



**CITY COUNCIL/SUCCESSOR AGENCY/
FINANCING/POWER/
CALIFORNIA CHOICE ENERGY AUTHORITY
REGULAR MEETING
AGENDA**

Tuesday

October 24, 2017

Regular Meeting – **5:00 p.m.**

Council Chambers – Lancaster City Hall

The City Clerk/Agency/Authority Secretary hereby declares the agenda was posted
by 5:00 p.m. on Friday, October 20, 2017

at the entrance to the Lancaster City Hall Council Chambers.

44933 Fern Avenue, Lancaster, CA 93534

LEGISLATIVE BODY

City Council/Successor Agency/Financing/Power/ California Choice Energy Authority

Mayor/Chair R. Rex Parris

Vice Mayor/Vice Chair Marvin Crist

Council Member/Agency Director/Authority Member Raj Malhi

Council Member/Agency Director/Authority Member Ken Mann

Council Member/Agency Director/Authority Member Angela Underwood-Jacobs

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AGENDA ITEMS TO BE REMOVED

Sometimes it is necessary to remove items from the agenda. We apologize for any inconvenience this may cause you.

PUBLIC BUSINESS FROM THE FLOOR - AGENDIZED ITEMS

Any person who would like to address the Legislative Bodies on any agendized item is requested to complete a speaker card for the City Clerk/Agency/Authority Secretary and identify the agenda item you would like to discuss. Each person will be given an opportunity to address the Legislative Body at the time such item is discussed. Speaker cards are available at the rear of the Council Chambers and your speaker card must be filled out *prior* to the agenda item being called. We respectfully request that you fill the cards out completely and print as clearly as possible. Following this procedure will allow for a smooth and timely process for the meeting and we appreciate your cooperation. *Individual speakers are limited to three (3) minutes each.*

Consent Calendar items under the Legislative Body may be acted upon with one motion, a second and the vote. If you desire to speak on an item or items on the Consent Calendar, you may fill out one speaker card for the Consent Calendar. You will be given three minutes to address your concerns before the Legislative Body takes action on the Consent Calendar.

CALL TO ORDER

City Council/Successor Agency/Financing/Power/ California Choice Energy Authority

ROLL CALL

City Council Members /Agency Directors /Authority Members: Malhi, Mann, Underwood-Jacobs; Vice Mayor/Vice Chair Crist, Mayor/Chair Parris

INVOCATION

PLEDGE OF ALLEGIANCE

**CITY OF LANCASTER, CALIFORNIA
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PRESENTATIONS

1. Recognition of Lancaster Community Contributor, Mr. Ralph Bozigian – Longtime Community Supporter and Local Businessman
Presenter: Mayor Parris

2. Presentation of Streets of Lancaster Grand Prix winners
Presenter: Mayor Parris and Ronda Perez, Director Parks, Recreation & Arts

CALIFORNIA CHOICE ENERGY AUTHORITY ACTIONS

CONSENT CALENDAR

CCEA CC 1. Professional Services Agreement for Implementation Support Services and Administrative Services Agreement with City of Rancho Mirage

- a. Approve Professional Services Agreement for Implementation Support Services with the City of Rancho Mirage (“Rancho Mirage”) and authorize Executive Director, or his designee, to sign all documents.
- b. Approve Administrative Services Agreement with the Rancho Mirage and authorize Executive Director, or his designee, to sign all documents.
- c. Recognize revenue of \$301,259 into Account No. 491-3100-004 and appropriate a total of \$157,842.50 into Account 491-4370-004P for professional services to be provided to the Rancho Mirage in accordance with the above agreements and \$143,416.50 to transfer out to Account No. 491-4999-490 to offset Lancaster Choice Energy operating costs.
- d. Approve amendment to Master Professional Services Agreement with Calpine Energy Solutions, LLC (“Calpine”) to support work performed for Rancho Mirage under the terms of the Professional Services Agreement for Implementation Support Services and Administrative Services Agreement; and authorize the Executive Director, or his designee, to sign all documents.
- e. Approve amendment to Professional Service Agreement with Pacific Energy Advisors to support work performed for Rancho Mirage under the terms of the Professional Services Agreement for Implementing Support Services and Administrative Services Agreement for the Rancho Mirage; and authorize the Executive Director, or his designee, to sign all documents.

On September 19, 2017, Rancho Mirage, a newly formed Community Choice Aggregator (CCA), approved a Professional Services Agreement for Phase II (Implementation Support Services). On October 19, 2017, Rancho Mirage approved an Administrative Services Agreement with California Choice Energy Authority for the purpose of receiving operational and administrative support services, including the purchase and sale of electricity and data management services, on behalf of their CCA. Rancho Mirage’s CCA program will launch in May 2018. CCEA will provide Implementation Support Services in preparation for the launch, and operational support services under the terms of the Administrative Services Agreement.

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COUNCIL ACTIONS

MINUTES

M 1. Approve the City Council/Successor Agency/Financing/ Power/ California Choice Energy Authority Regular Meeting Minutes of October 10, 2017.

CONSENT CALENDAR

CC 1. Waive further reading of any proposed ordinances. (This permits reading the title only in lieu of reciting the entire text.)

CC 2. Approve the Check and Wire Registers for September 17, 2017 through September 30, 2017 in the amount of \$6,027,751.62; approve the Check Register as presented.

At each regular City Council Meeting, the City Council is presented with the financial claims (invoices) against the City for purchase of materials, supplies, services, and capital projects for checks and Automated Clearing House (ACH) payments issued the prior two to three weeks. This process provides the City Council the opportunity to review the expenses of the City. The justifying backup information for each expenditure is available in the Finance Department.

CC 3. Accept and approve the September 2017, Monthly Report of Investments as submitted.

Each month, the Finance Department prepares a report listing the investments for all separate entities under the jurisdiction of the City as identified in the City's Comprehensive Annual Financial Report.

CC 4. Accept the work constructed by Leonida Builders, Inc. for **Public Works Construction Project No. 17-001, 2017 Curb and Gutter Repairs**, and direct the City Clerk to file the Notice of Completion for the project. Retention on this project has been disbursed in accordance with California Public Contract Code.

On May 23, 2017, Council awarded Public Works Construction Project No. 17-001, 2017 Curb and Gutter Repairs, to Leonida Builders, Inc. The project included replacement of curb and gutter, sidewalk, driveway approach/alley intersection, and pedestrian curb ramp, as well as tree removal/root pruning in various locations throughout the City of Lancaster. Work was performed in compliance with the City's 2014 ADA Transition Plan, and included two (2) curb ramps and 3,270 square feet of sidewalk at an approximate cost of \$6,000.00 and \$26,160.00. Construction of the project has been completed to the satisfaction of the Development Services Director.

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CC 5. Accept the work constructed by Granite Construction Company for **Public Works Construction Project No. 17-002, 2017 Sidewalk Repairs**, and direct the City Clerk to file the Notice of Completion for the project. Retention on this project has been disbursed in accordance with California Public Contract Code.

On May 23, 2017, Council awarded Public Works Construction Project No. 17-002, 2017 Sidewalk Repairs, to Granite Construction Company. The project replaced curb and gutter, sidewalk, and pedestrian curb ramps, as well as tree removal/root pruning, in various locations throughout the City of Lancaster. Work was performed in compliance with the City's 2014 ADA Transition Plan, and included reconstruction of 11 curb ramps and 18,730 square feet of sidewalk at an approximate cost of \$71,500.00 and \$149,840.00. Construction of the project has been completed to the satisfaction of the Development Services Director.

CC 6. Approve the map and accept the dedications as offered on the map for Tract Map No. 61040-01; approve and accept the Subdivision Improvement and Lien Agreement for the securities required as a condition of recordation of the map; make findings that this project will not violate any of the provisions of Sections 66473.5, 66474.1, and 66474.6 of the Subdivision Map Act; and instruct the City Clerk to endorse on the face of the map the certificate which embodies the approval of said map and the dedications shown thereon.

On June 20, 2005 the Planning Commission approved Tentative Tract Map No. 61040 (revised on June 20, 2016). The Final Map is in substantial conformance with the approved tentative map and phasing plan. Tract Map No. 61040-01 has been examined by the City Engineer, and is ready for Council approval. The securities for this map will be in the form of a Subdivision Improvement and Lien Agreement (Agreement), which will guarantee and secure the performance of all the grading, public improvements, impact fees, and public agency fees. The lien will be in first position, and the developer agrees to present substitute bond and deposit securities with the City prior to the commencement of the work of any improvements. The Agreement satisfies the security requirements of the Undertaking Agreement as an authorized form of security in accordance with the Subdivision Map Act and the City's Municipal Code.

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CC 7. Approve the map and accept the dedications as offered on the map for Tract Map No. 61041-01; approve and accept the Subdivision Improvement and Lien Agreement for the securities required as a condition of recordation of the map; make findings that this project will not violate any of the provisions of Sections 66473.5, 66474.1, and 66474.6 of the Subdivision Map Act; and instruct the City Clerk to endorse on the face of the map the certificate which embodies the approval of said map and the dedications shown thereon.

On June 20, 2005 the Planning Commission approved Tentative Tract Map No. 61041 (revised on June 20, 2016). The Final Map is in substantial conformance with the approved tentative map and phasing plan. Tract Map No. 61041-01 has been examined by the City Engineer, and is ready for Council approval. The securities for this map will be in the form of a Subdivision Improvement and Lien Agreement (Agreement), which will guarantee and secure the performance of all the grading, public improvements, impact fees, and public agency fees. The lien will be in first position, and the developer agrees to present substitute bond and deposit securities with the City prior to the commencement of the work of any improvements. The Agreement satisfies the security requirements of the Undertaking Agreement as an authorized form of security in accordance with the Subdivision Map Act and the City's Municipal Code.

CC 8. Adopt **Ordinance No. 1036**, amending Title 16 of the Lancaster Municipal Code to modify the design requirements for new subdivisions.

The proposed Municipal Code amendment is needed in order to ensure that the City's Subdivision Ordinance is consistent with the Lancaster General Plan, as amended by General Plan Amendment No. 17-04. The ordinance is necessary to ensure that street design and street networks in new subdivisions are consistent with the intent and provisions of the adopted Master Plan of Complete Streets.

CC 9. Reject all bids for Public Works Construction Project No. 17-012, Avenue I at 10th Street West and Avenue K at 30th Street West Intersection Improvements, HSIPL-5419(041). One bid was received and significantly exceeded the project budget.

This project was designed to include intersection improvements with the installation of bulb-outs, curb ramps, sidewalk, landscaping and irrigation, storm drainage improvements, pavement rehabilitation, utility improvements, and signing, striping and markings.

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PUBLIC HEARING

PH 1. Amendment to Title 16 (Subdivisions) of the Lancaster Municipal Code

Recommendation:

Introduce **Ordinance No. 1037**, amending Title 16 (Subdivisions) of the Lancaster Municipal Code by adding Chapter 16.24 Article XI (Covenant of Easement), relating to the creation of easements by covenant.

In certain situations, the subdivision or merging of parcels of land or the vacation of streets can create landlocked parcels or otherwise inhibit the rights of property owners from the full enjoyment of the use of their land and attached rights. In these situations, an easement can protect the rights of future property owners. However, when the properties in question are owned by the same person or entity, an easement cannot be created, because any restrictions placed by the current owner on himself or herself are not binding against any future owner of that property. Therefore, access to the property or other enjoyment of the property could be inhibited by a future owner of one of the separated properties in question. Government Code sections 65870-65875 create an exception to this general rule, and allow creation of easements on properties held by a common owner, when necessary, to serve the limited purposes of parking, ingress, egress, emergency access, light and air access, landscaping, or open space purposes. However, before the City can require such an easement, the Government Code requires the City to pass a local enabling ordinance that allows creation of easements for properties held in common ownership. Although this situation is infrequent in Lancaster, passage of this ordinance will solve a significant City and developer problem of trying to satisfy requirements to ensure that these easements are permanent. This ordinance will help eliminate delay in development projects by simplifying the legal requirements for property owners in this situation, and enable the City and property owners to ensure that necessary easements exist in perpetuity.

CONTINUED BUSINESS

CB 1. Lancaster Tourism Business Improvement District

Recommendation:

Open public testimony to allow members of the public to provide comments on the proposed Lancaster Tourism Business Improvement District (TBID).

At its September 26th meeting, the City Council approved the resolution of intention to renew the TBID. This public meeting marks the second step in the renewal process. The third and final step is a public hearing, to be held at the November 14th City Council meeting. If renewed, the district will continue its work to promote travel and tourism in the City of Lancaster.

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NEW BUSINESS

NB 1. General Municipal Election – April 10, 2018

Recommendations:

- a. Adopt **Resolution No. 17-51**, calling for the holding of a General Municipal Election to be held on Tuesday, April 10, 2018, for the election of certain officers as required by the provisions of the applicable laws of the state of California and the City of Lancaster City Charter.
- b. Adopt **Resolution No. 17-52**, requesting the Board of Supervisors of the County of Los Angeles to render specified services to the city relating to the conduct of a General Municipal Election to be held Tuesday, April 10, 2018.
- c. Adopt **Resolution No. 17-53**, adopting regulations for candidates for elective office, pertaining to filing fees and candidate statements submitted to the voters at an election to be held Tuesday, April 10, 2018.
- d. Adopt **Resolution No. 17-54**, providing for the conduct of a special runoff election for elective offices in the event of a tie vote at any municipal election.
- e. Approve the agreement with Martin & Chapman for consulting services for the April 10, 2018 General Municipal Election.

During odd numbered years, the City Council adopts the necessary resolutions to proceed with the General Municipal Election in April of even-numbered years. These resolutions fulfill certain legal requirements to conduct the General Municipal Election; request information and supplies from the County of Los Angeles, establish guidelines and costs associated with candidate statements, and provide provisions to conduct a special runoff election to resolve a tie vote. The General Municipal Election of the City of Lancaster will be held on Tuesday, April 10, 2018, for the purpose of filling two Council Member seats.

NB 2. Agreement with Southern California Edison

Recommendation:

Authorize the City Manager, or his designee, to enter into an agreement with Southern California Edison (SCE) for the conversion of all LS-1 HPS streetlights to LED.

In April 2017, the City began taking possession of all the eligible streetlights from SCE. During this transition of ownership, the City began converting all high pressure sodium (HPS) lights to light emitting diode (LED), which will lead to a dramatic decrease in energy usage and substantially lower maintenance costs. The higher quality, more even LED lighting, will help to increase visibility and safety throughout the City. School zones and selected other locations have been targeted with increased wattage in order to provide a more secure environment. However, streetlights that are connected to electrical distribution lines are not eligible for purchase, and thus the City cannot change out to LED. Through this LS-1 Option E Agreement, the City has the opportunity to participate in a program offered by SCE, which allows the City to request SCE to convert all remaining LS-1 (SCE owned) lights from HPS to LED. This would provide a uniform look throughout the City. In order to begin this process, we must complete and submit the attached agreement.

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COUNCIL REPORTS

- CR 1.** Report on the Activities of the Board of Directors for the Antelope Valley Transit Authority
Presenters: Vice Mayor Crist and Council Member Underwood-Jacobs
- CR 2.** Council Reports

LANCASTER HOUSING AUTHORITY

No action required at this time.

LANCASTER FINANCING AUTHORITY

No action required at this time.

LANCASTER POWER AUTHORITY

No action required at this time.

LANCASTER SUCCESSOR AGENCY

No action required at this time.

CITY MANAGER / EXECUTIVE DIRECTOR ANNOUNCEMENTS

CITY CLERK / AGENCY / AUTHORITY SECRETARY ANNOUNCEMENT

PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS

This portion of the agenda allows an individual the opportunity to address the Legislative Bodies on any item ***NOT ON THE AGENDA*** regarding City/Agency/Authority business and speaker cards must be submitted ***prior*** to the beginning of this portion of the Agenda. Please complete a speaker card for the City Clerk/Agency/Authority Secretary and identify the subject you would like to address. We respectfully request that you fill the cards out completely and print as clearly as possible. Following this procedure will allow for a smooth and timely process for the meeting and we appreciate your cooperation. State law prohibits the Legislative Body from taking action on items not on the agenda and your matter may be referred to the City Manager/Executive Director. ***Individual speakers are limited to three (3) minutes each.***

COUNCIL / AGENCY / AUTHORITY COMMENTS

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CLOSED SESSION

1. Conference with Legal Counsel – Anticipated Litigation: significant exposure to litigation pursuant to Government Code Section 54956.9(d) (2) – two potential cases.
2. Conference with Legal Counsel – Anticipated Litigation: consideration of initiation of litigation pursuant to Government Code Section 54956.9(d) (4) - two potential cases.
3. Conference with Legal Counsel--Existing Litigation - Government Code Section 54956.9(d) (1)
4. Estarella v. City of Lancaster, LASC Case No.BC527749
5. Dunnagan v. City of Lancaster, LASC Case No. BC 615917
6. Simmons v. City of Lancaster, LASC Case No. BC 615471
7. Celebron v. City of Lancaster, LASC Case No. BC 615587
8. Bootleggers 2 v. City of Lancaster, LASC Case No. BS169660
9. Byrd v. City of Lancaster, LASC Case No. MC 026025
10. Antelope Valley Groundwater Cases
Included Actions:
Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.
Superior Court of California, County of Los Angeles, Case No. BC325201;
Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.
Superior Court of California, County of Kern, Case No. S-1500-CV-254-348
Wm. Bolthouse Farms, Inc. v. City of Lancaster, Diamond Farming Co. v. City of Lancaster,
Diamond Farming Co. v. Palmdale Water District
Superior Court of California County of Riverside, consolidated actions;
Case Nos. RIC 353 840, RIC 344 436, RIC 344 668
Santa Clara Case No. 1-05-CV 049053

ADJOURNMENT

Next Regular Meeting:

Tuesday, November 14, 2017 - 5:00 p.m.

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MEETING ASSISTANCE INFORMATION

In compliance with the Americans with Disabilities Act, this meeting will be held at a location accessible to persons with disabilities; if you need special assistance to participate in this meeting, please contact the City Clerk at (661)723-6020. Services such as American Sign Language interpreters, a reader during the meeting, and/or large print copies of the agenda are available. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting/event you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days notice is strongly recommended. For additional information, please contact the City Clerk at (661)723-6020.

AGENDA ADDENDUM INFORMATION

On occasion items may be added after the agenda has been mailed to subscribers. Copies of the agenda addendum item will be available at the City Clerk Department and are posted with the agenda on the windows of the City Council Chambers. For more information, please call the City Clerk Department at (661) 723-6020.

All documents available for public review are on file with the City Clerk Department.

STAFF REPORT
California Choice Energy Authority

CCEA CC 1
10/24/17
MVB

Date: October 24, 2017

To: Chairman Parris and Agency Directors

From: Jason Caudle, Deputy City Manager
Cathy DeFalco, Lancaster Choice Energy Manager

Subject: **Approve Professional Services Agreement for Implementation Support Services and Administrative Services Agreement with City of Rancho Mirage**

Recommendations:

- a. Approve Professional Services Agreement for Implementation Support Services with the City of Rancho Mirage (“Rancho Mirage”) and authorize the Executive Director, or his designee, to sign all documents.
- b. Approve Administrative Services Agreement with Rancho Mirage and authorize the Executive Director, or his designee, to sign all documents.
- c. Recognize revenue of \$301,259 into Account No. 491-3100-004 and appropriate a total of \$157,842.50 into Account 491-4370-004P for professional services to be provided to Rancho Mirage in accordance with the above agreements and \$143,416.50 to transfer out to Account No. 491-4999-490 to offset Lancaster Choice Energy operating costs.
- d. Approve amendment to Master Professional Services Agreement with Calpine Energy Solutions, LLC (“Calpine”) to support work performed for Rancho Mirage under the terms of the Professional Services Agreement for Implementation Support Services and Administrative Services Agreement; and authorize the Executive Director, or his designee, to sign all documents.
- e. Approve amendment to Professional Services Agreement with Pacific Energy Advisors to support work performed for Rancho Mirage under the terms of the Professional Services Agreement for Implementing Support Services and Administrative Services Agreement for Rancho Mirage; and authorize the Executive Director, or his designee, to sign all documents.

Fiscal Impact:

\$301,259.00 in revenues collected from the Professional Services Agreement for Implementation Support Services and the Administrative Services Agreement will cover the \$157,842.50 in expenditures and \$143,416.50 in transfers out.

Background:

In 2012, the Lancaster City Council adopted Resolution No. 12-59 forming the California Clean Energy Authority a joint powers agreement with the City of San Jacinto with the purpose of expanding solar partnerships.

On March 28, 2017, the Lancaster City Council adopted Resolution No. 02-17, adopting the first amendment to the California Clean Energy Authority Joint Exercise of Powers Agreement (JPA). The amendment changed the name of the JPA to California Choice Energy Authority (CCEA) to better reflect the authority's administrative support provided to member cities for their CCA operational services.

On September 19, 2017, Rancho Mirage, a newly formed Community Choice Aggregator (CCA), approved a Professional Services Agreement for Phase II (Implementation Support Services). On October 19, 2017, Rancho Mirage approved an Administrative Services Agreement with California Choice Energy Authority for the purpose of receiving operational and administrative support services, including the purchase and sale of electricity and data management services, on behalf of their CCA.

Rancho Mirage's CCA program will launch in May 2018. CCEA will provide Implementation Support Services in preparation for the launch, and operational support services under the terms of the Administrative Services Agreement.

Attachments:

Professional Services Agreement for Implementation Support Services
Administrative Services Agreement

**PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN
THE CITY OF RANCHO MIRAGE
AND
THE CALIFORNIA CHOICE ENERGY AUTHORITY**

THIS PROFESSIONAL SERVICES AGREEMENT (this "**Agreement**") is made and entered into this ____ day of September, 2017 ("**Effective Date**"), by and between the City of Rancho Mirage, a municipal corporation located in the County of Riverside, State of California (the "**Rancho Mirage**"), and the California Choice Energy Authority, created pursuant to the Joint Exercise of Powers Act (Cal. Gov't. Code Sections 6500 et seq.) ("**CCEA**") (collectively, the "**Parties**" and singularly, sometimes, a "**Party**").

RECITALS

WHEREAS, City desires to be a Community Choice Aggregator ("**CCA**"), as defined at Cal. Public Utilities Code § 331.1, to provide energy to its residents and businesses.

WHEREAS, City desires that CCEA undertake certain implementation support services.

WHEREAS, CCEA desires to facilitate access to the professional, technical and other knowledge and expertise of certain CCEA Members, their employees, contractors and/or consultants in connection with the formation of the City's CCA.

NOW, THEREFORE, IN CONSIDERATION OF THE COVENANTS, CONDITIONS AND PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. **Recitals.** The Recitals set forth above are true and correct and are hereby incorporated into this Agreement by this reference, as though set forth in full herein.
2. **Description of Work.** CCEA shall perform or facilitate the performance of the services set forth in the "**Scope of Services and Payment Schedule,**" attached hereto as Exhibit A and incorporated herein by reference ("**Services**").
3. **Obligations of Rancho Mirage.** Rancho Mirage shall pay the CCEA an amount not to exceed \$160,000 for the Services. Rancho Mirage will be invoiced five equal payments of \$32,000 beginning the month of ____ of 2017 and ending the month of ____ of 2018. Payments shall be due thirty (30) days after the CCEA invoice is submitted to and approved by Rancho Mirage.
4. **Obligations of the CCEA.** The CCEA's Board of Directors or its designee shall determine which CCEA Members, their employees, contractors and/or consultants shall perform the Services as required by this Agreement.
5. **Term: Termination.** The term of this Agreement shall commence on the Effective Date and expire upon the completion of Services and final payment therefor, or upon the termination of the Agreement as set forth herein. Either party may terminate this Agreement at any time without cause by giving thirty (30) days written notice to the other party of such termination and specifying the effective date thereof. In the event of termination of this Agreement, CCEA will be paid on a prorated basis for work completed and/or in progress at the time of issuance of such termination notice.

6. **Data Provided to CCEA.** Rancho Mirage shall provide to CCEA all data, including reports, records and other information, in Rancho Mirage's possession, or cause to be provided data not in Rancho Mirage's possession, which may facilitate the timely performance of the work described in the Scope of Services and Payment Schedule.

7. **Indemnification.**

a. Rancho Mirage agrees to indemnify, defend and hold harmless CCEA, its board of directors, officers, members, consultants and members' employees, contractors and/or consultants from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect (including any and all costs of investigation and defense, settlement and awards, and attorney's fees, in connection therewith), based or asserted upon any negligent or willful misconduct of Rancho Mirage, its officers, employees, agents or representatives, arising out of or in any way relating to this Agreement.

b. CCEA agrees to indemnify, defend and hold harmless Rancho Mirage from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect (including any and all costs of investigation and defense, settlement and awards, and attorney's fees, in connection therewith), based or asserted upon any negligent or willful misconduct of CCEA arising out of or in any way relating to this Agreement or the performance of Services pursuant hereto.

c. Rancho Mirage does not, and shall not, waive any rights that it may have against CCEA under this Section because of the acceptance by Rancho Mirage, or the deposit with Rancho Mirage, of any insurance policy or certificate required pursuant to this Agreement. The hold harmless, indemnification and duty to defend provisions of this Section shall apply regardless of whether or not said insurance policies are determined to be applicable to the claim, demand, action, damage, liability, loss, cost or expense described herein.

d. Notwithstanding the provisions of this section, CCEA shall not be responsible for damages or be in default or deemed to be in default by reason of delay caused by strikes, lockouts, accidents, or acts of God, or the failure of Rancho Mirage to furnish timely information or to approve or disapprove CCEA's work promptly, or by reason of delay or faulty performance by Rancho Mirage, its contractors, governmental agencies, or Southern California Edison, or by reason of any other delays beyond CCEA's control, or for which CCEA is without fault.

8. **Ownership of Documents.** All reports, studies and other documents that are prepared by CCEA, its employees, contractors and/or consultants in the course of performing the work required by this Agreement, and are specific to Rancho Mirage's CCA, shall be the property of Rancho Mirage.

9. **Insurance Requirements.**

a. **Policies.** Prior to CCEA's commencement of any Services, CCEA, at CCEA's own cost and expense, shall procure and maintain, for the duration of this Agreement, the following insurance policies:

(1) **Professional Liability Coverage.** CCEA shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which may arise from CCEA's Services, whether such Services are performed by CCEA or by its employees, subcontractors, or sub-consultants, or those of its members. The amount of this insurance shall

not be less than one million dollars (\$1,000,000) per claim, and two million dollars (\$2,000,000) in the aggregate.

(2) General Liability Coverage. CCEA shall maintain commercial general liability insurance in an amount not less than one million dollars (\$1,000,000) per occurrence, and two million dollars (\$2,000,000) in the aggregate, for bodily injury, personal injury and property damage. CCEA shall provide insurance on an occurrence, not claims-made basis.

(3) Automobile Liability Coverage. CCEA shall maintain commercial automobile liability insurance covering bodily injury, personal injury and property damage for all activities of the CCEA arising out of or in connection with the Services, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence, and one million dollars (1,000,000) in the aggregate.

b. Endorsements. Unless otherwise specified hereunder, each insurance policy required herein shall be with insurers possessing a Best's rating of no less than A:VII and shall be endorsed with the following specific language.

(1) Except for professional liability or errors and omissions coverage, Rancho Mirage, its elected or appointed officers, employees, agents and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of CCEA, including materials, parts or equipment furnished in connection with such work or operations.

(2) This policy shall be considered primary insurance as respects Rancho Mirage, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by Rancho Mirage, including any self-insured retention Rancho Mirage may have shall be considered excess insurance only and shall not contribute with it.

(3) Within thirty (30) days of learning of it, CCEA shall provide Rancho Mirage with written notice of any material modification, cancellation, expiration, or reduction in coverage of such insurance.

c. Certificates of Insurance. CCEA shall provide certificates of insurance with original endorsements to the City as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of performance of this Agreement. CCEA agrees to ensure that the most current certification of insurance is on file with the City at all times during the term of this Agreement.

10. **Independent Contractor's Status of CCEA**

CCEA shall at all times during the term of this Agreement remain, as to Rancho Mirage, a wholly independent contractor and shall perform the services described in this Agreement as an independent contractor and further, hereby waives any claims for any compensation or benefits afforded to City employees and not to independent contractors. Neither Rancho Mirage nor any of its agents shall have control over the conduct of CCEA or any of CCEA's employees or agents, except as herein set forth. Nothing contained in this Agreement shall be deemed, construed or represented by Rancho Mirage or CCEA or by any third person to create the relationship of principal and agent and CCEA shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of Rancho Mirage. CCEA shall have no authority, expressed or implied, to act on behalf of

Rancho Mirage in any capacity whatsoever as an agent, nor shall CCEA have any authority, expressed or implied, to bind Rancho Mirage to any obligation whatsoever.

11. **Civil Code Section 1542 Waiver.**

CCEA expressly waives any and all rights and benefits conferred upon it by the provisions of section 1542 of the California Civil Code which reads as follows:

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

This waiver shall be effective as a bar to any and all actions, fees, damages, losses, claims, liabilities and demands of whatsoever character, nature and kind, that are known or unknown, or suspected or unsuspected, including, without limitation, claims of entitlements under the California Public Employees’ Retirement System (CalPERS) that are only afforded to employees and not independent contractors. CCEA further represents and warrants that it understands this waiver and that if it does not understand this waiver, it shall seek the advice of a qualified attorney before executing this Agreement.

Initials

12. **Professional Ability of CCEA; Warranty; Familiarity with Work; Permits and Licenses.**

a. CCEA warrants that all Services will be performed in a competent, professional and satisfactory manner in accordance with the standards prevalent in the industry for such services.

b. By executing this Agreement, CCEA warrants that:

- (1) it has thoroughly investigated and considered the work to be performed;
- (2) it has investigated the issues contained in the Scope of Services and Payment Schedule;
- (3) it has carefully considered how the work should be performed; and

c. CCEA represents that it has obtained and will maintain at all times during the term of this Agreement all professional and/or business licenses, certifications and/or permits necessary for performing the services described in this Agreement. The Parties agree that CCEA shall not be required to obtain a City of Rancho Mirage business license.

13. **Notices.** Any notice or communication required or permitted under this Agreement shall be sufficiently given if delivered in person or by certified mail, return receipt requested, and addressed as listed below. All notices required by this Agreement are effective on the day of receipt, unless otherwise indicated herein.

CCEA

Mark Bozigian, Executive Director
California Choice Energy Authority

c/o City of Lancaster
44933 North Fern Avenue
Lancaster, California 93534

RANCHO MIRAGE

Isaiah Hagerman, Director of Administrative Services
City of Rancho Mirage
69-825 Highway 111
Rancho Mirage, CA 92270

14. **Resolution of Disputes.** Disputes regarding the interpretation or application of any provision of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties.

15. **Confidentiality.**

a. All ideas, memoranda, specifications, plans, procedures, drawings, photographs, descriptions, computer program data, input record data, written information, and other documents and data either created by or provided to CCEA in connection with the performance of this Agreement shall be held confidential by CCEA to the maximum extent permitted by law. Except to the extent that such information constitutes a public record pursuant to the California Public Records Act, such materials shall not, without prior written consent of Rancho Mirage, be used by CCEA for any purposes other than the performance of the Services under this Agreement, nor shall such materials be disclosed to any person or entity not connected with the performance of the Services. Nothing furnished to CCEA which is otherwise known to CCEA or is generally known, or has become known, to the related industry shall be deemed confidential.

b. CCEA shall not use Rancho Mirage's insignia or photographs relating to the project for which CCEA's Services are rendered without the prior written consent of Rancho Mirage.

16. **CCEA's Books and Records.**

a. CCEA shall maintain all documents and records which demonstrate performance under this Agreement for a minimum of three years, or for any longer period required by law, from the date of termination or completion of this Agreement.

b. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at reasonable times during regular business hours, upon written request by Rancho Mirage's City Manager, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to Rancho Mirage for inspection at Rancho Mirage's address indicated for receipt of notices in this Agreement when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at CCEA's address indicated for receipt of notices in this Agreement.

17. **Severability.** If any provisions of this Agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

18. **Amendment.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon mutual written approval by the CCEA and Rancho Mirage.

19. **Waiver.** No waiver of any provision of this Agreement shall be binding, unless executed in writing by the party making the waiver. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this Agreement.

20. **Governing Law and Venue.** This Agreement shall be construed in accordance with the laws of the State of California. All proceedings involving disputes over the terms, provisions, covenants or conditions contained in this Agreement and all proceedings involving any enforcement action related to this Agreement shall be initiated and conducted in the applicable court or forum in Los Angeles County, California.

21. **Litigation Expenses and Attorneys Fees.** In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of any right or obligation pursuant to this Agreement or as a result of any alleged breach of any provision of this Agreement, the prevailing party in such suit or proceeding shall be entitled to recover its costs and expenses, including reasonable attorney's fees, from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

22. **Entire Agreement.** This Agreement supersedes any and all other agreements, either oral or written, between Rancho Mirage and CCEA with respect to the subject matter of this Agreement. This Agreement contains all of the covenants and agreements between the Parties with respect to the subject matter of this Agreement, and each party to this Agreement acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except those covenants and agreements embodied in this Agreement. No agreement, statement, or promise not contained in this Agreement shall be valid or binding.

23. **Non-Liability of City Officers and Employees.** No officer or employee of Rancho Mirage shall be personally liable to CCEA, or any successor in interest, in the event of any default or breach by Rancho Mirage or for any amount which may become due to CCEA or to its successor, or for any breach of any obligation of the terms of this Agreement.

24. **Captions and Headings.** The captions and headings contained in this Agreement are provided for identification purposes only and shall not be interpreted to limit or define the content of the provisions described under the respective caption or heading.

25. **Counterparts.** This Agreement may be executed in counterparts by each of the Parties. Each such counterpart shall constitute an original and all such counterparts so executed shall constitute one Agreement, binding upon the Parties, notwithstanding that all of the Parties are or may not be a signatory to the original or the same counterpart. Each counterpart shall have the same force and effect as if all such signatures were contained in one instrument. A facsimile copy shall be considered an original for the purposes of this Agreement. Facsimile or e-mail transmissions shall be deemed effective as originals.

26. **No Third Party Beneficiaries.** The Parties do not intend the benefits of this Agreement to inure to any third party, nor shall any provision of this Agreement be so construed.

27. **Assignment and Subcontracting.**

a. The experience, knowledge, capability and reputation of CCEA, its principals and employees were a substantial inducement for Rancho Mirage to enter into this Agreement. Assignments of any or all rights, duties or obligations of CCEA under this Agreement will be permitted only with the written consent of Rancho Mirage.

b. CCEA shall not subcontract any portion of the work to be performed under this Agreement without the written consent of Rancho Mirage. If Rancho Mirage consents to such subcontract, CCEA shall be fully responsible to Rancho Mirage for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between Rancho Mirage and subcontractor nor shall it create any obligation on the part of Rancho Mirage to pay or to see to the payment of any monies due to any such subcontractor other than as required by law. Rancho Mirage expressly acknowledges that.

- i. CCEA is staffed by employees of the City of Lancaster.
- ii. CCEA contracts with Pacific Energy Advisors for compiling data, load forecasting and preparation of pro formas.
- iii. CCEA contracts with Bayshore Consulting Group Inc. for the preparation of implementation plans.

Rancho Mirage hereby expressly consents to performance of the Services pursuant to this Agreement by the persons and/or entities identified in the immediately preceding paragraphs.

28. **Principal Representatives.**

a. Jason Caudle is designated as CCEA's Principal Representative and is the person responsible for undertaking, managing and supervising the performance of all of the services set forth in the Scope of Services and Payment Schedule. CCEA's designated Principal Representative's experience, knowledge, capability and reputation were a substantial inducement for Rancho Mirage to enter into this Agreement, and as such, for the purposes of performing the Services, the duties of CCEA's designated Principal Representative shall not be reassigned, without the express written consent of both parties.

b. Isaiah Hagerman, Director of Administrative Services, shall be the Principal Representative of Rancho Mirage for purposes of communicating with CCEA on any matter associated with the performance of the services set forth in this Agreement.

29. **Representations of Parties and Persons Executing Agreement.**

a. Each of the Parties hereby represents that all necessary and appropriate actions of its governing body have been taken to make this Agreement a binding obligation of each of the Parties.

b. The persons executing this Agreement warrant that they are duly authorized to execute this Agreement on behalf of and bind the party each purports to represent.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF RANCHO MIRAGE

By: _____

(Name, Title)

Dated: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CALIFORNIA CHOICE ENERGY AUTHORITY

By: _____
(Name, Title)

Dated: _____

ATTEST:

Lancaster City Clerk / CCEA Secretary

APPROVED AS TO FORM:

Lancaster City Attorney/Counsel for CCEA Board of Directors

EXHIBIT "A"

SCOPE OF SERVICES AND PAYMENT SCHEDULE

1) General CCA Implementation Support

- a. Represent CCA in implementation efforts
 - i. Coordination with SCE and data manager through testing and launch
 - ii. Coordination with data manager and call center operator in development of scripts, terms & conditions
 - iii. Coordinate with [City] staff on development of marketing and notification materials
- b. Preparation of all Southern California Edison Forms and Agreements in support of CCA implementation
- c. Prepare for and participate in City Council meetings, providing technical support during key discussions and decision making
- d. Coordination with pertinent jurisdictional regulatory agencies: to the extent that jurisdictional regulatory agencies have questions regarding applicable reports/submittals and/or general questions regarding CCA operations.
- e. Participate in discussions/meetings with key customer accounts, providing technical expertise related to rates, resource planning, power supply and anticipated environmental impacts; and
- f. General as-needed advisory services

2) Power Supply and Services Contracting - Supplier Selection and Contracting

- a. Develop a detailed load forecast utilizing recent SCE customer information for all eligible customers
- b. Determine desired energy and capacity quantities, which would supply aggregate customer requirements, including anticipated participation in default and voluntary retail service options
- c. Prepare draft solicitation materials, including a Request for Proposals/Offer document and related bid workbooks (which will provide an organized, uniform framework for bidder responses), to support the procurement of necessary energy and capacity products as well as scheduling coordinator services
- d. Prepare draft solicitation materials, including a Request for Proposals/Offer document and related bid workbooks to support the procurement of necessary data management services
- e. Assist the City in developing and finalizing form transaction documents for desired products and services
- f. Evaluate offers received in response to the aforementioned solicitation processes and assist the City in selecting the preferred supplier(s) of such products and services
- g. In conjunction with the City's selected legal counsel, support contract negotiation for desired products and services;
- h. Support "go/no-go" decision to launch the CCA program based on final power supply prices and then-current SCE retail electric rates
- I. Perform necessary coordinative activities with the City's selected supplier(s) during startup.

3) CCA Program Development

- a. Prepare a draft NEM tariff, including applicable tariff language and sample customer impact analyses
- b. Prepare a draft FIT, including applicable project eligibility criteria, pricing schedules and an appropriate power purchase agreement (which will be developed in conjunction with the City's designated power contracting counsel)
- c. Coordinate with the City's selected data management services provider to ensure the effective implementation of NEM rates and related bill calculations
- d. Coordinate with the City's selected Qualified Reporting Entity to ensure that energy production from FIT projects is appropriately communicated to and tracked within the Western Renewable Energy Generation Information System ("WREGIS")

4) Regulatory Registrations and Compliance Systems

- a. Prepare a regulatory compliance calendar and reporting matrix to ensure that management has a thorough understanding of currently applicable technical reporting requirements and related submittal deadlines
- b. Prepare load forecast and related filings to ensure compliance with California's resource adequacy program
- c. Assist in completing requisite registration materials to become a WREGIS account holder — a WREGIS account will be necessary to track and report on renewable energy purchases for purposes of complying with California's Renewables Portfolio Standard program and substantiating procurement of renewable energy, generally speaking
- d. Assist in becoming a candidate Congestion Revenue Rights ("CRR") holder with the California Independent System Operator ("CAISO") — CRRs may help mitigate certain financial risks and reduce costs associated with energy delivery within the CAISO market
- e. Assist in preparing requisite customer cost comparisons, which indicate the cost comparative cost impact of taking service with the CCA program relative to SCE, and prospective power source disclosures

5) Rate Setting

- a. Develop preliminary and final revenue requirements for the first year of program operation
- b. Prepare preliminary and final rate schedules for the first year of program operation
- c. Prepare CCA/SCE cost comparisons to ensure an understanding of anticipated customer cost impacts

Total Costs for Implementation Support Work\$160,000.00

Five equal payments of \$32,000 will be invoiced at the end of each month beginning with the month of {Insert Month Here}. Payment will be due within 30 days.

**ADMINISTRATIVE SERVICES AGREEMENT
(CITY OF RANCHO MIRAGE),**

dated as of [DATE], 2017,

between

**CALIFORNIA CHOICE ENERGY AUTHORITY,
as Provider,**

and

**CITY OF RANCHO MIRAGE,
as Customer**

**ADMINISTRATIVE SERVICES AGREEMENT
(CITY OF RANCHO MIRAGE)**

This ADMINISTRATIVE SERVICES AGREEMENT (this “**Agreement**”), dated as of [DATE], 2017 (the “**Effective Date**”), is between California Choice Energy Authority, a California joint powers authority (“**Provider**”), and City of Rancho Mirage, a municipal corporation organized and charter city (“**Customer**”). Provider and Customer are sometimes referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS, pursuant to California Public Utilities Code (the “**Code**”) Sections 366.1, *et. seq.*, Customer has been registered as a “community choice aggregator” or “**CCA**” (as defined in the Code), which has been established for the purpose of delivering community choice aggregation services to certain customers located within its boundaries;

WHEREAS, pursuant to Code Section 366.2, Customer submitted its implementation plan detailing the process and consequences of community choice aggregation, and its statement of intent to establish electrical load aggregation, to the California Public Utilities Commission (the “**CPUC**”);

WHEREAS, pursuant to Code Section 366.2, a community choice aggregator may enter into agreements for services to facilitate the sale and purchase of electricity and other related services;

WHEREAS, Provider has also been registered as a CCA and has expertise and knowledge in the management and administration of community choice aggregation programs and maintains business relationships with multiple energy suppliers;

WHEREAS, due to Provider’s expertise and knowledge, Customer wishes to engage Provider as an independent contractor, during the Term of this Agreement, for the purpose of facilitating the purchase and sale of electricity and other related services on behalf of Customer and for performing certain other duties and services on the terms and conditions set forth herein; and

WHEREAS, Provider is willing to perform such duties and services for Customer on the terms and conditions set forth herein for a fee.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions.

As used in this Agreement, all capitalized terms shall have the respective meanings given to them in this Agreement and in Exhibit A (Schedule of Definitions).

1.2 Construction.

All references herein to an agreement shall be to this Agreement as amended, supplemented or modified from time to time. All references to a particular entity shall include a reference to such entity's successors and permitted assigns. The words "herein," "hereof" and "hereunder" and other words of similar import shall refer to this Agreement as a whole, including all appendices, annexes, exhibits and schedules, and not to any particular section or subsection of this Agreement. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and neuter genders. The words "includes" or "including" shall be deemed to be followed by the words "without limitation." All references to statutes and related regulations shall include any amendments of the same and any successor statutes and regulations. All exhibits and schedules to this Agreement are hereby incorporated herein by reference, including the following:

- (i) Exhibit A – Schedule of Definitions
- (ii) Exhibit B – Scope of Work
- (iii) Exhibit C – Fixed Fee Rate, Reimbursable Expenses and Notice Address
- (iv) Exhibit D – Authorization Documents
- (v) Exhibit E – Customer Approval Procedures
- (vi) Exhibit F – Form of Authorized Officer Approval
- (vii) Exhibit G – Joint Exercise of Powers Agreement Relating to the California Choice Energy Authority and amendments thereto

ARTICLE 2 ENGAGEMENT OF PROVIDER

2.1 Engagement of Provider.

Customer hereby engages Provider as an independent contractor to perform certain administration, energy procurement, contract negotiation, contract administration, and resource planning services (as such Services are described herein) on behalf of Customer and to perform certain other duties, all as set forth in this Agreement. In consideration of the fees and cost reimbursements payable to Provider hereunder, Provider accepts such engagement and agrees to perform the Services in accordance with the terms and conditions hereof.

2.2 Relationship.

(a) Provider shall act as an independent contractor of Customer with respect to the performance of its obligations hereunder. Neither Provider nor its Affiliates, employees or Subcontractors (including Provider's legal counsel) or the employees of any such parties engaged in connection with the Services shall be deemed to be an agent, representative, employee, or servant of Customer. This Agreement is not intended to create, and shall not be construed to create, a relationship

of partnership or an association of profit between Customer and Provider. Provider is not admitted to practice law in any jurisdiction, and will not provide legal advice to Customer in connection with the performance of the Services. Provider is not licensed as a provider of accounting services, does not hold any certifications required to be held by those providing accounting services, and will not provide any services that require such licensing and certification. Provider is not licensed as a financial advisor, financial manager, insurance advisor, or insurance broker.

(b) In the unanticipated event that Provider or any employee, agent, or subcontractor of Provider providing Services hereunder claims, or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (“PERS”), to be eligible for enrollment in PERS as an employee of the Customer, Provider shall indemnify, defend, and hold harmless Customer for the payment of any employee and/or employer contributions for PERS benefits on behalf of Provider or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Customer.

(c) Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Provider and any of its employees, agents, and subcontractors providing Services hereunder shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by Customer, including but not limited to eligibility to enroll in PERS as an employee of Customer and entitlement to any contribution to be paid by Customer for employer contribution and/or employee contributions for PERS benefits.

