct proximity and relationship to the properties therein, it has been determined that each parcel within Tract 6740 will receive proportionally similar special benefits from the local street lighting and landscape improvements located on the perimeter of the development and the establishment of benefit zones is not necessary. However, because this is the City's first development established as a 1972 Act district and it is likely that future developments in the City may facilitate a similar need, Tract 6740 has been established and referred to as Zone 01 for this District. While this Zone designation has no direct bearing

on the calculation of proportional special benefit at this time, it does establish an initial zone structure and naming convention that may be utilized for future developments or properties that may be annexed to this District under the provisions of the 1972 Act.

Details regarding the location and extent of the improvements within the District and the Zones therein are on file in the office of the Public Works Department and by reference these documents are made part of this Report. A diagram showing the exterior boundaries of the District is attached and incorporated herein under Part IV (District Diagram) of this Report.

Equivalent Benefit Units

In addition to the use of Zones, the method of apportionment established for this District to reflect the proportional special benefit of each parcel utilizes a weighted methodology of apportionment commonly referred to as an Equivalent Benefit Unit (EBU) methodology. This method of apportionment establishes the single-family home site as the basic unit of assessment. A single-family residential unit or lot is assigned one (1.0) Equivalent Benefit Unit (EBU) and other property types (land uses) are proportionately weighted (weighted EBU) based on a benefit formula that equates each property's specific characteristics and special benefits to that of the single-family residential unit. This proportional weighting may be based on several considerations that may include, but are not limited to: the type of development (land use), development-status (developed versus undeveloped), size of the property (acreage or units), vehicular trip generation, street frontage, densities or other property related factors including any development restrictions or limitations; as well as the property's location and proximity to the improvements (which would be addressed by its Zone designation).

For most local landscaping and lighting improvements and assessments, the most appropriate proportional special benefit calculation for each parcel is reasonably determined by three basic property characteristics:

- Proximity — As previously noted, each parcel in the District shall be identified and grouped into Zones based on each parcel's proximity and relationship to the District improvements;
- Land use — Commercial/Industrial Use; Residential Use, Institutional Use, Vacant Land (Undeveloped Property), Public Property etc.; and,
- Property Size — Acreage for non-residential properties (both developed and undeveloped); Units for residential properties. Property size (acreage or units) provides a definable and comparative representation of each parcel's proportional special benefit not only to similar types of properties but to other properties as well.

The District is comprised entirely of one planned single-family residential development in which each single-family residential lot has proportionally similar and equal special benefits from the improvements, the following provides a more

comprehensive method of apportionment (proportional benefit calculation) that incorporates other commonly classified land uses for comparison purposes and to establish an initial method of apportionment that may reasonably be applied to properties that could be annexed to this District in the future.

Note: The method of calculating the proportional (weighted) special benefit for the various land use types outlined in the following may be modified as needed to accurately reflect each parcel's proportional special benefits compared to other property types, if and when such land uses are annexed and incorporated into the District. **Single-Family Residential Property** — is defined as a fully subdivided residential home site with or without a structure. For purposes of establishing the proportional special benefits and equivalent benefit units for other land uses in this District, the single-family residential land use is designated as the basic unit of assessment and shall be assigned 1.000 EBU per parcel.

Multi-Family Residential & Mixed Use Property — is defined as a fully subdivided residential parcel that has more than one residential unit developed on the parcel. (This land use includes apartments, duplexes, triplexes, etc., but does not include condominiums, town-homes). This land use designation may also include properties identified by the County Assessor's Office as mixed use property for which there is more than one residential unit (known number of residential units) associated with the property and for which the parcel's primary use is residential, but may also include some commercial component or unit associated with that property.

Although multi-family residential properties receive similar special benefits to that of single-family residential property and an appropriate and comparative calculation of proportional special benefits is reasonably reflected by the parcel's total number of residential units, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that multi-family units impact public infrastructure at reduced levels compared to a single-family residence, which is reflective of their reduced structure size, vehicular trip generation and need for various public improvements. Furthermore, as the density (number of units per parcel) increase, the average distance from the improvements tend to increase and the number of vehicular trips generated tend to decline because the population density per unit tend to decrease (largely because of reduced unit sizes). Based on these considerations, it is reasonable to conclude that the proportional special benefits per unit is less than that of a single-family residential property and appropriate weighting of the proportional special benefit per unit for multi-family residential properties as compared to a single-family residential is best represented by the following sliding scale: 0.625 EBU per unit for the first 5 units; plus 0.500 EBU per unit for units 6 through 25; plus 0.375 EBU per unit for units 26 through 50; plus 0.250 EBU per unit for units 51 through 100; plus 0.125 EBU per unit for units 101 or above.

Condominium/Town-home Property — is defined as a fully subdivided residential condominium or town-home parcel that typically has one residential unit associated with each Assessor's Parcel Number, but is part of a multi-unit

development for which each condominium or town-home parcel shares or has common interest (common area) with the other residential parcels in that development.

The development attributes of condominiums and town-homes tend to be a blend of the single-family residential and multi-family residential properties. Like multi-family residential properties, individual units within such developments usually do not have actual street frontage (where the local improvements are located, particularly as it relates to street lights). However, because condominium and town-home properties represent individual residential units that are usually privately owned, like single-family residential properties these properties tend to be owner occupied with relatively fewer vacancies per unit than multi-family residential properties, which in turn represents greater average vehicular trip generation per unit than multi-family residential properties. However, because this property type usually has a much higher development density (greater number of units per acre) than single-family residential properties the actual number of street lights per unit is clearly less than that of a single-family residential property and the average distance from the improvements tend to increase.

In consideration of the typical development characteristics discussed above, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.750 EBU per unit. (Because these parcels typically represent a single residential unit or small group of units that are each privately owned, no adjustment for multiple units is applied to this land use as it is for multi-family residential properties).

Developed Commercial/Industrial Property — is defined as a developed property with structures (buildings) that is used or may be used for commercial purposes, whether the structures are occupied or not. This land use does not include parcels for which the primary use of the property is considered residential or Hotels and Motels (transient residential). This land use classification includes most types of commercial enterprises including but not limited to commercial retail; food services; banks; shopping centers; recreational facilities; office buildings and professional buildings, as well as industrial properties including service centers; warehousing and manufacturing. This land use classification also includes any parcel that may incorporate a single residential unit, but is also used in whole or in part for commercial purposes.

Clearly, the presence of local landscaping and/or street lighting improvements (or the lack thereof) has a direct and distinct impact on commercial/industrial properties and the businesses associated with those properties. Utilizing vehicular trip generation data outlined by the Institute of Transportation Engineers Informational Report, Seventh Edition; commercial/industrial properties generate on average approximately four (4) times the daily vehicular trips per acre than the trips generated by a single-family residential property (9.57 trips per single-family residential unit compared to 42.32 trips per acre for

commercial properties). While the actual daily trips generated by a particular commercial/industrial property may be greater or less than this average, it does provide a reasonable indicator of the proportionality of the special benefits associated with such properties. In support of this finding, an analysis of development densities throughout California indicates that on average for most cities, the combination of single-family and condominium developments yield approximately 4.06 residential units per acre.

While the preceding clearly suggests that the direct proportional special benefits to commercial/industrial properties is reasonably reflected by an apportionment of 4.000 EBU per acre, because most commercial/industrial parcels represents a separate and independent commercial enterprise or business, it has been determined that the proportional special benefit for any individual commercial or industrial parcel is at least equal to that of a single-family residential property. Therefore, a commercial/industrial parcel that is less than one-quarter of an acre in size shall be assigned 1.000 EBU (minimum EBU). Likewise, it is reasonable to conclude that there is a limit to the proportional special benefit that any single parcel receives from local landscaping and lighting improvements (maximum EBU) unless the improvements are specifically and only associated with that individual parcel. Generally, most commercial/industrial properties that are directly associated with landscaping and/or street lighting improvements tend to be less than ten acres (most significantly less), and for those greater than ten acres, a significant portion of the property is for parking or undeveloped, and their actual frontage along the public streets where the improvements are located is usually no greater than smaller parcels. Therefore, it is appropriate for commercial/industrial parcels not be assessed for any acreage greater than ten (10.00) acres, which sets the maximum EBU at 40.000 EBU for this land use classification.

Developed Hotel/Motel Property — Although Hotel/Motel Properties are certainly viewed as a commercial enterprise, and would have similar special benefits as commercial/industrial properties for landscape improvements, these properties clearly have a more significant nighttime use and traffic generation than other commercial/industrial properties that result from their transient residential activities. Clearly, the presence of local street lighting or the lack thereof can have a direct and significant impact on hotel and motel properties because of their heightened nighttime business activities. To reflect this increased proportional special benefit resulting from higher nighttime use and need for local street lighting as compared to other commercial/industrial properties, the proportional special benefits and assessments for this land use classification shall be based on 6.000 EBU per acre. As with commercial/industrial properties, minimum and maximum acreage limits shall be applied in calculating each parcel's individual assessment. These acreage limits result in a minimum Equivalent Benefit Unit of 1.500 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 60.000 EBU for parcels greater than ten acres.

