CITY OF RIVERBANK
REGULAR CITY COUNCIL AND THE
LOCAL REDEVELOPMENT AUTHORITY MEETINGS
(The City Council also serves as the LRA Board)
City Hall North • Council Chambers
6707 Third Street • Suite B• Riverbank • CA • 95367

AGENDA

TUESDAY, NOVEMBER 10, 2015 – 6:00 P.M.

(THE AGENDA PACKET IS POSTED AT THE CITY CLERK'S OFFICE AND AT WWW.RIVERBANK.ORG)

CALL TO ORDER: Mayor/Chair Richard D. O'Brien

FLAG SALUTE: Mayor/Chair Richard D. O'Brien

INVOCATION: Riverbank Ministerial Association

ROLL CALL: Mayor/Chair Richard D. O'Brien
Vice Mayor/Chair Darlene Barber-Martinez
Council/Authority Member Cal Campbell
Council/Authority Member Leanne Jones Cruz
Council/Authority Member Jeanine Tucker

CONFLICT OF INTEREST
Any Council/Authority Member or Staff who has a direct Conflict of Interest on any scheduled agenda item to be considered is to declare their conflict at this time.

1. PRESENTATIONS

Item 1.1: Presentation and Acknowledgement to John Hurst, City Employee.

Item 1.2: Financing Options for Capital Improvement Projects.

2. PUBLIC COMMENTS (No Action Can Be Taken)

At this time, members of the public may comment on any item not appearing on the agenda, and within the subject matter jurisdiction of the City Council/LRA Board. Individual comments will be limited to a **maximum of 5 minutes** per person and each person may speak once during this time; time cannot be yielded to another person. Under State Law, matters presented during the public comment period cannot be discussed or acted upon. For record purposes, state your name and City of residence. Please make your comments directly to the City Council/LRA Board.

3. CONSENT CALENDAR

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council/LRA Board unless otherwise requested by an individual Council/Authority Member for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

Item 3.A: Waive Readings. All Readings of ordinances and resolutions, except by title, are waived.

Item 3.B: A **Resolution** of the City Council of the City of Riverbank, California, Adopting the Transportation Development Act Local Transportation Fund (LTF) Non-Transit Claim for Fiscal Year 2015/2016 Other Purposes and Amending the Fiscal Year 2015/2016 Budget for the City Of Riverbank to Conform to Said Claim.

Recommendation: It is recommended that City Council/LRA Board approve the Consent Calendar items by roll call vote.

4. UNFINISHED BUSINESS

There are no items to consider.

5. PUBLIC HEARINGS

Item 5.1, Notice of a public hearing was mailed via USPS, certified-return receipt, on October 30, 2015, to property owners. The Public Hearing Notices were published in the local newspaper of general circulation as follows: Items 5.2 and 5.4, on October 28, 2015; Item 5.3, on October 30, 2015.

Item 5.1: **Public Hearing to consider a Resolution of the City Council of the City Of Riverbank, California, Authorizing the Submittal of Outstanding Abatement Invoices to Stanislaus County to be Collected as Special Assessments and Liens On the Property Tax Bill** – It is recommended that the City Council:

1) Hold a Public Hearing for Affected Property Owners regarding Outstanding Abatement Invoices and Collection by Special Assessment and Lien Process, and
2) Adopt a Resolution Authorizing the Submittal of the Outstanding Abatement Invoices to Stanislaus County for Collection through a Special Assessment and Lien Process.

Item 5.2: **Consideration of a proposed Resolution of the City Council of the City of Riverbank, California, Approving Variance No. 01-2015 for KB Home Central Valley Inc.** – It is recommended that the City Council approve the Variance 01-2015 to decrease a setback at 5705 Cornerstone Drive, Lot 99 from four (4) feet to three (3) feet based upon the Planning Commission recommendation in Resolution No. 2015-023 and findings in the proposed City Council Resolution.

Item 5.3: **Conduct the Second Public Hearing to Consider the Proposed District Boundary Map Options and to Reduce the Number of Optional Maps for Further Consideration** – In order to select and adopt a final district boundaries map that best represents the current population of Riverbank, which is part of the transition process to change from an "at-large" electoral system of electing Councilmembers to a "by-district" system with the Mayor elected citywide, it is recommended that the City Council:

1) conduct the second public hearing required by State law to establish district boundaries;
2) consider the proposed district boundary maps, A through H, and public comments that were presented by National Demographics Corporation; and
3) by roll call vote, select four (4), or less, of the eight (8) optional maps to be further considered at the third public hearing in order to select one (1) boundaries map that will establish the City of Riverbank's district boundaries, and that will be incorporated into a proposed ordinance to establish the electoral process for "by-district" elections.

Item 5.4: **Conduct the First Reading and Introduction of an Ordinance of the City Council of the City of Riverbank, California, Repealing in its Entirety Riverbank Municipal Code of Ordinances, Title XI: Business Regulations, Chapter 123: Tobacco Sales Licensing Requirements, and Substituting it with a New Chapter 123: Tobacco and E-Cigarette Sales Licensing Requirements** – It is recommended that the City Council conduct the public hearing for the first reading and introduction by title only of the proposed ordinance and consider its approval as presented, which will initiate the scheduling of the ordinance for its second reading by title only at the November 24, 2015, regular City Council meeting to consider its adoption.

6. NEW BUSINESS

Item 6.1: **Award a Contract to NHA Advisors, LLC, an Independent Registered Municipal Advisor, for Financial Advisory Services in Relation to the Financing of the Water Meter Project** - It is recommended that the City Council consider awarding a contract to NHA Advisors for financial advisory services in relation to the financing of the water meter project and authorizing the Director of Finance to execute said contract.