2.3 Engagement of Third Parties.

Provider may, subject to the other provisions of this Agreement, engage such Persons as it deems reasonably necessary and appropriate for the purpose of performing or carrying out any of the Services or its obligations under this Agreement; provided, however, that no such engagement shall relieve Provider of any of its obligations or liabilities under this Agreement, including those set forth in Article 7; and provided further, that, except as provided herein, Provider’s use of such Persons shall not modify or increase the compensation payable to Provider pursuant to Article 5. Except as expressly set forth herein, nothing in this Agreement shall be construed to create any contractual relationship between any such Person (including Provider’s legal counsel) and Customer.

ARTICLE 3 TERM AND RENEWAL

3.1 Term.

(a) Unless earlier terminated in accordance with Article 8, the term of this Agreement shall commence on the Effective Date and shall continue for a period equal to the longer of (i) three (3) years from the Effective Date, or (ii) the longest term of any Energy Contract that Provider has entered into on behalf of Customer, and the performance of all obligations under such Energy Contract, the “**Term**”).

(b) Unless sooner terminated as set forth in Article 8, at the expiration of the Base Term, the term of this Agreement shall be automatically extended until such time as a Party provides written notice to the other Party that it elects to terminate this Agreement pursuant to Article 8 (such

written notice, a “**Termination Notice**”). Following receipt by such other Party of a Termination Notice, this Agreement shall terminate as set forth in Section 8.4.

(c) For purposes of greater clarity, the definition of “Term” shall include the Base Term and the renewal term of this Agreement as set forth in Section 3.1(b).

ARTICLE 4 DUTIES OF PROVIDER

4.1 Services.

During the Term, Provider shall perform the administration, energy procurement, contract negotiation, contract administration, resource planning services and other services identified in the Scope of Work set forth in Exhibit B hereto or as otherwise agreed to by the Parties pursuant to the terms hereof (the “**Services**”). The Services shall be comprised of those services identified in the Scope of Work Exhibit as “Fixed Fee Services” (collectively, the “**Fixed Fee Services**”) and those services to be performed on behalf of Customer and identified in the Scope of Work Exhibit as “Reimbursable Services” (collectively, the “**Reimbursable Services**”).

4.2 General Operating Standards.

Provider shall perform the Services in a good, workmanlike, and commercially reasonable manner in accordance with the requirements of this Agreement and Applicable Laws. Provider shall use commercially reasonable efforts to cause the Services to be planned and performed in a timely and cost-effective manner. Provider shall fully cooperate with Customer with respect to the requirements relating to applicable provisions of the Authorization Documents that relate to the tasks to be completed by Customer on or before the date requested by Customer.

4.3 Personnel.

Provider’s administration personnel as a group, including any Persons engaged by Provider pursuant to Section 2.3, shall be qualified in administering services related to community choice aggregation programs, possess any certification(s) or license(s) necessary or required by law to perform the service, and experienced in the duties to which they are assigned.

ARTICLE 5 FEES AND COST REIMBURSEMENT

5.1 Fixed Fees.

(a) As compensation for performing the Fixed Fee Services, Customer shall pay Provider a monthly fee during the Term (the “**Fixed Fee**”). The “**Fixed Fee Rate**” identified on Exhibit C is the estimated initial amount of the Fixed Fee, which shall be adjusted based upon the actual number of enrollments and then adjusted thereafter pursuant to Section 5.1(b). The Fixed Fee shall reflect Customer’s share of the costs of the Fixed Fee Services, which shall be determined based on the pro-rata share of Customer’s Bundled Load compared to the aggregate Bundled Load for all Provider’s members, determined each fiscal year by Provider. The Fixed Fee is payable in accordance with Section 5.3 and does not include amounts payable under Energy Contracts or the Security Documents.

(b) The Fixed Fee shall be adjusted automatically as follows:

(i) No later than July 1, 2019, Provider may, on a one time basis, update the Fixed Fee Services amount to reflect actual costs incurred or expected to be incurred in providing the Fixed Fee Services, subject to providing prior written notice and supporting written documentation to Customer and a cap of five percent (5%) on any increase to Customer's then current Fixed Fee;

(ii) Commencing on July 1, 2020, and every July 1 thereafter during the Term of this Agreement, Provider may increase the Fixed Fee to reflect reasonable cost increases incurred by Provider in providing the Fixed Fee Services up to, but not in excess of, three percent (3%) of the Fixed Fee amount applicable to the immediately preceding fiscal year, subject to providing prior written notice and supporting written documentation to Customer; and

(iii) Within ninety (90) days after a change in membership of Provider, Provider shall recalculate the Fixed Fee based on the then current amount of Fixed Fee Services and the recalculated Fixed Fee shall be applied and payable on a prospective basis.

Any requests to increase the Fixed Fee above the three percent (3%) amount allowed in 5.1(b)(ii) will be subject to the prior written approval of City, which the City may refuse to grant in its reasonable discretion. If City does not approve such a request, however, Provider reserves the right to review and adjust the scope Services in a reasonable manner to compensate for any unapproved Fixed Fee increases.

5.2 Reimbursable Expenses. During the Term, Customer shall reimburse Provider for the expenses actually incurred by Provider in connection with the performance of the Reimbursable Services described in Paragraph B in the Scope of Work (the "**Reimbursable Expenses**").

(a) The Reimbursable Expenses shall be allocated to Customer as follows:

(i) Data management fees will be allocated to Customer on the basis of the Customer's total number of electric service accounts multiplied by the per account maintenance fee invoiced by the Data Management service provider.

(ii) Fees and costs for professional services and legal services incurred in performance of the Reimbursable Services for the benefit of Provider's members generally will be allocated among all Provider members (including Customer) on an equal basis.

(iii) Fees and costs for professional services and legal services incurred solely on behalf of Customer will be directly assigned to and payable by Customer.

(b) The Reimbursable Expenses incurred by Provider shall be invoiced and payable as set forth in Section 5.3.

5.3 Invoicing and Payment Procedures.

(a) Except as required by Section 5.3(c) below, the Fixed Fee and the Reimbursable Expenses shall be payable for each month not later than thirty (30) days following receipt of a Payment Invoice (each such date, a "**Payment Date**") and shall be prorated for any partial monthly period at the beginning and end of the Term, with such prorations based on a thirty (30) day calendar month. Invoiced amounts will be paid by wire transfer of immediately available funds to Provider at an account designated in writing by Provider.

(b) Provider shall submit invoices to Customer at least ten (10) Business Days prior to the relevant Payment Date for the Fixed Fee and Reimbursable Expenses that are due and payable on such Payment Date. Invoices ("**Payment Invoice**") by Provider shall be sent to Customer at the address(es) set out in Exhibit C.

(c) Once Customer has maintained a positive cash flow for three (3) consecutive months, Provider may submit invoices to Customer and to the collateral agent for payment from the lockbox account established pursuant to the Security Documents not less than ten (10) Business Days prior to the relevant Payment Date for the Fixed Fee and Reimbursable Expenses that are due and payable on such Payment Date. The terms and conditions for payment of any Payment Invoice to be paid from the lockbox account shall be governed by the Security Documents.

(d) Either Party may, in good faith, dispute the correctness of any invoice, bill, charge, or any adjustment to an invoice, rendered under this Agreement, or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, bill, charge, or adjustment to an invoice, was rendered. If a Payment Invoice or portion thereof, or any other claim or adjustment arising thereunder, is disputed, payment of the undisputed portion of the Payment Invoice shall be required to be made when due, with written notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount (the "**Disputed Payment**") shall not be required until the dispute is resolved. The Parties shall use commercially reasonable efforts to resolve the Disputed Payment within ten (10) Business Days of receipt of the notice of the Disputed Payment. Once the Parties agree on a resolved payment amount (the "**Resolved Payment Amount**"), Provider shall cause the next monthly Payment Invoice to reflect a credit or charge, as appropriate, based on the resolution of the payment dispute, in the amount of the Resolved Payment Amount. In the event the Parties are unable to resolve a payment dispute within ten (10) Business Days, the lesser amount shall be deemed due payable unless and until a different amount is identified following conclusion of the dispute resolution provisions in Article 12, or a court of competent jurisdiction orders otherwise.

5.4 Records and Audits.

(a) Except as otherwise required by Applicable Laws, Provider shall keep books and records in accordance with generally accepted accounting principles with respect to Services performed for a period of three (3) years after the applicable creation date of such book or record; or any such longer period as may be required by law.

(b) Upon no less than seventy-two (72) hours' notice to Provider, Provider shall make such books and records related to the Services available for inspection and audit by Customer or its designated agents at Customer's expense during Regular Work Hours and at the office where such books and records are kept; provided that Provider's company software, books and records not directly related to this Agreement shall not be subject to inspection or audit.

(c) If any such inspection or audit discloses that any error has occurred and that, as a result thereof, any overpayment or any underpayment has occurred, the amount thereof shall promptly be paid with interest at the rate set forth in Section 5.5 to the Party to whom it is owed by the other Party; provided that Provider or Customer, as applicable, shall only be liable for any amounts hereunder that relate to a period within twelve (12) months of the date of the inspection or audit conducted by Customer.

5.5 Past Due Amounts.

Any amounts due under this Agreement, if not timely paid by the Party from whom they are due, shall bear interest at the per annum rate equal to the Prime Rate (as published in The Wall Street Journal) plus one and one-half percent (1.5%), prorated on the basis of a 365-day year (or such lower rate as is the maximum rate permitted by Applicable Law) from the date that such amount was due and payable (taking into account any grace period herein provided) until the time that such amount is paid.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES; COVENANTS

6.1 General Representations and Warranties.

Each Party, for itself only, hereby represents and warrants to the other Party hereto, as of the date hereof, that:

(a) It is an entity duly organized, validly existing and in good standing under the applicable laws of the jurisdiction in which it was formed.

(b) It has the requisite power and authority to enter into this Agreement and to perform its obligations hereunder (including with respect to any indemnity obligations hereunder), and the execution, delivery and performance hereof do not and will not contravene any Applicable Law, or any order of any court or Governmental Authority or agency applicable to or binding on it or any of its properties, or contravene the provisions of, or constitute a default under, its organizational documents or any indenture, mortgage, contract or other agreement or instrument to which it is a party or by which it or any of its property is bound or affected.

(c) This Agreement has been duly authorized by all necessary actions on the part of such Party and the execution, delivery and performance by such Party of this Agreement do not require any approval not already obtained by it or any approval or consent not already obtained of any trustee or holders of indebtedness or obligations of such Party.

(d) No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body is required for the due execution, delivery or performance by such Party of this Agreement.

(e) The execution, delivery and performance of this Agreement have been duly authorized by all requisite entity actions.

(f) The person signing this Agreement is authorized to execute this Agreement on behalf of, and to bind, the applicable Party.

(g) Assuming the due authorization, execution and delivery of this Agreement by the other Parties hereto, this Agreement constitutes its valid and binding obligation, enforceable against it in accordance with its terms, except to the extent such enforceability is limited by bankruptcy, insolvency, moratorium or similar laws affecting or relating to the enforcement of creditors' rights generally and by general equitable principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(h) There are no pending or, to such Party's knowledge, threatened actions or proceedings against such Party before any court or administrative agency which would materially adversely affect such Party's ability to perform its obligations hereunder.

6.2 Additional Customer Representations and Warranties.

(a) Delegation of Authority and Authorization Documents. Customer has taken and performed all acts necessary, and has received all necessary authorizations, approvals or other actions required by, and has made all necessary filings with, any Governmental Authority that is required for the (i) delegation of authority to Provider as contemplated hereby (ii) filing with Provider an executed counterpart of the JPA and (iii) adoption of a resolution of its governing body approving the JPA and the execution and delivery thereof. The Authorization Documents represent a true, complete and accurate list of all such necessary authorizations, approvals, actions and filings and Customer has provided true, complete and accurate copies of the Authorization Documents to Provider as of the Effective Date. Other than the Authorization Documents, there are no other authorizations, approvals, filings or other actions required for Customer to enter into this Agreement, perform its obligations hereunder and delegate authority to Provider to perform the Services.

(b) Security Documents and Ancillary Documents. Subject to Provider's compliance with the Customer Approval Procedures and, in connection with any Energy Contract entered into on behalf of Customer, Provider is authorized to (i) enter into Energy Contracts on behalf of Customer, (ii) grant to the counterparties to any such Energy Contracts a first priority security interest in any amounts received from the Utility, Customer or the end-users in Customer's territory pursuant to such Energy Contracts (as contemplated in the Security Documents), (iii) arrange for any funds received from the Utility, Customer or such end-users in connection with such Energy Contracts to be deposited into a lockbox account pledged to the counterparties to any such Energy Contract and be paid to any such counterparties in accordance with the terms and conditions of such Energy Contracts and the Security Documents, and (iv) enter into any needed ancillary documentation required in connection with the execution, performance or administration of the Energy Contracts, the Security Documents or in connection with the provision of the Services.

(c) Authorized Officer. Customer has designated the Authorized Officer to approve Provider's execution of Energy Contracts as set forth in and subject to the Customer Approval Procedures, on behalf of Customer, for the purchase of energy and renewable energy and Customer has authorized the Authorized Officer to provide any such approval in the form attached hereto as Exhibit F. Upon receipt of the Authorized Officer's approval of any Energy Contract or other action, Provider is authorized to enter into such Energy Contract or perform such action on behalf of Customer.

6.3 Customer Covenants. Customer covenants and agrees as follows:

(a) Authorizing Documents. Customer shall maintain the Authorization Documents in full force and effect throughout the Term and shall immediately inform Provider of any

change to the identity of the Authorized Officer hereunder or to the Authorization Documents that may affect the ability of Provider to perform its obligations hereunder.

(b) Collateral Agent's Determinations. In performing the Services hereunder, Provider may rely upon the authorizations and instructions received from the Authorized Officer (if such authorization is required pursuant to the Customer Authorization Procedures) and may rely on the accuracy of the Customer Approval Procedures. Provider shall have no liability to Customer for actions taken in reliance on authorizations or instructions received by the Authorized Officer or in compliance with the Customer Approval Procedures. Until such time as Customer instructs Provider in writing that an individual is no longer an "Authorized Officer" hereunder, Provider shall have no duty to inquire as to the authority of such Authorized Officer to provide the authorizations or instructions in connection with the Services. In the event that Provider is at any time unsure as to the identity of the Authorized Officer hereunder, Provider may request written instructions from Customer as to the course of action to be adopted by Provider and Provider shall be entitled to conclusively rely upon such written instructions without liability to Customer or any other Person.

(c) Data Access. If requested by Provider, Customer shall assist Provider in obtaining information regarding Customer's end-users from the Utility, including the number of end-user customers that form part of Customer's community choice aggregation program, the energy consumption, load shapes and usage data of such end-users and the proportional share of such end-users in Customer's territory.

(d) Customer Rates. Customer shall establish and maintain end-user customer rates designed to generate revenues sufficient to satisfy the overall revenue requirement for Customer, including timely payment of all Customer's obligations under this Agreement, all Energy Contracts and the Security Documents.

6.4 **Response Time.**

(a) Customer Response Time.

(i) In all circumstances where Provider requests the approval, consent or cooperation of Customer to any action (or inaction) hereunder, Customer shall consider and respond to such request with reasonable promptness as is feasible under the circumstances.

(ii) Provider will exercise commercially reasonable efforts to provide as much advance notice of such request as is reasonable given the prevailing circumstances and the nature of the matters for which a response is requested.

(iii) If Provider is prevented from performing its obligations under this Agreement as the result of an unreasonable delay on the part of Customer to provide a required response required pursuant hereto, then Provider's obligations hereunder shall be excused until such time as Customer provides its required response.

(b) Provider Response Time.

(i) With respect to the provision of the Services, Provider shall promptly respond to any request or direction from or on behalf of Customer and to any event that

requires action by Provider pursuant to this Agreement within the time frame by which such response is required hereunder.

ARTICLE 7 INDEMNIFICATION

7.1 Indemnification by Provider.

(a) Subject to Section 7.1(b), Provider shall defend, indemnify and hold harmless each Customer Indemnified Party from and against any and all Claims incurred or asserted against such Customer Indemnified Party arising out of or otherwise in connection with Provider's gross negligence, bad faith, recklessness or willful misconduct in connection with the performance of the Services hereunder, including any Claims relating to any liability resulting from any violation of or noncompliance with any Applicable Law to be complied with by Provider hereunder. Provider's obligations under this paragraph shall include all costs (including but not limited to attorneys fees) incurred in performing the same. Customer may employ counsel at its own expense with respect to any claims or demands asserted or sought to be collected against it; provided, if counsel is employed because Provider does not assume control of the defense, Provider will bear the reasonable expenses of Customer's counsel.

(b) Notwithstanding anything to the contrary in the foregoing, Provider shall not be required to defend, indemnify or hold harmless any Customer Indemnified Party from and against, and no Customer Indemnified Party shall be exculpated from, any Claims to the extent such Claims (i) are caused by or arise from the breach of this Agreement by Customer or the gross negligence, bad faith, recklessness or willful misconduct of such Customer Indemnified Party; (ii) relate to changes to the market rate for electricity, including the fact that, from time to time, negotiated rates under Energy Contracts entered into by Provider on behalf of Customer may be higher than rates charged by the Utility, (iii) relate to defaults under the Energy Contracts that are not caused by Provider's gross negligence, bad faith, recklessness or willful misconduct, or (iv) are the result of a change in governmental regulation or a change in Applicable Law.

7.2 Indemnification by Customer.

(a) Subject to Section 7.2(b), Customer shall defend, indemnify and hold harmless each Provider Indemnified Party from and against any and all Claims incurred or asserted against such Provider Indemnified Party arising out of or otherwise in connection with this Agreement and/or Provider's entry into any Energy Contract on behalf of Customer or the end-users in Customer's territory, including any Claims resulting from (i) the failure of Customer (or the end-users in its territory) to make payments with respect to an Energy Contract, or (ii) a default by Provider under any Energy Contract entered into pursuant hereto. Customer's obligations under this paragraph shall include all costs (including but not limited to attorneys fees) incurred in performing the same. Provider may employ counsel at its own expense with respect to any claims or demands asserted or sought to be collected against it; provided, if counsel is employed because Customer does not assume control of the defense, Customer will bear the reasonable expenses of Provider's counsel.

(b) Notwithstanding anything to the contrary in the foregoing, Customer shall not be required to defend, indemnify or hold harmless any Provider Indemnified Party from and against, and no Provider Indemnified Party shall be exculpated from, any Claims to the extent caused by or

arising from the breach of this Agreement by Provider or the gross negligence, bad faith, recklessness or willful misconduct of such Provider Indemnified Party.

7.3 Indemnification Procedure.

(a) After receipt by an Indemnified Party of notice of the commencement of any Claim that is indemnifiable by Provider under Section 7.1 or Customer under Section 7.2 (as applicable, in such capacity, the “**Indemnifying Party**”), such Indemnified Party shall give prompt written notice to the relevant Indemnifying Party of the commencement thereof. The failure to promptly notify such Indemnifying Party shall not relieve the Indemnifying Party of any liability that it may have to any Indemnified Party with respect to such action; provided that, to the extent that any such failure to provide prompt notice is responsible for an increase in the indemnity obligations of the Indemnifying Party, the Indemnifying Party shall not be responsible for any such increase.

(b) When required to indemnify an Indemnified Party in accordance with this Article 7, the relevant Indemnifying Party shall assume on behalf of such Indemnified Party and conduct with due diligence and in good faith the defense of any Claim against such Indemnified Party, whether or not the Indemnifying Party shall be joined therein, and the Indemnified Party shall cooperate with the Indemnifying Party in such defense.

(c) The Indemnifying Party shall have charge and direction of the defense and settlement of such Claim; provided, however, that without relieving the Indemnifying Party of its obligations hereunder or impairing the Indemnifying Party’s right to control the defense or settlement thereof, the Indemnified Party may elect to participate through separate counsel in the defense of any such Claim, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the employment of counsel by such Indemnified Party has been authorized in writing by the Indemnifying Party, (ii) the Indemnified Party shall have reasonably concluded that there exists a material conflict of interest between the Indemnifying Party and such Indemnified Party in the conduct of the defense of such Claim (in which case the Indemnifying Party shall not have the right to control the defense or settlement of such Claim on behalf of such Indemnified Party) or (iii) the Indemnifying Party shall not have employed counsel to assume the defense of such Claim within a reasonable time after notice of the commencement thereof. In each of such cases the reasonable fees and expenses of counsel shall be at the expense of the Indemnifying Party.

(d) The Indemnifying Party shall obtain the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed) before entering into a settlement of or ceasing to defend such claim or action if, pursuant to or as a result of such settlement or cessation, injunctive or equitable relief or other non-monetary relief, remedy or arrangement will be imposed against the Indemnified Party or if the Indemnifying Party will not fully pay or satisfy all amounts payable with respect to such proceeding or settlement. In no event shall the Indemnifying Party be required to indemnify an Indemnified Party with respect to amounts paid in settlement of a claim unless such claim was settled with the consent of the Indemnifying Party.

7.4 Limitations of Liability.

(a) Total Limitation of Liability. Except for amounts payable as provided in Section 7.1 (Indemnification) and Section 2.2(b), and except for amounts payable as a result of any reckless, willful or criminal conduct by Provider or its Affiliates or any of their employees, agents, officials, Subcontractors or independent contractors, Provider’s total liability under this Agreement to

Customer Indemnified Parties on all Claims of any kind, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, for all losses or damages arising out of, connected with, or resulting from this Agreement or from the performance or breach thereof, or from any services covered by or furnished during the Term of this Agreement shall with respect to any fiscal year in no case exceed one hundred percent (100%) of the value of the Fixed Fee payable in such fiscal year. Similarly, except for amounts payable as provided in Section 7.2 (Indemnification), Customer's total liability under this Agreement to Provider Indemnified Parties on all Claims of any kind, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, for all losses or damages arising out of, connected with, or resulting from this Agreement or from the performance or breach thereof, or from any services covered by or furnished during the Term of this Agreement shall with respect to any fiscal year in no case exceed one hundred percent (100%) of the value of the Fixed Fee payable in such fiscal year.

(b) No Liability for Energy Contracts. Customer acknowledges that Provider will be entering into Energy Contracts on behalf of Customer and the end-users in Customer's territory. Customer acknowledges and agrees that neither Provider nor any member of Provider shall be liable for the amount of any shortfall between the payments due to the counterparty under such Energy Contracts and the amount received from such end-users unless such shortfall is the result of the gross negligence, willful misconduct, conversion, misappropriation or theft on the part of Provider.

(c) Waiver of Consequential Damages. Except in connection with indemnification for third-party Claims or Claims resulting from gross negligence or willful misconduct, in no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall a Party or its respective Affiliates be liable for special, incidental, exemplary, indirect or consequential damages.

7.5 **Survival.**

Notwithstanding any other provision of this Agreement, the provisions of this Article 7 are intended to and shall survive termination of this Agreement.

ARTICLE 8 TERMINATION

8.1 **Termination by Customer.**

(a) Termination for Cause.

(i) Without limiting any other rights or remedies it may have, Customer shall be entitled to terminate this Agreement for cause by delivery of a Termination Notice to Provider in connection with the occurrence of any of the following events:

(1) Provider fails to make any payment required to be made by Provider to Customer hereunder when such payment is due and owing under this Agreement, and such failure shall continue for ten (10) calendar days after written notice thereof has been given to Provider.

(2) Provider has filed against it petitions under any insolvency or bankruptcy Law of any jurisdiction which are not dismissed within ninety (90)

calendar days of the date filed, proposes any dissolution, liquidation, composition, financial reorganization or recapitalization with creditors, makes a general assignment for the benefit of creditors, files a voluntary petition in bankruptcy under any provision of Applicable Law or consents to the filing of any bankruptcy or reorganization petition against it under any similar law, or if receivers, trustees, custodians or similar agents are appointed or take possession with respect to any property or business of Provider.

(3) Provider fails to comply (other than for Force Majeure reasons) in any material respect with any term, provision or covenant of this Agreement, other than the payment of sums to be paid hereunder, and such failure shall continue for thirty (30) calendar days after written notice thereof has been given to Provider; provided, however, that if such failure cannot reasonably be cured within said thirty (30) day period and Provider has diligently commenced the cure of such failure within said period, then Provider shall have a commercially reasonable additional period of time to cure such default not to exceed an additional one hundred eighty (180) days.

(4) Provider assigns this Agreement in violation of the provisions of Section 13.6.

(ii) Notwithstanding the foregoing, Customer shall not have the right to terminate this Agreement pursuant to this Section 8.1(a) if the occurrence of any of the events or conditions described in this Section 8.1(a) is the result of Customer's bad faith, willful misconduct or gross negligence.

(b) Termination for Convenience. Notwithstanding anything to the contrary in this Agreement, Customer shall be entitled to terminate this Agreement or any part of the Services for convenience, at Customer's sole discretion with or without cause, by delivery of a Termination Notice to Provider at any time after the expiration of the Base Term.

(c) Timing of Termination. If Customer delivers a Termination Notice to Provider pursuant to Section 8.1(a) or 8.1(b), this Agreement shall terminate as set forth in Section 8.4.

8.2 Termination by Provider.

(a) Termination for Cause.

(i) Without limiting any other rights or remedies it may have, Provider shall be entitled to terminate this Agreement for cause by delivery of a Termination Notice to Customer in connection with the occurrence of any of the following events:

(1) Customer has failed to make any undisputed payment required to be made to Provider under this Agreement and such failure is not remedied within ten (10) calendar days after the date on which Customer has received notice of such failure to make such payment.

(2) Customer has filed against it petitions under any insolvency or bankruptcy law of any jurisdiction which are not dismissed within ninety (90)

calendar days of the date filed, proposes any dissolution, liquidation, composition, financial reorganization or recapitalization with creditors, makes a general assignment for the benefit of creditors, files a voluntary petition in bankruptcy under any provision of Applicable Law or consents to the filing of any bankruptcy or reorganization petition against it under any similar law, or if receivers, trustees, custodians or similar agents are appointed or take possession with respect to any property or business of Customer.

(3) Customer fails to establish or maintain end-user customer rates in compliance with Section 6.3(d), as reasonably determined by Provider, and fails to establish such rates within sixty (60) calendar days after written notice thereof has been given to Customer; provided, however, that if Customer has sent notice of a rate increase and is awaiting council action, then Customer shall have a commercially reasonable additional period of time to cure such default not to exceed an additional one hundred eighty (180) calendar days.

(4) Customer assigns this Agreement in violation of the provisions of Section 13.6.

(5) Customer fails to comply (other than for Force Majeure reasons) in any other material respect with any term, provision or covenant of this Agreement, other than the payment of sums to be paid hereunder, or as otherwise provided above, and such failure continues for sixty (60) calendar days after written notice thereof has been given to Customer; provided, however, that if such failure cannot reasonably be cured within said sixty (60) day period and Customer has diligently commenced the cure of such failure within said period, then Customer shall have a commercially reasonable additional period of time to cure such default not to exceed an additional ninety (90) calendar days.

(ii) Provider shall not have the right to terminate this Agreement pursuant to this Section 8.2(a) if the occurrence of any of the events or conditions described in this Section 8.2(a) is the result of Provider's bad faith, willful misconduct or gross negligence.

(b) Termination for Convenience. Notwithstanding anything to the contrary in this Agreement, Provider shall be entitled to terminate this Agreement or any part of the Services for convenience, at Provider's sole discretion with or without cause, by delivery of a Termination Notice to Customer at any time after the expiration of the Base Term; provided that no Termination Notice shall be effective for at least thirty (30) calendar days following Customer's receipt of the same, or any such longer period as may be indicated in the Termination Notice.

(c) Timing of Termination. If Provider delivers a Termination Notice to Customer pursuant to Section 8.2(a) or 8.2(b), this Agreement shall terminate as set forth in Section 8.4.

8.3 Cooperation Upon Termination.

In connection with any termination of this Agreement in accordance herewith, at the reasonable request of Customer, Provider shall cooperate with Customer to provide for the orderly transition of

the performance of the Services to a replacement administrator, including the transfer of documentation and data access, in a manner that shall not prejudice Customer or hamper Customer's ability to receive the Services and the benefits thereof from a replacement administrator after a smooth and timely transition.

8.4 **Effect of Termination; No Prejudice.**

(a) Effect of Termination. Subject to clause (b) below, if Customer or Provider delivers a Termination Notice in accordance with, and as permitted by, this Agreement, then this Agreement shall terminate on the later to occur of (i) ninety (90) calendar days from the date of such Termination Notice and (ii) the date on which all of the Energy Contracts to which Provider is a party on behalf of Customer on the date of such Termination Notice have terminated in accordance with their respective terms.

(b) No Prejudice. Termination of this Agreement shall not affect any rights or obligations as between the Parties that may have accrued prior to such termination or that expressly or by implication are intended to survive termination whether resulting from the event giving rise to termination or otherwise. In addition, except as expressly provided for herein, termination of this Agreement for any reason shall be without prejudice to Provider's right to receive a proportional amount of the Fixed Fees or payment of any outstanding Reimbursable Expenses as of the date of termination. Except as otherwise set forth in this Agreement, remedies are cumulative and the exercise of, or failure to exercise, one or more remedies by a Party shall not limit or preclude the exercise of, or constitute a waiver of, other remedies provided for under this Agreement by such Party. For breach of any provision of this Agreement for which an express remedy or measure of damages is herein provided, (i) such express remedy or measure of damages shall be the sole and exclusive remedy hereunder, (ii) the liability of the Party that has committed such breach shall be limited as set forth in such provision and (iii) the Parties hereby waive all other remedies or damages at law or in equity with respect to such breach. If no remedy or measure of damages is expressly provided herein with respect to a breach of any provision of this Agreement, the liability of the Party that has committed such breach shall be limited to direct actual damages only; provided that this limitation shall not apply to (A) Provider's obligation with respect to indemnifying and holding harmless each Customer Indemnified Party to the extent of any amount owed to a third party other than a Customer Indemnified Party, if any, or (B) Customer's obligation with respect to indemnifying and holding harmless each Provider Indemnified Party to the extent of any amount owed to a third party other than an Provider Indemnified Party.

ARTICLE 9 FORCE MAJEURE

9.1 **Force Majeure.**

(a) Notwithstanding any other provision of this Agreement, each Party's obligations under this Agreement shall be suspended by any Force Majeure if and to the extent that such Party is prevented or delayed from performing by reason of the Force Majeure; provided, however, that:

(i) the suspension of performance shall be of no greater scope and of no longer duration than is necessarily caused by the Force Majeure and required by any remedial measures;

(ii) no obligations of any Party that arose before the occurrence of Force Majeure shall be excused as the result of the occurrence; and

(iii) each Party shall use commercially reasonable efforts to remedy its inability to perform; provided, further, that no Force Majeure shall excuse any payment obligations of either Provider or Customer otherwise due hereunder.

(b) If the performance by a Party of its obligations under this Agreement is affected by any Force Majeure, such Party shall as soon as practicable notify the other Parties of the nature and extent thereof.

ARTICLE 10 NOTICES

10.1 Notices.

(a) All notices and other communications required or permitted by this Agreement or by Applicable Law to be served upon or given to a Party by any other Party shall be deemed duly served, given and received (i) on the date of service if served personally or if sent by facsimile transmission or electronic mail during Regular Work Hours (each with appropriate confirmation of receipt) to the Party to whom notice is to be given, or (ii) on the fourth (4th) day after mailing, if mailed by first class registered or certified mail, postage prepaid or (iii) on the next day if sent by a nationally recognized courier for next day service and so addressed and if there is evidence of acceptance by receipt addressed to the address(es) set forth in Exhibit C.

(b) The Parties, by like notice in writing, may designate, from time to time, another address or office to which notices shall be given pursuant to this Agreement.

ARTICLE 11 CONFIDENTIALITY

11.1 General Confidential Information.

(a) Except as otherwise provided in this Agreement, without the prior written consent of the other Parties hereto, no Party shall disclose Confidential Information (as defined below) received in connection with the performance of the Services.

(b) Each Party that receives any Confidential Information from the disclosing Party shall use the same degree of care that it uses to protect its own confidential information of like nature, but no less than a reasonable degree of care, to maintain in confidence the Confidential Information of the disclosing Party.

(c) No Party shall have any obligation under this Section 11.1 with respect to any information that:

(i) at the time of disclosure is in the public domain, or thereafter becomes part of the public domain, in each case through a source other than the receiving Party in violation of this Agreement;

(ii) is subsequently learned by receiving Party from a third party that, to the knowledge of the receiving Party, is not under an obligation to keep such information confidential;

(iii) was known to the receiving Party at the time of disclosure to be without confidentiality restrictions, as can be demonstrated by contemporaneous written evidence;

(iv) is generated independently by the receiving Party without reference to the Confidential Information of the disclosing Party, as can be demonstrated by contemporaneous written evidence, or

(v) is required to be disclosed pursuant to Applicable Law, regulation, subpoena, court order or other legal process or professional requirements, or in connection with the enforcement of the receiving Party's rights under this Agreement. Prior to any such disclosure, the disclosing Party shall, to the maximum extent possible, provide reasonable notice to the other Party, with adequate time (to be judged based upon the facts and circumstances surrounding the disclosure) for the non-disclosing party to seek court intervention if it should so elect in its sole and absolute discretion.

(d) For purposes of this Agreement, "**Confidential Information**" shall mean all end-user customer specific information, including energy consumption, and market sensitive data, including non-public wholesale energy pricing disclosed in connection with negotiation or procurement of energy or related products under Energy Contracts in connection with the Services whether or not such information was owned or developed by the disclosing Party, which the receiving Party may obtain knowledge of, through or as a result of the relationship established hereunder with the disclosing Party.

(e) Provider shall obtain written approval from Customer in connection with any press release or promotional materials that reference the relationship established through this Agreement and such Parties shall agree on the form and content of such press release.

11.2 Limited Disclosure of Confidential Information.

Notwithstanding the provisions of Section 11.1, Provider shall be entitled to the extent necessary for the performance of its duties hereunder to allow access to the Confidential Information to such of its employees and consultants who are directly concerned with the carrying out of Provider's duties under this Agreement, provided that Provider shall inform each of such Persons of the confidential nature of, and Provider's obligation of confidentiality with respect to, such Confidential Information and such employees and consultants shall agree to keep the Confidential Information confidential in accordance with the terms of this Agreement.

ARTICLE 12 DISPUTE RESOLUTION

12.1 Negotiations.

The Parties shall attempt in good faith to resolve all disputes promptly by negotiation, as set forth below.

(a) A Party may give another Party written notice of any dispute between such Parties that has not been resolved in the normal course of business. Representatives of such Parties at levels one level above the personnel who have previously been involved in the dispute shall meet at a mutually acceptable time and place within ten (10) Business Days after delivery of such notice, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute.

(b) If such representatives are unable to resolve, or do not anticipate being able to resolve, the dispute within twenty (20) calendar days after receiving notice of such dispute, either Party may initiate legal proceedings in a court of competent jurisdiction as provided in Section 13.2.

(c) If a Party intends to be accompanied at a meeting by an attorney, the other Party shall be given at least three (3) Business Days' notice of such intention so that the other Party may also be accompanied by an attorney. All negotiations pursuant to this Section 12.1 are confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and applicable state rules of evidence. Each Party shall bear its own costs for this dispute resolution phase.

12.2 Continued Prosecution of the Work.

In case of any dispute, Provider shall continue to diligently perform its obligations under this Agreement, and, without limiting the generality of the foregoing and subject to Section 5.3(c), Customer shall continue to make payments to Provider for those portions of the Services performed hereunder that are not the subject of dispute in accordance with this Agreement.

ARTICLE 13 MISCELLANEOUS

13.1 Execution.

This Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts, each of which, when so executed and delivered (including by electronic mail), shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13.2 Governing Law; Venue and Jurisdiction.

THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES.

ANY LITIGATION ARISING HEREUNDER SHALL BE SUBJECT TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN THE STATE OF CALIFORNIA AND VENUE SHALL BE IN THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA OR THE SUPERIOR COURT FOR THE STATE OF CALIFORNIA LOCATED IN RIVERSIDE COUNTY. ANY OF THE FOREGOING COURTS SHALL HAVE PERSONAL JURISDICTION OVER THE PARTIES HERETO. EACH PARTY WAIVES ANY AND ALL RIGHTS TO CONTEST SAID JURISDICTION AND VENUE AND WAIVES ANY RIGHT TO COMMENCE ANY ACTION AGAINST THE OTHER PARTY IN ANY OTHER JURISDICTION.

13.3 Intentionally Omitted.

13.4 Amendments, Supplements, Etc.

Neither this Agreement nor any of the terms hereof may be amended, supplemented, or modified orally, but only by an instrument in writing signed by Provider and by Customer.

13.5 Headings.

The headings of the Articles and Sections of this Agreement have been inserted for convenience of reference only and shall not modify, define or limit any of the terms or provisions hereof.

13.6 Assignment.

(a) Neither Party may assign, pledge or otherwise transfer this Agreement without the prior written consent of the other Party.

(b) Any attempted assignment, pledge or other transfer in violation of this Section 13.6 shall be null and void.

13.7 Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the Parties, and their respective successors and assigns, to the extent that assignment is permitted hereunder.

13.8 Other Customers.

Nothing in this Agreement shall be construed to prevent or prohibit Provider from providing the same or similar services to any Person not a Party to this Agreement and from entering into a form of agreement substantially similar to this Agreement with any such Persons; provided that the provision of such services does not adversely affect Provider's ability to perform its obligations hereunder.

13.9 Waiver.

No provision of this Agreement may be waived except in writing by the waiving Party. The waiver of any breach of any term or condition hereof shall not be deemed a waiver of any other or subsequent breach, whether of like or different nature.

13.10 Severability.

If any provision of this Agreement is declared by a court of competent jurisdiction to be illegal, unenforceable or void, that provision shall be modified so as to be enforceable and as nearly as possible reflect the original intention of the Parties, it being agreed and understood by the Parties that (i) this Agreement and all the provisions hereof shall be enforceable in accordance with their respective terms to the fullest extent permitted by Applicable Law, and (ii) the remainder of this Agreement shall remain in full force and effect.

13.11 Construction.

Every term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Party.

13.12 Entire Agreement.

This Agreement, including the exhibits and schedules attached hereto, which are hereby incorporated by this reference as though fully set forth herein, constitutes the entire agreement between the Parties with respect to the subject matter hereof. Nothing in this Agreement, express or implied, is intended to confer upon any Person other than the Parties any rights, remedies, obligations or liabilities under or by reason of this Agreement.

13.13 Third-Party Beneficiaries.

This Agreement is made and entered into for the sole benefit of the Parties and each of their permitted successors and assigns and no other person or entity shall be a direct or indirect legal beneficiary of, have any rights under, or have any direct or indirect cause of action or claim in connection with this Agreement.

13.14 Survival.

Section 5.4, Article 7, Article 8, Article 9, and Article 13 shall survive the termination or expiration of this Agreement and any provision which by its terms or by implication is intended to survive the termination or expiration of this Agreement shall so survive.

13.15 No Rules of Construction Against Drafter.

Each Party acknowledges that it and its attorneys have been given an equal opportunity to negotiate the terms and conditions of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party or any similar rule operating against the drafter of an agreement shall not be applicable to the construction or interpretation of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the duly authorized officers of the Parties have executed this Agreement as of the Effective Date.

CALIFORNIA CHOICE ENERGY AUTHORITY

By: _____
Name:
Title:

CITY OF RANCHO MIRAGE

Randal K. Bynder, City Manager

APPROVED AS TO CONTENT:

Isaiah Hagerman, Director of
Administrative Services

ATTEST:

Kristie Ramos, City Clerk

APPROVED AS TO FORM:

Steven B. Quintanilla, City Attorney

EXHIBIT A

SCHEDULE OF DEFINITIONS

The terms defined in this Schedule of Definitions shall include the plural as well as the singular and the singular as well as the plural. Except as otherwise indicated, all the agreements or instruments herein defined shall mean such agreements or instruments as the same may from time to time be supplemented or amended or the terms thereof waived or modified to the extent permitted by, and in accordance with, the terms thereof. When used in the Agreement (as defined below), unless otherwise defined therein, the following terms shall have the respective meanings set forth below:

“Affiliate” of a Person (the “First Person”) shall mean a Person which directly or indirectly Controls, or is Controlled by, or is under common control with, the First Person, and shall also include any limited partnership or limited liability company of which the First Person or Affiliate thereof is the general partner, managing member or manager, as the case may be, and any Subcontractor, agent, representative, employee or authorized personnel of the First Person. “Control” of a Person shall mean the customership, directly or indirectly, of more than fifty percent (50%) of the voting securities of that Person.

“Agreement” means this Administrative Services Agreement between Customer and Provider.

“Applicable Law” shall mean all laws, statutes, orders, decrees, injunctions, licenses, permits, approvals, agreements and regulations of any Governmental Authority having jurisdiction over the matter in question which are applicable to or which affect Provider’s provision of the Services and/or the subject matters encompassed by this Agreement.

“Authorization Documents” shall mean the documents identified and summarized in Exhibit D, and the requirements of any documents in replacement of the foregoing or in addition thereto provided by Customer and added to and summarized in Exhibit D from time to time.

“Authorized Officer” means the officer(s) of Customer designated as an “Authorized Officer” in the Customer Approval Procedures.

“Base Term” shall have the meaning set forth in Section 3.1(a).

“Bundled Load” means the proposed electric energy consumption of a member of Provider, as set forth in the implementation plan filed for such member pursuant to Code Section 366.2.

“Business Day” shall mean any day except a Saturday, Sunday or other day on which commercial banks in the State of California are authorized by law to close.

“Claims” shall mean claims, actions, damages, expenses (including reasonable attorneys’ fees), fines, penalties, losses or liabilities.

“Code” shall have the meaning given thereto in the recitals.

“Confidential Information” shall have the meaning given in Section 11.1(d).

“CPUC” shall have the meaning given thereto in the recitals.

“Customer” shall have the meaning given thereto in the introductory paragraph of the Agreement, and its permitted successors and assigns, if any, under the Agreement.

“Customer Approval Procedures” means the approval procedures set forth in Exhibit E hereto.

“Customer Indemnified Party” shall mean Customer (including successors and permitted assigns) and its shareholders, partners, directors, officers, agents and employees.

“Disputed Payment” shall have the meaning given thereto in Section 5.2(d).

“Effective Date” shall have the meaning given in the introductory paragraph of this Agreement.

“Energy Contract” means an agreement for the purchase of energy, renewable energy or related products, including a power purchase agreement and/or confirmation letter thereto, entered into by Provider for the benefit of Customer.

“Fixed Fee” shall have the meaning given thereto in Section 5.1(a).

“Fixed Fee Services” shall have the meaning given thereto in Section 4.1.

“Force Majeure” shall mean any event that wholly or partly prevents or delays the performance by the Party affected of any obligation arising under this Agreement, but only if and to the extent such event is not within the reasonable control, directly or indirectly, of and not the fault of the Party affected including (provided that the foregoing requirements are satisfied): condemnation; expropriation; invasion; plague; drought; landslide; storms or wind of sufficient intensity to prevent safe performance of work; tornado; hurricane; tsunami; flood; lightning; earthquake; fire; explosion; epidemic; quarantine; war (declared or undeclared), terrorism or other armed conflict; material physical damage to an energy facility to the extent caused by third parties; strikes and other labor disputes (including collective bargaining disputes and lockouts) involving Subcontractors; riot or similar civil disturbance or commotion; other acts of God; acts of the public enemy; blockade; insurrection, riot or revolution; sabotage or vandalism; embargoes; and actions of a Governmental Authority (excluding the actions of the claiming party). “Force Majeure” shall not include (1) an event that prevents or delays (i) Provider’s or Customer’s compliance with (a) Applicable Laws; and (b) Permits required under Applicable Law in connection with such Party’s performance under this Agreement and (ii) Customer’s indemnity obligations hereunder, (2) labor shortages; (3) labor strikes and other labor disputes (including collective bargaining disputes and lockouts) with regard to work by Provider or a Subcontractor (except if such action is part of a regional or national action); or (4) economic hardship (including lack of money).

“Governmental Authority” shall mean any federal, provincial, state or local government authority, agency, court or other body, officer or public entity, including any zoning authority, building inspector, or health or safety inspector, including the CPUC.

“Indemnified Party” shall mean a Provider Indemnified Party or Customer Indemnified Party.

“Indemnifying Party” shall have the meaning given thereto in Section 7.3.

“JPA” shall mean that certain Joint Exercise of Powers Agreement Relating to the California Clean Energy Authority dated August 14, 2012, as the same has been or may be amended from time to time.

“Payment Date” shall have the meaning given thereto in Section 5.3.

“Payment Invoice” shall have the meaning given thereto in Section 5.3.

“Permit” shall mean any waiver, exemption, variance, franchise, certification, approval, permit, authorization, license, consent, or similar order of or from any Governmental Authority having jurisdiction over the matter in question.

“Person” shall mean any individual, partnership, joint stock company, corporation, trust, unincorporated association or joint venture, a government or any department or agency thereof, or any other entity.

“Provider” shall have the meaning given thereto in the introductory paragraph of this Agreement, and its successors and permitted assigns, if any.

“Provider Indemnified Party” shall mean Provider and its Affiliates and their respective shareholders, partners, directors, officers, agents, employees and representatives.

“Regular Work Hours” means [8:00 am] (PT) to [5:00 pm] (PT) on a Business Day.

“Reimbursable Expenses” shall have the meaning set forth in Section 5.2.

“Reimbursable Services” shall have the meaning given thereto in Section 4.1.

“Scope of Work Exhibit” means Exhibit B hereto.

“Security Documents” means, with respect to each Energy Contract, the security documents entered into by Customer in connection therewith pursuant to which Customer grants to the energy suppliers under each Energy Contract (or its collateral agent) a security interest in any and all monies received from the Utility or the end-users in Customer’s territory in connection with such Energy Contract, which security documents shall include (i) an account control agreement for an account (sometimes referred to as a “lockbox account”) among Customer, an account bank and the energy supplier to such Energy Contract (or its collateral agent), (ii) an intercreditor and collateral agency agreement, among Customer, the counterparties to such Energy Contracts and, if applicable, the collateral agent, and (iii) a security agreement between Customer and the counterparty to such Energy Contract (or its collateral agent).