Developed Institutional Property — is defined as developed private properties used for the purposes of public related services or activities, including but not limited to Colleges, Private Schools, Places of Worship, Day Care Centers, Fraternal Organizations, Hospitals, Convalescent or Retirement Homes, or other similar public service or assembly type properties.

Although properties in this land use classification are certainly considered non-residential properties, these properties certainly benefit less from local landscaping and lighting improvements than commercial/industrial properties based on several considerations: they represent businesses/operations that provide public related or community services (educational, medical care, religious etc.); they are generally non-profit organizations; and they usually have less weekly hours of operation and less vehicular trip generation than similar sized commercial/industrial properties. Based on these considerations, the Equivalent Benefit Units applied to these properties shall be based on 2.000 EBU per acre with the same minimum and maximum acreage limits that are applied to other acreage-based properties. These limits result in a minimum Equivalent Benefit Unit of 0.500 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 20.000 EBU for parcels greater than ten acres.

Developed Public Property — is defined as developed public or government owned property used for public related services or activities, including but not limited to city facilities including parks, community centers, fire and police stations, and city offices; county or state offices and facilities; federal, state or county court facilities; US postal service facilities; public schools; public utility facilities or offices; or other similar developed public properties.

While many of these properties have the potential to be converted or utilized as commercial or other non-residential enterprises, because their purpose and function is specifically for public related services and activities. They generally have no or limited nighttime use, and have an average vehicular trip generation that is similar to Institutional properties. Therefore, the Equivalent Benefit Units applied to these properties shall be based on 2.000 EBU per acre with the same minimum and maximum acreage limits that are applied to other acreage-based properties. These limits result in a minimum Equivalent Benefit Unit of 0.500 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 20.000 EBU for parcels greater than ten acres.

It should be noted however, that the County Tax Collector's Office typically identifies these properties as "Non-Taxable" and does not generate tax bills for such properties and as a matter of practical application, the calculated special benefit and assessment obligation for such properties cannot be collected through the tax roll as other District assessments. Therefore, in addition to any costs determined to be of general benefit, the City shall contribute to the District additional funding to cover the proportional assessment revenue that would otherwise be applied to these properties. Each fiscal year, the assessment engineer shall calculate the proportional special benefit and financial obligation associated with these properties and the annual budget shall reflect a City

contribution in an amount to the District that is equal to or greater than that calculated obligation. (The amount of that contribution need not be identified separately, but may be included as part of the City's overall annual contribution to the District). Because no actual assessment shall be levied on parcels classified as Public Property, as part of any notice and ballot proceedings being conducted in connection with the District, the ballots for these properties shall reflect a zero (\$0.00) assessment amount.

Parking Lot/Limited Use Property — This land use classification is applied to developed privately owned properties that the City considers not to be fully developed commercial/industrial, institutional or residential properties. This land use classification is typically applied to parcels that are identified as parking lots with limited or no buildings; but may also identify parcels that have limited or restricted non-residential use where the typical commercial/industrial or institutional classification is not applicable or appropriate. The Equivalent Benefit Units applied to these properties shall be based on 1.000 EBU per acre with the same minimum and maximum acreage limits that are applied to other acreage-based properties. These limits result in a minimum Equivalent Benefit Unit of 0.250 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 10.000 EBU for parcels greater than ten acres.

Vacant Property —is defined as property that has been identified as undeveloped, but has reasonable development potential (Few or no development restrictions). When considering the special benefits from landscaping and lighting improvements it becomes evident that the proportional special benefits associated with vacant property is clearly less than that of developed properties. Although vacant properties certainly derive special benefits from local landscaping and lighting improvements, these special benefits are limited to the land (lot) itself. Conversely, approximately half of the direct and immediate special benefits for developed properties are related to the daily use or potential use of that property. Therefore, the Equivalent Benefit Units applied to these properties shall be based on 0.500 EBU per acre (half as much as Parking Lot/Limited Use Property) with the same minimum and maximum acreage limits that are applied to other acreage-based properties. These limits result in a minimum Equivalent Benefit Unit of 0.125 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 5.000 EBU for parcels greater than ten acres.

Exempt Property (Parcel) — identifies parcels that for various reasons, it has been determined that the parcel does not and will not receive special benefits from the improvements. This land use classification may include but is not limited to:

- Lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County);
- Dedicated public easements including open space areas, utility rights-of-way, greenbelts, parkways, or other publicly-owned or utility-owned land that

serves the community or general public and are not considered or classified as developed public properties;

- Parcels of land that are privately owned, but cannot be developed independently from an adjacent property or is part of a shared interest with other properties, such as common areas, sliver parcels, bifurcated lots or properties with very restrictive development potential or use.

Because these properties either provide a public service that is comparable to landscaping or street lighting improvements, or they are dependent on another property or development, these types of parcels have no direct need for such improvements and are considered to receive no special benefits. Therefore these parcel shall be exempt from assessment and are assigned 0.000 EBU. However, these properties shall be reviewed annually by the assessment engineer to confirm the parcel's use and/or development status has not changed.

Special Case Property — In many districts where multiple land use classifications are involved, there may be one or more properties that the standard land use classifications do not accurately identify the use and special benefits received from the improvements or there may be something about that particular parcel that should be noted for review in subsequent fiscal years.

The Equivalent Benefit Units assigned to Special Case Properties will vary depending on the circumstances and reasons for treating each particular property as a Special Case. The Equivalent Benefit Unit(s) assigned to each such parcel may be based on adjusted acreage, units or a combination of those factors. The City and/or the assessment engineer tasked with the administration of the District shall annually review each parcel designated as a Special Case Property and based on that review shall make appropriate adjustments to that property's land use and Equivalent Benefit Unit assignment as warranted.

The following is a summary of property types and the Equivalent Benefit Unit assignments described in the preceding discussion of Equivalent Benefit Units.

Summary of Equivalent Benefit Unit Assignments

Land Use	Benefit Unit Calculations		
Single-Family Residential Property	1.000	per unit	
Multi-Family Residential & Mixed Use Property	0.625	per unit	(units 1-5)
	0.500	per unit	(units 6-25)
	0.375	per unit	(units 26-50)
	0.250	per unit	(units 51-100)
	0.125	per unit	(units greater than 100)
Condominium/Town-home Property	0.750	per unit	
Developed Commercial/Industrial Property	4.000	per acre	(minimum 1.000 EBU; maximum 40.000 EBU)
Developed Hotel/Motel Property	6.000	per acre	(minimum 1.500 EBU; maximum 60.000 EBU)
Developed Institutional Property	2.000	per acre	(minimum 0.500 EBU; maximum 20.000 EBU)
Developed Public Property	2.000	per acre	(minimum 0.500 EBU; maximum 20.000 EBU)
Parking Lot/Limited Use Property	1.000	per acre	(minimum 0.250 EBU; maximum 10.000 EBU)
Vacant Property	0.500	per acre	(minimum 0.125 EBU; maximum 5.000 EBU)
Exempt Property	0.000	per parcel	
Special Case Property	varied	based on circumstances associated with each parcel	

Allocation of Improvement Costs

Pursuant to the provisions of the California Constitution, the proportionate special benefit derived by each parcel within the District and its corresponding assessment obligation shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement.

The benefit formula applied to parcels within this District is based on the preceding EBU discussion and table. Each parcel's EBU correlates the parcel's special benefit received as compared to the other parcels benefiting from the District improvements.

The following formula is used to calculate each parcel's proportional benefit:

$$\text{Property Type EBU} \times (\text{Acreage/Units/Parcel/Lot}) = \text{Parcel EBU}$$

An assessment amount per EBU ("Rate") for the District improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBUs for parcels benefiting from such improvements.

$$\text{Total Balance to Levy} / \text{Total EBUs} = \text{Levy per EBU ("Rate")}$$

This amount is then applied back to each parcel's individual EBU to determine each parcel's proportionate benefit and assessment obligation.

$$\text{Rate x Parcel EBU} = \text{Parcel Levy Amount}$$

Assessment Range Formula

Any new or increased assessment requires certain noticing and meeting requirements by law. The Brown Act defines the terms "new or increased assessment" to exclude certain conditions. These certain conditions included "any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed."

Recognizing that the cost of maintaining the improvements will likely increase over time due to inflation, the assessments (initial maximum assessment rate established in fiscal year 2012/2013) established a fixed 3.5% annual inflationary adjustment (Assessment Range Formula). This 3.5% annual adjustment provides for reasonable increases and inflationary adjustment to the initial maximum assessment rate approved by the property owners as part of the protest ballot proceeding conducted in connection with the formation of this District.