“Services” shall have the meaning set forth in Section 4.1 and shall be comprised of the Fixed Fee Services and the Reimbursable Services.

“Subcontractors” means any subcontractor, of any tier, vendor or supplier of materials, equipment or services to Provider or any subcontractor, of any tier, of any Person engaged or employed by Provider or any subcontractor of any tier that provides any part of the Services.

“Term” shall have the meaning set forth in Section 3.1(a).

“Termination Notice” shall have the meaning given thereto in Section 3.1(b).

“Utility” means [Pacific Gas and Electric] [Southern California Edison] [San Diego Gas & Electric].

EXHIBIT B
SCOPE OF WORK

A. Fixed Fee Services

1. Portfolio Operations

(a) Energy Procurement.

(i) Provider to consider load patterns of the CCA and advise Customer on assembling a supply portfolio that will match resources to the aggregate load shape of the CCA's customer base.

(ii) Provider to conduct procurement of energy, renewable energy, carbon free energy and resource adequacy procurement with third party suppliers as required from time to time to meet the load requirements of the CCA.

(b) Risk and Credit Management.

(i) Provider to monitor the credit rating and financial condition of Customer's energy suppliers.

(ii) Provider to periodically calculate the financial exposure to a specific supplier.

(c) Load Forecasting and Data Collection.

(i) Provider to collect, process and forecast load information.

(d) Scheduling Coordination.

(i) Provider to coordinate scheduling with the grid operator's schedule coordinator; exchange customer usage and billing information with the Utility.

2. Account Services

(a) If necessary, Provider to calculate individual end-user customer bills.

(b) Provider to confirm receipt of funds in lockbox account.

(c) Provider to review and validate invoices from Schedule Coordinator.

(d) Provider to direct distribution of funds from lockbox account.

3. Administration and Management of CCA Program

4. Regulatory Representation and Compliance Filings

B. Reimbursable Services

(a) Data Management Services (e.g., electronic data interchange (EDI) services; customer information system development and maintenance; customer call center management and staffing; billing administration; settlement quality meter data services; customer care, billing and related reports; and qualified reporting entity (QRE) services)

(b) Professional Services (e.g., review and negotiation of template Energy Contracts and Security Documents on behalf of Customer; electric load evaluation; community choice aggregation operational analysis; projected customer rate analysis and comparison; and support and maintenance of financial model)

(c) Legal Services (e.g., review and negotiation of template Energy Contracts and Security Documents on behalf of Customer; legal services to customize existing templates for Energy Contracts and Security Documents to accommodate Customer requested changes.)

EXHIBIT D
AUTHORIZATION DOCUMENTS

[To be completed]

EXHIBIT E

CUSTOMER APPROVAL PROCEDURES

1. **Authorized Officer**

[Table to be completed with name, title of Customer's officer that is authorized to provide Provider with necessary approvals.]

Name	Title

2. **Approval Procedures**

[To be completed — Procedures to contain thresholds for which receipt of Authorized Officer's approval is required.]

Authorized Officer Approval IS Required if Term of Energy Contract is GREATER than:	Five (5) Years
Authorized Officer Approval IS NOT Required if Notional Amount of Energy Contract is EQUAL TO OR LESS than:	Five (5) Years

3. **Required Contract Provisions in Energy Contracts (or substantially similar language):**

Section 3.6 of the EEI Master Agreement:

“With respect to each Transaction, as security for Party B’s obligations, Member shall have created and set aside a Special Fund and shall have entered into the Security Documents for such Special Fund in form and substance reasonably satisfactory to Party A and Party B. The Parties agree that Party B’s obligations to make payments with respect to this Master Agreement and each Transaction, and the obligations of a Member to make payments pursuant to a Transaction, are to be made solely from the Special Fund applicable to such Transaction.”

Section 6.9 of the EEI Master Agreement:

“Seller agrees that the obligations of Party B to make payments hereunder are (i) to be made solely from the Secured Account of the Member for whose account a Confirmation is allocated to, and (ii) do not constitute any kind of indebtedness of Party B or (iii) create any kind of lien on, or security interest in, any property or revenues of Party B.

Section 8.5 of the EEI Master Agreement:

“Section 8.5: Section 8 and Schedule M of the Agreement and the Security Documents set forth the entirety of the agreement of the Parties regarding credit, collateral and adequate assurances. Except as expressly set forth in the options elected by the Parties in respect of Sections 8.1 and 8.2, and in Schedule M and in the Security Documents, neither Party:

(a) has or will have any obligation to post margin, provide letters of credit, pay deposits, make any other prepayments or provide any other financial assurances, in any form whatsoever, or

(b) will have reasonable grounds for insecurity with respect to the creditworthiness of a Party or Member that is complying with the relevant provisions of Section 8 of this Agreement;

(c) and all implied rights relating to financial assurances arising from Section 2-609 of the Uniform Commercial Code or case law applying similar doctrines, are hereby waived.”

Section 10.19 of the EEI Master Agreement:

“10.19 No Recourse Against Constituent Members of Party B. Party B is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and is a public entity separate from its constituent members. Party B will solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement in accordance with, and subject to, the terms and conditions of each Transaction and the applicable Security Agreements. Party A will have no rights and will not make any claims, take any actions or assert any remedies against any Member or of Party B’s constituent members, or the officers, directors, advisors, contractors, consultants or employees of Party B or Party B’s constituent members, in connection with this Agreement. The Parties agree that Party B’s obligations to make payments with respect to this Master Agreement and each Transaction, and the obligations of a Member to make payments pursuant to a Transaction, are to be made solely from the Special Fund applicable to such Transaction, as set forth in the applicable Security Agreements.”

EXHIBIT F
FORM OF AUTHORIZED OFFICER APPROVAL

[To be inserted]

EXHIBIT G

**JOINT EXERCISE OF POWERS AGREEMENT
AND AMENDMENTS THERETO**

M 1
10/24/17
MVB

**LANCASTER
CITY COUNCIL/SUCCESSOR AGENCY/
FINANCING/POWER/
CALIFORNIA CHOICE ENERGY AUTHORITY
MINUTES
October 10, 2017**

CALL TO ORDER

Vice Mayor Crist called the meeting of the Lancaster City Council/Successor Agency/Financing/Power/California Choice Energy Authority to order at 5:02 p.m.

ROLL CALL

PRESENT: Council Members/Agency Directors/Authority Members: Malhi, Mann, Underwood-Jacobs, Vice Mayor/Vice Chair Crist

EXCUSED: Mayor/Chair Parris

On a motion by Council Member Mann and seconded by Council Member Malhi, the City Council/Successor Agency/Financing/Power/California Choice Energy Authority excused Mayor/Chair Parris from the meeting, by the following vote: 4-0-0-1; AYES: Malhi, Mann, Underwood-Jacobs, Crist; NOES: None; ABSTAIN: None; ABSENT: Parris

STAFF MEMBERS:

City Attorney/Agency/Authority Counsel; City Clerk/Agency/Authority Secretary; Assistant to the City Manager; Parks, Recreation and Arts Director; Development Services Director; Planning Director; Economic Development Director; Finance Director; Public Safety Director

INVOCATION

Jeff Berg, Lutheran Church of the Master

PLEDGE OF ALLEGIANCE

Council Member Underwood-Jacobs

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/
FINANCING/POWER/CALIFORNIA CHOICE ENERGY AUTHORITY
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PRESENTATIONS

1. PRCA Rodeo Presentation
Presenters: Johnny Zamrzla, Don Jesser and Miss Rodeo America Lisa Lageschaar
2. Presentation of a Commendation by City Council to Miss Rodeo America – Lisa Lageschaar
Presenter: Vice Mayor Crist
3. Presentation of Commendation by City Council to Miss Rodeo California – Brittney Phillips
Presenter: Vice Mayor Crist

SA NB 1. AGREEMENT WITH SC PREMIER PROPERTIES, LLC

It was the consensus of the City Council to waive the Staff Report for this item.

On a motion by Agency Director Mann and seconded by Agency Director Underwood-Jacobs, the Successor Agency authorized the City Manager or his designee to enter into an agreement with SC Premier Properties, LLC for the return of parcels related to a 2006 Disposition and Development Agreement with the Lancaster Redevelopment Agency and execute all related documents, by the following vote: 4-0-0-1; AYES: Malhi, Mann, Underwood-Jacobs, Crist; NOES: None; ABSTAIN: None; ABSENT: Parris

M 1. MINUTES

On a motion by Council Member Underwood-Jacobs and seconded by Council Member Malhi, the City Council/Successor Agency/Financing/Power/California Choice Energy Authority approved the City Council/Successor Agency/Financing/Power/California Choice Energy Authority Regular Meeting Minutes of September 26, 2017, by the following vote: 4-0-0-1; AYES: Malhi, Mann, Underwood-Jacobs, Crist; NOES: None; ABSTAIN: None; ABSENT: Parris

CONSENT CALENDAR

Council Member Malhi stated he needs to recuse himself from Item No. CC 7 due to the proximity of the project to his business and left the dais at this time.

On a motion by Council Member Mann and seconded by Council Member Underwood-Jacobs, the City Council approved Item No. CC 7, by the following vote: 3-0-1-1; AYES: Mann, Underwood-Jacobs, Crist; NOES: None; RECUSED: Malhi; ABSENT: Parris

Council Member Malhi returned to the dais at this time.

On a motion by Council Member Underwood-Jacobs and seconded by Council Member Malhi, the City Council approved the Consent Calendar with the exception of Item No. CC 7, by the following vote: 4-0-0-1; AYES: Malhi, Mann, Underwood-Jacobs, Crist; NOES: None; ABSTAIN: None; ABSENT: Parris

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/
FINANCING/POWER/CALIFORNIA CHOICE ENERGY AUTHORITY
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October 10, 2017

CC 1. ORDINANCE WAIVER

Waived further reading of any proposed ordinances. (This permits reading the title only)

CC 2. CHECK REGISTERS

Approved the Check and Wire Registers for September 3, 2017 through September 16, 2017 in the amount of \$1,287,042.48. Approved the Check Register as presented.

CC 3. CALIFORNIA DEPARTMENT OF RESOURCE RECYCLING AND RECOVERY (CALRECYCLE)

Approved the appropriation of \$4,339.00 in grant funds from the California Department of Resource Recycling and Recovery (CalRecycle) for the Household Hazardous Waste Grant HD29.

Household Hazardous Waste Grant (HD29-17-0060)

Revenue Account Number: 330-3304-506

Expense Account Number: 330-4755-295

CC 4. RESOLUTION NO. 17-47

Adopted **Resolution No. 17-47**, a resolution of the City Council of the City of Lancaster, California, accepting a portion of an offer of dedication for street rights-of-way, namely the north side of Lancaster Boulevard between 102nd Street West and 105th Street West, declaring the public necessity therefor.

CC 5. RESOLUTION NO. 17-48

Adopted **Resolution No. 17-48**, a resolution of the City Council of the City of Lancaster, California, accepting portions of an offer of dedication for street rights-of-way namely the south side of Lancaster Boulevard between 102nd Street West and 105th Street West, also west side of 102nd Street West between Lancaster Boulevard and Avenue J, declaring the public necessity therefor.

CC 6. SUBDIVISION UNDERTAKING AGREEMENT

Approved substitution of the Subdivision Undertaking Agreement and accepted securities submitted by KB Home Greater Los Angeles Inc. in place of the Subdivision Undertaking Agreement and securities submitted by Forestar Dorado Skies, LLC, for Tract Map No. 61206 lots 35-113, also known as Phase 2 of Undertaking Agreement dated 9/27/2016, located on the southeast corner of Avenue J and 35th Street East, lots 35-113.

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/
FINANCING/POWER/CALIFORNIA CHOICE ENERGY AUTHORITY
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CC 7. PUBLIC WORKS CONSTRUCTION PROJECT NO. 17-011, 20TH STREET WEST STREET IMPROVEMENTS, LANCASTER BOULEVARD TO AVENUE J
Awarded Public Works Construction Project No. 17-011, 20th Street West Street Improvements, Lancaster Boulevard to Avenue J, to R. C. Becker and Son, Inc., of Santa Clarita, California, in the amount of \$2,116,327.93 Base Bid, plus Additive Alternates A1, A2, and A3 in the amount of \$296,365.36, for a Total Bid of \$2,412,693.29, plus a 15% contingency, for street improvements along 20th Street West, between Lancaster Boulevard and Avenue J; authorized the City Manager, or his designee, to sign all documents. This contract is awarded to the lowest responsible bidder per California Public Code Section 22038(b).

CC 8. ORDINANCE NO. 1034

Adopted **Ordinance No. 1034**, amending Title 15 of the Lancaster Municipal Code by adding Chapter 15.46 (Electric Vehicle Charging Systems), establishing procedures for an expedited, streamlined permitting process for electric vehicle charging stations as required by Government Code Section 65850.7.

CC 9. ORDINANCE NO. 1035

Adopted **Ordinance No. 1035**, amending Title 10 of the Lancaster Municipal Code by adding Section 10.04.055 (Restriction of Oversized Vehicle Parking) to Chapter 10.04 (Traffic Code), to establish a general prohibition on the parking of oversized vehicles on all public streets, alleys, rights-of-way and publicly owned lots.

PH 1. CITY OF LANCASTER MASTER PLAN OF COMPLETE STREETS

Vice Mayor Crist opened the Public Hearing.

It was the consensus of the City Council to waive the Staff Report for this item.

Vice Mayor Crist closed the Public Hearing.

On a motion by Council Member Mann and seconded by Council Member Underwood-Jacobs, the City Council adopted City Council **Resolution No. 17-49**, approving an amendment to the adopted General Plan, known as General Plan Amendment No. 17-04, adopting the City of Lancaster Master Plan of Complete Streets, and introducing **Ordinance No. 1036**, amending Title 16 of the Lancaster Municipal Code, by the following vote: 4-0-0-1; AYES: Malhi, Mann, Underwood-Jacobs, Crist; NOES: None; ABSTAIN: None; ABSENT: Parris

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PH 2. RESOLUTION NO. 17-50, REGARDING THE CITYWIDE FEE SCHEDULE

Vice Mayor Crist opened the Public Hearing.

It was the consensus of the City Council to waive the Staff Report for this item.

Vice Mayor Crist closed the Public Hearing.

On a motion by Council Member Underwood-Jacobs and seconded by Council Member Malhi, the City Council adopted **Resolution No. 17-50**, amending Resolution No. 15-29, regarding the Citywide Fee Schedule, by the following vote: 4-0-0-1; AYES: Malhi, Mann, Underwood-Jacobs, Crist; NOES: None; ABSTAIN: None; ABSENT: Parris

CA 1. CONSIDER NOMINATION AND APPOINTMENT OF FRAN SERESERES TO THE LANCASTER HOMELESS IMPACT COMMISSION

On the motion made by Mayor Parris by his nomination and seconded by Council Member Mann, the City Council approved the nomination and appointment of Fran Sereseres to the Lancaster Homeless Impact Commission, by the following vote: 4-0-0-1; AYES: Malhi, Mann, Underwood-Jacobs, Crist; NOES: None; ABSTAIN: None; ABSENT: Parris

The City Clerk administered the Oath of Office at this time.

CR 1. COUNCIL REPORTS

The members of the City Council discussed the recent BYD expansion event and commended Mayor Parris for his vision for the City.

CALIFORNIA CHOICE ENERGY AUTHORITY

No action required at this time.

LANCASTER HOUSING AUTHORITY

No action required at this time.

LANCASTER FINANCING AUTHORITY

No action required at this time.

LANCASTER POWER AUTHORITY

No action required at this time.

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CITY MANAGER / EXECUTIVE DIRECTOR ANNOUNCEMENT

The City Clerk stated Governor Brown signed SB 568, which moves the City's General Municipal Election from occurring in June, to occurring in March. The Assistant to the City Manager discussed Los Angeles County Supervisor Barger's recent announcement of the Winter Homeless Shelters; a brief video highlighting the expansion of BYD was shown.

CITY CLERK / AGENCY / AUTHORITY SECRETARY ANNOUNCEMENT

The City Clerk provided the public with the procedure to address the City Council/Successor Agency/Authority regarding non-agendized item.

PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS

Addressing the City Council at this time:

Fran Sereseres – discussed a recent Palmdale City Council meeting.

Toreano Nuckleburger – discussed an incident involving his daughter.

Chaz Jones Hennessy – Political Science student at Antelope Valley College, asked about the inspiration behind the City's 'green initiative.'

Shannon McDonald – discussed BYD expansion event and thanked the Council for appointing her to one of the City's Commissions.

David Paul – discussed the invocation given at the meeting this evening; stated he loves attending City Council meetings; discussed recent Nobel Peace Prize winners and upcoming Friends of the Library book sale.

Bishop Henry Hearn – stated he is proud of all the City Council is doing for the Antelope Valley.

COUNCIL / AGENCY COMMENTS

Fire Chief Cosey congratulated the Los Angeles Sheriff Department for their win in the 'Guns and Hoses' race which was held during the Streets of Lancaster Grand Prix event. Mr. Cosey thanked the City for putting the race on because it provides an opportunity for the two entities to have fun together.

Planning Commission Vice Chairman Hall discussed upcoming track maps and various items the Planning Commission is addressing.

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/
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ADJOURNMENT

Vice Mayor Crist stated the City Council meeting will be adjourned in memory of the victims of the Las Vegas Massacre.

Our hearts are heavy and our prayers are many for all affected by the horrible event which took place in Las Vegas on October 1st. We offer our deepest condolences to the families and friends of all the innocent victims who were injured or are no longer with us.

Vice Mayor Crist adjourned the meeting at 5:47 p.m. and stated the next City Council/Successor Agency/Financing/Power/California Choice Energy Authority meeting will be held on Tuesday, October 24, 2017 at 5:00 p.m.

PASSED, APPROVED and ADOPTED this 24th day of October, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, MMC
CITY CLERK
AGENCY/AUTHORITY SECRETARY

R. REX PARRIS
MAYOR/CHAIRMAN

LANCASTER CITY COUNCIL/ SUCCESSOR AGENCY/
FINANCING/POWER/CALIFORNIA CHOICE ENERGY AUTHORITY
MINUTES

October 10, 2017

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss
CITY OF LANCASTER }

CERTIFICATION OF MINUTES
CITY COUNCIL/SUCCESSOR AGENCY/FINANCING/POWER/CALIFORNIA CHOICE
ENERGY AUTHORITY

I, _____, _____ of the City of Lancaster,
CA, do hereby certify that this is a true and correct copy of the original City Council/Successor
Agency/Financing/Power/California Choice Energy Authority Minutes, for which the original is
on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, CA on this
_____ day of _____, _____.

(seal)

STAFF REPORT
City of Lancaster

Date: October 24, 2017
To: Mayor Parris and City Council Members
From: Pamela Statsmann, Finance Director
Subject: **Check Registers – September 17, 2017 through September 30, 2017**

CC 2
10/24/17
MVB

Recommendation:

Approve the Check Registers as presented.

Fiscal Impact:

\$6,027,751.62 as detailed in the Check Registers.

Background:

At each regular City Council Meeting, the City Council is presented with check and ACH/wire registers listing the financial claims (invoices) against the City for purchase of materials, supplies, services, and capital projects issued the prior three to four weeks. This process provides the City Council the opportunity to review the expenditures of the City. Claims are paid via checks, Automated Clearing House (ACH) payments, or federal wires. The justifying backup information for each expenditure is available in the Finance Department.

Check Nos.:	7390141 – 7390437	\$ 2,007,430.21
ACH/Wire Check Nos.:	101009896-101009908	<u>\$ 4,020,321.41</u>
		\$ 6,027,751.62
Voided Check Nos.:	7390172; 7390198; 7390403	
Voided ACH/Wire No.:	N/A	

PS:sp

Attachments:

Check Register
ACH/Wire Register

City of Lancaster Check Register



From Check No.: 7390141 - To Check No.: 7390437
 From Check Date: 09/17/17 - To Check Date: 09/30/17

Printed: 10/4/2017 14:47

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7390141	D1507	A B C-ALCOHOL BEVERAGE CONTROL PAC/ZELDAS-FOOD/BEVERGE PRMT		163.00	101 4680225	163.00
7390142	08235	ALEVY PRODUCTIONS INC	BAL-HOWIE MANDEL-09/23/17	10,500.00	402 4650318	10,500.00
7390143	08372	ARMANDO, ISLAS	RFND-PERMIT FEE-PMT1703524	1,259.94	101 2170000 101 2172000 101 2174000 251 3201100	3.00 9.49 767.45 480.00
				<u>1,259.94</u>		<u>1,259.94</u>
7390144	C2060	CA WATER SERVICE COMPANY	08/08/17-09/12/17 WATER SVC	735.69	482 4636654	735.69
7390145	07715	E C M C	LEVY PROCEEDS	55.42	101 2159000	55.42
7390146	C0164	FLATWOODS PRODUCTIONS INC	BAL-BILLY RAY CYRUS-09/22/17	15,050.00	402 2177000 402 4650318	(2,450.00) 17,500.00
				<u>15,050.00</u>		<u>15,050.00</u>
7390147	02108	FRANCHISE TAX BOARD	LEVY PROCEEDS	50.00	101 2159000	50.00
7390148	02108	FRANCHISE TAX BOARD	TAX WITHHOLDING ORDER	89.28	101 2159000	89.28
7390149	02108	FRANCHISE TAX BOARD	TAX WITHHOLDING ORDER	100.00	101 2159000	100.00
7390150	02108	FRANCHISE TAX BOARD	TAX WITHHOLDING ORDER	155.00	101 2159000	155.00
7390151	D3448	L A CO SHERIFF'S DEPT	FILE #3631104150058	125.00	101 2159000	125.00
7390152	1214	L A CO SHERIFF'S DEPT	07/17-SPECIAL INVESTIGATIONS	493.94	101 4820357	493.94
7390153	1215	L A CO WATERWORKS	07/06/17-09/11/17 WATER SVC	15,779.32	101 4631654 101 4633654 203 4636654 306 4542684 306 4542924 363 4542770 482 4636654	6,847.32 2,250.77 2,826.14 302.91 206.91 19.74 3,325.53
				<u>15,779.32</u>		<u>15,779.32</u>
7390154	08375	LI, ROGER	RFND-RNTL HSNB FEE-BL#10026461	186.50	101 2179004 101 3102300 101 3102400 101 3102401	1.00 25.00 57.50 103.00
				<u>186.50</u>		<u>186.50</u>

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7390155	1705	QUARTZ HILL WATER DISTRICT	08/01/17-09/01/17 WATER SVC	10,812.82	101 4634654 203 4636654 482 4636654	5,447.26 818.93 4,546.63
				<u>10,812.82</u>		<u>10,812.82</u>
7390156	03154	SO CA EDISON	08/09/17-09/08/17 ELECTRIC SVC	1,274.83	203 4636652 482 4636652 484 4755652	68.17 1,179.19 27.47
				<u>1,274.83</u>		<u>1,274.83</u>
7390157	03154	SO CA EDISON	08/03/17-09/01/17 ELECTRIC SVC	3,113.22	203 4636652 482 4636652 484 4755652	451.96 2,492.94 168.32
				<u>3,113.22</u>		<u>3,113.22</u>
7390158	03154	SO CA EDISON	08/03/17-09/01/17 ELECTRIC SVC	6,192.57	483 4785652 483 4785660	6,159.46 33.11
				<u>6,192.57</u>		<u>6,192.57</u>
7390159	03154	SO CA EDISON	07/03/17-09/14/17 ELECTRIC SVC	15,745.25	101 4631652 101 4633652 101 4651652 203 4636652 363 4542770 363 4542771 480 4755652 482 4636652 483 4785652 483 4785660 484 4755652 485 4755652 490 4370652	1,470.95 6,444.77 2,718.56 25.78 12.49 12.93 356.64 551.32 256.39 1,371.03 141.82 1,780.20 602.37
				<u>15,745.25</u>		<u>15,745.25</u>
7390160	1907	SO CA GAS COMPANY	08/08/17-08/18/17 GAS SVC	53.27	361 4541776	53.27
7390161	C2554	SUPERIOR COURT OF CA-CO OF L A	08/17-ALLCTN OF PRKG PENALTIES	22,519.40	101 3310200 101 3310200 101 3310200 101 3310200 101 3310200 101 3310200 101 3310200	89.40 2,352.00 2,352.00 2,352.00 2,830.00 3,136.00 4,704.00 4,704.00
				<u>22,519.40</u>		<u>22,519.40</u>
7390162	A1393	TEAMSTERS LOCAL 911	09/17 UNION DUES	3,994.00	101 2157000	3,994.00
7390163	C2555	TIME WARNER CABLE	09/17-TV SVC-LCE/EXERCISE RM	11.14	101 4315651	11.14

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7390164	C2555	TIME WARNER CABLE	09/09/17-10/08/17-BASIC TV	27.10	101 4315651	27.10
7390165	C2555	TIME WARNER CABLE	09/14-10/13/17-BROADBAND SVC	144.99	101 4820651	144.99
7390166	04863	A D T SECURITY SYSTEMS INC	PAC-SEC SVCS-ALARM MONITRNG PAC-06/17-11/17-ALARM MONITRNG CRDT-PAC-06/17-11/17-ALRM MNTR	2.07 139.95 (135.81) <u>6.21</u>	402 4650301 402 4650301 402 4650301	2.07 139.95 (135.81) <u>6.21</u>
7390167	06066	A T & T	DOJ-08/17-TELEPHONE SERVICE	114.24	101 4315651	114.24
7390168	C0077	A V E K	NSC-BACTERIOLOGICAL TESTS BACTERIOLOGICAL TESTS(2)	20.00 46.00 <u>66.00</u>	101 4635301 485 4755402	20.00 46.00 <u>66.00</u>
7390169	00107	A V PRESS	08/17-ON THE NET ADS 08/17-LEGAL ADS	112.50 1,931.14 <u>2,043.64</u>	101 4305205 101 4110263 101 4782263 209 12ST032924	112.50 457.07 404.29 1,069.78 <u>2,043.64</u>
7390170	02357	A V TRANSIT AUTHORITY	AUG 17-ANNUAL SENIOR PASSES	1,750.00 <u>1,750.00</u>	204 4330770 207 4330301	875.00 875.00 <u>1,750.00</u>
7390171	07489	ACCESSO SHOWARE	PAC-08/17-TICKET SALES	6,256.60	402 4650302	6,256.60
7390172		VOID				
7390173	05956	ADVANCED PRINTING & GRAPHICS	LOGO-BALLET FOLKLORICO SIGNS-LEGION INVITATION DESIGN	326.25 270.00 <u>596.25</u>	101 4643308 101 4100261	326.25 270.00 <u>596.25</u>
7390174	08318	ALL CONTROL CLEANING INC	MTNC YD-07/17-CLEANING SVCS	1,200.00	203 4752402	1,200.00
7390175	08181	ALLSTAR CABLE PRODUCTS INC	TRAFFIC SIGNAL CABLE	324.25	483 4785665	324.25
7390176	05265	ALTMAN PLANTS	OMP-FLOWERS(52 FLATS)	424.13	101 4634265	424.13
7390177	C6143	AMERICAN BUSINESS MACHINES	IMAGE RUNNER ADV COPIER	29.91	101 4310254	29.91
7390178	D1663	AMERICAN IRON WORK	NSC-FENCE REPAIR	995.00	101 4635402	995.00
7390179	D3147	AMERICAN PLUMBING SERVICES,INC	LMS-PLUMBING REPAIRS	142.50	101 4632402	142.50
7390180	04760	AMERINAT	08/17-MONTHLY SERVICE FEE	577.44	306 4542301	577.44
7390181	04190	AMERIPRIDE SERVICES	UNIFORM CLEANINGS UNIFORM CLEANINGS	57.59 78.25	101 4753209 101 4753209	57.59 78.25

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				135.84		135.84
7390182	02693	ANDY GUMP, INC	FENCE RNTL-09/08-10/05/17 FENCE RNTL-08/15-28/17	33.43 1,207.23 <u>1,240.66</u>	101 4634602 484 4752404	33.43 1,207.23 <u>1,240.66</u>
7390183	05179	ARAMARK UNIFORM SVCS	UNIFORM CLEANING	112.65	480 4755209	112.65
7390184	C7908	ASHLIN, JIMMIE	JA-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390185	C8559	AUNE, CHRIS	CA-PR DM-SAC-09/23-26/17	224.00	101 4320256	224.00
7390186	04446	AUTO PROS	SMOG INSPECTION-EQ3833	45.00	203 4752207	45.00
7390187	04151	AXES FIRE INC	NSC-FIRE CERTS(25)/EXTS	461.46	101 4635403	461.46
7390188	04737	BALLOON FACTORY	CA-BALLOON ARCH/PILLARS/BQTS	1,150.19	101 4684222C	1,150.19
7390189	06799	BRAUN BLAISING SMITH WYNNE PC	07/17-LCE-LEGAL CONSULTING	28,886.41	490 4370303	28,886.41
7390190	06992	BREMER WHYTE BROWN & O'MEARA	CLAIM #062-15/CLGL-0002A2 CLAIM #062-15A/CLGL-0003A2 CLAIM #048-15/CLGL-0002A2	9,219.12 3,953.70 111.00 <u>13,283.82</u>	109 4330300 109 4330300 109 4330300	9,219.12 3,953.70 111.00 <u>13,283.82</u>
7390191	08094	BURRELLESLUCE	06/17-MONTHLY MEDIA CHARGES 07/17-MONTHLY MEDIA CHARGES 08/17-MONTHLY MEDIA CHARGES	363.20 413.98 348.60 <u>1,125.78</u>	101 4305301 101 4305301 101 4305301	363.20 413.98 348.60 <u>1,125.78</u>
7390192	05129	C P S CARE PEST SOLUTIONS	LMS-08/17 PEST CONTROL	125.00	101 4632301	125.00
7390193	05412	CA SHOPPING CART RETRIEVAL	08/17-SHOPPING CART RETRIEVAL	1,624.00	203 4751402	1,624.00
7390194	08373	CAMPANA, CYNTHIA	CC-PR DM-SAC-09/23-26/17	224.00	101 4320256	224.00
7390195	00382	CARRIER COMMUNICATIONS	09/17-HAUSER MTN SITE RENT	537.78	101 4200350	537.78
7390196	04636	CAYENTA/N HARRIS COMPUTER CORP	09/17-CMS CW-CONFERENCE REGISTRATION	3,745.00 1,675.00 <u>5,420.00</u>	101 4315302 101 4320256	3,745.00 1,675.00 <u>5,420.00</u>
7390197	06248	DARYL'S PLUMBING	SHELTER-GAS METER SHUTOFF	1,650.00	361 4541776	1,650.00
7390198		VOID				
7390199	01047	DESERT INDUSTRIAL SUPPLY	EVERFLEX/COPPER STRAPS	20.16	101 4636402	20.16
7390200	00414	DESERT LOCK COMPANY	NSC-DEADBOLT OMP-KEYS(3)	85.00 21.56	101 4635403 101 4634403	85.00 21.56

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			LOCK/BOLT/KEYS	61.73	101 4633403	61.73
			STP-LOCKS(3)	76.85	101 4631404	76.85
				<u>245.14</u>		<u>245.14</u>
7390201	06150	DIRECTV	MOAH-09/17-BUSINESS INFO	44.99	101 4315651	44.99
7390202	08332	DYKSTRA, REBECCA	RD-MIL/LDG-ANAHEIM-09/06-08/17	548.09	101 4305201	548.09
7390203	C7741	EDWARDS, MONIQUE	ME-REIMB-TV/WARRANTY	399.34	101 4315291	399.34
7390204	D2601	ELIFEGUARD, INC	UMBRELLAS(2)	105.79	101 4642251	105.79
7390205	06533	ENNIS PAINT, INC	PAINT	21,877.32	203 4785454	21,877.32
7390206	06380	EWING IRRIGATION PRODUCTS, INC	LMS-TURFACE(40 BAGS)	664.55	101 4632404	664.55
			CRDT-LMS-FIELD PAINT	(597.75)	101 4632404	(597.75)
				<u>66.80</u>		<u>66.80</u>
7390207	C8473	FALCON, STEVE	SF-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390208	D3240	FASTENAL COMPANY	LIGHT BLUB/SCREWS	25.40	101 4633403	25.40
			NSC-SCREWS/BOLTS	19.64	101 4635404	19.64
				<u>45.04</u>		<u>45.04</u>
7390209	00617	FEDERAL EXPRESS CORPORATION	EXPRESS MAILINGS	19.09	101 4200212	19.09
			EXPRESS MAILINGS	23.01	101 1110000	23.01
				<u>42.10</u>		<u>42.10</u>
7390210	08354	FLASH TRAFFIC INC	MTNC-CMS BRD-RNTL-08/11-24/17	3,080.00	206 12ST036924	3,080.00
7390211	07970	FORENSISGROUP INC	CLAIM #062-15/CLGL-0002A2/4A2	14,898.75	109 4330300	14,898.75
			CLAIM #062-15A/CLGL-0003A2	12,071.25	109 4330300	12,071.25
				<u>26,970.00</u>		<u>26,970.00</u>
7390212	04203	FRANK'S RADIO SERVICE	OCT-DEC 17-QRTRLY REPEATER	1,500.00	101 4200350	1,500.00
7390213	07369	FRONTIER COMMUNICATIONS CORP	08/28-09/27/17-CIRCUIT SVC	358.22	101 4315651	358.22
7390214	C9194	GAIL MATERIALS	OMP-INFIELD DIRT	1,381.97	101 4634404	1,381.97
7390215	04721	GET TIRES, INC	TIRES(2)-EQ3764	801.38	203 4752207	801.38
7390216	D3912	GREEN CHARGE NETWORKS	MOAH-03/17-ELECTRIC SVC	442.48	101 4633652	442.48
			MOAH-06/17-ELECTRIC SVC	500.09	101 4633652	500.09
			MOAH-07/17-ELECTRIC SVC	286.13	101 4633652	286.13
				<u>1,228.70</u>		<u>1,228.70</u>
7390217	C7863	GREEN SET, INC	CA-RAIL/WHEEL/BARREL RNTLS	622.73	101 4684222C	622.73
7390218	07559	HALAMICEK, THOMAS	TH-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00

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7390219	C8691	HALE, DANTE	DH-PR DM-LAS VEGAS-9/25-28/17	224.00	480 4755201	224.00
7390220	D0574	HAMPTON INN & SUITES-LANCASTER	MOAH-LODGING-08/27/17	108.10	101 4644251	108.10
7390221	D0790	HENDERSON, TIMOTHY	TH-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390222	D0501	HIESL CONSTRUCTION INC	44611 YUCCA-BOARD UP/PAINT 44611 YUCCA-INSTALL FENCE	8,750.00 6,675.00 <u>15,425.00</u>	361 4541776 101 4545940	8,750.00 6,675.00 <u>15,425.00</u>
7390223	07635	HOGAN, JEFF	JH-PR DM-SAC-09/23-26/17	224.00	101 4320256	224.00
7390224	07653	INBOUND DESIGN INC	CCEA-ANNUAL WEBSITE MTNC CCEA-ANNUAL WEBSITE MTNC	2,700.00 290.00 <u>2,990.00</u>	491 4370205 491 4370205	2,700.00 290.00 <u>2,990.00</u>
7390225	D4004	J P POOLS	ESP-SOLAR HEATER INSTALL TBP-SPLASH PAD MAINTENANCE	2,707.00 1,120.00 <u>3,827.00</u>	101 4631402 101 4631670	2,707.00 1,120.00 <u>3,827.00</u>
7390226	01419	JOHNSTONE SUPPLY	COPPER/PUMPS/BELTS/FILTERS BELT COPPER TUBING CH-PUMP	160.12 8.82 31.51 146.84 <u>347.29</u>	101 4636402 101 4632402 101 4636402 101 4633403	160.12 8.82 31.51 146.84 <u>347.29</u>
7390227	D0412	KATZ, BRUCE	BK-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390228	07532	KELLEY, MICHAEL R	CS-09/17-DJ SVCS	160.00	101 4680225	160.00
7390229	D1903	KERN MACHINERY INC-LANCASTER	OMP-OIL	51.91	101 4634230	51.91
7390230	06231	KRAYTIVE CORPORATION	SOL-EVENT SHIRTS(50)	757.01	101 4684222S	757.01
7390231	C8813	LADOUCEUR, JAMES CHARLES	JL-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390232	C7873	LANCASTER AUTO MALL ASSOC	09/17-AUTO MALL SIGN EXPENSES	930.67	101 4540340	930.67
7390233	1203	LANCASTER PLUMBING SUPPLY	COPPER/VALVES/COUPLINGS CONNECTORS/VALVES	827.95 102.12 <u>930.07</u>	101 4636402 101 4633403	827.95 102.12 <u>930.07</u>
7390234	D3426	LAW OFFICES CHRISTOPHER RAMSEY	CLAIM #062-16	360.00	109 4330300	360.00
7390235	04351	LYN GRAFIX	DRAWSTRING PACKS(500)	2,480.14	306 4542355	2,480.14
7390236	C8380	MC CORMICK ELECTRIC & CONST	EDP-LIGHTING REPAIRS	718.00	101 4631402	718.00
7390237	C1198	MC PHERSON CONSULTING	STP-OUTLET REPAIRS	140.00	101 4631402	140.00

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			RDP-BATTERY REPLACEMENTS	102.00	101 4634402	102.00
				242.00		242.00
7390238	D3578	MINUTEMAN PRESS	LCE-CONF OPTOUT MAILER	0.90	490 4370213	0.90
			LCE-00N1 WEEK 98 NOTICES	228.20	490 4370213	228.20
			LCE-00N2 WEEK 98 NOTICES	133.54	490 4370213	133.54
			LCE-00N1 WEEK 99 NOTICES	151.37	490 4370213	151.37
			LCE-00N2 WEEK 99 NOTICES	124.99	490 4370213	124.99
			LCE-00N1 WEEK 100 NOTICES	280.09	490 4370213	280.09
			LCE-00N2 WEEK 100 NOTICES	170.48	490 4370213	170.48
				1,089.57		1,089.57
7390239	05871	MUNICIPAL MAINTENANCE EQUIPMNT	SCRAPPER-EQ3384	167.11	203 4752207	167.11
7390240	D1878	MURPHY & EVERTZ,ATTYS AT LAW	08/17-LEGAL SRVCS-GENERAL	340.00	101 4400303	340.00
7390241	06543	MURREN, JAMES	08/17-ADMIN HEARINGS	150.00	101 4545301	150.00
7390242	07509	NAPA AUTO PARTS	AC FAN ASSY-EQ4300	91.98	203 4752207	91.98
			MIRRORS(2)-EQ7766	5.29	101 4761207	5.29
			BATT CBL TERMINAL-EQ3831	23.49	203 4752207	23.49
				120.76		120.76
7390243	D2822	NATIONAL CINEMEDIA, LLC	THEATER ADS-08/18-12/14/17	769.32	101 4640205	128.22
					101 4681222	128.22
					101 4684222B	128.22
					101 4684222C	128.22
					101 4684222M	128.22
					101 4684222S	128.22
				769.32		769.32
7390244	D0217	NATIONAL PAYMENT CORPORATION	08/17-DOCULIVERY ITEM CHARGE	152.46	101 4310302	152.46
7390245	07634	NEVAREZ, GABE	GN-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390246	06704	NIGHT OWLS	JUN 17-WELLNESS WEBSITE SUPPRT	350.00	106 4100770	350.00
7390247	05741	P P G ARCHITECTURAL FINISHES	PAINT	230.58	203 4752502	230.58
			PAINT	39.88	203 4752502	39.88
			NSC-FIELD PAINT	1,135.07	101 4635404	1,135.07
				1,405.53		1,405.53
7390248	06984	PACIFIC DESIGN & INTEGRATION	08/17-BROADCAST MANAGER SVCS	2,981.00	101 4305302	2,981.00
7390249	07249	PATRIOT PLUMBING	45404 DIVISION-IRRIGATN REPRS	825.00	101 4633402	825.00
			LUC-PLUMBING REPAIRS	175.00	101 4633402	175.00
				1,000.00		1,000.00
7390250	05602	PETROLEUM EQUIPMENT CONST SRV	08/17-DESIGNATED OPERATOR INSP	125.00	101 4753402	125.00

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7390251	03249	PRAXAIR DISTRIBUTION, INC	FLAP DISCS(4)-EQ3832	63.32	203 4752207	63.32
7390252	06160	PRIME TIME PARTY RENTALS	CA-TENTS/TABLES/WALLS/CHAIRS	4,969.00	101 4684222C	4,969.00
7390253	07287	PRINTING BOSS	CA-BANNERS/VINYL/DECALS	268.76	101 4684222C	268.76
7390254	C5395	PRO ACTIVE WORK HEALTH SERVICES	JJ-DMV DOT PHYSICAL-07/25/17	69.00	101 4320301	69.00
			ML-DMV DOT PHYSICAL-07/18/17	69.00	101 4320301	69.00
			BF-ESCREEN TEST-07/21/17	40.00	101 4320301	40.00
			GW-ESCREEN TEST-07/28/17	40.00	101 4320301	40.00
			JO-ESCREEN TEST-07/06/17	40.00	101 4320301	40.00
				<u>258.00</u>		<u>258.00</u>
7390255	07363	Q C LOCKSMITH	44611 YUCCA-REKEY/INSTLL LOCKS	217.72	361 4541776	217.72
			44611 YUCCA-KNOB/DEAD BOLT	217.72	361 4541776	217.72
				<u>435.44</u>		<u>435.44</u>
7390256	05864	QUINN COMPANY	ROLLER RENTAL-08/21-23/17	1,172.99	206 12ST036924	1,172.99
			AIR FILTER-EQ3394	40.13	203 4752207	40.13
				<u>1,213.12</u>		<u>1,213.12</u>
7390257	07507	RESOURCE BUILDING MATERIALS	QUICKRETE	511.83	101 4641251	511.83
7390258	05747	RICK SHIPP TRUCK & EQUIP REPR	FUEL FILTER KIT-EQ4371	1,355.57	483 4785207	1,355.57
7390259	08119	RNS COMMUNICATIONS INC	USED OIL RECYCLING AD	650.00	330 4755775	650.00
7390260	05943	ROBERTSON'S	CONCRETE	326.70	203 4752410	326.70
			CONCRETE	408.38	203 4752410	408.38
			CONCRETE	285.86	203 4752410	285.86
				<u>1,020.94</u>		<u>1,020.94</u>
7390261	C1159	ROSA, MICHAEL	MR-TAXI-SEATTLE-09/05-07/17	100.00	402 4650201	100.00
7390262	03378	ROTTMAN DRILLING CO	NSC-06/17-08/17-PUMP MTNC	1,350.00	101 4635301	1,350.00
7390263	D3947	S G A CLEANING SERVICES	EDP-GRAFFITI REMOVAL	995.00	101 4631402	995.00
			AHP-SINK REPAIRS	135.00	101 4631402	135.00
			WCP-SINK REPAIRS	265.00	101 4631402	265.00
				<u>1,395.00</u>		<u>1,395.00</u>
7390264	03962	SAFETY KLEEN	DTRGNT/ORGNC MATRL/EPOXIES	9,967.00	101 4755355	9,967.00
			HAZ WASTE PARTS WASHER	141.09	101 4753657	141.09
				<u>10,108.09</u>		<u>10,108.09</u>
7390265	A8260	SAGE STAFFING	PUBLIC SFTY STFF-08/28-09/01/17	871.89	101 4820301	871.89
			PUBLIC SAFETY STFF-09/01/17	55.95	101 4820301	55.95
			CAP ENG STAFF-08/28-09/01/17	1,612.00	209 12ST032924	1,612.00
				<u>2,539.84</u>		<u>2,539.84</u>

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Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7390266	06664	SEA SUPPLY	NSC-T PPR/DDRNT/TSSUE DSPNSRS	587.66	101 4635406	587.66
7390267	1966	SECRETARY OF STATE	TA-NOTARY COMM FEE	20.00	101 4320256	20.00
7390268	D2568	SEQUOIA PACIFIC SOLAR I, LLC	CH-08/17(89609.28 KWH) MTNC YD-08/17(43020.84 KWH) OMP-08/17(25807.28 KWH) PAC-08/17(34363.92 KWH) LMS-08/17(46810.4 KWH)	8,960.93 4,302.08 2,580.73 3,436.39 4,681.04 <u>23,961.17</u>	101 4633652 101 4633652 101 4634652 402 4650652 101 4632652	8,960.93 4,302.08 2,580.73 3,436.39 4,681.04 <u>23,961.17</u>
7390269	05934	SHI INTERNATIONAL CORP	OFFSITE REPLICATION SVCS	5,634.14	101 4315302	5,634.14
7390270	05149	SIERRA DOOR SYSTEMS	NSC-DOOR REPAIRS	565.00	101 4635402	565.00
7390271	1894	SIGNS & DESIGNS	PAC-POSTER SIGNS(2) PAC-BANNERS(8) PAC-POSTER SIGN	142.03 1,724.91 71.01 <u>1,937.95</u>	402 4650205 402 4650205 402 4650205	142.03 1,724.91 71.01 <u>1,937.95</u>
7390272	01816	SMITH PIPE & SUPPLY INC	TBP-VALVE/TAPE/RISERS NSC-ROTORS(24) OMP-VALVE BOX LIDS/VALVE BOXES STP-BURY KITS/PVC PIPE/CEMENT LMS-CEMENT/PRIMER/PVC	135.54 609.62 298.65 263.53 72.91 <u>1,380.25</u>	101 4631404 101 4635404 101 4634404 101 4631404 101 4632404	135.54 609.62 298.65 263.53 72.91 <u>1,380.25</u>
7390273	06429	STANTEC CONSULTING SRVCS INC	CP16002-DESIGN SVCS-6 CP17010-RFQ 646-16 MULTI YR-3 CPD1311-RFQ 646-16 MULTI YR-7 CP17006-CONSULTING SRVCS	1,535.00 266.00 221.00 24,375.89 <u>26,397.89</u>	210 12ST033924 252 15ST038924 480 4761301 209 16ST005924	1,535.00 266.00 221.00 24,375.89 <u>26,397.89</u>
7390274	01821	STERND AHL ENTERPRISES INC	PAINT STRIPER	34,245.44	206 12ST036924	34,245.44
7390275	D3733	STOTZ EQUIPMENT	LMS-TINE-EQ5791 LMS-GUARDS/SCREW-EQ5791 LMS-CANOPY-EQ5603	197.09 561.08 705.23 <u>1,463.40</u>	101 4632207 101 4632207 101 4632207	197.09 561.08 705.23 <u>1,463.40</u>
7390276	C8057	SUNBELT RENTALS	OMP-SOD CUTTR RNTL-09/05-06/17	180.92	101 4634602	180.92
7390277	05703	SUPERIOR ALARM SYSTEMS	09/17- MONTHLY MONITORING	45.00	101 4633301	45.00
7390278	C8822	SWAN, HEATHER	HS-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390279	08005	T B X EMPLOYEE BENEFITS LLC	08/17-TELEMED	896.00	101 2170216	896.00
7390280	08087	THE BAYSHORE CONSULTING GROUP	CCEA-08/17-CONSULTING SVCS/ML	2,626.63	491 4370001P	2,626.63