The adoption of the maximum assessment rate and the Assessment Range Formula described herein does not mean that the annual assessments will necessarily increase each year nor does it absolutely restrict the assessments to the adjustment amount. Although the maximum assessment amount that may be levied shall be adjusted (inflated) by 3.5% each year, the actual amount to be assessed will be based on the District's estimated costs (budget) for that year. If the calculated assessment is less than the adjusted maximum assessment, then the calculated assessment may be approved by the City Council for collection. If the calculated assessment (based on the budget) is greater than the adjusted maximum assessment for that fiscal year, then the assessment is considered an increased assessment and would require a property owner approval through a protest ballot proceeding before imposing such an increase. Otherwise, it would be necessary to reduce the budget or provide a contribution from the City to reduce the amount to be levied to an amount that can be supported by an assessment rate less than or equal to the maximum assessment rate authorized for that fiscal year.

The Assessment Range Formula (3.5% annual adjustment) has been applied to the authorized maximum assessment rate identified in the District Budget for fiscal year 2016/2017 and shall be applied in all subsequent fiscal years unless the City Council formally suspends its application.

The following table summarizes historical maximum and applied assessment rates:

FISCAL YEAR	MAXIMUM ASSESSMENT	APPLIED ASSESSMENT
2012/2013 (Base Year)	\$265.00	\$0.00
2013/2014	\$274.28	\$157.28
2014/2015	\$283.88	\$157.28
2015/2016	\$293.81	\$293.80
2016/2017	\$304.09	\$304.08

Part III — District Budget

The following budget outlines the estimated costs to maintain the improvements and the applicable assessment rates for Fiscal Year 2016/2017.

BUDGET ITEMS	Proposed Fiscal Year 2016/2017
ANNUAL LANDSCAPE MAINTENANCE (DIRECT COSTS)	
Landscape Maintenance Parkway (In ROW)	2,845.00
Landscape Maintenance Parkway (Easement)	1,793.00
Tree Maintenance	375.50
Sidewalk Maintenance	125.00
Masonry Wall Maintenance	400.00
Graffiti/Nuisance Abatement	225.00
Total Annual Maintenance	5,763.50
Landscape Water	2,909.00
Landscape Electricity	474.00
Total Annual Landscape Utilities (Water & Electricity)	3,383.00
Total Annual Lighting (Maintenance & Energy)	\$3,136.00
Annual Maintenance Direct Costs (Total)	\$12,282.50
ANNUAL REHABILITATION/REPLACEMENT COLLECTION	
Parkway Rehabilitation/Replacements (In ROW)	\$110.00
Slope Rehabilitation/Replacements (Easement)	65.00
Tree Rehabilitation/Replacements	460.00
Sidewalk Rehabilitation/Replacements	36.00
Masonry Wall Rehabilitation/Replacements	340.00
Street Light Rehabilitation/Replacements	440.00
Annual Rehabilitation/Replacement Funding	\$1,451.00
Total Annual Maintenance Funding	\$13,733.50
INCIDENTAL & OTHER ANNUAL FUNDING EXPENSES	
Reserve Fund Collection	\$1,314.53
City Administration	1,143.00
Consulting Fees	4,100.00
Sub Total	\$6,557.53
County Administration Fees	\$38.00
Miscellaneous Administration Expenses	45.00
Total Annual Incidental Funding Expenses	\$6,640.53
Total Annual Expenses	\$20,374.03
CONTRIBUTIONS/FUNDING ADJUSTMENTS	
Revenues from Other Sources	\$0.00
City Contribution	0.00
Total Contributions	\$0.00
Balance to Levy	\$20,374.03
DISTRICT STATISTICS	
Total Parcels	67.00
Parcels Levied	67.00
Total Benefit Units	67.00
Levy per EBU (Applied)	\$304.09
Maximum Assessment Rate per EBU	\$ 304.09
Prior Year Levy per EBU (Applied)	\$293.80
Prior Year Maximum Assessment Rate per EBU	\$ 293.81
Change in Maximum Rate from Prior Year	3.50%
RESERVE FUND	
Fund balances from City	
Estimated Beginning Reserve Balance - June 30, 2016	\$12,000.00
Reserve Fund Collection/Contribution	1,314.53
Estimated Ending Reserve Balance - June 30, 2017	\$13,314.53

Part IV — District Diagram

The lots and parcels of land within the District consist of the lots and parcels within and associated with the planned residential development known as DR Horton (Tract No. 6740).

As of the writing of this Report, these lots and parcels of land are inclusive of the Kern County Assessor's Parcel Maps as Book 510; Page 01, Parcel 12, and by reference this map and the lines and dimensions described therein are made part of this Report. The District Diagram (boundary map) is provided on the following page and encompasses the entire residential development identified as Tract No. 6740, the boundaries of which are conterminous with the boundaries of parcel 510-010-12, and by reference the diagrams and maps filed for Tract No. 6740 including the lines and dimensions described therein are made part of this Report. The combination of the District Diagram and the Assessment Roll contained in Part V of this Report constitutes the Assessment Diagram for this District.



Part V — Assessment Roll

Parcel identification for each lot or parcel within the District is based on available parcel maps and property data from the Kern County Assessor's Office. A listing of the existing parcels (APNs) to be assessed within this District, along with the corresponding EBU assignment, Maximum Assessment and Assessment for fiscal year 2016/2017 are provided herein.

If any APN submitted for collection of the assessments is identified by the County Auditor/Controller of the County of Kern to be an invalid parcel number for any fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment, Rate and Assessment Range Formula as described in this Report and approved by the City Council.

Assessor's Parcel Number	Tract	Lot	Site Address	EBU	Maximum Assessment Authorized	Assessment Amount FY 2016/2017
510-211-01	6740	1	101 Rainshadow Ct	1.00	\$304.09	\$304.09
510-211-02	6740	2	105 Rainshadow Ct	1.00	304.09	304.09
510-211-03	6740	3	109 Rainshadow Ct	1.00	304.09	304.09
510-211-04	6740	4	113 Rainshadow Ct	1.00	304.09	304.09
510-211-05	6740	5	117 Rainshadow Ct	1.00	304.09	304.09
510-211-06	6740	6	121 Rainshadow Ct	1.00	304.09	304.09
510-211-07	6740	7	125 Rainshadow Ct	1.00	304.09	304.09
510-211-08	6740	8	129 Rainshadow Ct	1.00	304.09	304.09
510-211-09	6740	26	128 Salt River Dr	1.00	304.09	304.09
510-211-10	6740	27	124 Salt River Dr	1.00	304.09	304.09
510-211-11	6740	28	120 Salt River Dr	1.00	304.09	304.09
510-211-12	6740	29	116 Salt River Dr	1.00	304.09	304.09
510-211-13	6740	30	112 Salt River Dr	1.00	304.09	304.09
510-211-14	6740	31	108 Salt River Dr	1.00	304.09	304.09
510-211-15	6740	32	104 Salt River Dr	1.00	304.09	304.09
510-211-16	6740	33	100 Salt River Dr	1.00	304.09	304.09
510-212-01	6740	34	101 Salt River Dr	1.00	304.09	304.09
510-212-02	6740	35	105 Salt River Dr	1.00	304.09	304.09
510-212-03	6740	36	109 Salt River Dr	1.00	304.09	304.09
510-212-04	6740	37	113 Salt River Dr	1.00	304.09	304.09
510-212-05	6740	38	117 Salt River Dr	1.00	304.09	304.09
510-212-06	6740	39	121 Salt River Dr	1.00	304.09	304.09
510-212-07	6740	40	125 Salt River Dr	1.00	304.09	304.09
510-212-08	6740	41	129 Salt River Dr	1.00	304.09	304.09
510-212-09	6740	54	124 Majestic Sky Ct	1.00	304.09	304.09

Assessor's Parcel Number	Tract	Lot	Site Address	EBU	Maximum Assessment Authorized	Assessment Amount FY 2016/2017
510-212-10	6740	55	120 Majestic Sky Ct	1.00	\$304.09	\$304.09
510-212-11	6740	56	116 Majestic Sky Ct	1.00	304.09	304.09
510-212-12	6740	57	112 Majestic Sky Ct	1.00	304.09	304.09
510-212-13	6740	58	108 Majestic Sky Ct	1.00	304.09	304.09
510-212-14	6740	59	104 Majestic Sky Ct	1.00	304.09	304.09
510-212-15	6740	60	100 Majestic Sky Ct	1.00	304.09	304.09
510-212-16	6740	61	101 Majestic Sky Ct	1.00	304.09	304.09
510-212-17	6740	62	105 Majestic Sky Ct	1.00	304.09	304.09
510-212-18	6740	63	109 Majestic Sky Ct	1.00	304.09	304.09
510-212-19	6740	64	113 Majestic Sky Ct	1.00	304.09	304.09
510-212-20	6740	65	117 Majestic Sky Ct	1.00	304.09	304.09
510-212-21	6740	66	121 Majestic Sky Ct	1.00	304.09	304.09
510-212-22	6740	67	125 Majestic Sky Ct	1.00	304.09	304.09
510-213-01	6740	9	201 Rainshadow Ct	1.00	304.09	304.09
510-213-02	6740	10	205 Rainshadow Ct	1.00	304.09	304.09
510-213-03	6740	11	209 Rainshadow Ct	1.00	304.09	304.09
510-213-04	6740	12	213 Rainshadow Ct	1.00	304.09	304.09
510-213-05	6740	13	217 Rainshadow Ct	1.00	304.09	304.09
510-213-06	6740	14	221 Rainshadow Ct	1.00	304.09	304.09
510-213-07	6740	15	225 Rainshadow Ct	1.00	304.09	304.09
510-213-08	6740	16	2000 Del Rosa St	1.00	304.09	304.09
510-213-09	6740	17	2004 Del Rosa St	1.00	304.09	304.09
510-213-10	6740	18	2008 Del Rosa St	1.00	304.09	304.09
510-213-11	6740	19	2012 Del Rosa St	1.00	304.09	304.09
510-213-12	6740	20	2016 Del Rosa St	1.00	304.09	304.09
510-213-13	6740	21	216 Salt River Dr	1.00	304.09	304.09
510-213-14	6740	22	212 Salt River Dr	1.00	304.09	304.09
510-213-15	6740	23	208 Salt River Dr	1.00	304.09	304.09
510-213-16	6740	24	204 Salt River Dr	1.00	304.09	304.09
510-213-17	6740	25	200 Salt River Dr	1.00	304.09	304.09
510-214-01	6740	42	201 Salt River Dr	1.00	304.09	304.09
510-214-02	6740	43	205 Salt River Dr	1.00	304.09	304.09
510-214-03	6740	44	209 Salt River Dr	1.00	304.09	304.09
510-214-04	6740	45	213 Salt River Dr	1.00	304.09	304.09
510-214-05	6740	46	2024 Del Rosa St	1.00	304.09	304.09
510-214-06	6740	47	2028 Del Rosa St	1.00	304.09	304.09
510-214-07	6740	48	2032 Del Rosa St	1.00	304.09	304.09
510-214-08	6740	49	2036 Del Rosa St	1.00	304.09	304.09
510-214-09	6740	50	2037 Wild Thorne Dr	1.00	304.09	304.09
510-214-10	6740	51	2031 Wild Thorne Dr	1.00	304.09	304.09
510-214-11	6740	52	2025 Wild Thorne Dr	1.00	304.09	304.09
510-214-12	6740	53	2019 Wild Thorne Dr	1.00	304.09	304.09
Totals				67.00	\$20,374.03	\$20,374.03



MAY 4, 2016

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT A PUBLIC HEARING WILL BE HELD BEFORE THE CITY OF RIDGECREST CITY COUNCIL IN THE COUNCIL CHAMBERS OF CITY HALL, 100 W. CALIFORNIA AVENUE, RIDGECREST, CALIFORNIA ON WEDNESDAY, JUNE 1, 2016 AT 6:00 P.M. OR AS SOON THEREAFTER AS THE MATTERS MAY BE HEARD.

UNDER CONSIDERATION WILL BE a public hearing to receive comments related to the annual renewal of Landscaping and Lighting Assessment District No. 2012-1 which includes all lots and parcels of land within the planned residential development known as Oriole Homes Inc. (Tract No. 6740).

All interested persons are invited to attend and present testimony.

CITY OF RIDGECREST

Rachel J. Ford, CMC
City Clerk

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT:

Resolution Reaffirming and Approving the Annual Investment Policy

PRESENTED BY:

W. Tyrell Staheli, Finance Director/City Treasurer

SUMMARY:

The Government Code of the State of California requires that the City Treasurer or Chief Financial Officer annually render a statement of investment policy to the City Council. The attached resolution adopts the City of Ridgecrest Annual Investment Policy.

The City complies with the State of California requirements of investing its funds according to the "Prudent Investor Standard". This standard provides that when making investment decisions, the prudent investor shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

There have been no changes in the Investment Policy from last year.

FISCAL IMPACT:

Reviewed by Finance Director

ACTION REQUESTED:

Approve the attached resolution.

CITY MANAGER 'S RECOMMENDATION:

Action as requested:

Submitted By: Tess Sloan

Action Date: 04-May-2016

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RESOLUTION NO. 16-xx

A RESOLUTION OF THE RIDGECREST CITY COUNCIL ADOPTING AND REAFFIRMING THE CITY'S ANNUAL STATEMENT OF INVESTMENTS AND DELEGATING THE AUTHORITY TO MAKE SUCH INVESTMENTS TO THE CITY TREASURER

WHEREAS, the State of California Government Code Section 53646 (a) requires the City Treasurer or Chief Financial Officer to annually render a statement of investment policy to the City Council;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council the City of Ridgecrest does hereby reaffirm and approve the City of Ridgecrest Annual Investment Policy herein attached as Exhibit A; and
2. The Annual Investment Policy adopted herein; and
3. The City Treasurer is hereby designated the authorized official to make all City Investments pursuant to the Government Code and City of Ridgecrest Investment Policy; and such designation shall remain in effect until rescinded.

APPROVED AND ADOPTED this 4th day of May, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Peggy Breeden, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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CITY OF RIDGECREST
100 West California Avenue
Ridgecrest, California 93555

Office of the City Treasurer

INVESTMENT POLICY FOR PUBLIC FUNDS Presented to the Ridgecrest City Council on May 4, 2016

1. Purpose

This statement is intended to establish the policies for prudent investment of the City's funds, and to provide guidelines for suitable investments.

It is the policy of the City of Ridgecrest to invest public funds not required for immediate day-to-day operations in safe and liquid investments having a market-average rate of return while conforming to all state statutes governing the investment public funds. The ultimate goal is to enhance the economic status of the City while protecting its funds.

The investment policies and practices of the City of Ridgecrest are based upon Federal, State, and local law and prudent money management.

This statement is intended to provide direction for the investment of the City's temporary idle cash under the prudent investor rule. Civil code Section 2261, et seq. States in part "investing...for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which men of prudence, discretion, and intelligence exercise in the management of their own affairs..."

2. Objectives

The primary objectives of the City's investment policy are:

- Safety
- Liquidity
- Yield

The City strives to maintain the level of investment of all idle funds as near 100% as possible, through the optimum operation of its cash management system which is designed to accurately monitor and forecast expenditures and revenue. The City attempts to obtain the highest yield on its investment consistent with preservation of principal and liquidity and consistent with the cooperation of the City's operating departments in avoiding sudden cash withdrawals, loss of interest and possible penalties.

The "Prudent-Investor Standard" as defined in the Government Code of the State of California for liquidity, safety, and return shall guide the City's investment policy. This objective provides that when making decision, the prudent investor shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency, thus realizing and optimizing the investment objectives of safety, liquidity, and yield.

3. Funds to be Invested

This policy governs the prudent investment of all idle funds of the City of Ridgecrest. City is defined as the City of Ridgecrest, the Redevelopment Agency, the Ridgecrest Public Financing Authority, Assessment Districts, as well as any future component units of the City, the Agency, or the Authority. Specifically, the funds under investment include:

- General Fund
- All Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Trust & Agency Funds
- Bond Reserve Funds
- Trust & Agency Funds
- Any new funds that the City Council may create during the fiscal year

4. Delegation of Authority-Adoption of Policy

The City invests in the spectrum of instruments allowable under the Government Code Section 53600 et. seq. of the State of California. The City Council has delegated, by resolution, the authority to invest to the City Treasurer, subject to the limitations set forth in the Investment Policy. The City shall hold its public funds investor harmless for responsible transactions undertaken in accordance with the Investment Policy. The investment policy shall be annually rendered by the City Treasurer and be adopted by City Council resolution.

5. Investment Strategy & Diversification

To maximize returns, the economy and various markets are monitored carefully in order to assess the probable course of interest rates. The City lengthens its maturities when rates are falling and shortens maturities when rising. The City attempts to take advantage of imperfections in the market where a security's price is out of line with other investments, and tries to improve yields during contra cyclical changes in interest rates and through the purchase of occasional odd lots which are offered at bargain prices.

The City of Ridgecrest will diversify its investments by security type, institution, and maturity. The only exception is with the Local Agency Investment Fund. With the exception of U.S. Treasury securities and authorized investment pools no more than 50% of the City's total investment portfolio may be with a single investment instrument or financial institution.

6. Selection of Financial Institutions

The Finance Director/City Treasurer (or designated staff) shall investigate all institutions that wish to do business with the City in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the City's Investment Policy. All financial that desire to become qualified bidders for investment transactions must complete City's "Broker/Dealer Request for Information" and "Broker/Dealer Certification".

The Finance Director/City Treasurer shall conduct an annual review of the financial condition and other qualifications of all approved financial institutions and broker/dealers to determine if they continue to meet the City's guidelines for qualifications as defined in this section. Additionally, the City shall keep the current audited financial statements on file for each approved financial institution and broker dealer with which the City does business.

7. Investment Instruments

The City invests in the following investment instruments as approved by the California Government Code:

Securities of the U.S. Government, the State of California or any component units.

Local Agency Investment Fund (State of California) Demand Deposits.

Certificates of Deposit (Time Deposits) placed with commercial banks and savings and loan companies.

Bankers Acceptances.

Re-purchase Agreements.