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			CCEA-08/17-CONSULTING SVCS	2,500.00	491 4370002P	2,500.00
			CCEA-07/17-CONSULTING SVCS	2,500.00	491 4370001P	2,500.00
			CCEA-07/17-CONSULTING SVCS	2,557.89	491 4370002P	2,557.89
				<u>10,184.52</u>		<u>10,184.52</u>
7390281	2009	THE TIRE STORE	BALANCING BAGS(6)-EQ3834	87.40	203 4752207	87.40
7390282	C4733	THOMASON, MICHAEL	MT-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390283	04239	TIM WELLS MOBILE TIRE SERVICE	SERVICE CALL/REPAIR-EQ3832	95.00	203 4752207	95.00
			MOUNT/DISMOUNT-EQ5831	6.00	101 4634207	6.00
			SERVICE CALL/REPAIR-EQ3783	95.00	203 4752207	95.00
			SERVICE CALL/REPAIR-EQ3770	123.00	203 4752207	123.00
			SERVICE CALL/REPAIR-EQ3828	95.00	484 4752207	95.00
			TIRE-EQ5842	31.03	101 4632207	31.03
			REPAIR-EQ3818	22.00	203 4752207	22.00
				<u>467.03</u>		<u>467.03</u>
7390284	2003	TIP TOP ARBORISTS, INC	VARIOUS TREE REMOVAL/MAINT	18,411.50	101 4631267	18,411.50
			08/17-TREE TRIMMING/REMOVAL	3,386.50	101 4634267	3,386.50
				<u>21,798.00</u>		<u>21,798.00</u>
7390285	06122	TRINITY INNOVATIONS	SOL-WALLWRAP/BANNRS/EQUIP RNTL	13,553.70	101 4684222S	13,553.70
7390286	08319	TRIEPEI SMITH & ASSOCIATES INC	CCEA-07/17-MARKETING/SALES RET	6,350.00	491 4370205	6,350.00
			CCEA-08/17-MARKETING/SALES RET	6,350.00	491 4370205	6,350.00
				<u>12,700.00</u>		<u>12,700.00</u>
7390287	02977	TURBO DATA SYSTEMS INC	07/17-ADMIN CITATN PROCESSING	3,575.55	101 4310301	3,575.55
7390288	05551	UNITED SITE SRVCS OF CA,SO DIV	FENCE RENTAL-08/17-09/13/17	19.67	101 4633404	19.67
7390289	08369	USB-SEWER EQUIPMENT CORP	SEWER CLEANING NOZZLE	1,883.74	480 4755208	1,883.74
7390290	2228	VALLEY CONSTRUCTION SUPPLY INC	AIR HOSES/BULL FLOAT/TROWELS	852.43	203 4752410	852.43
7390291	D3370	VERIZON WIRELESS	08/17-WIRELESS SERVICE	1,952.18	101 4315651	1,952.18
7390292	C7740	VISION INTERNET PROVIDERS	09/17 WEB HOSTING	1,000.00	101 4305301	1,000.00
7390293	04496	VULCAN MATERIAL WESTERN DIV	COLD MIX	117.88	203 4752410	117.88
7390294	31026	WAXIE SANITARY SUPPLY	OMP-TRSH BGS/FLR MT/CLNR/SIGNS	799.52	207 4634406	799.52
7390295	D3174	WELCH, RYAN	RW-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390296	C6406	WELLS, KATHY	KW-PR DM-RIVERSIDE-10/02-04/17	160.00	491 4370201	160.00
7390297	05806	WEST COAST SAFETY SUPPLY CO	VAPOROOTERS(25)	1,934.97	480 4755470	1,934.97

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7390298	D3730	WHITE, GARRETT K	GW-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390299	08376	WILLIAMS, DIANE	CA-COMMUNITY ENGAGEMENT	500.00	101 4684222C	500.00
7390300	05536	ZONGKER, TIM	TZ-PR DM-LAS VEGAS-09/25-28/17	224.00	480 4755201	224.00
7390301	03154	SO CA EDISON	08/01/17-09/01/17 ELECTRIC SVC	142,716.15	483 4752652 483 4755660	20.98 142,695.17
				142,716.15		142,716.15
7390302	A8656	KIMLEY-HORN & ASSOCIATES INC	CDP1310-P/PM SVC-07/31/17-AV K CDP1310-P/PM SVC-07/31/17-AV M CDP1310-P/PM SVC-07/31/17-AV G CDP1310-P/PM SVC-07/31/17-AV J CDP1310-P/PM SVC-07/31/17-AV L CP15001-PROFESSIONAL SVCS SR138-AVE J-PA/ED-07/16	7,157.75 3,710.00 3,902.50 3,097.50 4,195.00 13,287.50 45,969.29 81,319.54	210 15BR004924 210 15BR005924 210 15BR005924 210 15BR006924 210 15BR007924 210 15BR008924 210 15BR008924 210 15BR007924	7,157.75 1,038.00 2,672.00 3,902.50 3,097.50 4,195.00 13,287.50 45,969.29 81,319.54
7390303	A6479	TAFT ELECTRIC COMPANY	RFP 658-17-STREETLIGHT CONVRSN	136,389.90	483 4755665	136,389.90
7390304	08374	CALRECYCLE	CTY/CO PMNT PRGM FNDS FY 14/15	930.00	330 4755773	930.00
7390305	D3792	DEFALCO, CATHY	CD-MIL-SAN RAFAEL-09/10-12/17	398.04	491 4370203	398.04
7390306	07619	DYNAZTY RIDERZ	DEP-SOL PERF-09/30-10/01/17	2,500.00	101 4684222S	2,500.00
7390307	00163	AMERICAN PUBLIC WORKS ASSN	ANNUAL MEMBERSHIP RENEWALS	2,667.48	101 4701206 101 4761206 101 4783206 203 4752206 203 4785206 251 4762206 251 4783206 480 4755206	190.54 381.07 190.54 571.59 190.54 381.07 190.54 571.59 2,667.48
				2,667.48		2,667.48
7390308	D4110	BIRDIES DRIVING RANGE	CARES-YOUTH CHIP/PUTT-09/26/17	600.00	101 4670270	600.00
7390309	01708	BLUE CROSS OF CALIFORNIA	10/17-RETIREE HEALTH INSURANCE	42,783.46	101 2166110 109 1101000	958.66 41,824.80
				42,783.46		42,783.46
7390310	06699	BOOKER, MELVIN JR	SOL-PERF-MUSIC-09/29/17	400.00	101 4684222S	400.00
7390311	D1872	CA WATER ENVIRONMENTAL ASSN	ML-CWEA MEMBERSHIP RENEWAL	180.00	101 4320311	180.00
7390312	C2060	CA WATER SERVICE COMPANY	08/14/17-09/14/17 WATER SVC	1,105.28	482 4636654	1,105.28

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7390313	A0886	DAISY'S COSTUMES	CA-COSTUMES(5)	125.00	101 4684222C	125.00
7390314	A6002	DEPT OF TOXIC SUBST CONTROL	ENV COMP-VQ#201725443	270.00	101 4755355	45.00
					101 4755355	225.00
				<u>270.00</u>		<u>270.00</u>
7390315	07619	DYNAZTY RIDERZ	BAL-SOL-PERF-09/30-10/01/17	2,500.00	101 4684222S	2,500.00
7390316	C0293	EAST, MARY PAULINE	09/17-CONTRACT SERVICES	5,250.00	101 4621308	5,250.00
7390317	07212	GINO'S ITALIAN RESTAURANT	CARES-MV-MINIMUM DAY-09/26/17	600.00	101 4670270	600.00
7390318	08385	GRIDLER, BRIGITTE OR RICHARD	RFND-PARKING CIT #30012278	38.00	101 3310200	38.00
7390319	07597	GUARDIAN LIFE INSURANCE CO	10/17 EMPLOYEE LIFE INSURANCE	8,028.89	101 2166200	4,331.96
					101 2166300	542.04
					101 2170215	3,154.89
				<u>8,028.89</u>		<u>8,028.89</u>
7390320	01550	KAISER FOUNDATION HEALTH PLAN	10/17 COBRA HEALTH INSURANCE	523.37	101 2166130	523.37
7390321	01550	KAISER FOUNDATION HEALTH PLAN	10/17 RETIREE HEALTH INS	16,295.28	109 1101000	826.51
					109 1101000	15,468.77
				<u>16,295.28</u>		<u>16,295.28</u>
7390322	06231	KRAYTIVE CORPORATION	SOL-BANNERS/SIGNS	24,811.58	101 4684222S	24,811.58
7390323	D0600	L A CO DEPT OF PUBLIC WORKS	REIMB-CHIP SEAL-45 W/AV L14-K	2,634.23	252 12ST036924	2,634.23
7390324	1215	L A CO WATERWORKS	CP17011-20TH ST W-METER FEES	1,700.00	209 12ST032924	1,700.00
7390325	1215	L A CO WATERWORKS	CP17012-10TH ST W-METER FEES	9,200.00	209 16ST007924	9,200.00
7390326	1215	L A CO WATERWORKS	CP17011-20TH ST W-METER FEES	22,375.00	209 12ST032924	22,375.00
7390327	1215	L A CO WATERWORKS	CP17012A-10TH ST W-METER FEES	24,265.00	209 16ST007924	24,265.00
7390328	D2287	LANCASTER CODE ENFRMNT ASSN	UNION DUES-PP 19-2017	300.00	101 2171000	300.00
7390329	A2073	LANCASTER PERF ARTS CNTR FNDTN	MN-GALA/AUCTION DONATIONS	6,240.00	101 2102600	6,400.00
					101 4643235	(160.00)
				<u>6,240.00</u>		<u>6,240.00</u>
7390330	07459	LEFEBVRE, KEVIN M	SOL-PERF-MUSIC-09/30/17	200.00	101 4684222S	200.00
7390331	08362	LIVE RADIO	SOL-PERF-MUSIC-09/30/17	900.00	101 4684222S	900.00
7390332	C1588	MONTEREY INT'L TALENT AGENCY	DEP-MANHATTAN TRANSFR-10/15/17	7,500.00	402 4650318	7,500.00

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7390333	A7221	P E R S LONG TERM CARE PROGRAM	LONG TERM CARE PREM-PP 19-2017	2,147.46	101 2170200	2,147.46
7390334	08382	SCURRY- HERRERA, ANGELA	RFND-RNTL DEP-MOAH-09/15/17	250.00	101 2182001	250.00
7390335	03154	SO CA EDISON	07/27/17-09/15/17 ELECTRIC SVC	2,974.04	203 4636652 482 4636652 483 4785660 485 4755652	26.76 24.37 284.16 2,638.75
				<u>2,974.04</u>		<u>2,974.04</u>
7390336	1907	SO CA GAS COMPANY	08/15/17-09/15/17 GAS SVC	534.48	101 4632655 101 4634655	504.86 29.62
				<u>534.48</u>		<u>534.48</u>
7390337	C4067	TALENT INTERN'L PROMOTIONS	TCKT PRCDs-LETTERMAN 09/15/17	3,048.40	402 4650318	3,048.40
7390338	C2555	TIME WARNER CABLE	10/17-TV SERVICE-CITY MANAGER	63.68	101 4315651	63.68
7390339	08383	TO, NHI	RFND-RNTL DEP-MOAH-02/25/18	250.00	101 2182001	250.00
7390340	07617	UNITED TALENT AGENCY, LLC	DEP-LIV ON-10/27/17	15,000.00	402 4650318	15,000.00
7390341	C2434	VINSA INSURANCE ASSOCIATES	SOL-POLICY RNWL-09/28-10/03/17	4,130.00	101 4684222S	4,130.00
7390342	C5433	WADE, RICHARD	DINOSAUR PRESENTATION-09/16/17	275.00	101 4662251	275.00
7390343	08364	WOODIE AND THE LONGBOARDS	SOL-PERF-MUSIC-09/29/17	2,000.00	101 4684222S	2,000.00
7390344	C9804	A D T SECURITY SERVICES, INC	09/17-ALARM MONITORING	22.00	101 4633301	22.00
			09/17-ALARM MONITORING	54.00	402 4650301	54.00
			09/17-ALARM MONITORING	27.00	101 4635301	27.00
			09/17-ALARM MONITORING	27.00	101 4631301	27.00
			09/17-ALARM MONITORING	25.00	101 4644301	25.00
			09/17-ALARM MONITORING	27.00	101 4634301	27.00
			09/17-ALARM MONITORING	27.00	101 4631301	27.00
				<u>209.00</u>		<u>209.00</u>
7390345	02071	A G SOD FARMS INC	OMP-SOD	1,549.39	101 4634404	1,549.39
7390346	06576	A V CHEVROLET	LAMP/CORE DEPOSIT-EQ3839	215.68	203 4752207	215.68
			CREDIT-CORE DEPOSIT-EQ3839	(54.63)	203 4752207	(54.63)
				<u>161.05</u>		<u>161.05</u>
7390347	03854	A V JANITORIAL SUPPLY	LMS-PAPER TOWEL DISPENSERS(2)	105.43	101 4632403	105.43
7390348	00498	A V SPORTS & GRAPHICS	RINGS(70)	1,075.84	101 4641251	1,075.84
			TROPHIES(10)	300.11	101 4641251	300.11
				<u>1,375.95</u>		<u>1,375.95</u>

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7390349	05449	ACCELA, INC	08/17-PROFESSIONAL SERVICES	9,540.00	101 4315302	9,540.00
7390350	06352	AGILITY RECOVERY SOLUTIONS	08/17-READYSUITE	643.55	101 4315302	643.55
7390351	C9004	ALLEN, NICOLE	NA-PR DM-RVERSIDE-10/2-03/2017	96.00	491 4370201	96.00
7390352	C6143	AMERICAN BUSINESS MACHINES	IMAGE RUNNER ADV COPIER	27.43	101 4310254	27.43
7390353	04190	AMERIPRIDE SERVICES	UNIFORM CLEANINGS	50.93	101 4753209	50.93
7390354	05179	ARAMARK UNIFORM SVCS	UNIFORM CLEANINGS	112.65	480 4755209	112.65
			UNIFORM CLEANINGS	112.65	480 4755209	112.65
				<u>225.30</u>		<u>225.30</u>
7390355	C3896	ARC LIGHT EFX, INC	PAC-LIGHTING RNTL-09/13-17/17	415.00	402 4650602	415.00
7390356	06738	ASPEN ENVIRONMENTAL GROUP	CP15010-07/17-CULTURL RESOURCS	4,679.80	210 15ST057924	4,679.80
			CP15010-07/17-PROFESSIONAL SVC	3,606.90	101 2185719	3,606.90
				<u>8,286.70</u>		<u>8,286.70</u>
7390357	C4080	AVRIT, BRITT	BA-MILEAGE-NORWALK-09/07/17	91.80	101 4110203	91.80
7390358	04151	AXES FIRE INC	FIRE CERTS(9)	94.50	101 4633207	10.50
					203 4752207	10.50
					203 4752207	10.50
					203 4752207	10.50
					203 4752207	10.50
					203 4752207	10.50
					480 4755207	10.50
					480 4755207	10.50
					484 4752207	10.50
				<u>94.50</u>		<u>94.50</u>
7390359	03353	BOZIGIAN, MARK	MB-PR DM-RVERSIDE-10/02-03/17	96.00	491 4370201	96.00
7390360	06799	BRAUN BLAISING SMITH WYNNE PC	08/17-LCE-LEGAL CONSULTING	39,330.74	490 4370303	39,330.74
7390361	A9249	CA DEPT OF CORRECTNS/REHAB	07/17-CUSTODY SUPRVSN AGREEMNT	5,543.64	484 4752308	5,543.64
7390362	D0775	CAUDLE, JASON	JC-PR DM-RVERSIDE-10/02-03/17	96.00	491 4370201	96.00
7390363	C8944	CLASS C SOLUTIONS GROUP	WHL WGHTS/CBL TIES/SWTCH/CLMPS	492.83	101 4753214	492.83
7390364	03552	COASTLINE EQUIPMENT CO	TRANS CONTROLLER-EQ3772	2,104.12	484 4752207	2,104.12
7390365	04579	D L T SOLUTIONS, LLC	08/17-08/18-AUTODESK SUBSCRPTN	600.00	480 4315302	600.00
7390366	C7625	DAPEER,ROSENBLIT & LITVAK, LLP	08/17-SPECIALIZED LGL SVCS	15.20	101 4400303	15.20
			08/17-SPECIALIZED LGL SVCS	481.74	101 4400303	481.74

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			08/17-SPECIALIZED LGL SVCS	122.54	101 4400303	122.54
				619.48		619.48
7390367	A9377	DAVIS COMMUNICATIONS	CIP/REVIVE 25-PHOTOGRAPHY SVCS	500.00	206 12ST036924	500.00
7390368	D3792	DEFALCO, CATHY	CD-PR DM-RVERSIDE-10/2-04/17	160.00	491 4370201	160.00
7390369	00432	DEPT OF JUSTICE	08/17-FINGERPRINT APPS	1,624.00	101 4320301	1,624.00
7390370	A0925	DESERT HAVEN ENTERPRISES	08/17-JANITORIAL SERVICES	910.00	101 4633301	910.00
7390371	00414	DESERT LOCK COMPANY	CH-KEYS(4)	6.56	101 4633403	6.56
			KEY-EQ5707	3.82	101 4634207	3.82
				10.38		10.38
7390372	05613	DESIGN SPACE MODULAR BUILDINGS	09/17-MTNC YD-MODULAR BUILDING	288.45	101 4306303	288.45
7390373	05473	DEWEY PEST CONTROL	MTNC YD-PEST CONTROL SVC	137.00	203 4752402	137.00
7390374	08052	ELERT & ASSOC NETWORK DIV INC	08/17-CONSULTING SERVICES	3,877.50	109 4315301	3,877.50
7390375	06857	ENTERTAINMENTMAX, INC	COMMISSN-MARTIN BARRE-09/16/17	750.00	402 4650301	750.00
			COMMISSION-LETTERMAN-09/15/17	1,000.00	402 4650301	1,000.00
				1,750.00		1,750.00
7390376	06380	EWING IRRIGATION PRODUCTS, INC	LMS-FIELD FERTILIZER(30 BAGS)	852.15	101 4632404	852.15
7390377	C6890	E Z DIRECT, INC	2017 FALL OUTLOOK(81202)	1,683.70	101 4305253	1,010.22
					101 4643253	673.48
				1,683.70		1,683.70
7390378	08386	FERRIN, ALICE	AF-PR DM-RVERSIDE-10/02-04/17	160.00	491 4370201	160.00
7390379	08117	FIGUEROA, ERIKA	EF-PR DM-RVERSIDE-10/2-4/17	160.00	491 4370201	160.00
7390380	A8286	FLAG SYSTEMS	PAC-SOUND EQPMNT RNTL-09/15/17	2,650.00	402 4650602	2,650.00
			PAC-SOUND EQPMNT RNTL-09/16/17	2,650.00	402 4650602	2,650.00
				5,300.00		5,300.00
7390381	07226	FLYERS ENERGY LLC	UNLEADED(4904)/DIESEL(2469)	19,149.71	101 1620000	19,149.71
7390382	08384	GOLDEN GATE WEATHER SERVICES	CLAIM #062-15/CLGL-0002A2	3,637.50	109 4330300	3,637.50
7390383	D0501	HIESL CONSTRUCTION INC	44611 YUCCA-DEBRIS REMOVAL	425.00	361 4541776	425.00
7390384	C9535	HILLYARD/LOS ANGELES	CAN LINERS/TOWELS	594.30	101 4633406	594.30
7390385	C3885	KOSMONT COMPANIES	08/17-PROFESSIONAL SERVICES	559.50	101 4540340	559.50
7390386	06231	KRAYTIVE CORPORATION	SOL-EVENT SHIRTS(15)	332.80	101 4684222S	332.80

City of Lancaster Check Register



From Check No.: 7390141 - To Check No.: 7390437
 From Check Date: 09/17/17 - To Check Date: 09/30/17

Printed: 10/4/2017 14:47

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7390387	D3426	LAW OFFICES CHRISTOPHER RAMSEY	CLAIM #0587-15A/CLGL-005A1/6A2 CLAIM #037-15/CLGL-1370A1 CLAIM #017-16/CLGL-1377A1 CLAIM #001-16/CLGL-1363A1	8,201.49 486.00 3,536.00 4,158.00 <u>16,381.49</u>	109 4330300 109 4330300 109 4330300 109 4330300	8,201.49 486.00 3,536.00 4,158.00 <u>16,381.49</u>
7390388	08387	LOOMIS	08/17-ARMORED CAR SERVICE	1,689.40	101 3501110	1,689.40
7390389	04351	LYN GRAFIX	LANYARDS(1000)	1,999.28	101 4681222	1,999.28
7390390	06663	MASON, MELINDA	SEASONS OF FUN-PHOTO SERVICES	50.00	101 4305301	50.00
7390391	C8380	MC CORMICK ELECTRIC & CONST	CIRCUIT/RECEPTACLE RPLCMNTS	675.00	101 4633402	675.00
7390392	D3578	MINUTEMAN PRESS	LCE-00N1 WEEK 285 NOTICES LCE-00N2 WEEK 285 NOTICES	230.92 187.62 <u>418.54</u>	490 4370213 490 4370213	230.92 187.62 <u>418.54</u>
7390393	01184	MONTE VISTA CAR WASH	CAR WASHES(10)	257.50	101 4100207 101 4545207 101 4640207 101 4662207 101 4662207 101 4761207 101 4761207 101 4810207 203 4752207 203 4752207 251 4783207 <u>257.50</u>	13.50 14.50 13.50 12.50 14.50 12.50 14.50 12.50 13.50 120.00 16.00 <u>257.50</u>
7390394	C9177	MUNISERVICES, LLC	1ST QTR 2017-SALES TAX RPRTING	1,714.57	101 4310304	1,714.57
7390395	07509	NAPA AUTO PARTS	RIVETS(10)-EQ6822 BRAKE PADS/ROTORS-EQ3758 SPARK PLUGS(16)-EQ5707 BRAKE PADS-EQ3307 ADAPTERS-EQ3779 TAPE/ADHESIVE-EQ5504 TAPE-EQ5504 SENSOR-EQ3758	149.89 462.16 43.00 72.24 6.71 56.73 21.18 78.49 <u>890.40</u>	101 4545207 203 4752207 101 4634207 484 4752207 480 4755207 101 4633207 101 4633207 203 4752207	149.89 462.16 43.00 72.24 6.71 56.73 21.18 78.49 <u>890.40</u>
7390396	03762	OFFICE DEPOT	INK CARTRIDGES(2) USB(5 PACK)	203.36 33.52 <u>236.88</u>	101 4762259 101 4762259 101 4762259	0.16 203.20 33.52 <u>236.88</u>
7390397	05741	P P G ARCHITECTURAL FINISHES	OMP-FIELD PAINT	91.56	101 4634404	91.56

City of Lancaster Check Register



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Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
7390398	06681	PACIFIC ENERGY ADVISORS, INC	08/16-CCEA CONSULTING SERVICES	11,061.91	491 4370004T	11,061.91
7390399	07249	PATRIOT PLUMBING	CH-TOLIET REPAIRS	193.50	101 4633402	193.50
7390400	C5395	PRO ACTIVE WORK HEALTH SERVICES	AP-EVALUATION-04/25/17 AP-FOLLOW UP/DISCHARGE-04/26/17	150.00 130.00 <u>280.00</u>	101 4320301 101 4320301	150.00 130.00 <u>280.00</u>
7390401	05864	QUINN COMPANY	GENERATOR BATTERY	292.69	203 4752403	292.69
7390403		VOID				
7390402	C8981	RENEAU, KEVIN C	REIMB-CWEA MEMBERSHIP RNWL	175.00	480 4755206	175.00
7390404	D3947	S G A CLEANING SERVICES	LBP-TRASH HAULING SVCS	1,135.00	101 4636402	1,135.00
7390405	A8260	SAGE STAFFING	GK-PUBLIC SAFTY SFF-09/04-08/17 SS-PUBLIC SFTY STFF-09/04-08/17	466.25 242.45 <u>708.70</u>	101 4820301 101 4820301	466.25 242.45 <u>708.70</u>
7390406	05934	SHI INTERNATIONAL CORP	07/17-07/18 CLOUD BACKUP	29,800.00	101 4315302	29,800.00
7390407	1894	SIGNS & DESIGNS	PAC-POSTER PAC-POSTERS(4) LN-NAMEPLATE	71.01 284.05 17.84 <u>372.90</u>	402 4650205 402 4650205 101 4310259	71.01 284.05 17.84 <u>372.90</u>
7390408	08337	SILVER LINING SOLUTIONS LLC	08/17-CONSULTING SERVICES 08/17-CONSULTING SERVICES	1,650.00 1,050.00 <u>2,700.00</u>	101 4315301 101 4315301	1,650.00 1,050.00 <u>2,700.00</u>
7390409	07139	SITEONE LANDSCAPE SUPPLY LLC	LMC-FIELD SEED(70 BAGS)	4,976.23	101 4632404	4,976.23
7390410	5210	SLATER PIANO SERVICE	PAC-PIANO TUNING	100.00	402 4650301	100.00
7390411	01816	SMITH PIPE & SUPPLY INC	OMP-PVC/VALVE/TAPE	179.04	101 4634404	179.04
7390412	05339	SNAP-ON INDUSTRIAL	HAND GRINDER REPAIRS	88.00	101 4753405	88.00
7390413	06429	STANTEC CONSULTING SRVCS INC	CP17007-CONSULTING SRVCS	24,572.84	209 16ST006924	24,572.84
7390414	08087	THE BAYSHORE CONSULTING GROUP	CCEA-08/17-CONSULTING SVCS	2,500.00	491 4370004T	2,500.00
7390415	04239	TIM WELLS MOBILE TIRE SERVICE	REPAIR-EQ3828	31.56	484 4752207	31.56
7390416	D3099	TPX COMMUNICATIONS	09/17-TELEPHONE SERVICE	10,354.03	101 4315651	10,354.03
7390417	D3644	TRAFFIC MANAGEMENT INC	REVIVE 25 ROAD CLOSURE PROJECT REVIVE 25 ROAD CLOSURE PROJECT	2,593.00 2,593.00	206 12ST036924 206 12ST036924	2,593.00 2,593.00

City of Lancaster Check Register



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Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
				5,186.00		5,186.00
7390418	06122	TRINITY INNOVATIONS	SOL-BANNERS/LOGOS/TRUSS RNTLS	4,149.24	101 4684222S	4,149.24
7390419	02977	TURBO DATA SYSTEMS INC	08/17-ADMIN CITATN PROCESSING	3,002.15	101 4310301	3,002.15
7390420	C4011	UNITED RENTALS	OMP-PUMP RENTAL-09/14/17	442.46	101 4634602	442.46
7390421	2104	URBAN FUTURES INC	FY16-PROFESSIONAL SVCS	7,397.00	483 4752301 486 4370301 830 4300301 991 4540301	2,150.00 1,200.00 1,897.00 2,150.00
				<u>7,397.00</u>		<u>7,397.00</u>
7390422	07598	VANTIV INTEGRATED PAYMENTS INC	09/17-MONTHLY FEES/PASS	196.20	402 4650302	196.20
7390423	04496	VULCAN MATERIAL WESTERN DIV	COLD MIX ASPHALT COLD MIX	345.34 315.19 101.06	203 4752410 203 4752410 203 4752410	345.34 315.19 101.06
				<u>761.59</u>		<u>761.59</u>
7390424	31026	WAXIE SANITARY SUPPLY	MTNC YD-BATHROOM SIGNS(8) MTNC YD-T PPR/TOWELS	131.71 218.70	101 4634403 203 4752406	131.71 218.70
				<u>350.41</u>		<u>350.41</u>
7390425	D3174	WELCH, RYAN	RW-REIMB-CWEA MEMBERSHIP RNWL	175.00	480 4755206	175.00
7390426	01708	BLUE CROSS OF CALIFORNIA	10/17 EMPLOYEE HEALTH INS	112,471.13	101 2166110 101 2166110 101 2166120 109 1101000	(2,653.38) 77,745.48 29,126.07 8,252.96
				<u>112,471.13</u>		<u>112,471.13</u>
7390427	01550	KAISER FOUNDATION HEALTH PLAN	10/17 EMPLOYEE HEALTH INS	183,451.00	101 2166130 101 2166130	(1,046.74) 184,497.74
				<u>183,451.00</u>		<u>183,451.00</u>
7390428	1215	L A CO WATERWORKS	07/12/17-09/14/17 WATER SVC	50,213.81	101 4631654 203 4636654 482 4636654	25,552.71 132.96 24,528.14
				<u>50,213.81</u>		<u>50,213.81</u>
7390429	05228	METLIFE	10/17 DNTL/VSN/DISABILITY INS	60,298.40	101 2166140 101 2166140 101 2166140 101 2166145 101 2166150 101 2166150 101 2166155 101 2166400	(57.53) (57.53) 34,350.34 1,616.08 (17.77) 4,229.26 444.25 (128.32)

City of Lancaster Check Register



From Check No.: 7390141 - To Check No.: 7390437
 From Check Date: 09/17/17 - To Check Date: 09/30/17

Printed: 10/4/2017 14:47

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
					101 2166400	(28.46)
					101 2166400	10,613.61
					109 1101000	1,581.53
					109 1101000	7,752.94
				60,298.40		60,298.40
7390430	C2434	VINSA INSURANCE ASSOCIATES	WORKERS COMP PLICY FY16/17 BAL	69,552.00	101 2166500	69,552.00
7390431	00781	GRANITE CONSTRUCTION CO.	CP17002-2017 SIDEWALK REPRS-3	111,679.15	210 12ST036924	111,679.15
7390432	1916	STRADLING,YOCCA,CARLSON,RAUTH	07/17-LEGAL SERVICES	8,108.00	101 4400303	8,108.00
			07/17-LEGAL SERVICES	84,388.70	101 4400303	117.60
					101 4400303	533.90
					101 4400303	646.30
					101 4400303	747.30
					101 4400303	955.00
					101 4400303	1,132.00
					101 4400303	1,184.40
					101 4400303	1,783.57
					101 4400303	2,262.80
					101 4400303	2,621.55
					101 4400303	8,253.80
					101 4400303	21,648.40
					101 4400303	31,152.02
					209 15ST026924	5,194.88
					490 4370303	56.20
					491 4370303	1,995.10
					811 4100303	41.00
					830 4300303	15.57
					830 4300303	333.55
					830 4300303	3,713.76
				92,496.70		92,496.70
7390433	A2644	KELLOGG, ROY	RK-REISSUE PARTIAL CK #325115	150.00	101 2150000	150.00
7390434	08119	MOTOR VEHICLE NETWORK	USED OIL RECYCLING AD	650.00	330 4755775	650.00
7390435	A6322	LEA ASSOCIATES INC	APPRAISAL CONSULTANT SVCS	7,200.00	306 4542301	7,200.00
7390436	02330	COLUMBIA ARTISTS MGMT LLC	BAL-TIANJIN ACROBATS-10/01/17	7,500.00	402 4650318	7,500.00
7390437	06122	TRINITY INNOVATIONS	SOL-TRUSS RNTLS	10,899.39	101 4684222S	10,899.39

Chk Count 297

Check Report Total 2,007,430.21

City of Lancaster Check Register



From Check No.: 101009896 - To Check No.: 101009908

From Check Date: 09/17/17 - To Check Date: 09/30/17

Printed: 10/4/2017 14:48

Check No	Supplier	Supplier Name	Invoice Description	Invoice Amt	Charge Code	GL Amount
101009896	00370	CITY OF LANCASTER/PETTY CASH	PETTY CASH EXPENSE	210.86	101 4200350	40.00
					101 4310202	20.00
					101 4320256	15.00
					101 4701202	20.00
					101 4762206	20.00
					101 4782202	17.50
					203 4752251	35.56
					490 4370203	42.80
				<u>210.86</u>		<u>210.86</u>
101009897	07101	CALPINE ENERGY SOLUTIONS LLC	INV #CALP2017-11PREPAY	14,000.00	490 4370653	14,000.00
101009898	00370	CITY OF LANCASTER/PETTY CASH	PETTY CASH DRAW	911.00	101 1020000	911.00
101009899	08327	EDF TRADING NORTH AMERICA, LLC	08/17-ENERGY CHARGES	54,060.00	490 4370653	54,060.00
101009900	08026	INLAND EMPIRE ENERGY CENTER	11/17-ENERGY PROCUREMENT	49,500.00	490 4370653	49,500.00
101009901	05987	THE VISITORS BUREAU/LANCASTER	07/17 TBID FEES	43,878.87	101 2501000	43,878.87
101009902	C9589	U S BANK CORP PAYMENT SYSTEMS	09/11/17-CALCARD STATEMENT	80,506.73	101 2601000	80,506.73
101009903	05945	CUTWATER INVESTORS SRVCS CORP	08/17-INVESTMENT ADVISORY SRVC	2,371.34	101 4310301	2,371.34
101009904	07172	ENERGY AMERICA, LLC	07/17-LCE ENERGY CHARGES	3,332,541.24	490 4370301	51,185.55
					490 4370653	3,281,355.69
				<u>3,332,541.24</u>		<u>3,332,541.24</u>
101009905	07936	WESTERN ANTELOPE DRY RANCH LLC	08/17-LCE ENERGY CHARGES-SPOWER	150,565.48	490 4370653	150,565.48
101009906	04867	CITY OF LANCASTER-PARKS	PAC-ATM CASH REQUEST	10,000.00	101 1020006	10,000.00
101009907	04867	CITY OF LANCASTER-PARKS	SOL-PETTY CASH-CHANGE FUND	350.00	101 1020004	350.00
101009908	08378	THE ESCROW AGENCY	NSP 3 ACQSTN-1227 PASTEUR DR	281,425.89	363 4542771	281,425.89
Chk Count	<u>13</u>			Check Report Total	<u>4,020,321.41</u>	

STAFF REPORT
City of Lancaster

CC 3
10/24/17
MVB

Date: October 24, 2017
To: Mayor Parris and City Council Members
From: Pam Statsmann, Finance Director
Subject: **Monthly Report of Investments – September 2017**

Recommendation:

Accept and approve the September 2017 Monthly Report of Investments as submitted.

Fiscal Impact:

None

Background:

Each month, the Finance Department prepares a report listing the investments for all separate entities under the jurisdiction of the City as identified in the City’s Comprehensive Annual Financial Report.

Portfolio Recap

Yield:

	<u>September 2017</u>	<u>August 2017</u>
Total Portfolio	1.06%	1.03%
Local Agency Investment Fund	1.07%	1.05%
Total Portfolio Balance:	\$63,351,388	\$66,497,988

The portfolio balance decreased slightly from August to September. Significant revenues for August include \$1,846,823 of Sales and Use Tax, \$720,647 of funds from METRO (Prop A, Prop C, and Measure R), and \$296,125 of Highway Users Tax. Some of the larger expenditures include \$3,281,356 to Energy America’s for the purchase of energy, \$2,103,512 to LA County Sheriff for law enforcement services, and \$281,426 to The Escrow Agency for the purchase of NSP (Neighborhood Stabilization Program) property.

The City’s temporary idle cash, those funds that are not immediately needed to pay current bills and not governed by bond indentures or bond resolutions, is invested in accordance with the City’s adopted Investment Policy. This policy is reviewed regularly by the City Council, with the latest policy adopted January 13, 2015, by Resolution No. 15-02.

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible within the guidelines of this Investment Policy. The City attempts to achieve the highest yield obtainable through a diversified portfolio only after meeting the criteria established for safety and liquidity in that order. The principal investment objectives of the City are:

1. Preservation of capital and protection of investment principal;
2. Maintenance of sufficient liquidity to meet anticipated cash flows;
3. Attainment of a market rate of return;
4. Diversification to avoid incurring unreasonable market risks, and;
5. Compliance with the City's Municipal Code and with all applicable City resolutions, California statutes and Federal regulations.

The City's portfolio is a short-term and intermediate-term fixed income portfolio. The maximum maturity of any investment is 5 years, with consideration of anticipated cash flow requirements and known future liabilities. The City contracts with an investment advisory service (Insight Investment) to assist in the effort to maximize the returns of the City portfolio. The City's investments include publicly traded Treasury notes, Treasury Bills, Federal Agency Investments, Time Deposits, and Local Agency Investment Fund (LAIF) under the auspices of the State Treasurer for investment. Funds invested in LAIF are available within 24 hours, and other investments are available upon maturity at full face value. These investments enable the City to meet its expenditure requirements for the next six months, as required by state law.

The City's investment procedures are governed by Sections 53600 et. seq. of the California Government Code. Additional requirements have been placed on the City's authorized investments by the Investment Policy (a copy is available in the Finance Department or from the City Clerk), and all investments listed on the attached report adhere to these requirements.

PS:TH

Attachment:

Monthly Report of Investments

**ATTACHMENT A
CITY OF LANCASTER
MONTHLY REPORT OF INVESTMENTS
September 30, 2017**

	Interest Rate	Amount	Total
<u>City of Lancaster</u>			
Wells Fargo Bank			\$3,495,335
City of Lancaster Account (note 1)	0.00%	\$3,395,335	
Certificate of Deposit	0.10%	\$100,000	
Bank of America			\$100,000
Certificate of Deposit	0.05%	\$100,000	
U S Bank - Safekeeping (note 2)			\$32,285,746
Commercial Paper	0.00%	\$0	
US Treasury Notes	1.39%	\$5,833,551	
Federal Government Agencies	1.24%	\$20,128,683	
Corporate Securities	0.82%	\$6,286,580	
Cash & Equivalents	0.00%	\$36,932	
California Bank & Trust			\$100,000
Certificate of Deposit	0.01%	\$100,000	
Chase Bank			\$150,904
Certificate of Deposit	0.01%	\$150,904	
Mission Bank			\$201,075
Certificate of Deposit	0.20%	\$201,075	
Local Agency Investment Fund (L.A.I.F.)	1.07%	\$24,462,032	\$24,462,032
Total City of Lancaster			\$60,795,091
<u>Successor Agency for the Lancaster Redevelopment Agency</u>			
Local Agency Investment Fund (L.A.I.F.)	1.07%	\$2,556,296	\$2,556,296
Total Lancaster Successor Agency			\$2,556,296
Total Pooled Portfolio (note 3)			\$63,351,388
Weighted Average	1.06%		

**ATTACHMENT A
CITY OF LANCASTER
MONTHLY REPORT OF INVESTMENTS
September 30, 2017**

	Interest Rate	Amount	Total
Wilmington Trust			\$5,663,269
Lancaster Choice Energy LockBox Account	0.00%	\$5,663,269	
The Bank of New York Mellon Trust Company, N.A.			\$1,483,822
LRA & LA County Escrow Account - Government Bonds	0.00%	\$1,483,822	
US Bank			\$9,980,244
CFD 89-1 1990 Special Bonds	0.11%	\$3	
LFA CFD 89-1 1997 Special Bonds	0.25%	\$1,694	
LFA L O BONDS 1997 SERIES A & B	0.25%	\$267,472	
AD 93-3 1994 Limited Improvement Bonds	0.25%	\$454,265	
LRA Combined 2004 Fire Protection Facilities Project Bonds	0.25%	\$831,811	
LRA Combined 2004 Sheriff Facilities Prjct Refunding Bonds	0.25%	\$1,775,280	
LRA Public Capital Facilities 2010 Project Lease Revenue Bonds	0.25%	\$414,976	
LPA Solar Renewable Energy Issue of 2012A	0.25%	\$2,228,892	
SA Combined Project Areas Refunding Bonds 2015A & B	0.25%	\$462,807	
SA Combined Project Areas Refunding Bonds 2016 A-1 & A-2	0.24%	\$1,057,279	
SA Combined Project Areas Refunding Bonds 2016B	0.32%	\$935,963	
LFA 2016 Assessment Revenue Bonds (Streetlights Acquisition)	0.00%	\$405,763	
SA 2017 Tax Allocation Revenue Bonds (TARB)	0.00%	\$1,144,038	
Total Restricted Cash/Investments Held in Trust		<u>\$9,980,244</u>	
Total Restricted Cash/Investments Held in Trust (note 4)			<u><u>\$17,127,334</u></u>

All investments are authorized pursuant to and consistent with the investment policy of the City of Lancaster. Policy adopted 01/13/2015 under resolution number 15-02.



Pamela Statsmann
Finance Director

City of Lancaster
Cash Balances by Fund
September 30, 2017

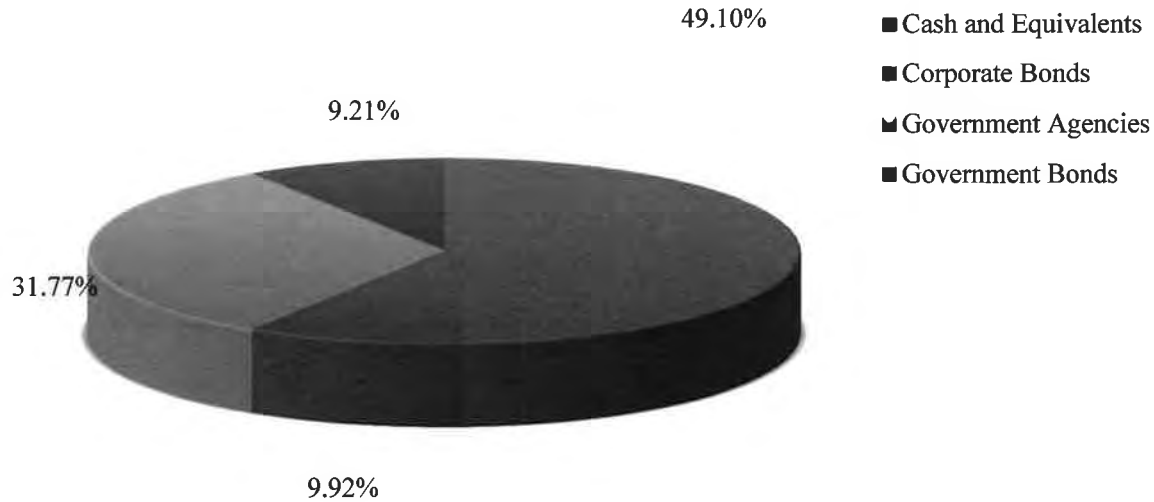
Fund No.	Fund Name	Ending Balance	Fund No.	Fund Name	Ending Balance
101	GENERAL FUND	\$ 18,389,059	331	STATE GRANT - OIL RECYCLING	\$ 14,552
104	CAPITAL REPLACEMENT FUND	\$ 2,367,053	349	MISC STATE GRANTS	\$ (293,357)
106	COMMUNITY SERVICES FOUNDATION	\$ 159,328	361	CDBG	\$ (664,328)
109	CITY SPECIAL RESERVES FUND	\$ (3,686,272)	363	NBRHD STABILIZATION PRGM	\$ 1,135,493
150	CAPITAL PROJECTS FUND - CITY	\$ (1,609,917)	364	HPRP-HOMELESS PREV & RAPID REH	\$ (2,522)
203	GAS TAX	\$ 1,237,247	371	FEDERAL TEA	\$ 29,263
204	AQMD	\$ 172,552	381	EDA	\$ 19,494
205	PROP 1B	\$ 248,337	382	EDI	\$ 139,653
206	TDA ARTICLE 8 FUND	\$ (3,025,407)	383	ARRA	\$ -
207	PROP "A" TRANSIT FUND	\$ 2,410,970	390	OES / FEMA	\$ 276,825
208	TDA ARTICLE 3 BIKEWAY FUND	\$ 1,667	391	LANCASTER HOME PROGRAM	\$ 701,536
209	PROPOSITION "C" FUND	\$ 6,586,109	399	FEDERAL MISCELLANEOUS GRANTS	\$ (1,096,933)
210	MEASURE R FUND	\$ 5,645,602	401	AGENCY FUND	\$ 650,523
213	PARKS DEVELOPMENT FUND	\$ 853,288	402	PERFORMING ARTS CENTER	\$ (523,298)
217	SIGNALS - DEVELOPER FEES FUND	\$ 3,817,678	404	GRANTS FUND	\$ (291,754)
220	DRAINAGE - DEVELOPER FEES FUND	\$ 4,587,207	408	X-AEROSPACE GRANTS FUND	\$ (86,205)
224	BIOLOGICAL IMPACT FEE FUND	\$ 656,289	409	X-REIMBURSABLE GRANTS FUND	\$ 25,506
226	USP - OPERATION	\$ 2,569	456	STILL MEADOW LN SWR ASSMNT DST	\$ 1,508
227	USP - PARKS	\$ 1,332,122	480	SEWER MAINT FUND	\$ 3,599,105
228	USP - ADMIN	\$ 37,607	481	FOX FIELD LANDSCAPE MAINT DIST	\$ -
229	USP - CORP YARD	\$ 138,753	482	LANDSCAPE MAINTENANCE DISTRICT	\$ 2,126,151
230	MARIPOSA LILY FUND	\$ 62,733	483	LIGHTING MAINTENANCE DISTRICT	\$ (3,308,598)
232	TRAFFIC IMPACT FEES FUND	\$ 2,978,521	484	DRAINAGE MAINTENANCE DISTRICT	\$ 1,187,558
248	TRAFFIC SAFETY FUND	\$ 40,675	485	RECYCLED WATER FUND	\$ (219,588)
251	ENGINEERING FEES	\$ (371,992)	486	LANCASTER POWER AUTHORITY	\$ 2,874,009
252	PROP 42 CONGESTION MANAGEMENT	\$ 492,161	490	LANCASTER CHOICE ENERGY	\$ 3,283,035
261	LOS ANGELES COUNTY REIMB	\$ 1,072,003	491	CALIFORNIA CHOICE ENERGY AUTH	\$ (192,627)
299	PRIVATE DEVELOPER REIMBURSEMEN	\$ -	701	LANCASTER FINANCING AUTHORITY	\$ 5,103
301	LANCASTER HOUSING AUTH. OPS.	\$ 3,259,418	810	ASSESSMENT DISTRICT FUND	\$ 154,596
306	LOW & MOD INCOME HOUSING	\$ 4,973,029	811	AD 93-3	\$ 149,530
315	LOCAL PRIVATE GRANTS	\$ 6,206	812	AD 92-101	\$ 87,545
320	STATE GRANTS - PARKS	\$ -	820	IFD 92-1	\$ -
321	MTA GRANT - LOCAL	\$ (130,482)	830	CFD 89-1 EASTSIDE WATER FUND	\$ 788,377
323	STATE GRANT - STPL	\$ -	831	CFD 90-1 (BELLE TIERRA)	\$ 447,172
324	STATE GRANT - OTS	\$ (61)	832	CFD 91-1 (QUARTZ HILL)	\$ 773,960
327	MTA GRANT - MEASURE R	\$ -	833	CFD 91-2 (LANC BUSINESS PARK)	\$ 450,644
330	STATE GRANT RECYCLING	\$ 57,738	991	REDEV OBLIGATION RETIREMENT FD	\$ 2,164,772
				Total Cash Balance	\$ 67,168,492

* Variance from portfolio balance due to deposits in transit and outstanding checks at month end

**City of Lancaster
Recap of Securities Held
September 30, 2017**

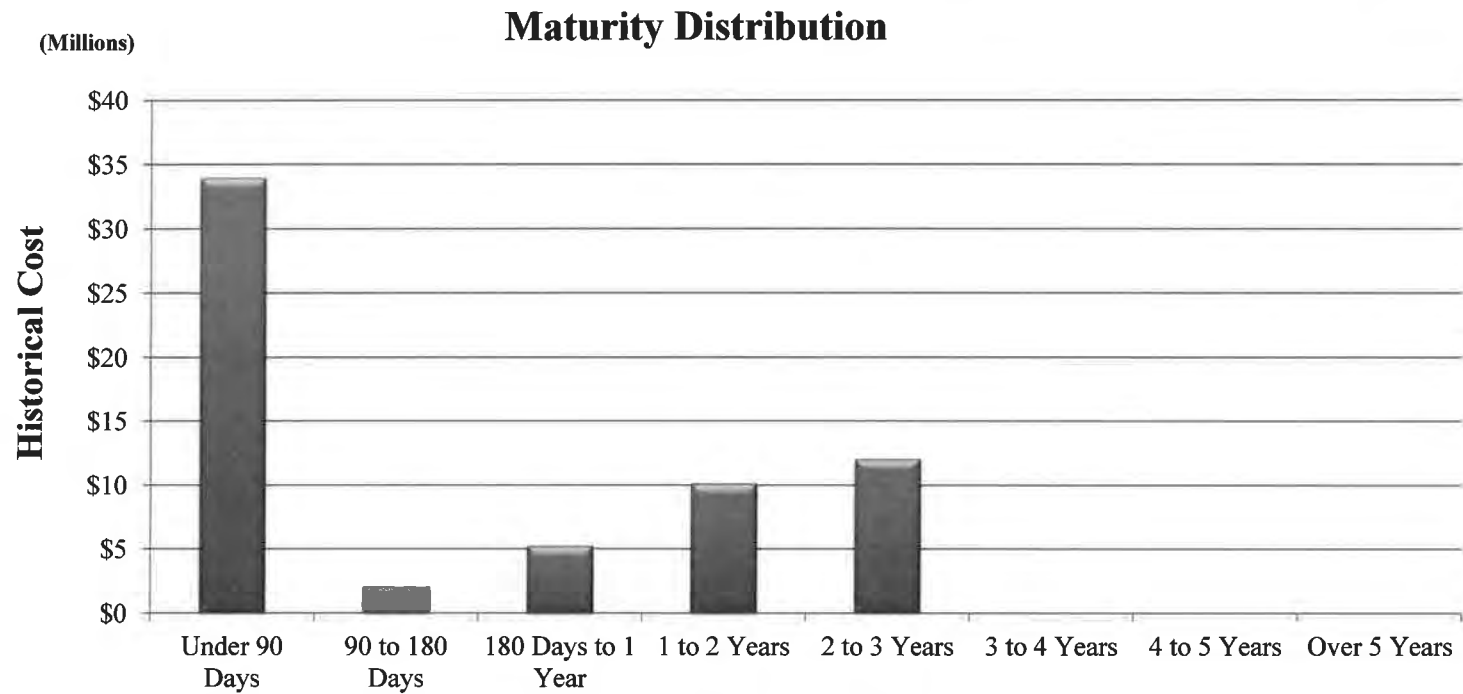
	Historical Cost	Amortized Cost	Fair Value	Unrealized Gain (Loss)	Weighted Average Effective	% Portfolio/ Segment	Weighted Average Market
Cash and Equivalents	\$31,102,574	\$31,102,574	\$31,102,574	\$0	1	49.10%	0.00
Corporate Bonds	\$6,286,580	\$6,260,167	\$6,239,163	(\$21,004)	640	9.92%	1.70
Government Agencies	\$20,128,683	\$20,117,138	\$20,006,335	(\$110,803)	567	31.77%	1.42
Government Bonds	\$5,833,551	\$5,804,486	\$5,783,200	(\$21,287)	382	9.21%	1.02
TOTAL	\$63,351,388	\$63,284,365	\$63,131,272	(\$153,093)	547	100.00%	1.43

Portfolio Diversification



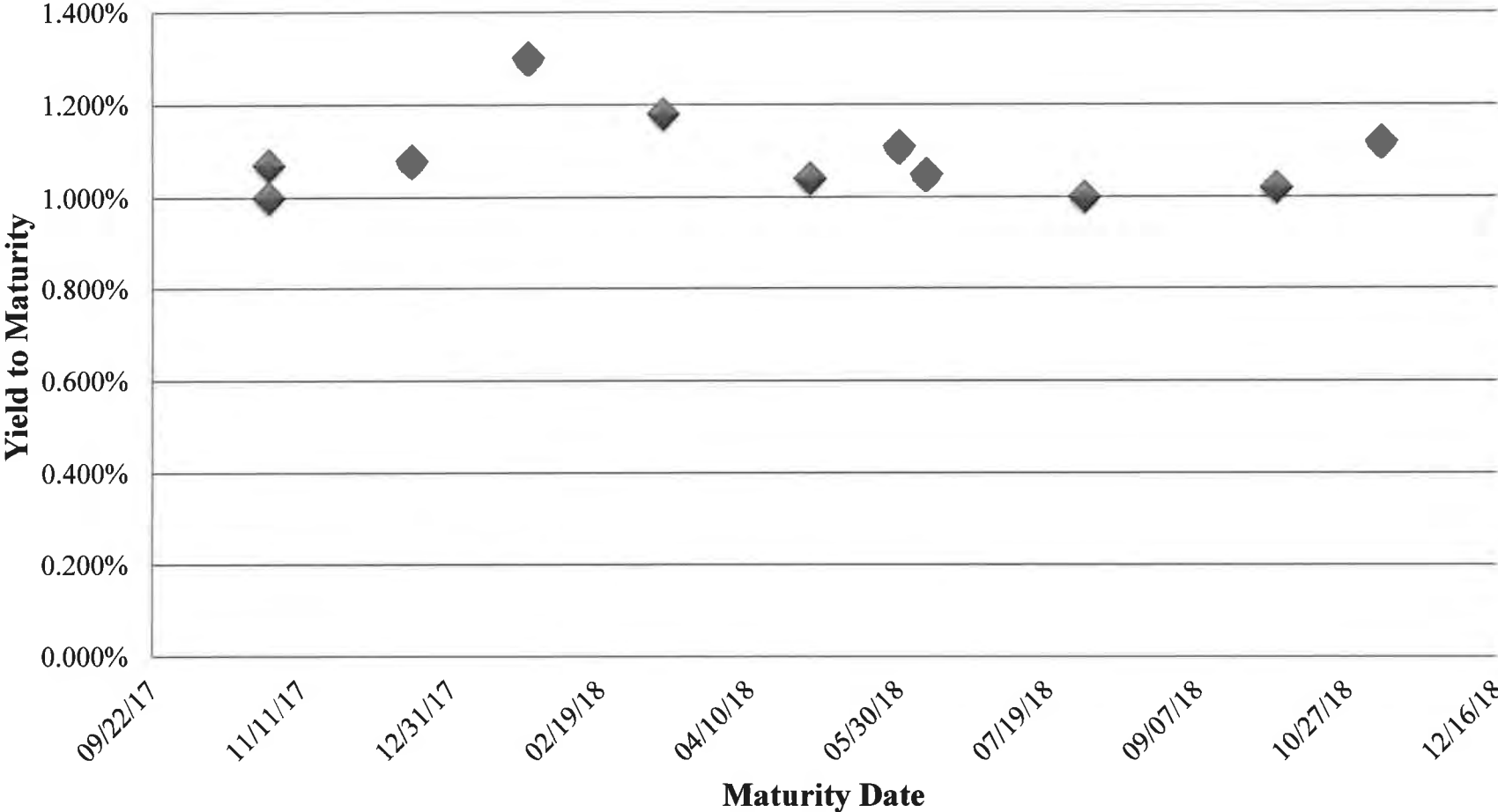
City of Lancaster
Maturity Distribution
September 30, 2017

Maturity	Historical Cost	Percent
Under 90 Days	\$33,990,193	53.65%
90 to 180 Days	\$1,998,554	3.15%
180 Days to 1 Year	\$5,222,288	8.24%
1 to 2 Years	\$10,113,323	15.96%
2 to 3 Years	\$12,027,030	18.98%
3 to 4 Years	\$0	0.00%
4 to 5 Years	\$0	0.00%
Over 5 Years	\$0	0.00%
	\$63,351,388	100.00%



City of Lancaster
Securities Held
September 30, 2017

Securities Held



STAFF REPORT
City of Lancaster

CC 4
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Jeff Hogan, Development Services Director

Subject: **Acceptance of Public Works Construction Project No. 17-001
2017 Curb and Gutter Repairs**

Recommendation:

Accept the work constructed by Leonida Builders, Inc., for Public Works Construction Project No. 17-001, 2017 Curb and Gutter Repairs, and direct the City Clerk to file the Notice of Completion for the project. Retention on this project has been disbursed in accordance with California Public Contract Code.

Fiscal Impact:

This project was awarded in the amount of \$278,086.00. Change orders totaling \$10,744.00, with a reduced scope of work totaling \$6,615.00, have brought the total contract cost to \$282,215.00. Sufficient funds were budgeted and are available in Capital Projects Budget Account Nos.' 209-12ST036-924 and 210-12ST036-924. There are no associated annual maintenance costs.

Background:

On May 23, 2017, Council awarded Public Works Construction Project No. 17-001, 2017 Curb and Gutter Repairs, to Leonida Builders, Inc. The project included replacement of curb and gutter, sidewalk, driveway approach/alley intersection, and pedestrian curb ramp, as well as tree removal/root pruning in various locations throughout the City of Lancaster. Work was performed in compliance with the City's 2014 ADA Transition Plan, and included two (2) curb ramps and 3,270 square feet of sidewalk at an approximate cost of \$6,000.00 and \$26,160.00.

Construction of the project has been completed to the satisfaction of the Development Services Director. The project was completed on September 12, 2017, which was within the time permitted in the contract. The construction quantities and the amount of payment have been approved by the Contractor and the Development Services Director.

The total contract cost is \$282,215.00.

JH:bg

Attachments:

Notice of Completion
Vicinity Map

RECORDING REQUESTED BY:

CITY OF LANCASTER

WHEN RECORDED MAIL TO:

CITY OF LANCASTER
CITY CLERK DEPARTMENT
44933 N. FERN AVENUE
LANCASTER, CA 93534

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This document is exempt from payment of a recording fee pursuant to government Code Section 6103 and 27383.

**NOTICE OF COMPLETION OF
PUBLIC IMPROVEMENT AND WORK**

NOTICE IS HEREBY GIVEN:

1. The City of Lancaster, Los Angeles County, State of California, is the owner on file of a certain public improvement known as:

**PUBLIC WORKS CONSTRUCTION PROJECT NO. 17-001
2017 CURB AND GUTTER REPAIRS**

2. The address of said owner is 44933 North Fern Avenue, Lancaster, California 93534.
3. The location of said public improvement is as follows: Various locations throughout the City of Lancaster. See Exhibit "A" attached hereto and made a part hereof.
4. On June 14, 2017, a contract was entered into with Leonida Builders, Inc., for the construction, installation, and completion of the above described public improvement and work, and filed for record in the office of the City Clerk of the City of Lancaster.
5. The work was completed on September 12, 2017, by said company according to the plans and specifications and to the satisfaction of the Development Services Director, and was accepted by the City on October 24, 2017. That upon said contract Allegheny Casualty Company was surety for the bond given by the said company as required by law.

ATTEST:

DATED this ____ day of _____, 20__

CITY OF LANCASTER

BRITT AVRIT, MMC
City Clerk
City of Lancaster

BY: _____
JEFF HOGAN
Development Services Director

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

DATE

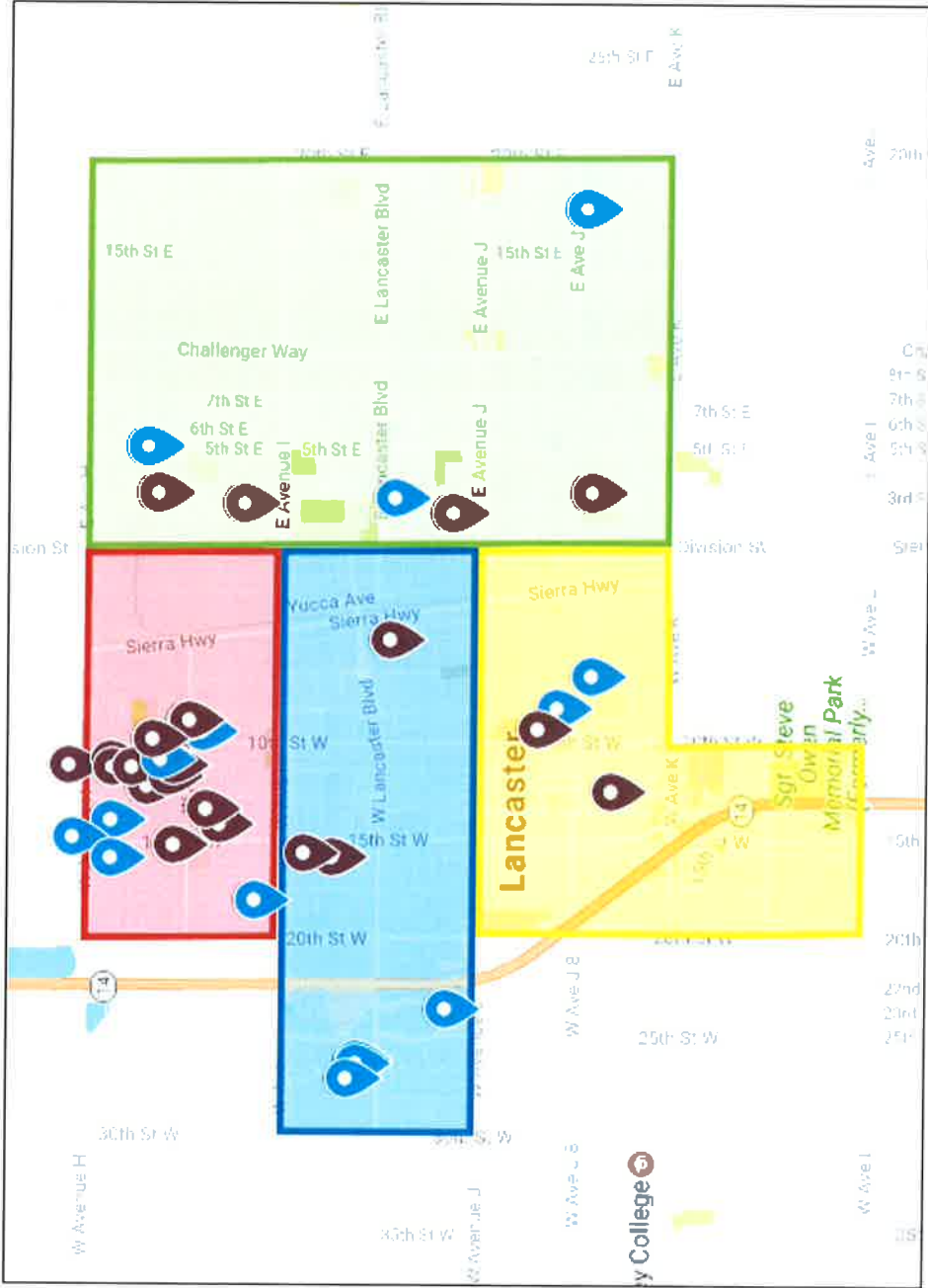
SIGNATURE

PLACE OF EXECUTION






"Exhibit A"

PUBLIC WORKS CONSTRUCTION PROJECT NO. 17-001 2017 CURB AND GUTTER REPAIRS

Vicinity Map



MAP LEGEND AND KEY*

-  Concrete Repair Location
-  Concrete Repair Location with Tree Work
-  Zone 4
-  Zone 3
-  Zone 2
-  Zone 1

* Zones delineated for location reference purposes only. Repair Map link: <https://drive.google.com/open?id=1rKzcVt230I58A1uEqYHvwFRGz0&usp=sharing>

STAFF REPORT
City of Lancaster

CC 5
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Jeff Hogan, Development Services Director

Subject: **Acceptance of Public Works Construction Project No. 17-002
2017 Sidewalk Repairs**

Recommendation:

Accept the work constructed by Granite Construction Company for Public Works Construction Project No. 17-002, 2017 Sidewalk Repairs, and direct the City Clerk to file the Notice of Completion for the project. Retention on this project has been disbursed in accordance with California Public Contract Code.

Fiscal Impact:

This project was awarded in the amount of \$402,022.00. Change orders totaling \$21,248.47, with a reduced scope of work totaling \$23,909.00, have brought the total contract cost to \$399,361.47. Sufficient funds were budgeted and are available in Capital Projects Budget account numbers 209-12ST036-924 and 210-12ST036-924. There are no associated annual maintenance costs.

Background:

On May 23, 2017, Council awarded Public Works Construction Project No. 17-002, 2017 Sidewalk Repairs, to Granite Construction Company. The project replaced curb and gutter, sidewalk, and pedestrian curb ramps, as well as tree removal/root pruning, in various locations throughout the City of Lancaster. Work was performed in compliance with the City's 2014 ADA Transition Plan, and included reconstruction of 11 curb ramps and 18,730 square feet of sidewalk at an approximate cost of \$71,500.00 and \$149,840.00.

Construction of the project has been completed to the satisfaction of the Development Services Director. The project was completed on September 22, 2017, which was within the time permitted in the contract. The construction quantities and the amount of payment have been approved by the Contractor and the Development Services Director.

The total contract cost is \$399,361.47.

JH:bg

Attachments:

Notice of Completion
Vicinity Map

RECORDING REQUESTED BY:

CITY OF LANCASTER

WHEN RECORDED MAIL TO:

CITY OF LANCASTER
CITY CLERK DEPARTMENT
44933 N. FERN AVENUE
LANCASTER, CA 93534

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This document is exempt from payment of a recording fee pursuant to government Code Section 6103 and 27383.

**NOTICE OF COMPLETION OF
PUBLIC IMPROVEMENT AND WORK**

NOTICE IS HEREBY GIVEN:

1. The City of Lancaster, Los Angeles County, State of California, is the owner on file of a certain public improvement known as:

**PUBLIC WORKS CONSTRUCTION PROJECT NO. 17-002
2017 SIDEWALK REPAIRS**

2. The address of said owner is 44933 North Fern Avenue, Lancaster, California 93534.
3. The location of said public improvement is as follows: Various Locations throughout City of Lancaster. See Exhibit "A" attached hereto and made a part hereof.
4. On June 14, 2017, a contract was entered into with Granite Construction Company for the construction, installation, and completion of the above described public improvement and work, and filed for record in the office of the City Clerk of the City of Lancaster.
5. The work was completed on September 22, 2017, by said company according to the plans and specifications and to the satisfaction of the Development Services Director and was accepted by the City on October 24, 2017. That upon said contract Travelers Casualty and Surety Company of America was surety for the bond given by the said company as required by law.

ATTEST:

DATED this ____ day of _____, 20__

CITY OF LANCASTER

BRITT AVRIT, MMC
City Clerk
City of Lancaster

BY: _____
JEFF HOGAN
Development Services Director

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

DATE

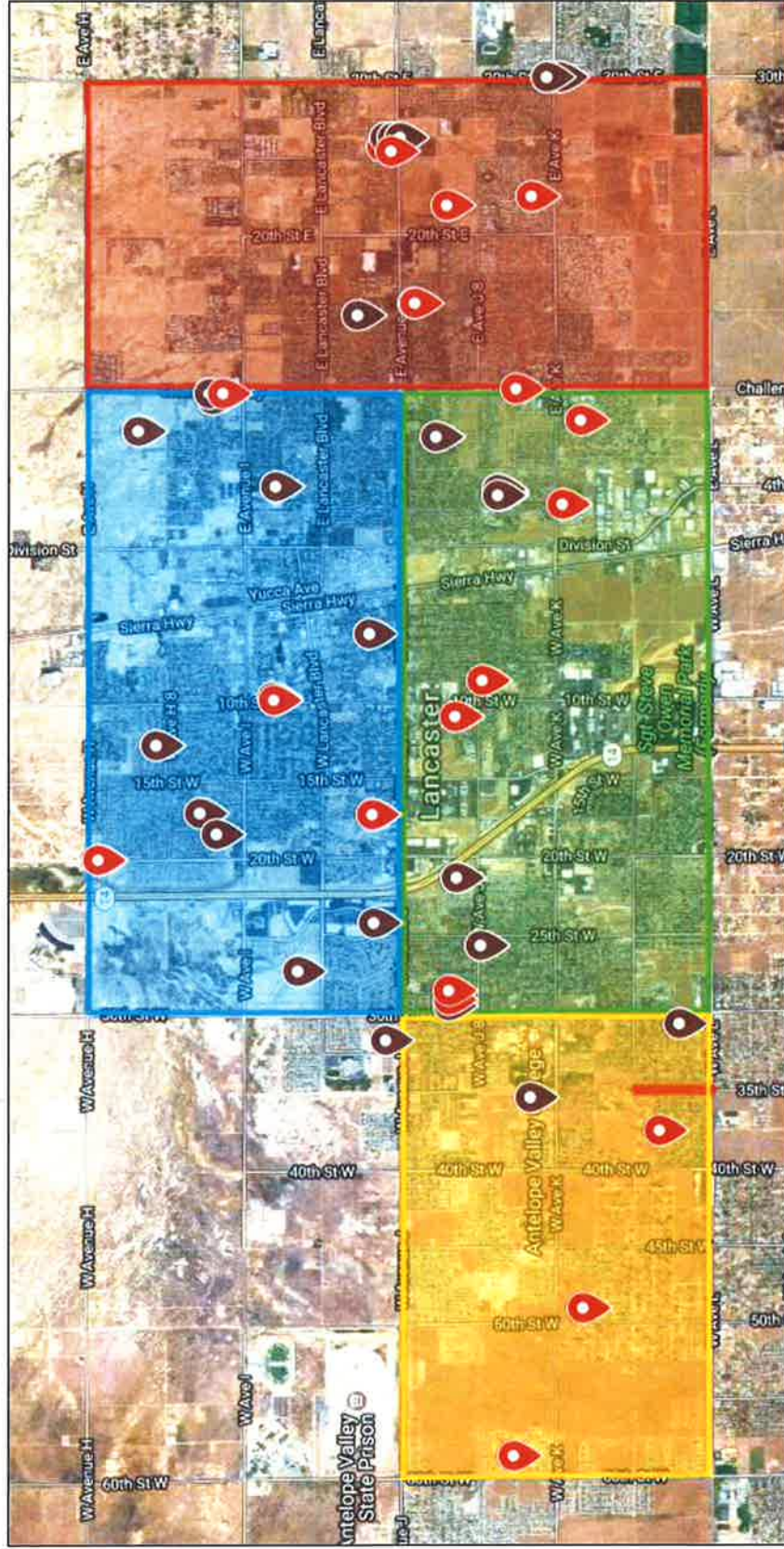
SIGNATURE

PLACE OF EXECUTION

"Exhibit A"

PUBLIC WORKS CONSTRUCTION PROJECT NO. 17-002
2017 SIDEWALK REPAIRS

Vicinity Map



MAP LEGEND AND KEY*

- Concrete Repair Location
- Concrete Repair Location with Tree Work
- Zone 1
- Zone 2
- Zone 3
- Zone 4

*Zones delineated for location reference purposes only. Repair Map link: <https://drive.google.com/open?id=1jgz70xH0ggXRJyEvCfhpAXEImfI&usp=sharing>

STAFF REPORT
City of Lancaster

CC 6
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Jeff Hogan, Development Services Director

Subject: **Final Map Approval – Tract Map No. 61040-01 (Located North of Avenue K-14 Approximately 330 Feet East of 57th Street West)**

Recommendation:

Approve the map and accept the dedications as offered on the map for Tract Map No. 61040-01; approve and accept the Subdivision Improvement and Lien Agreement for the securities required as a condition of recordation of the map; make findings that this project will not violate any of the provisions of Sections 66473.5, 66474.1, and 66474.6 of the Subdivision Map Act; and instruct the City Clerk to endorse on the face of the map the certificate which embodies the approval of said map and the dedications shown thereon.

Fiscal Impact:

None.

Background:

On June 20, 2005 the Planning Commission approved Tentative Tract Map No. 61040 (revised on June 20, 2016). The Final Map is in substantial conformance with the approved tentative map and phasing plan. Tract Map No. 61040-01 has been examined by the City Engineer, and is ready for Council approval. The securities for this map will be in the form of a Subdivision Improvement and Lien Agreement (Agreement), which will guarantee and secure the performance of all the grading, public improvements, impact fees, and public agency fees. The lien will be in first position, and the developer agrees to present substitute bond and deposit securities with the City prior to the commencement of the work of any improvements. The Agreement satisfies the security requirements of the Undertaking Agreement as an authorized form of security in accordance with the Subdivision Map Act and the City's Municipal Code.

JH:jf

Attachment:

Subdivision Improvement and Lien Agreement

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Lancaster
Attn: City Engineering Division
44933 Fern Avenue
Lancaster, California 93534

This document is exempt from the payment of a recording
fee pursuant to Government Code Section 6103.

SUBDIVISION IMPROVEMENT AND LIEN AGREEMENT
(Cal. Gov't Code § 66499(a)(4))

THIS SUBDIVISION IMPROVEMENT AND LIEN AGREEMENT (this "Agreement") is made this ____ day of _____, 20__ (the "Date of Agreement"), by and between the **CITY OF LANCASTER**, a California municipal corporation and charter city (the "City"), and **SHAYAN CAPITAL, LLC**, a California limited liability company; **CROWN EASTGATE, LLC**, a California limited liability company and **ARTHUR J. SCHMID** and **JODY SCHMID**, a Husband and Wife (the "Developers").

RECITALS

A. Developers are the owners of Tentative Tract Map 61040, including all real property associated therewith, in the City of Lancaster, California. Said map was administratively approved for phasing on May 15, 2017, which is shown in Exhibit "A" attached hereto and incorporated herein. The Developer now wishes to develop Phase 1, consisting of 10 lots as Tract 61040-01 (the "Property").

B. The City approved Tentative Tract Map No. 61040 on June 20, 2005 (the "Tentative Map"), subject to certain conditions of approval as set forth in Resolution No. 05-28 and revised on June 20, 2016 (the "Conditions of Approval").

C. Developers now wish to develop the Property and certain related public improvements (the "Improvements"), in accordance with, and as required by, the plans and specifications for said Improvements, which plans and specifications are now in the office of the City Engineer, and which are hereby referred to and incorporated herein as though set forth in full.

D. Developers have requested to enter into a new agreement with City regarding construction and completion of the Improvements. Developers have also requested that City accept a lien on the Property to secure completion of the Improvements, grading, payment of impact fees, and setting of survey monuments.

E. City has agreed to accept a lien on the Property to secure performance of the Developers' obligation under this Agreement provided such lien is in first position. Developers agree to present substitute security to the City prior to the commencement of the work of

Improvements, and Developers agree that the City may revert the property to acreage if the work of Improvements has not commenced within three years of the Date of Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and of the approval of the Map and of the acceptance of the dedications therein offered, the parties agree as follows:

1. Subdivision Development Lien. This Agreement shall constitute a lien (the "Subdivision Development Lien") on the Property in the amount of Nine Hundred Sixty-Five Thousand Four Hundred Fifty Dollars (\$965,450.00). This Subdivision Development Lien is established pursuant to Government Code Section 66499(a)(4), to secure the performance of the Developers' obligations contained in this Agreement. The Subdivision Development Lien shall be in first position, and shall not be subordinate to any other lien or deed of trust on the Property.

To the extent that it is necessary for some other lienholder(s) to subordinate its/their lien(s) on the Property in order to ensure that the Subdivision Development Lien is in first position, Developers shall obtain from said lienholder(s) a subordination of lien agreement in a form approved by the City in its sole discretion.

2. Construction and Installation of Improvements. Developers shall construct and install all improvements as hereinafter provided:

2.1. Performance of Work. Developers, at their sole cost and expense, will improve the Property, or cause the Property to be improved, by the grading of the lots, grading and paving of streets, construction of curbs and gutters, cross gutters and sidewalks, installation of drainage and sanitary sewerage facilities, provision of an underground utility and street lighting system, installation of street signs, parkway trees, a water system and all related facilities, and such other improvements required by the ordinances of the City and/or the City Council in the approval of the Map, together with appurtenances, contingencies and engineering costs and as more particularly shown in the improvement plans for said Map. Developers will do all work and furnish all materials necessary, in the opinion of the City Engineer, to complete said work in accordance with the plans and specifications on file in the office of the City Engineer or with any changes or modifications required or ordered by the City Engineer which, in his opinion, are necessary or required to complete the subdivision work. Developers shall maintain the subdivision Improvements and adjacent public facilities clear of all debris, weeds, and other materials which inhibit the performance of the Improvements or become a public nuisance. Should the Developers fail to act promptly in accordance with this requirement the City may, at its option, perform the necessary work and the Developers shall pay to the City the actual cost of such maintenance plus fifteen percent (15%).

2.2. Work, Places and Grades to be Fixed by Engineer. All of the work of Improvements is to be done at the places, of the materials, in the manner and at the grades, all as shown upon the plans and specifications therefor, heretofore approved by City Engineer and which are now on file in his office, and to the satisfaction of said City Engineer.

2.3. Repairs and Replacements. Developers shall replace, or have replaced, or repair, or have repaired, as the case may be, all survey monuments, shown on the Map which have been damaged, disturbed, or obliterated by reason of any work done hereunder. In addition, Developers shall replace or have replaced, repair, or have repaired, as the case may be; or pay to the owner, the entire cost of replacement or repairs, or any and all property damaged or destroyed by reason of any work done hereunder. Any such repair or replacement pursuant to this Section 2.3 shall be to the satisfaction and subject to the approval of the Development Services Director.

2.4. Supervision by Developers. Developers shall personally supervise the work of Improvements, or have a competent foreman or superintendent on the work at all times during progress, with authority to act for Developers.

2.5. Inspection by City. Developers shall at all times maintain proper facilities and provide safe access for inspection by City, to all parts of the work, and to the shops wherein the work is in preparation.

2.6. Commencement of Work of Improvements. Developers shall commence the work of improvements on or before the second anniversary of the Date of Agreement, as hereinafter defined, (the "Commencement Date"), or within such further time as may be granted by the City Council in its sole discretion.

2.7. Completion of Work of Improvements. Developers shall complete all work of Improvements within three (3) years from the Commencement Date, or within such further time as may be granted by the City Council in its sole discretion. Work of Improvements will be deemed complete on the date that the City Council authorizes final acceptance of the Improvements.

3. Permits and Fees.

3.1. Permits: Compliance with Law. Developers shall, at Developers' expense, obtain all necessary permits and licenses for the construction of such improvements, give all necessary notices and pay all fees and taxes required by law.

3.2. Cash Charges. Developers shall pay to the City in cash such subdivision fees ("Cash Charges") that have been established by ordinance or by the City Council in conferring approval or extension of time to said Subdivision.

3.3. Impact Fees. Prior to the issuance of a building permit, Developers shall submit cash or cashier's check to satisfy payment of all City and other agency impact fees.

4. Substitution of Security and Termination of the Subdivision Development Lien. Prior and as a condition precedent to the City issuing any permit relative to the Property and after the Date of Agreement, the Developers shall provide the City with substitute improvement security ("Substitute Security") consisting of security for the faithful performance of this Agreement, security for the payment of all persons performing labor and materials, security for grading, , and security for the setting of monuments. The City agrees to terminate the Subdivision Development Lien following receipt of acceptable Substitute Security. Substitute Security and

termination of the Subdivision Development Lien shall be subject to the requirements set forth in this Section 4.

4.1. Security for Faithful Performance and for Payment of Labor and Materials.

This portion of the Substitute Security shall be executed by a surety acceptable to the City in its sole and absolute discretion and shall include the following: (1) security in an amount equal to at least one hundred percent (100%) of the estimated cost of improvements as security for the faithful performance of this Agreement and; (2) separate security in an amount equal to at least fifty percent (50%) of the estimated cost of improvements as security for the payment of all persons performing labor and furnishing materials in connection with this Agreement. If, at any time after deposit of this Substitute Security, the surety on said securities is no longer acceptable to the City, Developers agree to renew said securities with an acceptable surety within ten (10) days after receiving notice that said surety is unacceptable.

4.2. Security for Grading. This portion of the Substitute Security shall be executed by a surety acceptable to the City in its sole and absolute discretion for the security in an amount equal to at least one hundred percent (100%) of the estimated cost of all grading on the site.

4.3. Monument Security. Prior to commencement of any work on Property the Developers shall submit a new Monument Security which shall consist of a cash deposit or cashier's check in an amount determined by the City, as security for the faithful performance of all work of setting monuments for the entire Map and as security for the payment of the engineer(s) or surveyor(s) who set said monuments. If after depositing the Monument Security, Developers refuse or fail to complete the work of setting monuments, or if Developers refuse or fail to pay the engineer(s) or surveyor(s) for setting the monuments, the City shall have the right to expend all, or any portion of the Monument Security without notice to Developers, for purposes of completing the setting of monuments and/or paying said engineer(s) or surveyor(s).

4.4. Termination of Subdivision Development Lien. No later than thirty (30) days following City's acceptance of the Substitute Security, the City shall cause to be duly executed and acknowledged by City and recorded with the office of the County Recorder of Los Angeles County, an instrument which shall terminate the Subdivision Development Lien created by this Agreement. Upon recording of said instrument, the Subdivision Development Lien shall be of no further force and effect. Notwithstanding the foregoing, the rest of this Agreement shall remain in full force and effect.

5. Warranty Period and Retention of Substitute Security.

5.1. Repair or Reconstruction of Defective Work. If within a period of one (1) year after final acceptance of the work performed under this Agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developers, or any of the work done under this Agreement, fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developers shall, without delay and without cost to City, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work or structure. Should Developers fail to act promptly or in accordance with this requirement, or should the exigencies of the case require repairs or replacements to be made before Developers can be notified, City may, at its option, make the necessary repairs or

replacements or perform the necessary work and Developers shall pay to the City the actual cost of such repairs plus fifteen percent (15%).

5.2. Retention of Security for Faithful Performance and Payment of Labor and Materials. The City shall retain at least ten percent (10%) of the security for faithful performance for a period of one (1) year after final acceptance of the work performed under this Agreement, to guarantee corrective work throughout the warranty period described in Section 5.1 herein. The security for payment of labor and materials shall be retained by City for a period of ninety (90) days after final acceptance of the work performed under this Agreement. Ninety (90) days after said final acceptance, the security for payment of labor and materials may be reduced to an amount equal to the amount of all claims, for which claims of lien have been recorded and notice given in writing to the City Council. The balance of the security for payment of labor and materials shall be retained until the settlement of all such claims and obligations for which security was given.

5.3. Retention of Monument Security. The Monument Security shall be retained by City until all of the following conditions have been met: (1) all work of setting monuments has been completed; (2) all work of setting monuments has been approved and accepted by City Council; and (3) City has received written verification from surveyor(s) or engineer(s) that he/she/they have been paid in full for such work.

6. Default by Developers. The following events shall constitute an “Event of Default”:

- a. Failure or delay by the Developers or any of Developers’ contractors, subcontractors, agents or employees to perform any term or provision of this Agreement; or
- b. The Developers’ refusal or failure to commence construction of the required grading and Improvements within the time specified herein, or any extensions thereof; or
- c. The Developers’ refusal or failure to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure completion of the required Improvements within the time specified herein, or any extensions thereof; or
- d. The Developers’ refusal or failure to complete the required Improvements within the time specified herein, or any extensions thereof; or
- e. The Developers’ refusal or failure to provide the City with acceptable Substitute Security in accordance with the provisions of this Agreement; or
- f. The Developers are adjudged a bankrupt, the Developers make a general assignment for the benefit of Developers’ creditors, or a receiver is appointed in the event of Developers’ insolvency.

7. Remedies.

7.1. Remedies Prior to Substitution of Security. Prior to the substitution of security and upon the occurrence of any Event of Default, the City may pursue any and all rights and remedies available at law or in equity, including without limitation:

- a. Any action at law or in equity as may be permitted by this Agreement in order to recover all damages necessary to compensate the City for the Developers' failure to perform its agreements, obligations or undertakings hereunder; or otherwise arising out of the events of default; or
- b. Reversion of the Property to acreage pursuant to Government Code Section 66499.11 *et seq.* and all other applicable law.

7.2. Remedies Following Substitution of Security. Following substitution of the security and upon the occurrence of any Event of Default, the City may pursue, in addition to those remedies set forth in Section 7.1 above, any and all rights and remedies available at law, in equity, or under the terms of this Agreement that the City has against the Developers and/or surety(ies) which issued the security for faithful performance and security for payment of labor and materials.

8. Performance by Surety.

8.1. Notice of Breach and Default. If any Event of Default occurs after substitution of security, the City may serve written notice upon Developers and Developers' surety of the occurrence of an Event of Default, and Developers' breach of this Agreement.

8.2. Occurrence of Event of Default; Performance by Surety or City. In the event of any such notice of breach, Developers' surety shall have the duty to take over and complete the work and the Improvements herein specified, provided however, that if the surety, within five (5) days after the serving upon it of such notice of breach, does not give City written notice of its intention to take over the performance of said work and Improvements, or if surety does not commence performance thereof within five (5) days after notice to City of such election, City may take over the work and prosecute the same to completion, by contract or by any other method City may deem advisable, for the account and at the expense of Developers, and Developers' surety shall be liable to City for any excess cost or damages occasioned City thereby; and, in such event, City, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developers as may be on the site of the work and necessary therefor.

9. General Provisions

9.1. Hold-Harmless Agreement. Developers hereby bind themselves, their executors, administrators and assigns and agrees to indemnify, defend and hold City, its elective and appointive boards, commissions, officers, agents and employees, harmless from any liability for or claims for damage for personal injury, including death, as well as from claims for damage to property, both real and personal, which may arise from or be caused by Developers' or Developers' contractor's, subcontractor's, agent's or employee's operations under this Agreement. Developers agree to, and shall, defend City and its elective and appointive boards, commissions, officers, agents and employees from any suits or actions at law or in equity for damage caused, or alleged to have been caused, by reason for any of the aforesaid operations. It is understood that

City does not, and shall not waive any right against Developers which it may have by reason of the aforesaid hold-harmless agreement, because of the acceptance by City, or the deposit with City by Developers, of the Substitute Security or Cash Charges. It is further understood that this Section shall apply to all damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations referred to in this Section, regardless of whether the City has prepared, supplied or approved of, plans and/or specifications for the Subdivision.

9.2. Relationship between City and Developers. It is hereby acknowledged that the relationship between City and Developers is not that of a partnership or joint venture. Neither Developers nor any of the Developers' agents or contractors are or shall be considered to be agents of City in connection with the performance of Developers' obligations under this Agreement. Developers agree to indemnify, hold harmless and defend City from any claim made against City arising from a claimed relationship of partnership or joint venture between City and Developers with respect to the performance of Developers' obligations under this Agreement.

9.3. Time of Essence - Extension. Time is of the essence with respect to the performance by Developers of each and every obligation and condition of this Agreement; provided, that in the event good cause is shown therefor, the City Council may extend the time for commencement of work of improvements, and/or the time for completion of the improvements hereunder. Any such extension may be granted without notice to any surety who issues security for faithful performance and/or security for payment of labor and materials pursuant to this Agreement, and extensions so granted shall not relieve the surety of its liability under the security to secure the faithful performance of this Agreement. The City Council shall be the sole and final judge as to whether or not good cause has been shown to entitle Developers to an extension.

9.4. Emergencies. If, in the judgment of the City Engineer, conditions exist that cause, or may cause, a hazard to life or property, the City Engineer may cause such conditions to be modified on an emergency basis without notice to the Developers. Neither the City Engineer, the City or its agents shall be held liable to the Developers for damages arising out of such emergency actions and to the extent that the actions taken are for the maintenance of safety to life and property that would not have existed had the Developers' operations not been in progress, the cost of such emergency measures so taken by the City shall be reimbursed to the City by the Developers.

9.5. Attorneys' Fees. In addition to any other amounts to be paid by Developers hereunder, Developers shall pay all costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by the City in successfully enforcing the Subdivision Development Lien and/or Substitute Security furnished by Developers hereunder.

9.6. Notices. All notices and other communications hereunder shall be in writing and mailed or personally delivered to the appropriate party at the address set forth below or, as to any party, at any other address in the State of California as shall be designated by it in a written notice sent to the other party.

To City:

To Project Manager:

City of Lancaster
44933 Fern Avenue
Lancaster, CA 93534-2461
Attn: City Engineer

Royal Investors Group, LLC
15821 Ventura Boulevard, Suite 460
Encino, CA 91436
Attn: Kris Pinero
Telephone: (818) 981-3000

9.7. Alteration of Agreement; No Effect on Substitute Security. Any addition, alterations, or modifications of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party. Developers hereby stipulates and agrees that no addition, alterations or modifications of or to this Agreement or to the plans and specifications referred to herein, including any extension of time within which the work hereunder may be completed, shall in any way affect its obligations on the Substitute Security to be furnished hereunder. Developers do hereby waive notice of any such addition, alterations or modifications.

9.8. Demands for Payment under Substitute Security. Developers hereby stipulate and agree that it shall have no right to dispute the propriety of any demand made by the City for payment under Substitute Security to be furnished hereunder.

9.9. Surety to Include Issuer of Letter of Credit. The term surety as used herein shall include the issuer of any letter of credit which is acceptable to the City as Substitute Security under this Agreement.

9.10. Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

9.11. Successors and Assigns. All of the terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the parties, their respective heirs, successors, representatives, assigns, officers, directors, agents, partners, servants, employees, and affiliated corporations or companies.

9.12. Headings. The headings contained in this Agreement have been inserted for convenience only and in no way define or limit the scope of interpretation of this Agreement.

9.13. No Waiver. A waiver by either party of a breach of any of the covenants, conditions or agreements under this Agreement to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions of this Agreement.

9.14. Corporate Authority. Each individual executing this Agreement on behalf of a public or private corporation, nonprofit corporation, partnership or other entity or organization, represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of said corporation, partnership, entity, or organization and that this Agreement is binding upon same in accordance with its terms. Developers shall, at City's request, deliver a certified copy of its Board of Director's resolution or certificate authorizing or evidencing Controlling Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California.

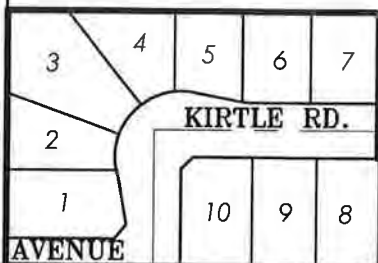
EXHIBIT "A"

TRACT NO. 61040-01

60TH STREET

55TH STREET

57TH STREET



AVENUE
K-14

KIRTLE RD.