Passbook Saving Account Demand Deposits.

Other investments that are, or may become, legal investments through the State of California Government Code and with prior approval of the City Council.

- a. In addition to following all legal guidelines, the portfolio shall preserve principal, maintain adequate liquidity to meet all City obligations, contain an appropriate level of interest rate risk, and with the exception of the Local Agency Investment Fund (LAIF) be diversified across types of investments, maturities, and institutions to minimize credit risk and maintain an appropriate return.
- b. **Repurchase Agreements – Master Repurchase Agreements Required**
Investments in repurchase agreements are allowable and shall be made only with financial institutions with which the City has an executed master repurchase agreement. The financial institution must be a primary dealer of the Federal Reserve Bank of New York.

8. Investment Pools/Mutual Funds

A thorough investigation of any pooled investment funds, including mutual funds is required prior to investing, on a continual basis. To accomplish this a questionnaire will be used to evaluate the suitability of the pooled fund. The questionnaire will answer the following general questions:

- A description of eligible investment securities, and a written statement of investment policies and objectives;
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes) and how often the securities are priced and the program audited;
- A description of who may invest in the program, how often, and what size deposit and withdrawal is allowed;
- A schedule for receiving statements and portfolio listings;
- Are reserves, retained earnings, etc. utilized by the pool/fund?
- A fee schedule and when and how the fees are assessed;
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

9. Policy Criteria for Selecting Investment, in Order of Priority

A. Safety

Safety and the minimizing of risk associated with investing refers to attempts to reduce the potential for loss of principal, interest or a combination of the two. The first level of risk control is found in state law, which restricts the particular type of investments permissible for municipalities. The second level of risk control is reduction of default risk by investing in instruments that appear upon examination to be the most credit worthy. The third level of risk control is reduction of market risk by investing in instruments that have maturities coinciding with planned dates of disbursement, thereby eliminating risk of loss from a forced sale.

B. Liquidity

Liquidity refers to the ability to easily sell at any time with a minimal risk of losing some portion of principal or interest. Liquidity is an important quality for an investment to have, for at any time the City may have unexpected or unusual circumstances that result in larger disbursements than expected, and some investments may need to be sold to meet the contingency. Most investments of the City are highly liquid, with the exception of Time Certificates of Deposits issued by banks and savings and loans companies. Maturity dates for Time Certificates of Deposits shall be selected in anticipation of disbursement needs, thereby obviating the need for forced liquidation or lost interest penalties.

C. Yield

Yield is the potential dollar earnings as investment can provide, and also is sometimes described as the rate of return. The City attempts to obtain the highest yield possible when selecting an investment, provided that the criteria stated in the Investment Policy for safety and liquidity are met.

7. Policy Constraints

The City operates its investment program with many State and self-imposed constraints. It does not speculate; it does not buy stock or corporate bonds; it does not deal in futures or options; it does not purchase on margin through Reverse Re-purchase Agreements. The weighted average life of the portfolio is maintained within limits dictated by the cash flow needs of the City. The City diversifies its investment to reduce potential default on market risks. The portfolio is carefully monitored to assure the prudent management of the portfolio.

8. Selection of Investment Contracts

The City determines those firms (broker, broker/dealers, banks, and savings and loans) with which it will do investment business based on the following criteria:

- A. Being authorized under California Government Code Section 53635.5 to transact investments within local agencies.
- B. Receipt of a positive, audited financial statement. The City Treasurer shall annually review the financial condition and registrations of qualified financial institutions and brokers/dealers with whom the City/Agency/Authority does business.
- C. Being in business for a minimum of seven years in the State of California as evidence as appropriate experience in California.
- D. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1.
- E. Other rules and regulations as may from time to time be either enacted by State law or administrative necessity as determined by the City Treasurer.

9. Safekeeping & Collateralization

Securities purchased from broker/dealers (if any) shall be held in third party safekeeping by the trust department of the City's bank or other designated third party trust, in the City's name and control.

Collateralization shall be required on certificates of deposits and repurchase agreements. In order to anticipate market changes and provide for a level of security for all funds, the collateralization level will be 105% of market value of principal and accrued interest or the minimum required in the California Government Code (whichever is greater). Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. Collateral substitution is granted with the written approval of the City Treasurer.

All securities will be received and delivered using a delivery vs. payment basis, which ensures that securities are deposited with the third party custodian prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts. Investments in the Local Agency Investment Fund or mutual funds are undeliverable and are not subject to delivery or third party safekeeping.

10. Investment Controls & Investment Procedures

The City has a System of Internal Investment Controls and a Segregation of responsibilities of Investment Functions. All requests for investment transactions are over the signatures of any two of the following four city officials: 1) Treasurer, 2) City Manager, 3) Mayor, 4) Deputy City Treasurer. In the absence of the City Treasurer, the Deputy City Treasurer, or the City Manager, as designated by the City Treasurer will act as the Treasurer and will make the investment decisions (normally based on the criteria outlined by the Treasurer prior to his departure on business or vacation).

The City Treasurer shall establish a separate written investment procedures manual for the operation of the investment program consistent with this policy. The procedures should explicitly include reference to: safekeeping, wire transfer agreements, banking service contracts, cash flow forecasting, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Treasurer.

11. Investment Reports

- A. The Treasurer annually renders a Statement of Investment Policy to the City Council for their approval.
- B. The Treasurer renders an investment report at the frequency dictated by State law, to the City Manager and City Council showing the type of investment, institution, date of maturity, amount of deposit, current market value for all securities with a maturity of more than 12 months, rate of interest, specifying in detail each investment in Re-purchase Agreements, and such other data as may be required by the City.
- C. The Investment Report states its relationship to the Statement of Investment Policy by indicating each and every instance that there is a divergence from or violation of Policy or stating that the report is in compliance with the approved Statement of Investment Policy.

12. Investment Audits

Annually, the City Council reviews and evaluates the investment program and updates the Statement of Investment Policy. The City's auditor will include in the scope of the audit investments executed, matured, and ongoing. Appropriate City staff will assist the Treasurer in confirming the accuracy of his reports and will confirm correlation with City's system of accounts.

13. Benchmark Standard

The benchmark for the portfolio is the 6-month T-Bill rate.

14. Ethics & Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Any potential conflicts shall be disclosed to the City Treasurer, City Manager, or the City Attorney.

GLOSSARY

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):

The official annual report for the City of Ridgecrest. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus

payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small-business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB):

Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder owned corporation. The corporation's purchases include a variety of adjustable mortgages and second

loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA, or FmHA mortgages. The term "passthroughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT INVESTOR RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations that have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage.

(a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security.

(b) **NET YIELD or YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT:

A Resolution Of The Ridgecrest City Council Calling And Giving Notice Of The Holding Of A General Municipal Election To Be Held On Tuesday November 8, 2016 For The Election Of Certain Officers As Required By The Laws Of The State Of California Relating To General Law Cities

PRESENTED BY:

Rachel J. Ford, CMC – City Clerk

SUMMARY:

California Elections Code requires that all general law cities adopt a resolution calling for and giving notice to the public of a General Municipal Election. This resolution is compliant with state code and authorizes the Elections Official to give public notice of the date and time of the General Municipal Election and requires the City Clerk to provide all necessary documents to candidates and the public.

FISCAL IMPACT:

None

Reviewed by Finance Director

ACTION REQUESTED:

Approve A Resolution Of The Ridgecrest City Council Calling And Giving Notice Of The Holding Of A General Municipal Election To Be Held On Tuesday November 8, 2016 For The Election Of Certain Officers As Required By The Laws Of The State Of California Relating To General Law Cities

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested

Submitted by: Rachel J. Ford, CMC

Action Date: May 4, 2016

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RESOLUTION NO. 16-xx

A RESOLUTION OF THE RIDGECREST CITY COUNCIL CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY NOVEMBER 8, 2016 FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES

BE IT RESOLVED BY THE RIDGECREST CITY COUNCIL as follows:

Section 1. There is called and ordered to be held in the City of Ridgecrest on Tuesday, November 8, 2016, a General Municipal Election for the purpose of electing two (2) members of the City Council for the full term of four (4) years AND one (1) Mayor of the City of Ridgecrest for the full term of two (2) years.

Section 2. The City Clerk, in coordination with the County of Kern Registrar-Recorder/County Clerk, to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment necessary to properly and lawfully conduct the elections.

Section 3. The polls for the elections shall be open at 7 o'clock a.m. of the day of the election and shall remain open continuously from that time until 8 o'clock p.m. of the same day when the polls shall be closed, except as provided in § 14401 of the Elections Code of the State of California.

Section 4. The ballots to be used at the election shall be in form and content as required by law. In all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 5. Notice of the time and place of holding the election is given and the City Clerk shall give further or additional notice of the election, in time, form and manner as required by law.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ridgecrest does hereby approve the notice and call for a General Municipal Election for November 8, 2016 pending the certification of the June 7, 2016 election results by the Kern County Clerk. Council further directs the City Clerk to take all applicable actions for holding municipal elections as required by California Elections Code.