BELMONT ST.

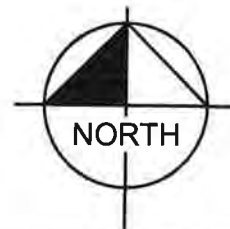
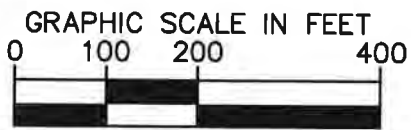
AVENUE L

CORONET WAY

56TH ST. W.

Kimley»Horn

401 B STREET, SUITE 800, SAN DIEGO, CA 92101
PHONE: 619-234-9411
WWW.KIMLEY-HORN.COM



[Signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

CITY:

CITY OF LANCASTER, a California municipal corporation and charter city

By: _____

Name: _____

Its: _____

APPROVED AS TO FORM:

City Attorney

DEVELOPER:

SHAYAN CAPITAL, LLC, a California limited liability company

By: _____

Name: Peiman Shayan

Its: Managing Member

**DEVELOPER SIGNATURES MUST BE
ACKNOWLEDGED BY NOTARY**

DEVELOPER:

CROWN EASTGATE, LLC, a California limited liability company

By: _____
Name: _____
Its: _____

**DEVELOPER SIGNATURES MUST BE
ACKNOWLEDGED BY NOTARY**

DEVELOPER:

ARTHUR J. SCHMID and JODY SCHMID, a
Husband and Wife

By: _____
Name: Arthur J. Schmid
Its: _____

By: _____
Name: Jody Schmid
Its: _____

**DEVELOPER SIGNATURES MUST BE
ACKNOWLEDGED BY NOTARY**

STAFF REPORT
City of Lancaster

CC 7
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Jeff Hogan, Development Services Director

Subject: **Final Map Approval – Tract Map No. 61041-01 (Located at the Northwest Corner of Avenue L and 56th Street West)**

Recommendation:

Approve the map and accept the dedications as offered on the map for Tract Map No. 61041-01; approve and accept the Subdivision Improvement and Lien Agreement for the securities required as a condition of recordation of the map; make findings that this project will not violate any of the provisions of Sections 66473.5, 66474.1, and 66474.6 of the Subdivision Map Act; and instruct the City Clerk to endorse on the face of the map the certificate which embodies the approval of said map and the dedications shown thereon.

Fiscal Impact:

None.

Background:

On June 20, 2005 the Planning Commission approved Tentative Tract Map No. 61041 (revised on June 20, 2016). The Final Map is in substantial conformance with the approved tentative map and phasing plan. Tract Map No. 61041-01 has been examined by the City Engineer, and is ready for Council approval. The securities for this map will be in the form of a Subdivision Improvement and Lien Agreement (Agreement), which will guarantee and secure the performance of all the grading, public improvements, impact fees, and public agency fees. The lien will be in first position, and the developer agrees to present substitute bond and deposit securities with the City prior to the commencement of the work of any improvements. The Agreement satisfies the security requirements of the Undertaking Agreement as an authorized form of security in accordance with the Subdivision Map Act and the City's Municipal Code.

JH:jf

Attachment:

Subdivision Improvement and Lien Agreement

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Lancaster
Attn: City Engineering Division
44933 Fern Avenue
Lancaster, California 93534

This document is exempt from the payment of a recording
fee pursuant to Government Code Section 6103.

SUBDIVISION IMPROVEMENT AND LIEN AGREEMENT
(Cal. Gov't Code § 66499(a)(4))

THIS SUBDIVISION IMPROVEMENT AND LIEN AGREEMENT (this "Agreement") is made this ____ day of _____, 20__ (the "Date of Agreement"), by and between the **CITY OF LANCASTER**, a California municipal corporation and charter city (the "City"), and **SHAYAN CAPITAL, LLC**, a California limited liability company; **CROWN EASTGATE, LLC**, a California limited liability company and **ARTHUR J. SCHMID** and **JODY SCHMID**, a Husband and Wife (the "Developers").

RECITALS

A. Developers are the owners of Tentative Tract Map 61041, including all real property associated therewith, in the City of Lancaster, California. Said map was administratively approved for phasing on June 14, 2017, which is shown in Exhibit "A" attached hereto and incorporated herein. The Developer now wishes to develop Phase 1, consisting of 14 lots as Tract 61041-01(the "Property").

B. The City approved Tentative Tract Map No. 61041 on June 20, 2005 (the "Tentative Map"), subject to certain conditions of approval as set forth in Resolution No. 05-29 and revised on June 20, 2016 (the "Conditions of Approval").

C. Developers now wish to develop the Property and certain related public improvements (the "Improvements"), in accordance with, and as required by, the plans and specifications for said Improvements, which plans and specifications are now in the office of the City Engineer, and which are hereby referred to and incorporated herein as though set forth in full.

D. Developers have requested to enter into a new agreement with City regarding construction and completion of the Improvements. Developers have also requested that City accept a lien on the Property to secure completion of the Improvements, grading, payment of impact fees, and setting of survey monuments.

E. City has agreed to accept a lien on the Property to secure performance of the Developers' obligation under this Agreement provided such lien is in first position. Developers agree to present substitute security to the City prior to the commencement of the work of

Improvements, and Developers agree that the City may revert the property to acreage if the work of Improvements has not commenced within three years of the Date of Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and of the approval of the Map and of the acceptance of the dedications therein offered, the parties agree as follows:

- 1. Subdivision Development Lien.** This Agreement shall constitute a lien (the "Subdivision Development Lien") on the Property in the amount of Four Million Thirty-Seven Thousand Dollars (\$4,037,000.00). This Subdivision Development Lien is established pursuant to Government Code Section 66499(a)(4), to secure the performance of the Developers' obligations contained in this Agreement. The Subdivision Development Lien shall be in first position, and shall not be subordinate to any other lien or deed of trust on the Property.

To the extent that it is necessary for some other lienholder(s) to subordinate its/their lien(s) on the Property in order to ensure that the Subdivision Development Lien is in first position, Developers shall obtain from said lienholder(s) a subordination of lien agreement in a form approved by the City in its sole discretion.

- 2. Construction and Installation of Improvements.** Developers shall construct and install all improvements as hereinafter provided:

2.1. Performance of Work. Developers, at their sole cost and expense, will improve the Property, or cause the Property to be improved, by the grading of the lots, grading and paving of streets, construction of curbs and gutters, cross gutters and sidewalks, installation of drainage and sanitary sewerage facilities, provision of an underground utility and street lighting system, installation of street signs, parkway trees, a water system and all related facilities, and such other improvements required by the ordinances of the City and/or the City Council in the approval of the Map, together with appurtenances, contingencies and engineering costs and as more particularly shown in the improvement plans for said Map. Developers will do all work and furnish all materials necessary, in the opinion of the City Engineer, to complete said work in accordance with the plans and specifications on file in the office of the City Engineer or with any changes or modifications required or ordered by the City Engineer which, in his opinion, are necessary or required to complete the subdivision work. Developers shall maintain the subdivision Improvements and adjacent public facilities clear of all debris, weeds, and other materials which inhibit the performance of the Improvements or become a public nuisance. Should the Developers fail to act promptly in accordance with this requirement the City may, at its option, perform the necessary work and the Developers shall pay to the City the actual cost of such maintenance plus fifteen percent (15%).

2.2. Work, Places and Grades to be Fixed by Engineer. All of the work of Improvements is to be done at the places, of the materials, in the manner and at the grades, all as shown upon the plans and specifications therefor, heretofore approved by City Engineer and which are now on file in his office, and to the satisfaction of said City Engineer.

2.3. Repairs and Replacements. Developers shall replace, or have replaced, or repair, or have repaired, as the case may be, all survey monuments, shown on the Map which have

been damaged, disturbed, or obliterated by reason of any work done hereunder. In addition, Developers shall replace or have replaced, repair, or have repaired, as the case may be; or pay to the owner, the entire cost of replacement or repairs, or any and all property damaged or destroyed by reason of any work done hereunder. Any such repair or replacement pursuant to this Section 2.3 shall be to the satisfaction and subject to the approval of the Development Services Director.

2.4. Supervision by Developers. Developers shall personally supervise the work of Improvements, or have a competent foreman or superintendent on the work at all times during progress, with authority to act for Developers.

2.5. Inspection by City. Developers shall at all times maintain proper facilities and provide safe access for inspection by City, to all parts of the work, and to the shops wherein the work is in preparation.

2.6. Commencement of Work of Improvements. Developers shall commence the work of improvements on or before the second anniversary of the Date of Agreement, as hereinafter defined, (the "Commencement Date"), or within such further time as may be granted by the City Council in its sole discretion.

2.7. Completion of Work of Improvements. Developers shall complete all work of Improvements within three (3) years from the Commencement Date, or within such further time as may be granted by the City Council in its sole discretion. Work of Improvements will be deemed complete on the date that the City Council authorizes final acceptance of the Improvements.

3. Permits and Fees.

3.1. Permits: Compliance with Law. Developers shall, at Developers' expense, obtain all necessary permits and licenses for the construction of such improvements, give all necessary notices and pay all fees and taxes required by law.

3.2. Cash Charges. Developers shall pay to the City in cash such subdivision fees ("Cash Charges") that have been established by ordinance or by the City Council in conferring approval or extension of time to said Subdivision.

3.3. Impact Fees. Prior to the issuance of a building permit, Developers shall submit cash or cashier's check to satisfy payment of all City and other agency impact fees.

4. Substitution of Security and Termination of the Subdivision Development Lien. Prior and as a condition precedent to the City issuing any permit relative to the Property and after the Date of Agreement, the Developers shall provide the City with substitute improvement security ("Substitute Security") consisting of security for the faithful performance of this Agreement, security for the payment of all persons performing labor and materials, security for grading, , and security for the setting of monuments. The City agrees to terminate the Subdivision Development Lien following receipt of acceptable Substitute Security. Substitute Security and termination of the Subdivision Development Lien shall be subject to the requirements set forth in this Section 4.

4.1. Security for Faithful Performance and for Payment of Labor and Materials.

This portion of the Substitute Security shall be executed by a surety acceptable to the City in its sole and absolute discretion and shall include the following: (1) security in an amount equal to at least one hundred percent (100%) of the estimated cost of improvements as security for the faithful performance of this Agreement and; (2) separate security in an amount equal to at least fifty percent (50%) of the estimated cost of improvements as security for the payment of all persons performing labor and furnishing materials in connection with this Agreement. If, at any time after deposit of this Substitute Security, the surety on said securities is no longer acceptable to the City, Developers agree to renew said securities with an acceptable surety within ten (10) days after receiving notice that said surety is unacceptable.

4.2. Security for Grading. This portion of the Substitute Security shall be

executed by a surety acceptable to the City in its sole and absolute discretion for the security in an amount equal to at least one hundred percent (100%) of the estimated cost of all grading on the site.

4.3. Monument Security. Prior to commencement of any work on Property the

Developers shall submit a new Monument Security which shall consist of a cash deposit or cashier's check in an amount determined by the City, as security for the faithful performance of all work of setting monuments for the entire Map and as security for the payment of the engineer(s) or surveyor(s) who set said monuments. If after depositing the Monument Security, Developers refuse or fail to complete the work of setting monuments, or if Developers refuse or fail to pay the engineer(s) or surveyor(s) for setting the monuments, the City shall have the right to expend all, or any portion of the Monument Security without notice to Developers, for purposes of completing the setting of monuments and/or paying said engineer(s) or surveyor(s).

4.4. Termination of Subdivision Development Lien. No later than thirty (30)

days following City's acceptance of the Substitute Security, the City shall cause to be duly executed and acknowledged by City and recorded with the office of the County Recorder of Los Angeles County, an instrument which shall terminate the Subdivision Development Lien created by this Agreement. Upon recording of said instrument, the Subdivision Development Lien shall be of no further force and effect. Notwithstanding the foregoing, the rest of this Agreement shall remain in full force and effect.

5. Warranty Period and Retention of Substitute Security.

5.1. Repair or Reconstruction of Defective Work. If within a period of one (1)

year after final acceptance of the work performed under this Agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developers, or any of the work done under this Agreement, fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developers shall, without delay and without cost to City, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work or structure. Should Developers fail to act promptly or in accordance with this requirement, or should the exigencies of the case require repairs or replacements to be made before Developers can be notified, City may, at its option, make the necessary repairs or replacements or perform the necessary work and Developers shall pay to the City the actual cost of such repairs plus fifteen percent (15%).

5.2. Retention of Security for Faithful Performance and Payment of Labor and Materials. The City shall retain at least ten percent (10%) of the security for faithful performance for a period of one (1) year after final acceptance of the work performed under this Agreement, to guarantee corrective work throughout the warranty period described in Section 5.1 herein. The security for payment of labor and materials shall be retained by City for a period of ninety (90) days after final acceptance of the work performed under this Agreement. Ninety (90) days after said final acceptance, the security for payment of labor and materials may be reduced to an amount equal to the amount of all claims, for which claims of lien have been recorded and notice given in writing to the City Council. The balance of the security for payment of labor and materials shall be retained until the settlement of all such claims and obligations for which security was given.

5.3. Retention of Monument Security. The Monument Security shall be retained by City until all of the following conditions have been met: (1) all work of setting monuments has been completed; (2) all work of setting monuments has been approved and accepted by City Council; and (3) City has received written verification from surveyor(s) or engineer(s) that he/she/they have been paid in full for such work.

6. Default by Developers. The following events shall constitute an “Event of Default”:

- a. Failure or delay by the Developers or any of Developers’ contractors, subcontractors, agents or employees to perform any term or provision of this Agreement; or
- b. The Developers’ refusal or failure to commence construction of the required grading and Improvements within the time specified herein, or any extensions thereof; or
- c. The Developers’ refusal or failure to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure completion of the required Improvements within the time specified herein, or any extensions thereof; or
- d. The Developers’ refusal or failure to complete the required Improvements within the time specified herein, or any extensions thereof; or
- e. The Developers’ refusal or failure to provide the City with acceptable Substitute Security in accordance with the provisions of this Agreement; or
- f. The Developers are adjudged a bankrupt, the Developers make a general assignment for the benefit of Developers’ creditors, or a receiver is appointed in the event of Developers’ insolvency.

7. Remedies.

7.1. Remedies Prior to Substitution of Security. Prior to the substitution of security and upon the occurrence of any Event of Default, the City may pursue any and all rights and remedies available at law or in equity, including without limitation:

- a. Any action at law or in equity as may be permitted by this

Agreement in order to recover all damages necessary to compensate the City for the Developers' failure to perform its agreements, obligations or undertakings hereunder; or otherwise arising out of the events of default; or

- b. Reversion of the Property to acreage pursuant to Government Code Section 66499.11 *et seq.* and all other applicable law.

7.2. Remedies Following Substitution of Security. Following substitution of the security and upon the occurrence of any Event of Default, the City may pursue, in addition to those remedies set forth in Section 7.1 above, any and all rights and remedies available at law, in equity, or under the terms of this Agreement that the City has against the Developers and/or surety(ies) which issued the security for faithful performance and security for payment of labor and materials.

8. Performance by Surety.

8.1. Notice of Breach and Default. If any Event of Default occurs after substitution of security, the City may serve written notice upon Developers and Developers' surety of the occurrence of an Event of Default, and Developers' breach of this Agreement.

8.2. Occurrence of Event of Default; Performance by Surety or City. In the event of any such notice of breach, Developers' surety shall have the duty to take over and complete the work and the Improvements herein specified, provided however, that if the surety, within five (5) days after the serving upon it of such notice of breach, does not give City written notice of its intention to take over the performance of said work and Improvements, or if surety does not commence performance thereof within five (5) days after notice to City of such election, City may take over the work and prosecute the same to completion, by contract or by any other method City may deem advisable, for the account and at the expense of Developers, and Developers' surety shall be liable to City for any excess cost or damages occasioned City thereby; and, in such event, City, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Developers as may be on the site of the work and necessary therefor.

9. General Provisions

9.1. Hold-Harmless Agreement. Developers hereby bind themselves, their executors, administrators and assigns and agrees to indemnify, defend and hold City, its elective and appointive boards, commissions, officers, agents and employees, harmless from any liability for or claims for damage for personal injury, including death, as well as from claims for damage to property, both real and personal, which may arise from or be caused by Developers' or Developers' contractor's, subcontractor's, agent's or employee's operations under this Agreement. Developers agree to, and shall, defend City and its elective and appointive boards, commissions, officers, agents and employees from any suits or actions at law or in equity for damage caused, or alleged to have been caused, by reason for any of the aforesaid operations. It is understood that City does not, and shall not waive any right against Developers which it may have by reason of the aforesaid hold-harmless agreement, because of the acceptance by City, or the deposit with City by Developers, of the Substitute Security or Cash Charges. It is further understood that this Section shall apply to all damages of every kind suffered, or alleged to have been suffered, by reason of

any of the aforesaid operations referred to in this Section, regardless of whether the City has prepared, supplied or approved of, plans and/or specifications for the Subdivision.

9.2. Relationship between City and Developers. It is hereby acknowledged that the relationship between City and Developers is not that of a partnership or joint venture. Neither Developers nor any of the Developers' agents or contractors are or shall be considered to be agents of City in connection with the performance of Developers' obligations under this Agreement. Developers agree to indemnify, hold harmless and defend City from any claim made against City arising from a claimed relationship of partnership or joint venture between City and Developers with respect to the performance of Developers' obligations under this Agreement.

9.3. Time of Essence - Extension. Time is of the essence with respect to the performance by Developers of each and every obligation and condition of this Agreement; provided, that in the event good cause is shown therefor, the City Council may extend the time for commencement of work of improvements, and/or the time for completion of the improvements hereunder. Any such extension may be granted without notice to any surety who issues security for faithful performance and/or security for payment of labor and materials pursuant to this Agreement, and extensions so granted shall not relieve the surety of its liability under the security to secure the faithful performance of this Agreement. The City Council shall be the sole and final judge as to whether or not good cause has been shown to entitle Developers to an extension.

9.4. Emergencies. If, in the judgment of the City Engineer, conditions exist that cause, or may cause, a hazard to life or property, the City Engineer may cause such conditions to be modified on an emergency basis without notice to the Developers. Neither the City Engineer, the City or its agents shall be held liable to the Developers for damages arising out of such emergency actions and to the extent that the actions taken are for the maintenance of safety to life and property that would not have existed had the Developers' operations not been in progress, the cost of such emergency measures so taken by the City shall be reimbursed to the City by the Developers.

9.5. Attorneys' Fees. In addition to any other amounts to be paid by Developers hereunder, Developers shall pay all costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by the City in successfully enforcing the Subdivision Development Lien and/or Substitute Security furnished by Developers hereunder.

9.6. Notices. All notices and other communications hereunder shall be in writing and mailed or personally delivered to the appropriate party at the address set forth below or, as to any party, at any other address in the State of California as shall be designated by it in a written notice sent to the other party.

To City:

To Project Manager:

City of Lancaster
44933 Fern Avenue
Lancaster, CA 93534-2461
Attn: City Engineer

Royal Investors Group, LLC
15821 Ventura Boulevard, Suite 460
Encino, CA 91436
Attn: Kris Pinero
Telephone: (818) 981-3000

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9.8. Demands for Payment under Substitute Security. Developers hereby stipulate and agree that it shall have no right to dispute the propriety of any demand made by the City for payment under Substitute Security to be furnished hereunder.

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9.10. Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

9.11. Successors and Assigns. All of the terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the parties, their respective heirs, successors, representatives, assigns, officers, directors, agents, partners, servants, employees, and affiliated corporations or companies.

9.12. Headings. The headings contained in this Agreement have been inserted for convenience only and in no way define or limit the scope of interpretation of this Agreement.

9.13. No Waiver. A waiver by either party of a breach of any of the covenants, conditions or agreements under this Agreement to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions of this Agreement.

9.14. Corporate Authority. Each individual executing this Agreement on behalf of a public or private corporation, nonprofit corporation, partnership or other entity or organization, represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of said corporation, partnership, entity, or organization and that this Agreement is binding upon same in accordance with its terms. Developers shall, at City's request, deliver a certified copy of its Board of Director's resolution or certificate authorizing or evidencing Controlling Law; This Agreement shall be governed by and construed in accordance with the laws of the State of California.

EXHIBIT "A"

TRACT NO. 61041-01

60TH STREET

57TH STREET

AVENUE
K-14

8

7

6

5

4

3

2

1

CORONET WAY

9

10

11

12

13

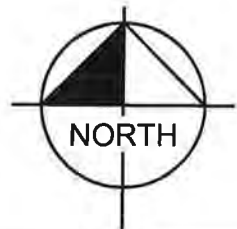
14

BELMONT ST.

56TH ST. W.

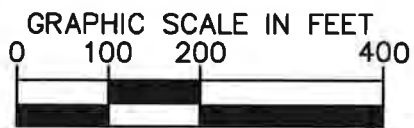
AVENUE L

55TH STREET



Kimley»Horn

401 B STREET, SUITE 600, SAN DIEGO, CA 92101
PHONE: 619-234-8411
WWW.KIMLEY-HORN.COM



[Signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

CITY:

CITY OF LANCASTER, a California municipal corporation and charter city

By: _____

Name: _____

Its: _____

APPROVED AS TO FORM:

City Attorney

DEVELOPER:

SHAYAN CAPITAL, LLC, a California limited liability company

By: _____

Name: Peiman Shayan

Its: Managing Member

**DEVELOPER SIGNATURES MUST BE
ACKNOWLEDGED BY NOTARY**

DEVELOPER:

CROWN EASTGATE, LLC, a California limited liability company

By: _____

Name: _____

Its: _____

**DEVELOPER SIGNATURES MUST BE
ACKNOWLEDGED BY NOTARY**

DEVELOPER:

ARTHUR J. SCHMID and JODY SCHMID, a
Husband and Wife

By: _____

Name: Arthur J. Schmid

Its: _____

By: _____

Name: Jody Schmid

Its: _____

**DEVELOPER SIGNATURES MUST BE
ACKNOWLEDGED BY NOTARY**

STAFF REPORT
City of Lancaster

CC 8
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Britt Avrit, MMC, City Clerk

Subject: **Consideration of adoption of Ordinance No. 1036**

Recommendation:

Adopt **Ordinance No. 1036**, amending Title 16 of the Lancaster Municipal Code to modify the design requirements for new subdivisions.

Fiscal Impact:

None directly related to this action; possible long-term reductions in street construction and maintenance/operation costs as a result of more flexible design options.

Background:

The proposed Municipal Code amendment is needed in order to ensure that the City's Subdivision Ordinance is consistent with the Lancaster General Plan, as amended by General Plan Amendment No. 17-04. The ordinance is necessary to ensure that street design and street networks in new subdivisions are consistent with the intent and provisions of the adopted Master Plan of Complete Streets.

At the October 10, 2017 City Council meeting, the City Council approved the introduction of Ordinance No. 1036 by the following vote:

AYES: Council Members Malhi, Mann, Underwood-Jacobs, Vice Mayor Crist
NOES: None
ABSTAIN: None
ABSENT: Mayor Parris

Attachment:

Ordinance No. 1036

ORDINANCE NO. 1036

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, AMENDING THE LANCASTER MUNICIPAL CODE, TITLE 16, TO MODIFY THE DESIGN REQUIREMENTS FOR NEW SUBDIVISIONS

WHEREAS, the City of Lancaster has adopted Title 16, Subdivisions, as part of the Lancaster Municipal Code to regulate the design, review, and processing requirements of tentative and final subdivision maps pursuant to Section 66411 of the State Subdivision Map Act; and

WHEREAS, the City of Lancaster is amending, under General Plan Amendment No. 17-04, the Plan for Physical Mobility adopted as part of the City of Lancaster General Plan to meet the requirements of the State of California Government Code Section 65302(b)(2)(A) to plan for multimodal transportation network; and

WHEREAS, the City is also adopting a comprehensive Master Plan of Complete Streets plan to establish the priorities, principles, and requirements for the design and redesign of streets within the City of Lancaster; and

WHEREAS, Chapter 16.20 of the City of Lancaster Municipal Code establishes the design requirements for new subdivisions, including street rights-of-way, improvements, and circulation systems; and

WHEREAS, with the adoption of General Plan Amendment No. 17-04 and the Master Plan of Complete Streets, there is a need to modify Chapter 16.20 and Section 16.04.020 to provide consistency between the design requirements of the Subdivision Ordinance and the amended General Plan and adopted Master Plan of Complete Streets; and,

WHEREAS, notice of intention to consider the amendment to Title 16 of the Lancaster Municipal Code has been given in accordance with Section 65090 of the Government Code of the State of California; and

WHEREAS, the City Council finds that the City has made a diligent effort to achieve public participation, and including public hearings before the Planning Commission on June 19, 2017, July 17, 2017, and August 14, 2017, and a public hearing before the City Council on October 10, 2017, for the proposed ordinance, and has received and considered on all public testimony both oral and written; and

WHEREAS, staff has prepared a written report recommending approval of the ordinance; and

WHEREAS, on August 14, 2017, the Planning Commission recommended to the City Council approval of the proposed ordinance; and

WHEREAS, the City Council finds that the ordinance will not have a significant effect on the environment since the proposed action is within the scope of the Program Environment Impact Report (SCH #2007111003) prepared for the Lancaster General Plan, and no further environmental review is required; and

WHEREAS, the City Council, based upon evidence in the record, hereby makes the following findings in support of amending Title 16 of the Lancaster Municipal Code:

1. There is a need for the proposed ordinance amendment in order to ensure that the City's Subdivision Ordinance is consistent with the Lancaster General Plan, as amended by General Plan Amendment No. 17-04.
2. The proposed ordinance amendment is necessary to ensure that street design and street networks in new subdivisions are consistent with the intent and provisions of the adopted Master Plan of Complete Streets;

THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY ORDAIN, AS FOLLOWS:

Section 1. Revise Section 16.04.020.C. as shown in attached Exhibit "A".

Section 2. Revise Chapter 16.20 as shown in attached Exhibit "A".

Section 3. That the City Clerk shall certify to the passage of this Ordinance, and will see that it is published and posted in the manner required by law.

I, Britt Avrit, MMC, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the 10th day of October, 2017, and placed upon its second reading and adoption at a regular meeting of the City Council on the 24th day of October, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, MMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)ss
CITY OF LANCASTER)

CERTIFICATION OF ORDINANCE
CITY COUNCIL

I, _____, City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Ordinance No. 1036, for which the original is on file in my office.

WITNESS MY HAND AND SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

EXHIBIT “A” OF ORDINANCE NO. 1036
Master Plan of Complete Streets

REVISE Section 16.04.020.C to read as follows:

16.04.020 – Purpose and Intent

C. To ensure that streets are designed in accordance with the provisions of the City of Lancaster General Plan and the adopted Master Plan of Complete Streets

DELETE Existing Section 16.20.050, including diagrams, in its entirety, and replace with the following:

16.20.050 – Street Right-of-way and Design

Street right-of-way, design, and improvements within a proposed subdivision shall be consistent with Section 2.2 of the Master Plan of Complete Streets as determined by the City Engineer and any City appropriate City approving authority.

REVISE Section 16.20.060 and 16.20.070 to read as follows:

16.20.060 – Improvement Beyond Centerline

In cases where the ultimate street right-of-way is not entirely within a proposed subdivision, the subdivider shall be required to provide paved improvements beyond the centerline in order to provide for adequate vehicle circulation, installation of bicycling, pedestrian, or transit improvements, parking, the installation of required medians and left turn pockets in their ultimate location and paved shoulders. The minimum improvements of such streets shall be as follows; however, the City Engineer may modify such requirements to meet the design intent and performance objectives of the street consistent with the Master Plan of Complete Streets:

- A. Regional Arterials. Eighty-eight (88) feet of an ultimate one hundred twenty (120)-foot right-of-way;
- B. Major Arterials. Seventy-eight (78) feet of an ultimate one hundred (100)-foot right-of-way;
- C. Secondary Arterials. Seventy (70) feet of an ultimate eighty-four (84)-foot right-of-way;
- D. Residential Collector Streets. Forty-four (44) feet of an ultimate sixty-four (64)-foot right-of-way;
- E. Residential Local Streets. Forty-two (42) feet of an ultimate sixty (60)-foot right-of-way;
- F. Residential Cul-de-sac. Forty (40) feet of an ultimate fifty-eight (58)-foot right-of-way;
- G. Commercial and Industrial Streets. Sixty (60) feet of an ultimate eighty (80)-foot right-of-way;
- H. Commercial and Industrial Cul-de-sacs. Fifty-one (51) feet of an ultimate sixty-six (66)-foot right-of-way.

(Ord. 754 § 1 (Attach. A § 14), 1999; Ord. 661 § 1 (520.020), 1994)
(Ord. No. 917, § 1 (Exh. A), 2-10-09)

16.20.070 – Street Layout Design Requirements

The street pattern and the design layout of each subdivision shall be consistent with the following design requirements. The City Engineer and any City approving authority shall have the authority to require street layout and design that is consistent with the Master Plan of Complete Streets:

- A. Each subdivision should have, at a minimum, two separate points of access to the major/secondary arterial street network. The planning commission may approve subdivisions with only one point of access if other access will be provided by future development, or may require additional points of access when it is determined that the size or design of the subdivision warrants additional access, or when additional access is deemed necessary for public safety including fire access, etc.
- B. Collector streets should be located at one-fourth mile points when intersecting regional and major arterials, and at one-eighth mile points when intersecting secondary arterials. However, this requirement should not be construed to impose an intersection every one-eighth mile. It is the intent of the City, in newly subdivided areas, to establish a public street network designed on a minimum of a one-fourth mile grid pattern to facilitate pedestrian, bicycle, and vehicular circulation via multiple routes. Such streets shall be designed to minimize vehicular speed and safely accommodate multiple modes of travel, subject to the approval of the City Engineer.
- C. Intersections shall be located and designed to minimize vehicular speed and provide safe use and access by motorists, pedestrians, and bicyclists. The City may require the provision of roundabouts, neighborhood traffic circles, curb extensions, and other traffic calming and safety improvements at intersections to meet this design objective.
- D. A minimum distance of one hundred fifty (150) feet shall be provided between the centerlines of offset streets intersecting on the opposite sides of a local or collector street, and an absolute minimum distance of three hundred eighty (380) feet shall be provided between the centerline of offset streets intersecting on the opposite sides of major or secondary arterials.
- E. The subdivision shall be designed to respect the intent and design objectives of the Master Plan of Complete Streets, the Master Plan of Trails and Bikeways, the Safe Routes to School Master Plan, the existing circulation pattern of the area, and any previously approved tentative or final subdivision maps in the area.

- F. Street patterns shall be designed to provide for future access to adjacent parcels when the planning commission determines that overall circulation needs in the area require such access. The development review committee and/or planning commission may, at their discretion, require the subdivider to provide conceptual design layouts for adjacent parcels when necessary to analyze whether a proposed subdivision will allow access to such adjacent parcels to allow for adequate future development or subdivision in accordance with city requirements.
- G. Residential subdivisions should be designed to limit vehicle speeds through the appropriate use of street and intersection design, traffic calming features, and other techniques as determined by the City Engineer in accordance with the Master Plan of Complete Streets.
- H. The use of frontage roads in new residential subdivisions is prohibited.
- I. The use of alleys in new residential subdivisions is prohibited except where they will be privately maintained through a homeowner's association or similar mechanism, or where the City Engineer determines that the use of an ally system is the only practical means to design the subdivision.
- J. The maximum length of cul-de-sacs shall be as follows:
 - 1. Five hundred (500) feet in length when serving land zoned for industrial or commercial use; exception, one thousand (1,000) feet in length if the street has a minimum right-of-way of eighty (80) feet in width; or
 - 2. Seven hundred (700) feet in length when serving land zoned for residential uses having a density of more than four dwelling units per net acre; or
 - 3. One thousand (1,000) feet in length when serving land zoned for residential uses having a density of four or less dwelling units per net acre. The length of the cul-de-sac shall be measured along the centerline of the cul-de-sac from the centerline of the intersected street to the radius point of the cul-de-sac.
- K. Residential cul-de-sacs connecting to an arterial street are prohibited, unless the arterial street is the only available access to the site.
- L. Interior street patterns in commercial and industrial subdivisions should be designed primarily to provide safe access for automobiles, trucks and service vehicles at slow speeds.

REVISE Section 16.20.080 to read as follows:

16.20.080 - Rural Street Requirements

Subdivisions within rural residential areas (RR zones) shall generally comply with the following street design and improvement requirements; provided, however, that the City Engineer or approving authority may modify or reduce the right-of-way and improvement requirements to meet the intent, design, requirements, and performance objectives of the Master Plan of Complete Streets, including the use of alternative street surfacing materials where appropriate. The cross-sections contained in Section 2.2 of the Master Plan of Complete Streets shall be utilized for right-of-way and design guidance in rural residential areas.

DELETE Diagrams following Section 16.20.080.F

STAFF REPORT
City of Lancaster

CC 9
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Jeff Hogan, Development Services Director

Subject: **Rejection of Bids - Public Works Construction Project No. 17-012
Avenue I at 10th Street West and Avenue K at 30th Street West Intersection
Improvements, HSIPL-5419(041)**

Recommendation:

Reject all bids for Public Works Construction Project No. 17-012, Avenue I at 10th Street West and Avenue K at 30th Street West Intersection Improvements, HSIPL-5419(041). One bid was received and significantly exceeded the project budget.

Fiscal Impact:

None.

Background:

This project was designed to include intersection improvements with the installation of bulb-outs, curb ramps, sidewalk, landscaping and irrigation, storm drainage improvements, pavement rehabilitation, utility improvements, and signing, striping and markings.

On October 10, 2017, at 11:00 a.m., the City conducted a bid opening for Public Works Construction Project No. 17-012. One sealed bid envelope was received, opened, and read aloud. The bids were as follows:

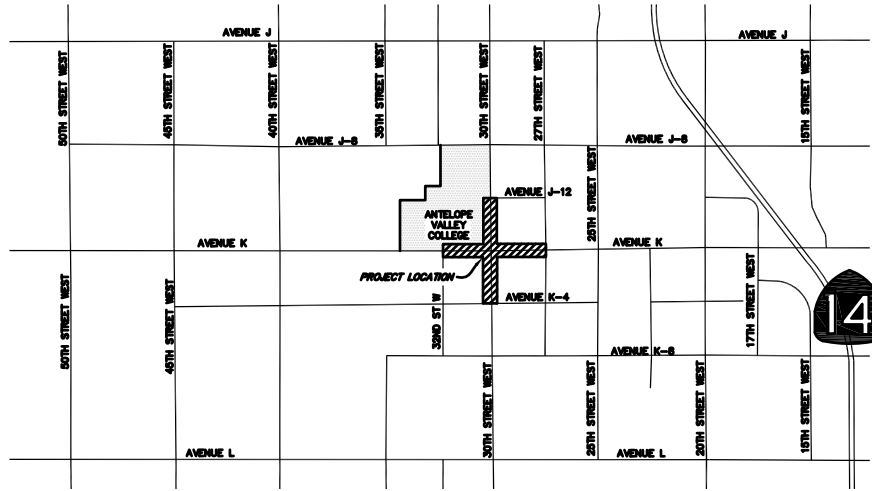
	<u>Contractor</u>	<u>City</u>	<u>Bid Amount</u>
1.	R. C. Becker and Son, Inc.	Santa Clarita	\$1,987,178.60
	Engineer's Estimate		\$1,415,402.00

MCL:bg

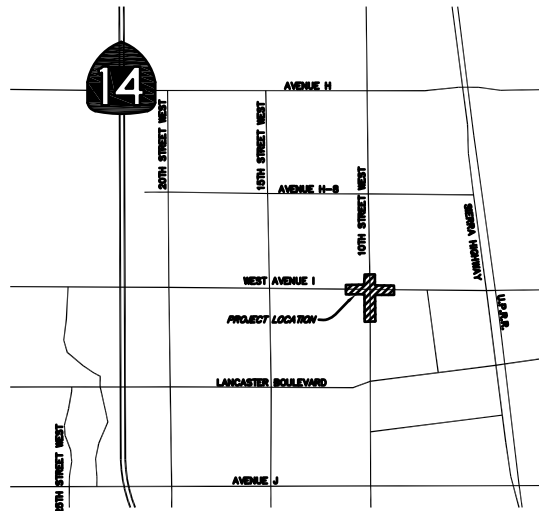
Attachment:

Vicinity Map

PWCP 17-012
AVENUE I AT 10TH STREET WEST AND AVENUE K AT 30TH STREET WEST INTERSECTION IMPROVEMENTS
FEDERAL PROJECT NO. HSIPL-5419(041)



AVENUE K AND 30TH STREET WEST



AVENUE I AND 10TH STREET WEST



VICINITY MAP

NTS

STAFF REPORT
City of Lancaster

PH 1
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Jeff Hogan, Development Services Director

Subject: **Amendment to Chapter 16.24 Article XI Title 16 (Subdivisions) to Allow the Creation of Easements by Covenant**

Recommendation:

Introduce **Ordinance No. 1037**, amending Title 16 (Subdivisions) of the Lancaster Municipal Code by adding Chapter 16.24 Article XI (Covenant of Easement), relating to the creation of easements by covenant.

Fiscal Impact:

None.

Background:

In certain situations, the subdivision or merging of parcels of land or the vacation of streets can create landlocked parcels or otherwise inhibit the rights of property owners from the full enjoyment of the use of their land and attached rights. In these situations, an easement can protect the rights of future property owners. However, when the properties in question are owned by the same person or entity, an easement cannot be created, because any restrictions placed by the current owner on himself or herself are not binding against any future owner of that property. Therefore, access to the property or other enjoyment of the property could be inhibited by a future owner of one of the separated properties in question.

Government Code sections 65870-65875 create an exception to this general rule, and allow creation of easements on properties held by a common owner, when necessary, to serve the limited purposes of parking, ingress, egress, emergency access, light and air access, landscaping, or open space purposes. However, before the City can require such an easement, the Government Code requires the City to pass a local enabling ordinance that allows creation of easements for properties held in common ownership. The covenant of easement document would describe the parcel to be subject to the easement, and the parcel to be benefited, and would list the City as the third party beneficiary.

Although this situation is infrequent in Lancaster, passage of this ordinance will solve a significant City and developer problem of trying to satisfy requirements to ensure that these easements are permanent. This ordinance will help eliminate delay in development projects by simplifying the legal requirements for property owners in this situation, and enable the City and property owners to ensure that necessary easements exist in perpetuity.

The Planning Commission held a public hearing on the proposed ordinance on September 18, 2017, and unanimously adopted Resolution No. 17-31, recommending to the City Council approval of the proposed ordinance.

JH:bg

Attachments:

Ordinance No. 1037

PC Staff Report dated September 18, 2017

ORDINANCE NO. 1037

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER AMENDING TITLE 16 (SUBDIVISIONS) OF THE LANCASTER MUNICIPAL CODE BY ADDING CHAPTER 16.24 ARTICLE XI (COVENANT OF EASEMENT), RELATING TO THE CREATION OF EASEMENTS BY COVENANT

WHEREAS, the City Council of the City of Lancaster regulates the orderly subdivision and development of land; and

WHEREAS, the City Council may require a property owner holding property in common to execute an easement to protect and provide for parking; ingress, egress, or emergency access; light and/or air access; signage; landscaping; and/or open space purposes for future property owners; and

WHEREAS, under California law, property owners holding property in common may not create enforceable easements against their own property; and

WHEREAS, Government Code sections 65870-65875 create an exception to this general rule and allow creation of easements on properties held by a common owner whenever the local agency passes a local enabling ordinance that allows creation of easements for properties held in common ownership by covenant;

THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY ORDAIN, AS FOLLOWS:

SECTION 1. Findings. The City Council of the City of Lancaster hereby finds and determines that the above recitals are true and correct.

SECTION 2. Chapter 16.24 Article XI of the Lancaster Municipal Code is hereby added as contained in the attached Exhibit "A".

SECTION 3. That the City Clerk shall certify to the passage of this Ordinance and will see that it is published and posted in the manner required by law.

I, Britt Avrit, MMC, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the 24th day of October, 2017, and placed upon its second reading and adoption at a regular meeting of the City Council on the ____ day of _____, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, MMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)ss
CITY OF LANCASTER)

CERTIFICATION OF ORDINANCE
CITY COUNCIL

I, _____, _____ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Ordinance No. 1037, for which the original is on file in my office.

WITNESS MY HAND AND SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

EXHIBIT "A"

Chapter 16.24 - IMPROVEMENTS, DEDICATIONS AND RESERVATIONS

Article XI. - Covenant of Easement

16.24.370 - In General.

The City may require certain easements to be recorded over properties currently held in common ownership for the benefit of future owners. This chapter allows for the recording of a covenant by the current owner to dedicate easements with the future transfer of said property. This chapter shall apply to all development projects approved by the City, its Council, Planning Commission, officers, and employees and acts independently from any other authority or method for the City to require an easement. The provisions of this chapter shall only apply when the covenant of easement is for parking; ingress, egress, or emergency access; light and/or air access; signage; landscaping; and/or open space purposes. The provisions of this chapter shall only apply when all the real property benefited or burdened by said covenant is in common ownership at the time of recording the covenant of easement. This chapter is adopted pursuant to Government Code Sections 65870 et seq.

16.24.380 - Procedures.

Whenever the approving authority determines, independently or based upon the recommendation of City Staff, that a covenant of easement is needed for one (1) or more of the purposes identified in Section 16.24.370 (General), the approval, permit, or designation shall not become effective unless or until said covenant of easement is recorded. Whenever a covenant of easement is required herein, the covenant shall either be in a form and manner approved by the City Attorney based upon the advice of the City Engineer and Director, executable by the City Engineer on behalf of the City; or be prepared by the City Attorney, executable by the City Engineer on behalf of the City. Whenever the City Attorney prepares a covenant of easement, the City shall be entitled to reimbursement from the applicant for the costs associated therewith.

16.24.390 - Contents.

A covenant of easement prepared pursuant to this chapter shall contain, at a minimum, the following elements:

- A. Identification of the owner and/or owners of the real property to be burdened, including a statement that both the burdened and benefited parcels are under common ownership;
- B. A consent to said covenant of easement and the recording thereof by the record owner and/or owners to the covenant;
- C. Identification of the real property to be benefited by said covenant, including a legal description of the same;

- D. A statement that said covenant shall act as an easement pursuant to Chapter 3 (commencing with Section 801) of Title 2 of Part 2 of Division 2 of the California Civil Code, including an express statement that said easement and covenant of easement shall not merge into any other interest in real property pursuant to California Government Code Section 65 871(b);
- E. State that said covenant of easement shall run with the land, be binding upon all successors in interest to the burdened real property, inure to all successors in interest to the real property benefited, and shall be subject to California Civil Code Section 1104;
- F. Identify the approval, permit, or designation granted, which required the covenant;
- G. A statement identifying the code section, which sets forth the procedure for release of the covenant;
- H. Identification of the City as a third party beneficiary;
- I. Provisions concerning maintenance and the scope of use of the easement; and
- J. An appropriate section for execution of said covenant of easement by the record owner, or owners of the subject real property.

16.24.390 - Release of Covenant.

Any person may request that the City make a determination as to whether or not the restriction imposed by the covenant of easement is still necessary to achieve the City's land use goals. The determination of the need for the covenant of easement shall be made by the approving authority that took final action on the original application. A person shall be entitled to only one (1) such determination in any twelve (12) month period as indicated. To obtain a determination mentioned above, a "request for determination" application shall be made and filed with the City Clerk. Said application shall include a fee as set by resolution of the Council. Upon receipt of a completed application, the City Clerk shall set the matter for public hearing before the approving authority and cause notice thereof to be given pursuant to Government Code Section 65090, and a copy of the notice shall be mailed to the record property owner or owners, as shown on the Tax Assessor's latest equalized roll if other than the applicant, and to all record property owners within one thousand (1,000) feet of the property.

At the conclusion of the public hearing, the approving authority shall determine and make a finding, based upon substantial evidence in the record, whether or not the restriction imposed by the covenant of easement is still necessary to achieve the land use goals of the City. If the approving authority determines that the covenant for easement is still required, the approving authority shall, by resolution, determine that the need still exists. If the approving authority finds that the covenant of easement is no longer necessary, the approving authority shall, by resolution, make the determination and finding and direct the City Attorney to prepare a release thereof and transmit the same to the City Clerk for recording. The approving authority's determination shall be final and conclusive.

PLANNING COMMISSION ACTION:
APPROVED (6-0-0-0-0)

AGENDA ITEM: 11.

DATE: 09-18-17

STAFF REPORT

**LANCASTER MUNICIPAL CODE AMENDMENT
ALLOWING FOR THE CREATION OF EASEMENTS BY COVENANT**

DATE: September 18, 2017

TO: Lancaster Planning Commission

FROM: Capital Program/Development Engineering Division,
Development Services Department

REQUEST: Amendment to Title 16 of the Lancaster Municipal Code (LMC), relating to the creation of easements by covenant

RECOMMENDATION: Adopt Resolution No. 17-31, recommending to the City Council approval of an ordinance, amending Title 16 of the LMC by adding Chapter 16.24 Article XI, relating to the creation of easements by covenant.

BACKGROUND: In certain situations, the subdivision, or merging of parcels of land, or the vacation of streets can create landlocked parcels, or otherwise inhibit the rights of property owners from the full enjoyment of the use of their land and attached rights. In these situations, an easement can protect the rights of future property owners. However, when the properties in question are owned by the same person or entity, an easement cannot be created because any restrictions placed by the current owner on himself or herself are not binding against any future owner of that property. Therefore, access to the property or other enjoyment of the property could be inhibited by a future owner of one of the separated properties in question.