APPROVED AND ADOPTED this 4th day of May, 2016 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Peggy Breeden, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT:

A Resolution Of The Ridgecrest City Council Requesting The Board Of Supervisors Of The County Of Kern To Render Specified Services To The City Relating To The Conduct Of A General Municipal Election To Be Held On Tuesday, November 8, 2016

PRESENTED BY:

Rachel J. Ford, CMC – City Clerk

SUMMARY:

The General Municipal Election is to be held on Tuesday, November 8, 2016. Pursuant to the provisions of §10002 of the Elections Code of the State of California, the City Council may request the County Board of Supervisors to consolidate and provide specific election services to the City related to the conduct of the election.

These services include, but are not limited to, providing all necessary supplies for each polling place, training and coordination of volunteer staff, printing of the ballots, counting of the ballots and certifying the results to the State.

The City pays a percentage of the cost for these services, our cost for the past General Municipal Election was \$21,493.16 and anticipated cost for the election on November 8, 2016 will be no more than \$25,000.

FISCAL IMPACT:

\$30,000 budgeted for Fiscal Year 2012-13

Reviewed by Finance Director

ACTION REQUESTED:

Approve A Resolution Of The Ridgecrest City Council Requesting The Board Of Supervisors Of The County Of Kern To Render Specified Services To The City Relating To The Conduct Of A General Municipal Election To Be Held On Tuesday, November 8, 2016

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested

Submitted by: Rachel J. Ford, CMC

Action Date: May 4, 2016

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RESOLUTION NO. 16-xx

A RESOLUTION OF THE RIDGECREST CITY COUNCIL REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN TO RENDER SPECIFIED SERVICES TO THE CITY RELATING TO THE CONDUCT OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016

WHEREAS, a General Municipal Election is to be held in the City of Ridgecrest, California, on November 8, 2016; and

WHEREAS, in the course of conduct of the election it is necessary for the City to request services of the County; and

WHEREAS, all necessary expenses in performing these services shall be paid by the City of Ridgecrest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIDGECREST DOES HEREBY RESOLVE as follows:

Section 1. That pursuant to the provisions of §10002 of the Elections Code of the State of California, this City Council requests the Board of Supervisors of the County to permit the County Election Department to prepare and furnish to the City all material, equipment, and services necessary for the conduct of the Elections. The City shall reimburse the County for the City's pro rata share of the services performed upon presentation of a properly approved bill.

Section 2. That the City Clerk is directed to forward without delay to the Board of Supervisors and to the County Election Department, each; a certified copy of this Resolution.

APPROVED AND ADOPTED this 4th day of May, 2016, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Peggy Breeden, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
HOUSING AUTHORITY/FINANCING AUTHORITY AGENDA ITEM**

SUBJECT:

Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of April 20, 2016

PRESENTED BY:

Rachel J. Ford, City Clerk

SUMMARY:

Draft Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of April 20, 2016

FISCAL IMPACT:

None

Reviewed by Finance Director:

ACTION REQUESTED:

Approve minutes

CITY MANAGER 'S RECOMMENDATION:

Action as requested: Approve Draft Minutes

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**MINUTES OF THE REGULAR MEETING OF THE
RIDGECREST CITY SUCCESSOR AGENCY,
FINANCING AUTHORITY, AND HOUSING AUTHORITY**

**City Council Chambers
100 West California Avenue
Ridgecrest, California 93555**

**April 20, 2016
5:30 p.m.**

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by City Council/Redevelopment Agency. Meetings are recorded solely for the purpose of preparation of minutes.

CALL TO ORDER – 5:30 p.m.

ROLL CALL

Council Present: Mayor Peggy Breeden; Vice Mayor Lori Acton; Council Members Eddie B. Thomas, and Mike Mower

Council Absent: Mayor Pro Tempore James Sanders

Staff Present: City Manager Dennis Speer; City Clerk Rachel J. Ford; City Attorney Keith Lemieux, and other staff

APPROVAL OF AGENDA

Motion To Approve Agenda Made By Council Member Mower, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Breeden, Council Members Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 1 Absent (Council Member Sanders)

PUBLIC COMMENT (Closed Session)

- None Presented

CLOSED SESSION

GC54956.8 Local Agency Real Property Negotiations – Negotiation For Sale – Ridgecrest Business Park Lot Nos. 1, 2, 3, 28, 29, 30, 31, 32, 33, 34, 35, And 36 – Agency Negotiators Economic Development Program Manager Gary Parsons And City Manager Dennis Speer

GC54956.9 Conference with Legal Counsel – Potential Litigation –
Public Disclosure of Potential Litigant would prejudice the
City of Ridgecrest

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
 - Undisclosed potential litigation – information received, - no reportable action
 - Real property negotiation – no action taken, to be placed on future council agenda for action.
- Other
 - none

PRESENTATIONS

1. **Presentation Of Awards For The Animal Shelter Solar Park** **Strand**
 - Chief Ron Strand presented recognition awards to citizens donating funds and labor to the Animal Shelter Solar Park Project
2. **Presentation of A Proclamation Recognizing May 1 through May 7, 2016 as National Municipal Clerk Week** **Council**
 - Council presented proclamation to City Clerk recognizing National Municipal Clerk Week
3. **A Presentation On The Development Of The East Kern County Diversification Plan By The Consultant TIP Strategies Inc.** **Parsons**
 - Tom Stellman of TIP Strategies Inc. gave PowerPoint presentation of the East Kern County Diversification plan

PUBLIC COMMENT (*Regular Session*)

Paul Valovich and Azel Aldridge

- Provided update on efforts to bring airline service to Inyokern.
- Information will be available on their website and published in the newspaper.
- Airport applying for grant which requires matching funds from the service area.
- Application deadline is May 3 so requesting donations from local businesses and community representatives to pledge the matching funds.

Mike Neel

- Commented on Dale Howard receivership letter noticing sale of property.
- Expressed dissatisfaction with City for allowing Mr. Howard to lose his property.

COUNCIL ANNOUNCEMENTS

Eddie Thomas

- May 5, 2016 open house at 6:00 p.m. recognizing Ridgecrest police department.

Peggy Breeden

- April 30 cleanup at the fairgrounds with RidgeProject.

CONSENT CALENDAR

4. Approve Draft Minutes Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Meeting Dated April 6, 2016 Ford
5. Adopt A Resolution Approving A Proclamation Recognizing Parental Alienation Awareness Day And Authorizing The City Clerk To Mail The Proclamation To The Requestor Ford
6. A Resolution Of The City Council Of The City Of Ridgecrest Authorizing The Establishment Of A New Fund And Requesting Assessment Collection Services For The Drainage Benefit Assessment District No. 2016-1 And Authorizing the City Manager to Sign a Letter to Establish the Fund Speer
7. Adoption Of Resolutions (1) Declaring The City's Intention To Form The Drainage Benefit Assessment District And Initiating Proceedings To Form The Drainage Benefit Assessment District No 2016-1, And To Levy Assessments Commencing In Fiscal Year 2016-2017; And (2) The Preparation And Filing Of The Engineer's Report Regarding The Formation Of The Drainage Benefit Assessment District No 2016-1, And To Conduct A Property Owner Protest Ballot Proceeding For The Assessments And Set The Time And Place For The Public Hearing Culp
8. Adoption of Resolutions (1) The City's Intention To Annex Territory To The Ridgecrest Landscaping And Lighting District No. 2012-1; And To Levy And Collect Annual Assessments Related Thereto Commencing Fiscal Year 2016/2017; And (2) Approving A Preliminary Engineer's Report In Connection With The Annexation; And Declaring The City's Intention To Levy Assessments, Conduct The Required Protest Ballot Proceeding And Setting A Time And Place For The Public Hearing Culp

9. A Resolution Of The Ridgcrest City Council Accepting A Grant of Easement Deed for Additional Street Right of Way for North Warner Street Improvements From Mr. Robert Jennings and Mrs. Guadalupe Lopez Jennings for Valuable Consideration of Four Thousand Five Hundred Eighty Seven Dollars, (\$4,587.00); And Authorizing The City Manager To Sign the Acquisition of Easement Agreement and The Mayor To Sign The Certificate Of Acceptance Culp

10. A Resolution Approving The Program Supplement Agreement No. 039-N1 With The State Of California, Department Of Transportation, Under Master Agreement No. 09-5385R And Authorize Tax Allocation Bonds In The Amount of Seventy-Four Thousand One Hundred and Fifty-Nine Dollars (\$74,159.00) Be Used For Matching Funds And Authorize The City Manager, Dennis Speer, To Sign The Program Supplement Agreement For Construction Of The South China Lake Boulevard Project from Bowman Road to College Heights Boulevard Speer

Items Pulled From Consent Calendar:

- Item Nos. 6, 7, and 8

Motion To Approve Consent Calendar Item Nos. 4, 5, 9, and 10 Made By Council Member Mower, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Breeden, Council Members Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 1 Absent (Council Member Sanders)

Item Nos. 6, 7, and 8 Discussion

Dave Matthews

- Asked where the drainage district is located and why it is needed.

Dennis Speer

- Outlined the existing district and renewal.

Motion To Approve Consent Calendar Item Nos. 6, 7, and 8 Made By Council Member Mower, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Breeden, Council Members Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 1 Absent (Council Member Sanders)

DISCUSSION AND OTHER ACTION ITEMS

11. Nomination And Appointment To The City Of Ridgcrest Personnel Commission Ford

Lori Acton

- Nominated Jess Chacon as her representative to the Personnel Commission

Item No. 11 *(continued)*

- No further comments made by Council or Public

Motion To Approve Nomination Made By Council Member Thomas, Second By Council Member Mower. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Breeden, Council Members Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 1 Absent (Council Member Sanders)

12. Approve a Resolution to Authorize the City Manager, or his designee, to execute a Municipal Service Agreement (MSA) with the Timbisha Shoshone Tribe **Parsons**

Gary Parsons

- Presented staff report

Public Comment

Scott Leahy

- Thanked Council and Timbisha Tribe for coming here.
- Spoke in general support for the project
- Questioned if City and Tribe could develop a beautiful, attractive facility that is beneficial to the community and tribe.
- Hope we can reach a fair accord and urged people to be forward thinking.

Mike Neel

- Highlighted items in the agenda supporting documents.
- Referenced past discussions of casino.
- Commented on funds for additional police equating to more crime.
- Noted water situation and requirement to cut water.

Lindsey Stevens

- Distributed information to Council regarding planning and traffic studies for casinos.
- Commented on increases to substance abuse, larceny, and crime which equates to additional expenses to citizens.
- Commented on decreased property values and increases in divorce, prostitution, and other moral values.

Lynn Whitcom

- Relayed personal story of elderly father with dementia traveling to Pechanga regularly and spending livelihood.

Brian Bunce

- Questioned plans for the money.
 - Mike Mower – General Fund
- Questioned hiring for the facility, will it be strictly tribal members or open to local residents
 - Gary Parsons – Tribal first and others as needed

Bill Logan

- Immanuel Baptist Church opposes casino
- Shared experiences from San Manuel casino
- Commented the Casino as a detriment to families of the community.

Denny Roberts

- Asked about agreements with tribe to adhere to city ordinances with regard to appearances, signs and building codes.
 - Gary Parsons – explained NEPA review and MSA agreement tribe agrees to utilize Ridgecrest building codes.

Tim Singleton

- Opposes casino and location is a few blocks from neighborhood
- Commented on crime rate increases and household incomes being reduced by gambling.
- Encouraged Council to find other venues to increase City revenues.

Wayne Porter

- Pastor of local church and questioned risking the displeasure of God for a few dollars.
- Mentioned various 'sins' that fuel gambling.
- Read prepared statement.

Tim Fox

- Noted military compatibility concerns regarding the chosen location.

Steve Foster

- Commented on being offended the council has not offered time for community input on this issue.
 - Peggy Breeden – Council Member Sanders was unable to be here and Council wants public to have more time to consider. Am going to ask council to continue this item to next Wednesday.

Brian Danielson

- Opposed to casino and the location.
- Exemplified citizens spending income at the casino rather than in other local businesses.
- Discouraged idea of having the location in front of the base.

Melanie Bunce

- Read letter to editor from 2001 regarding casino.

Marilyn Neel

- Referenced the Blinken Report by the Rockefeller Foundation regarding negative income in gambling communities and concluding it is a detriment to society.
- Encouraged Council to reject the MSA

Francis DeRosa

- Requested location description.
 - Gary Parsons – reviewed the property lines.
- Asked about the impact to the Base.
 - Gary Parsons – under the NEPA process the Base will have opportunity to comment on the impacts.

Mary Boster

- Owner of Pack Wrap and is directly impacted by the sale.
- Expressed concern about original intent of the business park and a casino does not fit the criteria
- Encouraged Council to review this further
 - Gary Parsons – this item is not real estate, only the MSA. With regard to the original restrictions, the State did away with them when they shut down the redevelopment agency.

Jessica Roberts

- Referenced experience in Alabama and reviewed a report from that state.
- Highlighted mental health concerns and current difficulty in transporting patients to Bakersfield.

Dave Matthews

- Reviewed Exhibit B and suggested items currently in Ridgecrest be removed from the suggested uses.
- Commented on light pollution and requested low light or night sky lighting.
- Read quote from Sam Adams.

Shawn King

- Expressed concern about casino, jail closure, potential defunding of Measure 'L', traffic congestion, sustainable businesses.
- Asked about other economic development opportunities.

Pat Ferris

- Commented about this being sprung on the community.
- Referenced the location next to the base, loss of jail and increased demand on police department, schools and health care.
- Questioned the rush to make a decision and referenced past discussions on a prison proposed for the community.
- Requested community leaders be brought together to discuss the impact to schools and other community businesses.
- Commented on the community values and branding the community.

Ryan Ziegler

- Spoke on experience growing up around casinos and good experiences with family activities.
- Questioned personal accountability.
- Encouraged Council to move forward with the project and hope council can separate religious considerations from civic considerations.

Cabria Davies

- Expressed concern about the teenagers in the community that don't always make the best decisions.

Paul Valor

- Questioned council on how this got to this level before community was involved.

Brian Bunce

- Opposed to the casino. Commented on location of a casino 70 miles away and anyone is able to go there.

Jason Stowe

- Commented on community being treated like a mushroom and not being informed.
- Logistically the location is close to several schools.
- Against the casino

Al Huey

- Expressed disappointment the council declined to let the public hear where they stood on this subject.
- Referenced last council meeting presentation which did not include this project.
- Asked if other staff would be commenting
- Commented on no other business having to pay to compensate for additional law enforcement or other municipal services.
- Commented on the moral climate of the community and stated his opinion that it would be a bad decision to move forward.

Patrice Cubie

- Son is working on Eagle Scout project. This is serendipity as he is working on citizenship badge.
- Had heard rumors but not aware it had reached this level.
- Commented on concerns and happy son is able to hear both sides of the argument.

Marilyn Neel

- Commented on disappointment with Council and encouraged public to pay attention.

Speaker

- Explained NEPA process happens after the property sale and decisions are made. Concerns are mitigated but do not mean the casino would go away.

Michael Cando

- Projects like this have been shot down in the past and believe project was intentionally kept quiet to keep public voice out the transaction.
- Suggested an ethical review of Council.

Axel Aldridge

- Commented that attended this meeting to speak for the airport but had no clue this item was going on.
- Urged council to not make a decision today.
- Community needs more information and suggested looking the issues in Lemoore

Elaine Mead

- Suggested Tribe give a presentation on what they are proposing.
- Not for or against the project at this time.
- Suggested if community understood what was being proposed rather than bits and pieces sprung on us so rapidly might get more support.

Speaker

- Prison was on the ballot and this is similar so should be voted on rather than Council make the decision.

Jim Hoover

- Spoke on unintended consequences.
- Does not believe city leaders intended to deceive but haste to make a decision made it appear like deception.
- Asked council to consider unintended consequences of gaming.

Jason Stowe

- Commented on Police open house and Council being voted in by the people.

Peggy Breeden

- Responded to the comments regarding Council.
- We brought this up so we could hear from you. I am not ready to make a decision tonight.
- To think we would try to pull the cloak over your eyes, shame on you.
- Tonight was our opportunity to hear your concerns and we will have other opportunities.
- We have one opportunity to do this right and don't want to throw it away.

Ron Strand

- Spoke to Lemoore Casino and Kings County Sheriff department. Have had minor issues with theft and drugs from the Fresno area and made suggestions on the MSA to make sure they have a cooperative relationship with Casino security.
- Reached out to Bishop who have minor issues with alcohol and drug use.
- Common suggestion was have police work together with security.
- Is a law enforcement issue that can be mitigated with a good relationship between police and security
- Concern with 18 years of age gambling limit and suggested this be revised to age 21.
- Public law 280 our municipal code does not apply so language should be amended to allow us to enforce our local laws.

Mike Mower

- In all fairness to the Mayor it has been expressed we want to put off decision at least a week to gather more input.

Eddie Thomas

- Commented the community needs to look beyond past council actions and statements we deliberately tried to deceive you is not good. We are a part of this community as well and we do not want to make decision tonight because we want to hear how you feel, not be ridiculed by you. You are displeased, I am hurt too.

Lori Acton

- We put this on the agenda so we can hear from you.
- We may have an opinion but ours may change after we hear what you have to say. Don't beat us up until we are done. We are here to have open discussion.
- I have lived near gaming community and have burned up the phone lines to gather facts from these communities in order to make a better informed decision.
- I ask the community give us time to hear your concerns and gather the facts.