Government Code sections 65870-65875 create an exception to this general rule and allow creation of easements on properties held by a common owner, when necessary to serve the limited purposes of parking, ingress, egress, emergency access, light and air access, landscaping, or open space purposes. However, before the City can require such an easement, the Government Code requires the City to pass a local enabling ordinance that allows creation of easements for properties held in common ownership. The covenant of easement document would describe the parcel to be subject to the easement and the parcel to be benefited, and would list the City as the third party beneficiary.

Although this situation is infrequent in the City, passage of this ordinance will solve a significant City and developer problem of trying to satisfy requirements to ensure that these easements are permanent. This ordinance will help eliminate delay in development projects by simplifying the legal requirements for property owners in this situation and enable the City and property owners to ensure that necessary easements exist in perpetuity.

PC Staff Report
Creation of Easements by Covenant
Chapter 16.24 Amendment Ordinance
September 18, 2017
Page 2

DISCUSSION: Staff is recommending a new chapter title of the LMC be adopted that would provide a solution to the problems associated with creating easements over properties held in common ownership. Chapter 16.24 Article XI, would allow for the recordation of covenants of easement. These covenants would act as easements while the properties are held by a common owner and revert to easements when the properties become owned by separate entities.

The fee for processing a Covenant of Easement document would be the fee currently established for real property legal description review and recording, which is the fee category charged for documents requiring similar actions, such as an Irrevocable Offer of Dedication.

Staff recommends that the Commission recommend to the City Council approval of the ordinance as proposed.

Respectfully submitted,



Allen Thompson, Utilities Services Manager

Attachments: PC Resolution No. 17-31
 Draft Ordinance

RESOLUTION NO. 17-31

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LANCASTER, CALIFORNIA, RECOMMENDING TO THE CITY COUNCIL AMENDMENTS TO TITLE 16 (SUBDIVISIONS) OF THE LANCASTER MUNICIPAL CODE BY ADOPTING CHAPTER 16.24 ARTICLE XI (COVENANT OF EASEMENT), RELATING TO THE CREATION OF EASEMENTS BY COVENANT

WHEREAS, the Planning Commission desires to protect the interests of future property owners by requiring easements, when necessary to provide for parking; ingress, egress, or emergency access; light and/or air access; signage; landscaping; and/or open space purposes; and

WHEREAS, Government Code sections 65870-65875 allow for the creation of easements on properties held by a common owner whenever the local agency passes a local enabling ordinance that allows creation of easements for properties held in common ownership by covenant; and

WHEREAS, the Planning Commission believes that it is in the public interest to amend Title 16 (Subdivision) of the Lancaster Municipal Code by adding Chapter 16.24 Article XI, which allows for the City of Lancaster to require, in appropriate situations, a property owner holding property in common to record a covenant which acts as an easement upon said; and

WHEREAS, the Planning Commission has held a duly noticed public hearing on September 18, 2017, and received public testimony and a Staff recommendation on this matter; and

WHEREAS, the adoption of the ordinance is not subject to the California Environmental Quality Act pursuant to Section 15061(b)(3) of the State CEQA Guidelines because there is no possibility that it may have a significant effect on the environment;

NOW, THEREFORE, BE IT RESOLVED:

The Planning Commission hereby recommends to the City Council the adoption of an ordinance amending Title 16.24 Article XI as attached hereto and incorporated herein.

PASSED, APPROVED and ADOPTED this 18th day of September 2017, by the following vote:

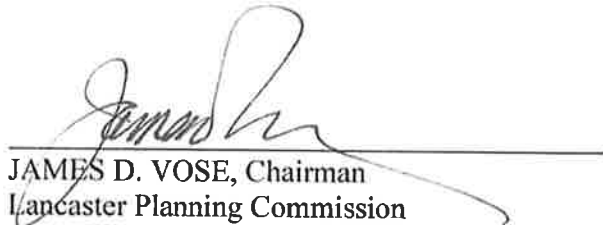
AYES: Commissioners Cook, Harvey, Mercy, Smith, Vice Chair Hall, and Chairman Vose.

NOES: None.


ABSTAIN: None.

RECUSED: None.

ABSENT: None.


JAMES D. VOSE, Chairman
Lancaster Planning Commission

ATTEST:


BRIAN S. LUDICKE, Planning Director
City of Lancaster

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF LANCASTER AMENDING TITLE 16
(SUBDIVISIONS) OF THE LANCASTER MUNICIPAL
CODE BY ADOPTING CHAPTER 16.24 ARTICLE XI
(COVENANT OF EASEMENT), RELATING TO THE
CREATION OF EASEMENTS BY COVENANT

WHEREAS, the City Council of the City of Lancaster regulates the orderly subdivision and development of land; and

WHEREAS, the City Council may require a property owner holding property in common to execute an easement to protect and provide for parking; ingress, egress, or emergency access; light and/or air access; signage; landscaping; and/or open space purposes for future property owners; and

WHEREAS, under California law, property owners holding property in common may not create enforceable easements against their own property; and

WHEREAS, Government Code sections 65870-65875 create an exception to this general rule and allow creation of easements on properties held by a common owner whenever the local agency passes a local enabling ordinance that allows creation of easements for properties held in common ownership by covenant;

THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES
HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Findings. The City Council of the City of Lancaster hereby finds and determines that the above recitals are true and correct.

SECTION 2. Chapter 16.24 Article XI of the Lancaster Municipal Code is hereby added as follows:

Chapter 16.24 - IMPROVEMENTS, DEDICATIONS AND RESERVATIONS

Article XI - Covenant of Easement

16.24.370 - In General.

The City may require certain easements to be recorded over properties currently held in common ownership for the benefit of future owners. This chapter allows for the recording of a covenant by the current owner to dedicate easements with the future transfer of said property. This chapter shall apply to all development projects approved by the City, its Council, Planning Commission, officers, and employees and acts independently from any other authority or method for the City to require an easement. The provisions of this chapter shall only apply when the covenant of easement is for parking; ingress, egress, or emergency access; light and/or air access; signage; landscaping; and/or open space purposes. The provisions of this chapter shall only apply when all the real property benefited or burdened by said covenant is in common ownership at the time of recording the covenant of easement. This chapter is adopted pursuant to Government Code Sections 65870 et seq.

16.24.380 - Procedures.

Whenever the approving authority determines, independently or based upon the recommendation of City Staff, that a covenant of easement is needed for one (1) or more of the purposes identified in Section 16.24.370 (General), the approval, permit, or designation shall not become effective unless or until said covenant of easement is recorded. Whenever a covenant of easement is required herein, the covenant shall either be in a form and manner approved by the City Attorney based upon the advice of the City Engineer and Director, executable by the City Engineer on behalf of the City; or be prepared by the City Attorney, executable by the City Engineer on behalf of the City. Whenever the City Attorney prepares a covenant of easement, the City shall be entitled to reimbursement from the applicant for the costs associated therewith.

16.24.390 - Contents.

A covenant of easement prepared pursuant to this chapter shall contain, at a minimum, the following elements:

- A. Identification of the owner and/or owners of the real property to be burdened, including a statement that both the burdened and benefited parcels are under common ownership;
- B. A consent to said covenant of easement and the recording thereof by the record owner and/or owners to the covenant;
- C. Identification of the real property to be benefited by said covenant, including a legal description of the same;
- D. A statement that said covenant shall act as an easement pursuant to Chapter 3 (commencing with Section 801) of Title 2 of Part 2 of Division 2 of the California Civil Code, including an express statement that said easement and covenant of easement shall not merge into any other interest in real property pursuant to California Government Code Section 65 871(b);
- E. State that said covenant of easement shall run with the land, be binding upon all successors in interest to the burdened real property, inure to all successors in interest to the real property benefited, and shall be subject to California Civil Code Section 1104;
- F. Identify the approval, permit, or designation granted, which required the covenant;
- G. A statement identifying the code section, which sets forth the procedure for release of the covenant;
- H. Identification of the City as a third party beneficiary;
- I. Provisions concerning maintenance and the scope of use of the easement; and
- J. An appropriate section for execution of said covenant of easement by the record owner, or owners of the subject real property.

16.24.390 - Release of Covenant.

Any person may request that the City make a determination as to whether or not the restriction imposed by the covenant of easement is still necessary to achieve the City's land use goals. The determination of the need for the covenant of easement shall be made by the approving authority that took final action on the original application. A person shall be entitled to only one (1) such determination in any twelve (12) month period as indicated. To obtain a determination mentioned above, a "request for determination" application shall be made and filed with the City Clerk. Said application shall include a fee as set by resolution of the Council. Upon receipt of a completed application, the City Clerk shall set the matter for public hearing before the approving authority and cause notice thereof to be given pursuant to Government Code Section 65090, and a

copy of the notice shall be mailed to the record property owner or owners, as shown on the Tax Assessor's latest equalized roll if other than the applicant, and to all record property owners within one thousand (1,000) feet of the property.

At the conclusion of the public hearing, the approving authority shall determine and make a finding, based upon substantial evidence in the record, whether or not the restriction imposed by the covenant of easement is still necessary to achieve the land use goals of the City. If the approving authority determines that the covenant for easement is still required, the approving authority shall, by resolution, determine that the need still exists. If the approving authority finds that the covenant of easement is no longer necessary, the approving authority shall, by resolution, make the determination and finding and direct the City Attorney to prepare a release thereof and transmit the same to the City Clerk for recording. The approving authority's determination shall be final and conclusive.

STAFF REPORT

City of Lancaster

CB 1
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Chenin Dow, Management Analyst II
Angela Clayborne, Projects Assistant/Executive Director of Destination Lancaster

Subject: **Lancaster Tourism Business Improvement District**

Recommendation:

Open public testimony to allow members of the public to provide comments on the proposed Lancaster Tourism Business Improvement District (TBID).

Fiscal Impact:

Since its inception in 2013, the TBID has contributed to the generation of more than \$7.6 million in transient occupancy tax to the City of Lancaster.

Background:

In the depths of the nation's largest recession since the Great Depression, the City of Lancaster sought new and creative ways to generate increased revenue and strengthen the region's economic health. Recognizing that the old ways of doing things would not pull us through this challenging time, we turned to our private-sector partners. Together, we pursued a number of new avenues for public-private cooperation.

One such opportunity was the Lancaster Tourism Business Improvement District (TBID). Lancaster's top-tier hotels banded together in an initiative to attract new tourism and generate increased hotels stays throughout the City of Lancaster. Dubbed "Destination Lancaster," the organization encompasses nine hotels, each of which has voted to establish a dedicated revenue stream to be used exclusively for the promotion of tourism to benefit member hotels.

As the TBID's first five-year term of operation draws to a close, its success is clear. Under the leadership of Council Member Ken Mann and Antelope Valley Fair representative Ron Emard, member hotels have seen substantial gains in the two key indicators of financial health in the hotel industry: occupancy rates and average daily rate (ADR). Meanwhile, the City of Lancaster has enjoyed significant growth in transient occupancy tax (TOT) revenues, caused by these increases as well as the addition of two new hotels. The numbers speak for themselves:

- TOT has increased 38% since the TBID's inception.
- Occupancy rates have seen a 29% increase during the same time period.

- 2017 hotel market reports show that Destination Lancaster hotels are performing higher in both ADR and occupancy rates than hotels in neighboring communities.
- ADR is up 10% over 2016 among member hotels.
- Tourism generated an estimated \$12,618,280 in local tax revenue last year alone, according to economic impact estimates from Visit California.
- Marketing efforts including a new website, internet display ads, and destination coverage by social influencers as well as traditional media outlets have resulted in nearly 10 million views last year. Thanks in no small part to these marketing efforts, Lancaster was recently named among the *50 Most Underrated Attractions in Every State* and *20 of the Most Beautiful Places in America*.

As a result of this remarkable success, Destination Lancaster's member hotels have unanimously petitioned to renew the district for another five-year term beginning on February 1, 2018. As outlined in the Management District Plan (Attachment 1), the district will include all lodging businesses in the City of Lancaster with an AAA rating of two diamonds or higher. The proposed TBID charge would remain at the current rate of 2% of the nightly room rate. As in the current Management District Plan, the Destination Lancaster Board of Directors will have the option to raise the rate to a maximum of 3% in future years.

Destination Lancaster will continue to be governed by a Board of Directors that represents a partnership between the City, member hotels, and key local stakeholders. Per the organization bylaws, the nine-member board will include a Lancaster City Council member, an economic development staff member from the City of Lancaster, a member of the Antelope Valley Fair Board of Directors, the General Manager of the Antelope Valley Fair, one representative of the Chamber of Commerce, and four representatives of member hotels.

At its September 26th meeting, the City Council approved the resolution of intention to renew the TBID. This public meeting marks the second step in the renewal process. The third and final step is a public hearing, to be held at the November 14th City Council meeting. If renewed, the district will continue its work to promote travel and tourism in the City of Lancaster.

VL:CD:AC

Attachment
Management District Plan

2018-2023



**LANCASTER TOURISM BUSINESS
IMPROVEMENT DISTRICT
MANAGEMENT DISTRICT PLAN**

*Prepared pursuant to the Property and Business Improvement District Law of
1994, Streets and Highways Code section 36600 et seq.*

August 17, 2017

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I. OVERVIEW

Developed by the Visitors Bureau of Lancaster dba Destination Lancaster (DL), the Lancaster Tourism Business Improvement District (LTBID) is an assessment district proposed to continue to provide specific benefits to payors, by funding marketing and sales promotion efforts for assessed businesses. This approach has been used successfully in other destination areas throughout the country to provide the benefit of additional room night sales directly to payors.

Boundaries: The renewed LTBID includes all lodging businesses with an AAA rating of 2 diamonds or higher located within the boundaries of the City of Lancaster, as shown on the map in Section IV.

Services: The LTBID is designed to provide specific benefits directly to payors by increasing room night sales. Marketing, sales and promotions programs will increase overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing room night sales.

Budget: The total LTBID annual budget for the initial year of its five (5) year operation is anticipated to be approximately \$360,000. This budget is expected to fluctuate as room sales and the assessment rate do, but is not expected to significantly change over the LTBID's term.

Cost: The annual assessment rate is two percent (2%) of gross short-term room rental revenue. During the five (5) year term, the assessment rate may be increased by the Owners' Association Board to a maximum of three percent (3%) of gross short-term room rental revenue. The maximum increase in any year shall be one-half of one percent (0.5%). Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty; and stays pursuant to contracts executed prior to February 1, 2018.

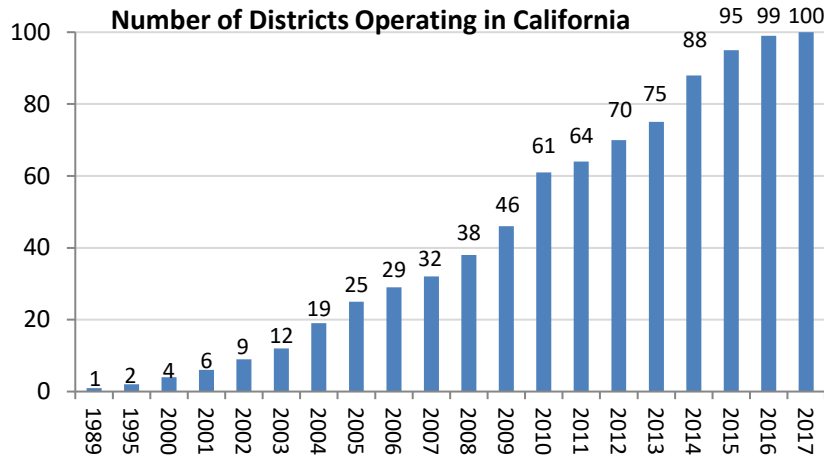
Collection: The City will be responsible for collecting the assessment on a monthly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the LTBID. The City shall take all reasonable efforts to collect the assessments from each lodging business.

Duration: The renewed LTBID will have a five (5) year life, beginning February 1, 2018 through January 31, 2023. Once per year, beginning on the anniversary of LTBID renewal, there is a 30-day period in which owners paying more than fifty percent (50%) of the assessment may protest and initiate a City Council hearing on LTBID termination.

Management: Destination Lancaster will continue to serve as the LTBID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual reports to the City Council.

II. BACKGROUND

TBIDs are an evolution of the traditional Business Improvement District. The first TBID was formed in West Hollywood, California in 1989. Since then, over ninety California destinations have followed suit. In recent years, other states have begun adopting the California model – Montana, South Dakota, Washington, Colorado, Texas and Louisiana have adopted TBID laws. Several other states are in the process of adopting their own legislation. The cities of Wichita, Kansas and Newark, New Jersey used an existing business improvement district law to form a TBID. And, some cities, like Portland, Oregon and Memphis, Tennessee have utilized their home rule powers to create TBIDs without a state law.



California’s TBIDs collectively raise over \$250 million for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that Lancaster lodging businesses continue to invest in stable, lodging-specific marketing programs.

TBIDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TBIDs allow lodging business owners to organize their efforts to increase room night sales. Lodging business owners within the TBID pay an assessment and those funds are used to provide services that increase room night sales.

TBIDs utilize the efficiencies of private sector operation in the market-based promotion

In California, TBIDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between TBIDs and other benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

III. BENEFITS

There are many benefits of a TBID in Lancaster:

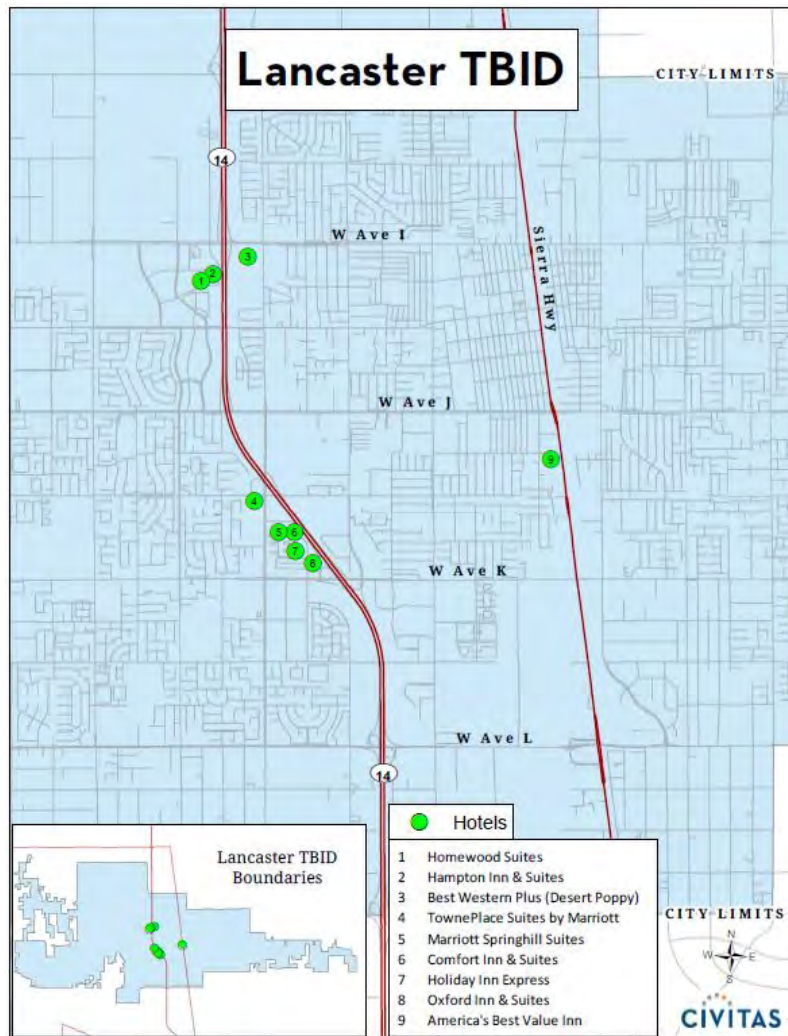
- Lancaster’s TBID is an influential mechanism for boosting key performance indicators including increased occupancy, average daily rate, marketing penetration index and revenue generation index for assessed lodging businesses.
- Lancaster’s TBID governance is a partnership between assessed lodging businesses and community influencers to further the interests of tourism and to position the industry to shape local and regional policies.
- Lancaster’s TBID is customized to fit the specific needs of our unique community and assessed lodging businesses.
- Lancaster’s TBID provides a dedicated, long-term revenue stream for tourism promotion that must, by law, be spent on services and improvements that provide a specific benefit to those who pay. Funds cannot be diverted to general government programs.
- Lancaster’s TBID allows for a wide range of services that increase the economic vitality of the region.

IV. BOUNDARY

The LTBID will include all lodging businesses with an AAA rating of 2 diamonds or higher, existing and in the future, available for public occupancy within the boundaries of the City of Lancaster. Lodging business ratings will be reviewed annually, due to changes in ratings, to determine the lodging businesses to be assessed by the LTBID. Newly constructed or opened lodging businesses will automatically be included in and assessed by the LTBID, after going through the mandatory AAA rating process (for inclusion in the LTBID) and obtaining at least a 2 diamond rating.

Lodging business means: any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes and including any hotel, in tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobilehome or house trailer at a fixed location, or other similar structure or portion thereof.

The boundary, as shown in the map below, currently includes nine (9) lodging businesses. A complete listing of lodging businesses within the renewed LTBID can be found in Appendix 2. A larger boundary map can be found in Appendix 3.

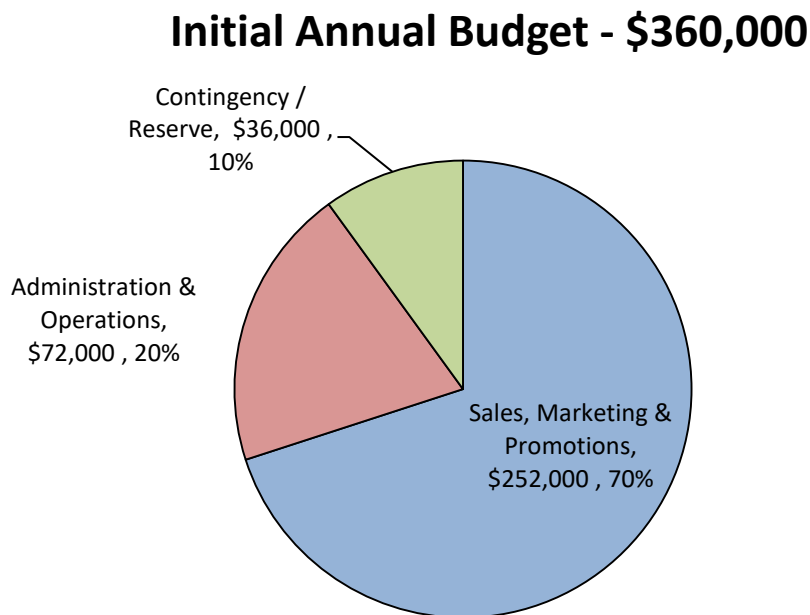


V. BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the City of conferring the benefits or granting the privileges. The privileges and services provided with the LTBID funds are sales and marketing programs available only to assessed businesses.

A service plan budget has been developed to deliver services that benefit the assessed businesses. A detailed annual budget will be developed and approved by DL. The table below illustrates the initial annual budget allocations. The total initial budget is \$360,000.



Although actual revenues will fluctuate due to market conditions and assessment rate changes, the proportional allocations of the budget shall remain the same. However, the City and the DL board shall have the authority to adjust budget allocations between the categories by no more than fifteen percent (15%) of the total budget per year. A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the LTBID, any and all assessment funds may be used for the costs of defending the LTBID.

Each budget category includes all costs related to providing that service, in accordance with Generally Accepted Accounting Procedures (GAAP). For example, the sales and marketing budget includes the cost of staff time dedicated to overseeing and implementing the sales and marketing program. Staff time dedicated purely to administrative tasks is allocated to the administrative portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories, as appropriate in accordance with GAAP. The staffing levels necessary to provide the services below will be determined by DL on an as-needed basis.

Sales, Marketing & Promotions

A sales, marketing and promotions program will promote assessed businesses as tourist, meeting, and event destinations. The sales, marketing and promotions program will have a central theme of promoting Lancaster as a desirable place for overnight visits. The program will have the goal of increasing overnight visitation and room night sales at assessed businesses, and may include the following activities:

- Internet marketing efforts to increase awareness and optimize internet presence to drive overnight visitation and room sales to assessed businesses;
- Print ads in magazines and newspapers, television ads, and radio ads targeted at potential visitors to drive overnight visitation and room sales to assessed businesses;
- Attendance of trade shows to promote assessed businesses;
- Sales blitzes for assessed businesses;
- Familiarization tours of assessed businesses;
- Preparation and production of collateral promotional materials such as brochures, flyers and maps featuring assessed businesses;
- Attendance of professional industry conferences and affiliation events to promote assessed businesses;
- Lead generation activities designed to attract tourists and group events to assessed businesses;
- Reports and analysis on the effectiveness and return on investment of LT BID sales, marketing and promotions programs to help focus LT BID sales, marketing and promotions programs to drive overnight visitation and room sales to assessed businesses;
- Director of Sales and General Manager meetings to plan and coordinate tourism promotion efforts for assessed businesses; and
- Development and maintenance of a website designed to promote assessed businesses.

Administration and Operations

The administration and operations portion of the budget shall be utilized for administrative staffing costs, office costs, advocacy, and other general administrative costs such as insurance, legal, and accounting fees.

Contingency/Reserve

The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of the Owners' Association. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board of Directors of the Owners' Association. Contingency/reserve funds may be spent on District programs or administrative and renewal costs in such proportions as determined by the Owners' Association. The reserve fund may be used for the costs of renewing the District.

B. Annual Budget

The total five (5) year improvement and service plan budget is projected at approximately \$360,000 annually, or \$2,594,233.34 through 2023 if the maximum assessment rate increases are adopted. This budget is expected to fluctuate as room sales change and if the assessment rate is increased. If the maximum annual assessment rate increases are adopted by DL's Board, the annual budget will increase to an estimated \$463,500.00 in year two and \$572,886.00 in year three. The annual assessment rate is two percent (2%) of gross short-term room rental revenue. During the five (5) year term, the assessment rate may be increased by the Owners' Association Board to a maximum of three percent

(3%) of gross short-term room rental revenue. The maximum increase in any year shall be one-half of one percent (0.5%). The assessment rate may or may not increase starting in FY 2019-20, the increases may be implemented beginning in FY 2019-20 or in later years at the discretion of the Owners' Association. The table below demonstrates the maximum with the assumption that the assessment rate will be increased in FY 2019-20 and FY 2020-21 as it is a required disclosure, it is not the anticipated course of action. Additionally, a three percent (3%) annual increase in the total budget is shown, to account for estimated increased room night sales as a result of LTBD efforts. This three percent (3%) annual increase is a conservative estimate based on the effects of similarly sized TBID budgets.

**Estimated Annual Budget If Maximum Assessment Rates Are Adopted
2018-2023**

Fiscal Year	Sales, Marketing & Promotions	Administration & Operations	Contingency / Reserve	Total	3% Estimated Annual Increase	Increase Due to Assessment Rate Change
%	70%	20%	10%	100%		
2018-19	\$252,000.00	\$72,000.00	\$36,000.00	\$360,000.00	-	-
2019-20	\$324,450.00	\$92,700.00	\$46,350.00	\$463,500.00	\$ 13,500.00	\$ 90,000.00
2020-21	\$401,020.20	\$114,577.20	\$57,288.60	\$572,886.00	\$ 16,686.00	\$ 92,700.00
2021-22	\$413,050.81	\$118,014.52	\$59,007.26	\$590,072.58	\$ 17,186.58	-
2022-23	\$425,442.33	\$121,554.95	\$60,777.48	\$607,774.76	\$ 17,702.18	-
TOTAL	\$1,815,963.34	\$518,846.67	\$259,423.33	\$2,594,233.34		

**Estimated Annual Budget If Maximum Assessment Rates Are Not Adopted
2018-2023**

Fiscal Year	Sales, Marketing & Promotions	Administration & Operations	Contingency / Reserve	Total	3% Estimated Annual Increase	Increase Due to Assessment Rate Change
%	70%	20%	10%	100%		
2018-19	\$252,000.00	\$72,000.00	\$36,000.00	\$360,000.00	-	-
2019-20	\$324,450.00	\$92,700.00	\$46,350.00	\$370,800.00	\$ 10,800.00	-
2020-21	\$401,020.20	\$114,577.20	\$57,288.60	\$381,924.00	\$ 11,124.00	-
2021-22	\$413,050.81	\$118,014.52	\$59,007.26	\$393,381.72	\$ 11,457.72	-
2022-23	\$425,442.33	\$121,554.95	\$60,777.48	\$405,183.17	\$ 11,801.45	-
TOTAL	\$1,815,963.34	\$518,846.67	\$259,423.33	\$1,911,288.89		

C. California Constitutional Compliance

The LTBD assessment is not a property-based assessment subject to the requirements of Proposition 218. The Court has found, “Proposition 218 limited the term ‘assessments’ to levies on real property.”¹ Rather, the LTBD assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the LTBD, a “specific benefit” and a “specific government service.” Both require that the costs of benefits or services do not exceed the reasonable costs to the City of conferring the benefits or providing the services.

¹ *Jarvis v. the City of San Diego* 72 Cal App. 4th 230

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, “a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.”² The services in this Plan are designed to provide targeted benefits directly to assessed lodging businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific lodging businesses within the District. The activities described in this Plan are specifically targeted to increase room night sales for assessed lodging businesses within the boundaries of the District, and are narrowly tailored. LTBD funds will be used exclusively to provide the specific benefit of increased room night sales directly to the assessees. Assessment funds shall not be used to feature non-assessed lodging businesses in LTBD programs, or to directly generate sales for non-assessed businesses. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed businesses.

The assessment imposed by this District is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in room night sales. The specific benefit of an increase in room night sales for assessed lodging businesses will be provided only to lodging businesses paying the district assessment, with marketing and sales programs promoting lodging businesses paying the district assessment. The marketing and sales programs will be designed to increase room night sales at each assessed lodging businesses. Because they are necessary to provide the marketing and sales programs that specifically benefit the assessed lodging businesses, the administration and contingency services also provide the specific benefit of increased room night sales to the assessed lodging businesses.

Although the District, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, “A specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”³

2. Specific Government Service

The assessment may also be utilized to provide, “a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.”⁴ The legislature has recognized that marketing and promotions services like those to be provided by the LTBD are government services within the meaning of Proposition 26⁵. Further, the legislature has determined that “a specific government service is not excluded from classification as a ‘specific government service’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor.”⁶

² Cal. Const. art XIII C § 1(e)(1)

³ Government Code § 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(2)

⁵ Government Code § 53758(b)

⁶ Government Code § 53758(b)

3. Reasonable Cost

District services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by DL, and reports submitted on an annual basis to the City. Only assessed lodging businesses will be featured in marketing materials, receive sales leads generated from district-funded activities, be featured in advertising campaigns, and benefit from other district-funded services. Non-assessed lodging businesses will not receive these, nor any other, district-funded services and benefits.

The District-funded programs are all targeted directly at and feature only assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed lodging businesses receive incremental room nights, that portion of the promotion or program generating those room nights shall be paid with non-District funds. LTBDID funds shall only be spent to benefit the assessed businesses, and shall not be spent on that portion of any program which directly generates incidental room nights for non-assessed businesses.

D. Assessment

The annual assessment rate is two percent (2%) of gross short-term room rental revenue. During the five (5) year term, the assessment rate may be increased by the Owners' Association Board to a maximum of three percent (3%) of gross short-term room rental revenue. The maximum increase in any year shall be one-half of one percent (0.5%). Based on the benefit received, assessments will not be collected on: stays of more than thirty (30) consecutive days; stays by any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty; and stays pursuant to contracts executed prior to February 1, 2018.

The term "gross room rental revenue" as used herein means: the consideration charged, whether or not received, for the occupancy of space in a lodging business valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross room rental revenue shall not include any federal, state or local taxes collected, including but not limited to transient occupancy taxes.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to transients. The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business. The assessment shall be disclosed as the "LTBDID Assessment." The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to transients. The assessment shall not be considered revenue for any purposes, including calculation of transient occupancy taxes.

Bonds shall not be issued.

E. Penalties and Interest

The LTBDID shall reimburse the City of Lancaster for any costs associated with collecting unpaid assessments. If sums in excess of the delinquent LTBDID assessment are sought to be recovered in the same collection action by the City, the LTBDID shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. *Original Delinquency:* Any lodging business that fails to remit any assessment imposed within the time required shall pay a penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment.
2. *Continued Delinquency:* Any lodging business that fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent (10%) of the amount of the assessment in addition to the amount of the assessment and the ten percent (10%) penalty first imposed.
3. *Fraud:* If the City determines that the nonpayment of any remittance due is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the penalties stated in subsections 1 and 2 above.
4. *Interest:* In addition to the penalties imposed, any lodging business that fails to remit any assessment imposed shall pay interest at the rate of one-half of one percent per month or fraction thereof on the amount of the assessment, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
5. *Penalties Merged with Assessment:* Every penalty imposed and such interest as accrues under the provisions of this section, shall become a part of the assessment herein required to be paid.

F. Time and Manner for Collecting Assessments

The LTBID assessment will be implemented beginning February 1, 2018 and will continue for five (5) years through January 31, 2023. The City will be responsible for collecting the assessment on a monthly basis (including any delinquencies, penalties and interest) from each lodging business. The City shall take all reasonable efforts to collect the assessments from each lodging business. The City shall forward the assessments collected to the Owners' Association.

VI. GOVERNANCE

A. Owners' Association

The City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the LTBD as defined in Streets and Highways Code §36612. The City Council has determined that Visitors Bureau of Lancaster dba Destination Lancaster will serve as the Owners' Association for the LTBD. DL's Board of Directors shall be composed of nine (9) Directors as follows:

- Two (2) Directors representing the City of Lancaster;
- Two (2) Directors representing the Antelope Valley Fairgrounds;
- Four (4) Directors representing assessed lodging businesses; and
- One (1) Director representing the Lancaster Chamber of Commerce.

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the DL board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

C. Annual Report

DL shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

APPENDIX 1 – LAW

*** This document is current through the 2017 Supplement ***
(All 2016 legislation)

STREETS AND HIGHWAYS CODE
Division 18. Parking
Part 7. Property and Business Improvement District Law of 1994

Cal Sts & Hy Code Div. 18, Pt. 7 (2017)

CHAPTER 1. General Provisions [36600 - 36617]

ARTICLE 1. Declarations [36600 - 36604]

36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

- (a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.
- (d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.
- (e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:
 - (1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.
 - (2) Job creation.
 - (3) Business attraction.
 - (4) Business retention.
 - (5) Economic growth.
 - (6) New investments.
- (f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.
- (g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.
- (h) The act amending this section is intended to provide the Legislature’s guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.
 - (1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.
 - (2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the

incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions [36606 - 36616]

36606. “Activities”

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

36606.5. “Assessment”

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. “Business”

“Business” means all types of businesses and includes financial institutions and professions.

36608. “City”

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. “City council”

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. “Clerk”

“Clerk” means the clerk of the legislative body.

36609.5. “General benefit”

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

36610. “Improvement”

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the district.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. “Management district plan”; “Plan”

“Management district plan” or “plan” means a proposal as defined in Section 36622.

36612. “Owners’ association”

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), for all records relating to activities of the district.

36614. “Property”

“Property” means real property situated within a district.

36614.5. “Property and business improvement district”; “District”

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

36614.6. “Property-based assessment”

“Property-based assessment” means any assessment made pursuant to this part upon real property.

36614.7. “Property-based district”

“Property-based district” means any district in which a city levies a property-based assessment.

36615. “Property owner”; “Business owner”; “Owner”

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation

to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. “Special benefit”

“Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

36616. “Tenant”

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law [36617- 36617.]

36617. Alternate method of financing certain improvements and activities; Effect on other provision

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment [36620 - 36630]

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceeding; Petition of property or business owners in proposed district

(a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.

- (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

- (a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.
- (b) The name of the proposed district.
- (c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.
- (d) The improvements, maintenance, and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.
- (e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.
- (f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.
- (g) The time and manner of collecting the assessments.
- (h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.
- (i) The proposed time for implementation and completion of the management district plan.
- (j) Any proposed rules and regulations to be applicable to the district.
- (k) (1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.
- (2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively 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 activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred

on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

- (l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.
- (m) In a property-based district, the total amount of general benefits, if any.
- (n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.
- (o) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

- (a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.
- (b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.
- (c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

- (a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:
 - (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or

map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in Section 36625.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625 or Section 36626, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments [36631 - 36637]

36631. Time and manner of collection of assessment; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adopting of resolution of intention

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

CHAPTER 3.5. Financing [36640- 36640.]

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance [36650 - 36651]

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements, maintenance, and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners’ association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners’ association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners’ association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal [36660- 36660.]

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

(a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment [36670 - 36671]

36670. Circumstances permitting disestablishment of district; Procedure

(a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesseses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.

(b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

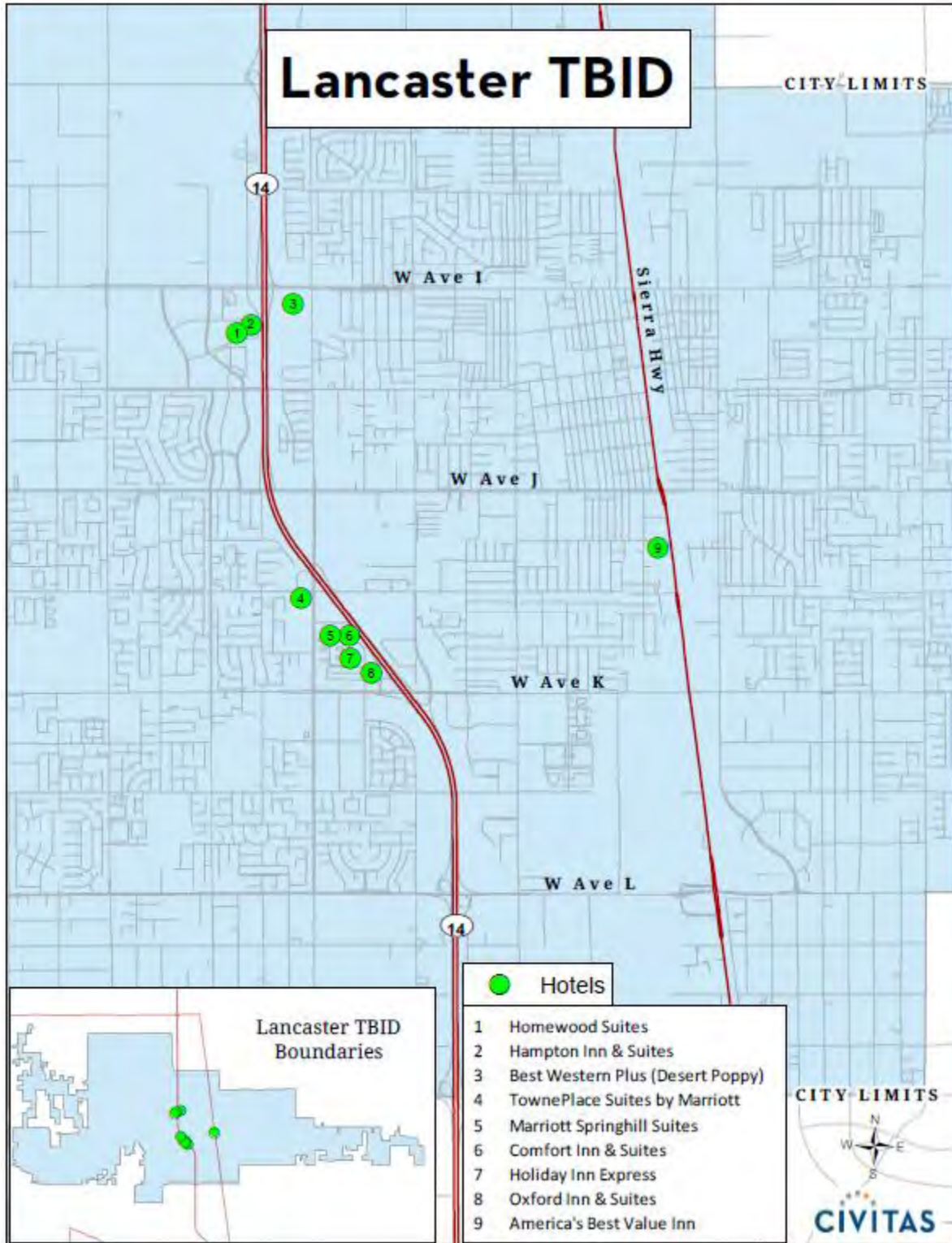
(a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

Business Name	Business Address	City, State, ZIP	Rating
America's Best Value Inn	44131 Sierra Hwy	Lancaster, CA 93534	2
Best Western Plus (Desert Poppy)	2038 W. Ave. I	Lancaster, CA 93536	3
Comfort Inn & Suites	1825 W. Ave J-12	Lancaster, CA 93534	2
Hampton Inn & Suites	2300 Double Play Way	Lancaster, CA 93536	3
Holiday Inn Express	43719 17 th St. West	Lancaster, CA 93534	3
Homewood Suites	2320 Double Play Way	Lancaster, CA 93536	3
Marriott Springhill Suites	1811 W. Ave J-12	Lancaster, CA 93534	3
Oxford Inn & Suites	1651 W. Ave K	Lancaster, CA 93534	3
TownePlace Suites	2024 W. Ave J-8	Lancaster, CA 93536	3

APPENDIX 3 – BOUNDARY MAP



STAFF REPORT
City of Lancaster

NB 1
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Britt Avrit, MMC, City Clerk

Subject: **General Municipal Election – April 10, 2018**

Recommendations:

- a. Adopt **Resolution No. 17-51**, calling for the holding of a General Municipal Election to be held on Tuesday, April 10, 2018, for the election of certain officers as required by the provisions of the applicable laws of the state of California and the City of Lancaster City Charter.
- b. Adopt **Resolution No. 17-52**, requesting the Board of Supervisors of the County of Los Angeles to render specified services to the city relating to the conduct of a General Municipal Election to be held Tuesday, April 10, 2018.
- c. Adopt **Resolution No. 17-53**, adopting regulations for candidates for elective office, pertaining to filing fees and candidate statements submitted to the voters at an election to be held Tuesday, April 10, 2018.
- d. Adopt **Resolution No. 17-54**, providing for the conduct of a special runoff election for elective offices in the event of a tie vote at any municipal election
- e. Approve the agreement with Martin & Chapman for consulting services for the April 10, 2018 General Municipal Election.

Fiscal Impact:

The estimated cost for the election is \$251,000 and is covered in the adopted budget.

Background:

During odd numbered years, the City Council adopts the necessary resolutions to proceed with the General Municipal Election in April of even-numbered years. These resolutions fulfill certain legal requirements to conduct the General Municipal Election; request information and supplies from the County of Los Angeles; establish guidelines and costs associated with candidate statements; and provide provisions to conduct a special runoff election to resolve a tie vote.

The General Municipal Election of the City of Lancaster will be held on Tuesday, April 10, 2018, for the purpose of filling two Council Member seats.

In compliance with SB 415, on September 26, 2017 Ordinance No. 1033 was adopted which moved the City's General Municipal Election from the second Tuesday in April of even-numbered years to the first Tuesday after the first Monday in June or such other month as the Statewide Direct Primary Election may be held per state law of even-numbered beginning in 2022. Governor Brown signed SB 568 which changed the month of the Statewide Direct Primary from being held in June of even numbered years to being held in March of even numbered years beginning in 2020. Therefore, the term for the two Council Member seats to be voted on at the April 10, 2018 General Municipal Election will be for 3 years and eleven months.

The City will request that the County of Los Angeles provide voter registration information and certain supplies for polling locations, pursuant to Elections Code § 10002.

It is also important that the City remains in compliance with the Federal Voting Rights Act, providing for language translation as identified by the City Clerk. Candidates have the option of providing a candidate statement of not more than 400 words, stating the candidate's background, education, and qualifications as expressed by the candidate. Pursuant to Election Code § 10228 and the Lancaster Municipal Code, all candidates filing nomination papers are required to pay a filing fee of \$25.00. Additionally, the City Clerk shall estimate the costs associated with candidate statements and is not bound by this estimate.

The filing period for the April 10, 2018 Election begins Monday, December 18, 2017 and ends at 5:00 p.m. on Friday, January 12, 2018. According to Elections Code § 10225, if any incumbents for a specific office fail to file by the close of the workday on January 12, 2018, the filing period will be extended (5) five calendar days for that specific office, for non-incumbents only, thus closing Wednesday, January 17, 2018 at the close of the workday – 6:00 p.m.

Staff is requesting Council approval of all resolutions to be in compliance with the Elections Code and to move forward with the election process.

Attachments:

Resolution No. 17-51

Resolution No. 17-52

Resolution No. 17-53

Resolution No. 17-54

Agreement

RESOLUTION NO. 17-51

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 10, 2018, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE APPLICABLE LAWS OF THE STATE OF CALIFORNIA AND THE CITY OF LANCASTER CITY CHARTER

WHEREAS, under the provisions of the applicable laws in the State of California and the City of Lancaster City Charter, a General Municipal Election shall be held on April 10, 2018 for the election of Municipal Officers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the requirements of the applicable laws of the State of California and the City of Lancaster City Charter, there is called and ordered to be held in the City of Lancaster, California, on Tuesday, April 10, 2018, a General Municipal Election for the purpose of electing two Council Members for the term of three years and 11 months.

SECTION 2. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 3. Notwithstanding any provision of the California Elections Code, the Election Official shall provide a sufficient number of official ballots in each precinct to reasonably meet the needs of the voters in that precinct on election day using the precinct's voter turnout history as the criterion, but in no case shall this number be less than fifty percent (50%) of the registered poll voters in the precinct, and for vote-by-mail and emergency purposes shall provide the additional number of ballots that may be necessary.

SECTION 4. That the City Clerk is authorized, instructed, and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 5. That the polls for the election shall be open at seven o'clock a.m. on the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, pursuant to Election Code § 10242 except as provided in § 14401 of the Elections Code of the State of California.

SECTION 6. That pursuant to Elections Code § 12310, a stipend for services for the persons named as precinct board members is fixed at the following amounts:

- Attendance at Poll worker training \$ 25.00
- Precinct Inspector \$100.00
- Pick up of election supplies by Inspector only \$ 50.00
- Precinct Clerk \$ 80.00
- Rental for each polling location if applicable \$ 25.00
- Compensation of Custodian of building, if applicable \$ 15.00

SECTION 7. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 8. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 9. The City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

SECTION 10. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 24th day of October, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, MMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____, City of Lancaster, CA. do hereby certify that this is a true and correct copy of the original Resolution No. 17-51, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____, day of _____, _____.

(seal)

RESOLUTION NO. 17-52

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO RENDER SPECIFIED SERVICES TO THE CITY RELATING TO THE CONDUCT OF A GENERAL MUNICIPAL ELECTION TO BE HELD TUESDAY, APRIL 10, 2018

WHEREAS, A General Municipal Election is to be held in the City of Lancaster, California, on April 10, 2018; 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 Lancaster.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER 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 the following for use in conducting the election:

1. A listing of county precincts with number of registered voters in each, so city may consolidate election precincts into city voting precincts, and maps of the voting precincts;
2. A list of polling places and poll workers the county uses for their elections;
3. The voter record of the names and address of all eligible registered voters in the City in order that the City's consultant may:
 - a. Produce labels for vote-by-mail voters;
 - b. Produce labels for voter information guide;
 - c. Print Rosters of Voters and Street Indexes;
4. Voter signature verification services as needed;
5. Make available to the City, election equipment and assistance as needed according to state law.

SECTION 2. That the City shall reimburse the County for services performed when the work is completed and upon presentation to the City of a properly approved bill.

SECTION 3. 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.

SECTION 4. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 24th day of October, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, MMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____, City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Resolution No. 17-52, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____, day of _____, _____.

(seal)

RESOLUTION NO. 17-53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE, PERTAINING TO FILING FEES AND CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD TUESDAY, APRIL 10, 2018

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate statement;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. General Provisions.

That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an election to be held in the City of Lancaster on April 10, 2018, may prepare a candidate statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than 400 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed, in typewritten form, in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 6:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. Foreign Language Policy.

- A. Pursuant to the Federal Voting Rights Act, the City is required to translate candidate statements into the following language: *Spanish*
- B. Pursuant to State law, the candidate's statement must be translated and printed (in the voters pamphlet) in Spanish and any other language at the candidate's request.
- C. The City Clerk shall:
 1. Translations:
 - a. Have all candidates statements translated into Spanish as specified in (A) above.
 - b. Have translated those statements into the other languages as requested by the candidate in (B) above
 2. Printing:
 - a. Print an English only voter pamphlet to be mailed to all voters
 - b. Print all Spanish translations of all candidate statements pursuant to (A) above in Spanish voter pamphlets.

SECTION 3. Payment.

A. Translations:

1. The candidate shall be required to pay for the cost of translating the candidate's statement into any foreign language that is not required as specified in Section 2 (A) and/or (B) above, pursuant to Federal and/or State law, but is requested as an option by the candidate.

B. Printing:

1. The candidate shall be required to pay for the cost of printing the candidate's statement in English and Spanish and the translation in the voters' pamphlet; all translations shall be provided by professionally-certified state translators.
2. The candidate shall be required to pay for the cost of printing the candidate's statement in a foreign language other than what is specified in Section 2 (A) and/or (B) in the voters' pamphlet.

The City Clerk shall estimate the total cost of printing, handling, translating, and mailing the candidate's statement filed pursuant to this section, including costs incurred as a result of complying with the Voting Rights Act of 1965 (as amended), and require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voters' pamphlet. In the event the estimated payment is required, the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the City Clerk is not bound by the estimate and may, on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the City Clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

SECTION 4. Filing Fee.

Candidates will be required to pay a \$25.00 filing fee as authorized in Elections Code Section 10228 and the Lancaster Municipal Code Section 2.04.050.

SECTION 5. Miscellaneous.

- A. All translations shall be provided by professionally-certified translators.
- B. The City Clerk shall allow (bold type) (underlining) (capitalization) (indentations) (bullets) (leading hyphens) to the same extent and manner as allowed in previous City elections.
- C. The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

SECTION 6. Additional Materials.

No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 7.

The City Clerk shall provide each candidate or the candidate's representative a copy of this resolution at the time nomination petitions are issued.

SECTION 8.

All previous resolutions establishing Council policy on payment for candidate statements are hereby repealed.

SECTION 9.

This resolution shall apply only to the election to be held on April 10, 2018 and shall then be repealed.

SECTION 10.

The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 24th day of October, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, MMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____, City of Lancaster, CA. do hereby certify that this is a true and correct copy of the original Resolution No. 17-53, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____, day of _____, _____.

(seal)

RESOLUTION NO. 17-54

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, PROVIDING FOR THE CONDUCT OF A SPECIAL RUNOFF ELECTION FOR ELECTIVE OFFICES IN THE EVENT OF A TIE VOTE AT ANY MUNICIPAL ELECTION

WHEREAS, § 15651(b) of the Elections Code of the State of California authorizes the City Council, by a majority vote, to adopt provisions to require the conduct of a Special Runoff Election to resolve a tie vote involving those candidates who received an equal number of votes and the highest number of votes for an elective office.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to § 15651(b) of the Elections Code of the State of California, if any two or more persons receive an equal and the highest number of votes for an office to be voted for within the city, there shall be held within the city a Special Runoff Election to resolve the tie vote. A Special Runoff Election shall be called and held on a Tuesday not less than 40 nor more than 125 days after the administrative or judicial certification of the election which resulted in a tied vote.

SECTION 2. That this resolution shall apply only to the election to be held on April 10, 2018 and shall then be repealed.

SECTION 3 That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 24th day of October, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, MMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____, City of Lancaster, CA. do hereby certify that this is a true and correct copy of the original Resolution No. 17-54, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____, day of _____, _____.

(seal)

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT FOR CONSULTING SERVICES ("Agreement") is made and entered into this ____ day of _____, 2017, by and between the CITY OF LANCASTER, a municipal corporation and charter city (the "City"), and Martin & Chapman Company, a California corporation (the "Consultant").

RECITALS

WHEREAS, the City desires to engage Consultant to provide election consulting services regarding the April 10, 2018 General Municipal Election; and

WHEREAS, the Consultant is qualified by virtue of experience, training and education to perform these consulting services;

NOW, THEREFORE, the parties agree as follows:

1. **Parties to the Agreement.**

The parties to this Agreement are:

- A. City: City of Lancaster.
- B. Consultant: Martin & Chapman Company

2. **Notices.** All written notices required by or related to this Agreement shall be personally delivered or sent by Certified Mail, Return Receipt Requested, postage prepaid and addressed as listed below. Neither party to this Agreement shall refuse to accept such mail; parties to this Agreement shall promptly inform the other party of any changes of address. All notices required by this Agreement are effective on the day of receipt, unless otherwise indicated herein.

City: City of Lancaster
Attn: City Clerk
44933 North Fern Avenue
Lancaster, California 93534

Consultant: Martin & Chapman Co.
Scott Martin, President
1951 Wright Circle
Anaheim, California 92806

3. **Successors and Assigns.** The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that no party hereto shall assign any of the benefits and burdens hereunder, whether voluntarily or by operation of law, without prior written consent of the other party, and any such assignments without said consent shall be void.

4. **Description of Work.**

A. The City hereby engages Consultant, and Consultant accepts such engagement, to perform the work and services set forth in the "Scope of Services" attached hereto as Exhibit "A" (the "Consulting Services") with respect to the April 10, 2018 General Municipal Election ("Election"). Consultant shall perform and complete the Consulting Services in a manner satisfactory to the City.

B. In addition to the Consulting Services set forth in the Scope of Services, at all times during the term of this Agreement up to and including a reasonable time after the Election, Consultant agrees to and shall be available by email or telephone to respond to all Election-related questions or concerns of the Election Official, such response to be no later than 24 hours after communication from the Election Official; and further, upon request, to work in cooperation with the Election Official on any Election task or problem which may arise.

5. **Obligations of the City.** The city shall pay Consultant for the Consulting Services in an amount not to exceed \$251,000.00, as set forth in the Scope of Services. Payment shall be made within thirty days of receipt of Consultant's detailed, itemized invoice. In the event additional materials or services are provided, with the City's prior written approval, Consultant will submit an itemized invoice for these supplemental materials and services, such invoice to be paid within thirty days of receipt by the City.

6. **Obligations of the Consultant.**

A. Consultant shall perform the Consulting Services as required by this Agreement, and said performance shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

B. Consultant shall perform all Consulting Services required hereunder as and when directed by the City. The City may, in its sole discretion, extend the time for performance of any service in writing. Consultant shall have all votes counted by 11:59 p.m. on Election Day. If Consultant fails to do so, as a result of errors of the Consultant or any of its officers, employees, subcontractors or agents, all charges for ballot counter programming shall be waived. No such charges shall be waived if the failure to timely complete vote counting is a result of City staff error, City equipment, electrical problems, or other cause outside the control of Consultant.

C. Consultant shall be responsible for payment of all employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security.

7. **Hold Harmless and Indemnification.** Consultant agrees to indemnify and hold harmless the City of Lancaster, its elected officials, officers, employees, representatives and volunteers (collectively, the "City Entities"), from and against any and all claims, losses, obligations, or liabilities whatsoever, including reasonable attorney's fees, incurred in or in any manner arising out of or related to Consultant's negligent or willful wrongful acts, errors or omissions, or those of its employees or agents. Consultant agrees to defend the City, its officers and employees, from and against any and all claims arising from any alleged negligent or wrongful acts, errors or omissions on the part of Consultant or on the part of its employees.

8. **Amendments.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon mutual written approval by the City Manager and Consultant.

9. **Non-Discrimination and Equal Employment Opportunity.**

A. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, gender, sexual orientation, national origin, physical or mental disability or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. The City shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section.

10. **Termination for Cause.**

A. The City Manager may, by written notice to Consultant, terminate the whole or any part of this Agreement if Consultant fails to perform the services required by this Agreement within the time specified herein or fails to make timely progress so as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not correct such failure within a period of ten (10) days (or such longer period that the City may authorize in writing) after receipt of notice from the City specifying such failure.

B. If this Agreement is terminated as provided above in paragraph A, the City may require Consultant to provide all finished or unfinished election materials, reports, documents and other materials prepared by Consultant. Upon such termination, Consultant shall be paid for the value of the work performed and materials provided up to the date of termination. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to completed work and work in progress, complete and incomplete election materials and other documents, whether delivered to the City or in possession of Consultant.

11. **Independent Contractor.** Consultant is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of the City. It is expressly understood between the parties to this Agreement that no employee/employer relationship is intended; Consultant is an independent contractor.

12. **Insurance.**

A. (1) The Consultant, at its expense, shall maintain in effect at all times during the performance of work under this Agreement not less than the following coverage and limits of insurance, which shall be maintained with insurers listed "A-, VIII" or better in the Best's Key Rating Guide and that are admitted insurers in the State of California:

Commercial General Liability

Each Occurrence	\$1,000,000
Per Project General Aggregate Including Products/Completed Operations Including Contractual Liability/Independent Contractors Including Broad Form Property Damage	\$2,000,000

Commercial Automobile Liability

Combined Single Limit per Accident for Bodily Injury and Property Damage	\$1,000,000
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Workers Compensation

As Required by the State of California	Statutory Limits
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Employer's Liability

Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000

Professional Liability

Each Occurrence	\$1,000,000
General Aggregate	\$1,000,000

B. Insurance shall be at least as broad as ISO form CG 20 10 11 85 or CG 20 10 10 01 and CG 20 37 10 01 covering Commercial General Liability. Commercial Automobile coverage shall be at least as broad as ISO form CA 00 01.

C. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability.

D. A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation/Employers Liability policies and a copy of the endorsement must accompany the certificate.

E. Any deductibles or self-insurance retentions must be declared and approved by the City. At the option of the City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

F. All insurance shall be primary and non-contributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Consultant's insurance and shall not contribute with it.

G. The coverage provided under this contract shall not contain any special limitations on the scope of protection afforded to the City insured entities.

H. Insurance provided and maintained by Consultant must be placed with insurers with a rating of A-, VIII or better by Best's Key Rating Guide, latest edition, and that are admitted insurers in the State of California.

I. Insurance written on a "claims made" basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by the City insured entities arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

J. Consultant shall furnish the City with Certificates of Insurance and with original endorsements effecting coverage required by this contract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

K. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City insured entities.

L. Certificates of Insurance must be deposited with the City of Lancaster for all coverage required by this contract. Certificates shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days prior written notice (10 days written notice for non-payment) by Certified Mail, return receipt requested to the City of Lancaster.

(2) List in the "Descriptions of Operations/Locations/Vehicles/Special Items" section:

**CONSULTING SERVICES FOR APRIL 10, 2018
GENERAL MUNICIPAL ELECTION**

The Certificate Holders, as well as their officers, agents, servants, and employees are included as additional insured as respect to liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied, or used by Consultant; or automobiles owned, leased, hired, or borrowed by the Consultant. (This does not apply to Professional Liability policies.)

(3) List in the "Certificate Holder" section:

"City of Lancaster, its elected officials, officers, employees, representatives and volunteers," 44933 Fern Avenue, Lancaster, California 93534.

(4) List in the "Cancellation" section:

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will mail 30 written notice (10 days written notice for non-payment) to the Certificate Holders named to the left.

M. Consultant shall include all subcontractors as an insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. Subcontractors are subject to the same insurance requirements as the Consultant.

N. The coverage shall contain no special limitations on the scope of protection afforded to the insured entities. The Consultant's insurance coverage shall be primary insurance as respects the City's insured entities.

13. **Ownership of Documents.** All documents prepared or obtained by Consultant in the course of performing the work required by this Agreement shall be the property of the City.

14. **Data Provided to Consultant.** The City shall provide to Consultant, without charge, all documents and other information, now in the City's possession, which may facilitate the timely performance of the work described in the Scope of Services.

15. **Consultant 's Warranties and Representations.**

Consultant warrants and represents to the City as follows:

A. Consultant has not employed or retained any person or entity, other than a bona fide employee working exclusively for Consultant, to solicit or obtain this Agreement.

B. Consultant has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for Consultant, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this Agreement. Upon any breach or violation of this warranty, the City shall have the right, in its sole discretion, to terminate this Agreement without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. Consultant has no knowledge that any officer or employee of the City has any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in this transaction or in the business of the Consultant, and that if any such interest comes to the knowledge of Consultant at any time, a complete written disclosure of such interest will be made to the City, even if such interest would not be deemed a prohibited "conflict of interest" under applicable laws.

D. Upon the execution of this Agreement, Consultant has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this Agreement, nor shall any such interest be acquired during the term of this Agreement.

16. **Resolution of Disputes.**

A. Disputes regarding the interpretation or application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

B. If the parties cannot resolve the dispute through good faith negotiations, either party may give Notice of Dispute to the other party. The Notice of Dispute shall state the nature of the dispute and the corrective action necessary to remedy the dispute.

After Notice of Dispute, the parties shall first attempt to resolve any disputes by mediation. The parties shall agree on a single mediator. Mediation shall be conducted in Lancaster, California. Each party shall pay its own attorneys' fees and the costs of mediation shall be split equally between the parties.

If the dispute has not been resolved by mediation within 45 days after Notice of Dispute, or the parties are unable to agree to a mediator, within 15 days after Notice of Dispute, then, the dispute may, upon agreement of the parties be resolved by binding arbitration.

C. If any action at law or in equity is brought to enforce or interpret any provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, cost and necessary disbursements, in addition to such other relief as may be sought and awarded.

17. **Exhibits.**

The following exhibit to which reference is made in this Agreement is deemed incorporated herein in its entirety:

Exhibit "A" Scope of Services

18. **Governing Law.**

This Agreement shall be governed by the laws of the State of California.

19. **Counterparts.** This Agreement may be executed in counterparts by the parties and shall become effective and binding upon the parties at such time as all of the signatories hereto have signed the original or a counterpart original of this Agreement. Each such counterpart shall constitute an original and all such counterparts so executed shall constitute one Agreement, binding upon all of the parties thereto, notwithstanding that all of the parties are not a signatory to the original or the same counterpart. Each counterpart shall have the same force and effect as if all such signatures were contained in one instrument. A facsimile copy shall be considered an original for the purposes of this Agreement. Facsimile or e-mail transmissions shall be deemed effective as originals.

20. **Effective Date.**

This Agreement shall become effective as of the date set forth below on which the last of the parties, whether the City or Consultant, executes said Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF LANCASTER
LANCASTER, CALIFORNIA

Approved By Department Head:

By: _____


Dated: _____

By: _____

Mark V. Bozigian, City Manager

Dated: _____

CONSULTANT
MARTIN & CHAPMAN COMPANY, a California
corporation

By:  _____
(Name, Title)

Dated: 10-5-17

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

Martin & Chapman Co.

1951 Wright Circle * Anaheim, California 92806 * 714/939-9866 * Fax 714/939-9870

CITY OF LANCASTER
OFFICE OF THE CITY CLERK
LANCASTER, CA 93534-2461

AUGUST 24, 2017

Estimate based on: 2 Council Seats
Total Active Voters 77,243
PVBM Voters 41,389

Includes Costs of 4 Candidates Statements in ES

Includes Estimated Postage for SB's & PVBM's

GENERAL MUNICIPAL ELECTION


April 10, 2018

Quantity	Description	Unit Price	Total
1	PRE-ELECTION SUPPLIES / STANDALONE CITIES, INCLUDES . . .		
1	Election Handbook w/Resolutions, Forms, Notices, Manual		NC
1	Calendar of Events		NC
1	Elections Code of California		NC
1	Election Night Procedures Manual		NC
NOMINATION SUPPLIES			
1	Electronic Nomination Documents	\$ 60.00	\$ 60.00
15	Nomination Papers	\$ 0.90	\$ 13.50
15	Supplemental Nomination Papers	\$ 0.90	\$ 13.50
1	Candidate's Election Calendars	\$ 0.60	\$ 0.60
5	Petition in Lieu of Filing Fee	\$ 0.60	\$ 3.00
POST ELECTION SUPPLIES			
2	Certificates of Election - "Fill in the Blank"	\$ 1.20	\$ 2.40
2	Certificates of Appointment - "Fill in the Blank"	\$ 1.20	\$ 2.40
MILITARY AND OVERSEAS VOTER SUPPLIES			
1	Process Military and Overseas Voters	\$ 90.00	\$ 90.00
1	Extract emails, gather and attach forms and ballots to email	\$ 90.00	\$ 90.00
1	Ballot Groups	\$ 30.00	\$ 30.00
966	Military & Overseas Voters & Supplies	\$ 1.80	\$ 1,738.80
PERMANENT VOTE-BY-MAIL VOTER LABELS			
41389	54 Day PVBM / VBM Voter Labels	\$ 0.30	\$ 12,416.70
1	Setup/Generate 54 Day PVBM / VBM Voter Labels	\$ 31.20	\$ 31.20
810	29 Day PVBM / VBM Voter Labels (29 day voters)	\$ 0.30	\$ 243.00
1	Setup/Generate 29 Day PVBM / VBM Voter Labels	\$ 31.20	\$ 31.20
593	14 Day PVBM / VBM Voter Labels (14 day voters)	\$ 0.30	\$ 177.90
1	Setup/Generate 14 Day PVBM / VBM Voter Labels	\$ 31.20	\$ 31.20
VOTE-BY-MAIL BALLOT SUPPLIES			
25	Provisional Ballot Envelopes	\$ 0.42	\$ 10.50
45200	Outgoing Envelopes - #600 / ES	\$ 0.41	\$ 18,532.00
1	Setup for Outgoing Envelopes with Indicia	\$ 60.00	\$ 60.00
1	Setup for Outgoing Envelopes without Indicia	\$ 60.00	\$ 60.00
41700	PVBM ID/Return Envelopes - #575 - Yellow /ES	\$ 0.47	\$ 19,599.00

Quantity	Description	Unit Price	Total
1	Setup for PVBM Return Envelopes	\$ 60.00	\$ 60.00
3500	VBM ID/Return Envelopes - #575 - Yellow /ES	\$ 0.47	\$ 1,645.00
1	Setup for VBM Return Envelopes	\$ 60.00	\$ 60.00
VOTED BALLOT BOXES AND LABELS FOR VBM SUPPLIES			
35	Voted Ballot Boxes for VBM Ballots-regular size	\$ 3.72	\$ 130.20
35	Labels for VBM Voted Ballot Boxes	\$ 0.60	\$ 21.00
35	Seals for VBM Voted Ballot Boxes	\$ 0.60	\$ 21.00
VBM TRACKING SYSTEM			
100764	Vote by Mail Tracking System / Active and Inactive Voters	\$ 0.042	\$ 4,232.09
1	Setup for VBM Tracking Program	\$ 1,020.00	\$ 1,020.00
VOTE REMOTE SIGNATURE VERIFICATION SYSTEM			
1	Vote Remote - Rental Fee	\$3,000.00	\$ 3,000.00
1	Vote Remote - Format Voter Signature File	\$ 600.00	\$ 600.00
1	Barcode capturing from Vote Remote to VBM Tracking	\$300.000	\$ 300.00
8278	Signature Verification (MC to pay directly to ESS)	\$0.30	\$ 2,483.40
PRECINCT SUPPLIES			
24	Precinct Supply Sets (Incl. " I Voted Stickers" & Opto-Mark Pens)	\$ 159.60	\$ 3,830.40
1	Sample Set	\$ 159.60	\$ 159.60
1	Vote by Mail Canvass Set	\$ 54.00	\$ 54.00
48	Kiosks - 1 for Inside & 1 for Outside each Polling Place	\$ 48.00	\$ 2,304.00
24	Package Precinct Ballots into 2 sets/1 to Precinct, 1 to City Hall	\$ 12.00	\$ 288.00
24	Add'l "Unvoted Ballots" White Boxes - for ballots to City Hall	\$ 3.72	\$ 89.28
24	Add'l White Box Seals	\$ 0.30	\$ 7.20
3920	Roster pages / Active & Inactive Voters voters		\$ 3,941.04
4668	Street Index pages / Active & Inactive Voters / 3/precinct +1 for city clerk		\$ 2,580.32
24	Election Officer / Inspector's Guidelines & Checklists	\$ 3.72	\$ 89.28
REPORTS			
29 DAYS BEFORE			
97520	Voter Identification Report - (29 day reports) voters	\$ 0.0102	\$ 994.70
1	Setup for 54 Day Voter Identification Report	\$ 72.00	\$ 72.00
SAMPLE BALLOTS / VOTER INFORMATION PAMPHLETS			
40000	Sample Ballot Pamphlets / 12 of 12 pages / WRAP COVER ENGLISH		\$ 25,300.00
675	Sample Ballot Pamphlets / 12 of 12 pages / WRAP COVER SPANISH		\$ 11,000.00
1	<i>(includes space for 4 FULL PAGE E&S candidate statements costs of approximately \$3,025 /candidate)</i>		
PVBM INSERTS / VOTER INFORMATION PAMPHLETS			
DIGESTS			
41700	8.5 X 5.5 Booklets / 16 Pages / Voter Information Pamphlets	\$ 0.15	\$ 6,255.00
16	Each page with text	\$ 120.00	\$ 1,920.00
1	Setup	\$ 3,300.00	\$ 3,300.00
825	8.5 X 5.5 Booklets / 16 Pages / Voter Information Pamphlets	\$ 0.58	\$ 478.50
16	Each page with text	\$ 120.00	\$ 1,920.00
1	Setup	\$ 1,100.00	\$ 1,100.00
1	<i>(includes space for 4 FULL PAGE E&S candidate statements costs of approximately \$1872 /candid</i>		
SAMPLE BALLOTS / VOTER INFORMATION PAMPHLETS / MAILING LABELS			
1	NCOA (National Change of Address) Set-up charge	\$ 90.00	\$ 90.00
35,854	NCOA Processing for Change of Address	\$ 0.005	\$ 179.27
1	Mail Manager Automated Sort & Palletization	\$ 240.00	\$ 240.00
35,854	Generate Voter Address Labels / 54 day labels	\$ 0.06	\$ 2,151.24
1	Ballot Types	\$ 30.00	\$ 30.00
24	No. of Precincts	\$ 12.00	\$ 288.00

Quantity	Description	Unit Price	Total
1250	Generate Foreign Language Voter Labels (54 day voters only)	\$ 0.30	\$ 375.00
1	Ballot Types for Foreign Language Voter Labels	\$ 31.20	\$ 31.20
1840	Generate Voter Address Labels / 29 day labels	\$ 0.06	\$ 110.40
1	Ballot Types for 29 days labels	\$ 30.00	\$ 30.00
2370	Generate Voter Address Labels / 15 day labels	\$ 0.06	\$ 142.20
1	Ballot Types for 15 day labels	\$ 30.00	\$ 30.00
OFFICIAL BALLOTS AND SUPPLIES			
1	Official Ballots - Typeset Ballot / per side / English & Spanish	\$ 371.00	\$ 371.00
45200	Official Ballots / Vote by Mail	\$ 0.29	\$ 13,108.00
26900	Official Ballots / Precincts	\$ 0.29	\$ 7,801.00
600	Official Ballots / Test-Duplicates	\$ 0.29	\$ 174.00
72700	Total Official Ballots		
1	Test / Duplicate Overprint / each Card	\$ 30.00	\$ 30.00
21600	Gray Secrecy Envelopes - Rental	\$ 0.05	\$ 1,080.00
BALLOT COUNTING / ELECTION NIGHT SUPPLIES			
1	Election Night Supply Kit	\$ 42.00	\$ 42.00
82	Counted Ballot Seals / 3 per precinct + 10 extras	\$ 1.20	\$ 98.40
1	Ballot Counter Programming (City Owned) / Card 1-side 1	\$ 2,220.00	\$ 2,220.00
1	Ballot Counter Rental-Additional Counter(s) Used for Counting	\$ 1,920.00	\$ 1,920.00
24	Add'l Programing to count VBM's/Provisionals by precinct	\$ 24.00	\$ 576.00
1	Add'l Tally of Late VBM's & Provisional Ballots	\$ 744.00	\$ 744.00
SUBTOTAL			
		Subtotal / Taxable Items	\$ 164,354.62
		Sales Tax	\$ 15,202.80
			\$ 179,557.42
PROCESSING OF COUNTY VOTER FILES RECEIVED			
1	E - 54 Day County Voter File for 1st Mailings	\$ 246.00	\$ 246.00
1	E - 29 Day County Voter File for 2nd Mailings	\$ 246.00	\$ 246.00
1	E - 14 Day County Voter File for 3rd Mailings	\$ 246.00	\$ 246.00
MISCELLANEOUS SERVICES			
1	Election Officer Class	\$ 720.00	\$ 720.00
	Mileage to Election Officer Class	\$ -	\$ 150.00
1	Vote Remote - Installation & Training	\$ 600.00	\$ 600.00
3	Ballot Counter Operator(s)	\$ 780.00	\$ 2,340.00
2	Repair/maintenance/re-wrapping of Voting Booths / hour	\$ 30.00	\$ 60.00
2	Repair/maintenance/re-wrapping of Kiosks / hour	\$ 30.00	\$ 60.00
TRANSLATIONS			
1	Department of Justice compliance requirements - Annual revision/editing of new and current materials for Notices, Sample Ballot pages, VBM Materials, and Precinct Supplies into all languages - bi-annual charge per city	\$ 240.00	\$ 240.00
	Spanish Translations		
1	Ballot(s)/Designations (& Measure Question(s) if applicable)	\$150.00	\$ 150.00
4	Candidates Statements	\$300.00	\$ 1,200.00
MAILING SERVICES / SAMPLE BALLOTS			
1	54 Day File transfer to mailer, address machine setup	\$ 420.00	\$ 420.00
1	Ballot Group setups	\$ 36.00	\$ 36.00
35,854	Affixing Address Labels	\$ 0.05	\$ 1,792.70

Quantify	Description	Unit Price	Total
1	Postal documentation(s)	\$ 84.00	\$ 84.00
675	Addressing Foreign Language Sample Ballots	\$ 0.60	\$ 405.00
1	Setup for each language/for each Ballot Group	\$ 30.00	\$ 30.00
1	29 Day File transfer to mailer, address machine setup	\$ 300.00	\$ 300.00
1	Ballot Group setups	\$ 30.00	\$ 30.00
1840	Affixing Address Labels / Supplementals / Minimum Charge		\$ 630.00
1	Postal documentation(s)	\$ 84.00	\$ 84.00
1	15 Day File transfer to mailer, address machine setup	\$ 120.00	\$ 120.00
1	Ballot Group setups	\$ 30.00	\$ 30.00
2370	Affixing Address Labels	\$ 0.60	\$ 1,422.00
POSTAGE ACTIVITY / SAMPLE BALLOTS			
387	Affix Meter Tape 1st class Postage to Out of Country	\$ 0.30	\$ 116.10
675	Affix 1st class Postage to Foreign Language Sample Ballots	\$ 0.30	\$ 202.50
2370	Affix 1st class Postage to Postcards-15 day	\$ 0.30	\$ 711.00
MAILING SERVICES / VOTE-BY-MAIL BALLOTS			
1	Track 'N Trace / tracking for VBM Ballots / Setup	\$ 180.00	\$ 180.00
41389	Track 'N Trace / ea	\$ 0.006	\$ 248.33
1	Intelligent Mail Barcode Full Service Preparation Fee	\$ 240.00	\$ 240.00
PVBM's / 54 DAY VOTERS			
41389	Addressing PVBM Envelopes / 54 days	\$ 0.30	\$ 12,416.70
1	Ballot Group setups for Addressing	\$ 12.00	\$ 12.00
41389	Insert PVBM's/54 day only/3 Items	\$ 0.30	\$ 12,416.70
1	Setup Inserter for 3 Items (envelope, ballot, Digest)	\$ 90.00	\$ 90.00
2	Ballot Group setups for Inserting - E & S	\$ 12.00	\$ 24.00
1	Mail preparation, Postal Documentation	\$ 180.00	\$ 180.00
CITY CLERK'S VBM'S FOR ISSUING			
3811	Insert VBM's/3 Items (envelope, ballot, digest)	\$ 0.30	\$ 1,143.30
2	Ballot Group setups for Inserting - E & S	\$ 12.00	\$ 24.00
PVBM's / 29 DAY VOTERS			
1	Ballot Group setups	\$ 12.00	\$ 12.00
810	Addressing PVBM labels (or Envelopes) / 29 days	\$ 0.30	\$ 243.00
PVBM's / 15 DAY VOTERS			
1	Ballot Group setups	\$ 12.00	\$ 12.00
593	Addressing PVBM labels (or Envelopes) / 15 days	\$ 0.30	\$ 177.90
DELIVERY SERVICES			
1	Deliver Sample Ballots to Post Office / 54 days	\$ 1,560.00	\$ 1,560.00
1	Deliver Sample Ballots to Post Office / 29 days	\$ 600.00	\$ 600.00
1	Deliver PVBM Ballots to Post Office	\$ 1,200.00	\$ 1,200.00
1	Deliver VBM Supplies to City	\$ 540.00	\$ 540.00
1	Deliver Precinct Supplies to City	\$ 840.00	\$ 840.00
1	Pickup Precinct Supplies after election from City	\$ 840.00	\$ 840.00
24	Pickup from & Return to County Warehouse - Ballot Boxes, etc.	\$ 18.00	\$ 432.00
1	Setup for arranging for pickup from the county	\$ 54.00	\$ 54.00
	UPS/Fed Ex charges		\$ 278.00
	Total Nontaxable Items		\$ 46,435.23
TOTAL OF THIS ELECTION			\$ 225,992.65

Quantity	Description	Unit Price	Total
			
POSTAGE RECONCILIATION / SAMPLE BALLOTS MAILED			
35467	Standard Rate Postage - 1st mailing-54 day file	\$10,285.43	
387	1st Class Postage - 1st mailing -Out of Country	\$421.83	
1250	1st Class Postage - 1st mailing - Foreign Language Sample Bal	\$1,362.50	
1840	Standard Rate Postage - 2nd mailing-29 day file	\$533.60	
2370	1st Class Postage - 3rd mailing-15 day file	\$687.30	
	Total Postage Used	\$13,290.66	
	Additional Postage Due (Credit for unused postage)	\$13,290.66	\$ 13,290.66
POSTAGE RECONCILIATION / PERMANENT VOTE BY MAIL BALLOTS MAILED			
41389	PVBM ballots - 54 day file	\$10,761.14	
	Total Postage Used	\$10,761.14	
	Additional Postage Due (Credit for unused postage)	\$10,761.14	\$ 10,761.14
	TOTAL OF POSTAGE DUE (OR CREDIT TO CITY)		\$ 24,051.80
ESTIMATED TOTAL WITH POSTAGE AND CANDIDATES STATEMENTS COST			\$ 250,044.45

red amounts are estimates, enter actual amounts

STAFF REPORT
City of Lancaster

NB 2
10/24/17
MVB

Date: October 24, 2017

To: Mayor Parris and City Council Members

From: Jeff Hogan, Development Services Director

Subject: **LS-1 Option E Agreement with Southern California Edison for Additional LED Conversion**

Recommendation:

Authorize the City Manager, or his designee, to enter into an agreement with Southern California Edison (SCE) for the conversion of all LS-1 HPS streetlights to LED.

Fiscal Impact:

During the initial 20 years of the agreement, the City is expected to save approximately \$290,000.00. After 20 years, the savings is expected to be approximately \$43,000.00 annually.

Background:

In April 2017, the City began taking possession of all the eligible streetlights from SCE. During this transition of ownership, the City began converting all high pressure sodium (HPS) lights to light emitting diode (LED), which will lead to a dramatic decrease in energy usage and substantially lower maintenance costs. The higher quality, more even LED lighting, will help to increase visibility and safety throughout the City. School zones and selected other locations have been targeted with increased wattage in order to provide a more secure environment. However, streetlights that are connected to electrical distribution lines are not eligible for purchase, and thus the City cannot change out to LED.

Through this LS-1 Option E Agreement, the City has the opportunity to participate in a program offered by SCE, which allows the City to request SCE to convert all remaining LS-1 (SCE owned) lights from HPS to LED. This would provide a uniform look throughout the City. In order to begin this process, we must complete and submit the attached agreement; the agreement requires the lights to be transitioned to a special tariff for this program. The tariff incorporates the cost of the lights, which Edison calls the “energy efficient premium recovery charge”. The program is designed to utilize the City’s savings to pay for the lights, and the City will still see a net savings during the repayment period (20 years). Upon the completion of the repayment period, the City will see increased savings.

Below is a cost analysis and conservative savings analysis prepared by John King from SCE. It should be noted that the cost analysis is an estimate, since a detailed inventory of LS-1 wattages has not yet been completed, and will not be completed until the project is underway; however, because the lights are primarily on distribution poles, he has estimated that a majority of the HPS lights are 100 watts, and has prepared the cost estimate accordingly.

Costs paid by Lancaster from savings:

Average 100-watt fixture = \$1.36 per month
Annual cost for each 100-watt fixture = \$16.32
20 year cost for each 100-watt fixture = \$326.40
Total cost for all lights in Lancaster = \$579,686.00

During the initial 20 years, the City of Lancaster should expect to save more than the following:

1,776 street lights x .68 monthly savings = \$1,207.68 per month
 $\$1,207.68 \times 12 = \$14,492.16$ annual savings
 $\$14,492.16 \times 20 = \$289,842.20$ saved over the initial 20-year period.

After 20 years, the savings will increase as noted below:

$\$1.36 \times 12 = \16.32 annual savings per light
 $\$16.32 \times 1,776 = \$28,984.32$ total annual additional savings after 20 years
 $\$28,984.32 + \$14,492.16 = \$43,476.48$ annual savings after 20 years

Annual savings during initial 20 years - \$14,492.16

Annual savings after 20 years - \$43,476.48

JH:hs

Attachments:

Schedule LS-1 Option E Energy Efficiency-Light Emitting Diode (LED) Fixture Replacement Rate Agreement
LS-1 Option E Color Selection Temperature Specification
LS-1 Account Listing



Southern California Edison
Rosemead, California (U 338-E)

Original Cal. PUC Sheet No. 57074-E
Cancelling Cal. PUC Sheet No.

Sheet 1

SCHEDULE LS-1 OPTION E,
ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED) FIXTURE REPLACEMENT
RATE AGREEMENT

Form 14-965

(To be inserted by utility)

Advice 3241-E
Decision 14-10-046

Issued by
R.O. Nichols
Senior Vice President

(To be inserted by Cal. PUC)

Date Filed Jun 30, 2015
Effective Jun 1, 2016
Resolution _____

SOUTHERN CALIFORNIA EDISON COMPANY
SCHEDULE LS-1 OPTION E, ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED)
FIXTURE REPLACEMENT RATE AGREEMENT

This Schedule LS-1 Option E, Energy Efficiency-Light Emitting Diode (LED) Fixture Replacement Rate Agreement (Agreement), effective this _____ day of _____,

_____ (Effective Date), is entered into between Southern California Edison Company (SCE) and _____ City of Lancaster _____, an SCE customer taking service on Schedule LS-1 (Applicant), referred to collectively as "Parties," and individually as "Party." This Agreement provides for SCE, at Applicant's request, to replace the existing street lighting fixtures serving Applicant's premises with Light Emitting Diode (LED) street lighting fixtures to achieve energy efficiency benefits for Applicant, as set forth in Special Condition 14, Option E, Energy Efficiency-Light Emitting Diode (LED) Fixture Replacement, of Schedule LS-1.

The Parties agree as follows:

1. LED FIXTURES

SCE shall install, own, operate, and maintain LED Fixtures for Applicant as set forth in Exhibit "A" attached hereto and incorporated herein by this reference. The LED Fixtures provided hereunder shall at all times remain the property of SCE.

2. LED FIXTURE REPLACEMENT COSTS

- 2.1 The replacement costs of the LED Fixtures provided hereunder shall be borne by Applicant.
- 2.2 Applicant shall pay the charge for the LED Fixtures Replacement rate, which includes an Energy Efficiency Premium Charge (EEPC) and a Base LED Charge, under Option E of Schedule LS-1. Applicant elects Option E in lieu of an upfront, one-time payment of the replacement costs.
- 2.3 SCE does not guarantee that any energy or bill savings will accrue to Applicant as a result of the LED Fixture replacements.

3. COMMENCEMENT OF SERVICE

The Parties agree that SCE has the right to charge Applicant, and Applicant has an obligation to pay SCE, for the charges set forth in Schedule LS-1, Option E, commencing on the date SCE begins serving the LED Fixtures installed pursuant to this Agreement.

4. TERM AND TERMINATION

- 4.1 This Agreement shall be effective as of the Effective Date and shall continue for a term of twenty (20) years from the commencement of service as specified in Section 3 above (Term).
- 4.2 Applicant may terminate this Agreement at any time during the Term upon a thirty (30) - day advance written notice, provided that Applicant, prior to or within the 30-day advance notice period, assigns the Agreement to any New Party In (NPI) that owns, rents or leases the premises served by the street lighting fixtures replaced under this Agreement and will take service under Option E of Schedule LS-1 effective as of the date of termination; *otherwise*, Applicant shall pay a one-time termination charge equal to the present value of the balance of the EEPC of Option E over the remaining Term. The present value is determined based on SCE's authorized rate of return on rate base, or discounted rate of 7.90%.

**SOUTHERN CALIFORNIA EDISON COMPANY
SCHEDULE LS-1 OPTION E, ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED)
FIXTURE REPLACEMENT RATE AGREEMENT**

5. AMENDMENTS; ASSIGNMENTS

- 5.1 Any changes or amendments to this Agreement must be in writing and must be executed by the Applicant and SCE and, if required, be approved by the California Public Utilities Commission (Commission).
- 5.2 Applicant shall not assign this Agreement without the prior written consent of SCE; provided, however, that Applicant may assign the Agreement pursuant to the terms and conditions of Section 4.2 above, and the NPI must assume all rights and obligations under this Agreement for the remaining Term. Any assignment and assumption shall be in a form acceptable to SCE.

6. NOTICE

Any notice either Applicant or SCE may wish to provide the other regarding this Agreement must be in writing. Such notice must be either hand-delivered or sent by U.S. certified or registered mail, postage prepaid, to the person designated to receive notice for the other Party below, or to such other address as either may designate by written notice. Notices delivered by hand shall be deemed effective when delivered. Notices delivered by mail shall be deemed effective when received, as acknowledged by the receipt of the certified or registered mailing.

Applicant:

Mark Bozigian

(Name)
City Manager

(Title)
44933 Fern Ave

(Address)
Lancaster, CA 93534

(City, State, Zip)

SCE:

Business Customer Division
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, CA 91770

7. NONWAIVER

The failure of either Party to enforce any of the terms and conditions or to exercise any right or privilege in this Agreement shall not be construed as a waiver of any such term and conditions or rights or privileges, and the same shall continue and remain enforce and effect as if no such failure to enforce or exercise had occurred.

8. SEVERABILITY

In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by the Commission, or any court of competent jurisdiction, the validity and enforceability of the remaining provisions or any portion thereof shall not be affected.

9. APPLICABLE LAWS, RULES, AND REGULATIONS

This Agreement shall be subject to, and interpreted under the laws, rules, decisions and regulations of the State of California, without regard to its conflict of laws principles, the Commission, and SCE's Commission-approved tariffs.

**SOUTHERN CALIFORNIA EDISON COMPANY
SCHEDULE LS-1 OPTION E, ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED)
FIXTURE REPLACEMENT RATE AGREEMENT**

10. CALIFORNIA PUBLIC UTILITIES COMMISSION JURISDICTION

- 10.1 This is a filed form tariff agreement authorized by the Commission for use by SCE. No officer, inspector, solicitor, agent or employee of SCE has any authority to waive, alter, or amend any part of this Agreement except as provided herein or authorized by the Commission. This Agreement is to be used in conjunction with Schedule LS-1 and supplements the terms and conditions of the Applicant's electric service under Schedule LS-1.
- 10.2 This Agreement shall at all times be subject to such changes or modifications by the Commission as said Commission may, from time to time, direct in the exercise of its jurisdiction.
- 10.3 Notwithstanding any other provisions of this Agreement, SCE has the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for change in rates, charges, classification, service, or rule or any agreement relating thereto.

11. ENTIRE AGREEMENT

This Agreement, including SCE's Commission-approved tariffs, constitutes the complete agreement and understanding between the Applicant and SCE regarding the LED Fixtures replacement costs. Prior agreements, representations, understandings, whether expressed or implied, and communications, oral or written, between the Applicant and SCE shall not be construed to be a part of this Agreement.

12. AUTHORIZATION SIGNATURE

In witness whereof, the Parties hereto have caused this Agreement to be signed by their duly authorized representatives.

APPLICANT

BY: _____
NAME: Mark Bozigian
TITLE: City Manager
DATE SIGNED: _____

SOUTHERN CALIFORNIA EDISON COMPANY

BY: _____
NAME: _____
TITLE: _____
DATE SIGNED: _____

**SOUTHERN CALIFORNIA EDISON COMPANY
EXHIBIT "A"
SCHEDULE LS-1 OPTION E,
ENERGY EFFICIENCY-LIGHT EMITTING DIODE (LED) FIXTURE REPLACEMENT**

APPLICANT

City of Lancaster

CUSTOMER ACCOUNT NO.

See Attached

SERVICE ACCOUNT NO.

See Attached

(Additional account numbers/addresses may be attached hereto.)

SERVICE ADDRESS

See Attached

APPLICANT REQUESTED READY TO SERVE DATE

1/1/2018

SCE READY TO SERVE DATE

DESCRIPTION OF **LED** FIXTURES/SCOPE OF WORK: SPECIFY HOW MANY STREET LIGHTING FIXTURE REPLACEMENTS ARE BEING REQUESTED AND AGREED TO UNDER THIS AGREEMENT AND OTHER RELEVANT DETAILS.

W.O. No(s):

**MEMORANDUM
CITY OF LANCASTER, CA**

TO: Mayor Parris and City Council Members

FROM: Vice Mayor Marvin Crist
Council Member Angela Underwood-Jacobs

DATE: October 24, 2017

SUBJECT: **Report on the Activities of the Board of Directors for the Antelope Valley Transit Authority**

Recommendation:

Receive a report of the proceedings and issues discussed at the August regular Board of Directors meeting of the Antelope Valley Transit Authority (AVTA).

Background:

The Antelope Valley Transit Authority is a distinct government entity created under a joint powers authority agreement between the City of Lancaster, the City of Palmdale, and Los Angeles County that provides public transit services. Vice Mayor Marvin Crist serves as the Chairman and Council Member Angela Underwood-Jacobs serves as a Director on the AVTA Board for the City of Lancaster.

The following significant events took place at the regular August Board meeting:

Present: Chairman Marvin Crist
Vice Chair Dianne Knippel
Director Angela Underwood-Jacobs
Director Austin Bishop
Director Michelle Flanagan
Director Steve Hofbauer

Around the AV Contract Extension.

Authorized Executive Director/CEO to execute an amendment to Contract #2017-07 extending the contract four (4) years and providing for an additional percentage split of revenues. Approved (5-0-1-0). Director Bishop recused himself.

Ana Verde Service Options.

The Board discussed AVTA and jurisdictional staff coordinating efforts to ensure transit needs are addressed at the preliminary phase of developments and the number of Ana Verde residents who use transit services and Dial-a-Ride. The Board instructed staff to schedule a Strategic Planning Workshop to discuss transit needs. A motion was made to receive and file the Ana Verde Service options report. Approved (6-0-0-0).