Nigel White

- Thanked the mayor, council, residents and Tribe.
- Ridgecrest is not different from other cities that a tribe or corporate company wanted to build a casino. We always see push back from various segments of the community. Sometimes these are justified and not based on fact.
- Tribe will be a good neighbor. This is a small neighborhood casino in a pristine location, near the base and commercial area, not in a neighborhood.
- In July of last year after consultation with Washington DC who identified Ridgecrest as being within the aboriginal territory for a small casino.
- Explained the process and recommendations.
- Scope of the project is small, similar to Bishop, with restaurant and entertainment area.
- Will abide by all building codes and a rendering of the appearance will fit as part of the community.
- Some tribes have developed a bad rap and have had issues with community leaders.
- Referenced issue with Thunder Valley.
- Tribe will do and want to do the right thing.
- Referenced casino boat in Baton Rouge Louisiana. Commented on facts and myths about gaming communities.
- Spoke on property taxes and economic growth. The MSA was designed to ensure that all the money paid by the casino and tribe would go directly to the City of Ridgecrest, not divided between the county or state.
- Reviewed study issued by the US Treasury regarding the connection between gambling and bankruptcy which shows no effect regarding bankruptcy rates.

Speaker questions

- Asked about study of vehicles being drawn from Hwy. 395 to visit the casino.
 - Nigel White – reviewed the study parameters but numbers are not completed but official study will be done for the project
- Asked about the cost of increased police presence.
- Asked about the anticipated need for police presence if there is no anticipated increase to crime.
 - Nigel White – any increase to visitors can mean an increase to crime regardless of the venue. Exemplified Disney World and Branson Missouri.

Motion To table item and schedule special meeting next Wednesday at 6:00 p.m. Made By Mayor Breeden, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Breeden, Council Members Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 1 Absent (Council Member Sanders)

Peggy Breeden

- Asked staff to address the process to this point at the special meeting.

13. Approve A Resolution To Allocate \$25,000 From The Wastewater Fund To Partially Fund The Preparation Of The Salt & Nutrient Management Plan
Council

Mike Mower

- Presented Staff Report
- Lahontan is requiring the report and water district is taking the lead

Lori Acton

- Excited to see this report.

Public Comment

Stan Rajtora

- Identified other agencies that should be approached to help cover the cost of the report as they also utilize the same water basin.
- Questioned whether the Navy had been approached to help with cost.

Mike Mower

- Navy has participated in preparing the initial report, this is for the final
- LAHONTAN has been specific about the sewer plant and wastewater treatment.

Stan Rajtora

- Commented the sewer plant is located on Navy property and is owned by the navy, operated by the City.
- Stated the Water District money would be refunded through various grants and questioned whether the City planned on pursuing grants from LAHONTAN?
- Questioned what would happen if we did not give the money.
- Questioned whether there was a legal issue requiring this report

Mike Mower

- Commented that several years ago LAHONTAN gave us (the City) a cease and desist order for not complying, do not want that to happen again. We are out of time.

Stan Rajtora

- Stated people are supposed to get a vote before being taxed.
- Expressed concern that the wastewater fund is specific to treatment of waste.
- Commented on increased fees for a new plant and the report LAHONTAN wants, they should pay for it themselves.
- Commented that money is being put into the fund to pay for a new plant so if the City wants to throw money away it should come out of general fund.
- Does not believe LAHONTAN has a right to tax us, if they want the report they can fund the report.

Stan Rajtora *(continued)*

- Commented on GSA meeting last Friday. Need to stop putting up with giving money they don't deserve.
- Disagree with this voluntary donation to the State.

Dave Matthews

- Agrees with Mr. Rajtora's comments and asked what the study is for.
 - Mike Mower – salt nutrients being put back into the water. City was targeted because we run the sewer plant.

Motion To Approve Made By Council Member Mower, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Breeden, Council Members Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 1 Absent (Council Member Sanders)

14. Approve A Resolution Creating An Ad Hoc Budget Review Committee

Lemieux

Keith Lemieux

- Presented staff report

Mike Mower

- Questioned 16-17 limitation
 - Michael Silander – Ad Hoc language makes it temporary.
- Request this be a standing committee
- Requested Dennis Speer review his changes

Dennis Speer

- Powers and authority change to 'assign staff' in order to provide the most knowledgeable staff to answer questions
- Change attendance which gives flexibility to assign the best staff members and does not conflict with other portions of the code.
- Suggest if approached as a standing committee then could conduct quarterly meetings to monitor the budget

Mike Mower

- Agrees with Mr. Speer's recommendations to make this a standing committee.

Keith Lemieux

- Suggested under attendance portion it says 'if any' so the ordinance does not have to be revised at a later date.

Public Comment

Tom Wiknich

- City Org committee was also the budget committee. Understand the City Manager interaction with Council.
 - Mike Mower – looking to have a committee with only 2 Council Members and no Planning Commissioners.

Stan Rajtora

- Appreciate comments of Council from original proposal.
- Stated it is critical to reconcile the budget at the end of the year. CAFR is too late to do anything useful so Council should be involved in end of year reconciliation.
- True-up should be done in July or August.
- Commented there is no mention of public attendance at the meeting, public is important and should be allowed to be involved. Having members of the public on the committee would be beneficial. Important for public to attend but also need to have a couple members of the public as committee members.
- Commented on lack of public input as a result of public not seeing what is really in the budget.
- Commented on new software system which should allow more access for the public.

Peggy Breeden

- Do not disagree with public attendance.

Lori Acton

- Commented on Ad Hoc having the ability to sit with Finance Director and City Manager without having Brown Act issues. Designed to help City staff develop a budget and not carry the full burden.
- Doing an Ad Hoc for a year may be all that is needed with the new computer software.

Peggy Breeden

- Affirmed a desire to have Council involved in the budget process for better understanding.

Keith Lemieux

- If you want this to be a standing committee then will come back with resolution
- Ad Hoc has to be related to specific topic and go away at a specific time.

Mike Mower

- Ok with Ad Hoc

Stan Rajtora

- Commented on no guarantee that new software system will give more transparency. Stated it appears public is being cut out. Last 4 budget hearings, public gets told less and less about how the budget is coming together. It is time for whole budget process to be more transparent and public is included more.

Mike Mower

- Proposed the item be tabled to next agenda.

COMMITTEE REPORTS

(Committee Meeting dates are subject to change and will be announced on the City website)

City Organization and Services Committee

Members: Lori Acton; Mike Mower
Meeting: 4th Wednesday each month at 5:00 p.m. as needed
Location: Council Conference Room B

- No report

Infrastructure Committee

Members: Jim Sanders; Mike Mower
Meeting: 4th Thursday each month at 5:00 p.m. as needed
Location: Council Conference Room B

- No report

❖ Ad Hoc Water Conservation Committee

Members: Jim Sanders; Peggy Breeden
Meeting: 1st Monday each month at 5:00 p.m. as needed
Location: Conference Room B

- No report

Parks, Recreation, and Quality of Life Committee

Members: Eddie Thomas; Lori Acton
Meeting: 1st Tuesday each month at 12:00 p.m. as needed
Location: Kerr-McGee Center Meeting Rooms

- No report

❖ Ad Hoc Youth Advisory Council

Members: Eddie Thomas
Meeting: 2nd Wednesday of each month, 12:00 p.m. as needed
Location: Kerr-McGee Center Meeting Rooms

- No report

Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)

Members: Eddie Thomas; Lori Acton
Meeting: Biannually, 3rd Tuesday of the month at 4:00 p.m. as needed
Location: Kerr McGee Center Meeting Rooms

- No report

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Lori Acton and Eddie Thomas
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: To Be Announced

- No report

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

Mike Mower

- Kern COG tomorrow

Peggy Breeden

- GSA meeting available on media vault

CITY MANAGER REPORT

Dennis Speer

- Council has received EIR for proposed wastewater treatment plant.
- Met with Jim Falk at District 6 regarding transportation grants program. Since new components have been implemented we have not been getting grants. Disadvantaged communities received over 80% of available grant funding so do not anticipate resolving the issues this grant funding cycle.

MAYOR AND COUNCIL COMMENTS

Lori Acton

- Thanked Council for allowing time to deal with personal issues
- Thanked citizens for their input
- Thanked staff for their work on our behalf

Peggy Breeden

- Thanked the public for their input

Eddie Thomas

- Justin O'Neill invoice sent to Council with report
- Thanked staff and community for sharing their concerns

Mike Mower

- Council is caught between rock and hard place because we discuss negotiations in closed session then get beat up when we don't disclose those negotiations.

ADJOURNMENT at 9:52 p.m.

Rachel J. Ford, CMC
City Clerk

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CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM

SUBJECT:

Continued Discussion And Response To Questions Raised At The April 27, 2016 Town Hall Meeting Regarding The Proposed Timbisha Shoshone Tribe Development Project

PRESENTED BY:

Peggy Breeden, Mayor

SUMMARY:

This item is continued discussion resulting from the April 27, 2016 Town Hall meeting. Staff and Council will respond to some of the questions raised about the proposed development project and receive additional comments as presented by members of the public.

No Action to be taken, discussion only.

FISCAL IMPACT:

None

Reviewed by Finance Director

ACTION REQUESTED:

Discussion of the Timbisha Shoshone Tribe Development Project

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Rachel J. Ford
(Rev. 6/12/09)

Action Date: May 4, 2016

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