LRA Item 6.2: **Accept Report on Status of LRA Budget for First Quarter FY 2015/16** – It is recommended that the Local Redevelopment Authority (LRA) Board of Directors (Board) receive and approve the status report on the LRA budget for the first quarter of fiscal year 2015/16.

Item 6.3: **A Resolution of the City Council of the City of Riverbank, California, Approving and Authorizing the City Manager to Execute a Memorandum of Understanding Regarding the Stanislaus and Tuolumne Rivers Groundwater Basin Association** – It is recommended that the City Council adopt a resolution approving and authorizing the City Manager to execute Memorandum of Understanding (MOU) regarding the Stanislaus and Tuolumne Rivers Groundwater Basin Association (STRGBA).

Item 6.4: **Potential Downtown Restaurant Incentives** – It is recommended that Council review the presented information and provide direction to staff to prepare an implementation plan that utilizes Incentives #1) Grease Interceptor Loan Program and #2) Program to Allow Conditional Waiver to Install Grease Interceptors.

7. COMMENTS (Information only – No action)

Item 7.1: Staff Comments

Item 7.2: Council/Authority Member Comments

Item 7.3: Mayor/Chair Comments

8. CLOSED SESSION

The public will have a limit of 5 minutes to comment on Closed Session item(s) as set forth on the agenda prior to the City Council/LRA Board recessing into Closed Session.

LRA Item 8.1: **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Pursuant to Government Code § 54956.9(a)
In re AQH, LLC (case number 15-50553-ASW-11), U.S. Bankruptcy Court, Northern District of California

Recommendation: It is recommended that City Council /LRA Board provide direction to Staff on the Closed Session item(s).

9. REPORT FROM CLOSED SESSION

Item 9.1: Report on Closed Session LRA Item 8.1: **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

ADJOURNMENT **(The next regular City Council meeting –Tuesday, Nov. 24 @ 6:pm)**

Any documents that are not privileged or part of a Closed Session provided to a majority of the City Council/LRA Board after distribution of the agenda packet, regarding any item on this agenda, will be made available for public inspection at North City Hall, 6707 Third Street, Riverbank, CA, during normal business hours.

AFFIDAVIT OF POSTING

I, Annabelle Aguilar, do hereby certify under penalty of perjury, under the laws of the State of California that the foregoing agenda was posted 72 hours prior to the meeting in accordance to the Brown Act.

Posted this 6th day of November, 2015
/s/Annabelle H. Aguilar, CMC, City Clerk /LRA Recorder

Notice Regarding Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (209) 863-7122 or cityclerk@riverbank.org. Notification 72-hours before the meeting will enable the City to make reasonable arrangements to ensure any special needs are met. [28 CFR 35.102-35.104 ADA Title II].

Notice Regarding Non-English Speakers: Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Riverbank City Council/LRA Board shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

GENERAL INFORMATION

Meeting Schedule	The City Council Members also serve as the LRA Board Members. The Riverbank City Council/LRA Board meets in the City Hall North Council Chambers. Regular City Council meetings are held on the 2nd and 4th Tuesdays of each month at 6:00 p.m. The Local Redevelopment Authority Board meets on an "as needed" basis. Meetings are held as indicated, unless otherwise noticed.
City Council / LRA Agenda & Reports	The City Council/LRA Board agenda is posted pursuant to the California Brown Act, which only requires these agenda title pages to be posted near the entrance of the location where the meeting is to be held and,when available, on the City's website. Additional documents may be provided by the City in its efforts of transparency to keep the public well informed. **The agenda packet (agenda plus supporting documents) are posted for public review at the City Clerk's Office**, **6707 Third Street, Riverbank, CA and at www.riverbank.org upon distribution to a majority of the City Council/LRA Board.** A subscription to receive the agenda can be purchased for a nominal fee through the City Clerk's Office.
Public Hearings	In general, a public hearing is an open consideration within a regular meeting of the City Council or a meeting of the LRA, for which special notice has been given and may be required. During a specified portion of the hearing, any resident or concerned individual is invited to present protests or offer support for the subject under consideration.
Televised / Video of Meetings	City Council/LRA meetings are televised on Charter Channel 2 and AT&T Uverse Channel 99. Video of the meeting and the schedule of replays may be seen on the City's website, under the "Action 2" Icon. (Note: Technical difficulty occurs on occasion preventing the televising or recording of the meeting.)
Questions	Contact the City Clerk at (209) 863-7122 or aaguilar@riverbank.org

UPCOMING EVENTS:

Open Until Filled	▪ **Budget Advisory Committee** Applications are currently being accepted. Visit www.riverbank.org or Contact Marisela Garcia at 863-7110.
November 11	▪ **City Offices CLOSED in honor of Veteran's Day**
Friday Closures	▪ **City Offices are Closed Alternating Fridays** o **Friday: November 20 and December 4: CLOSED** o **Friday: November 13 and December 11: Hours 8:am – 5:pm**
November 24	▪ **3RD City Council Public Hearing: Select a District Boundaries Map, and conduct the 1st Reading and Introduction of Ordinance to change Riverbank's Electoral System.**
November 26 & 27	▪ **City Offices CLOSED for Thanksgiving Holiday**
November 28	▪ **47th Annual Christmas Parade & Festival - Downtown Riverbank, from 12:pm to (approximately) 9:pm. Contact Administration at 863-7122.**
December 12 and 13	▪ **Winter Wonderland Spectacular – at Jacob Myers Park from 5:pm to 7:30 pm. Contact Parks and Recreation at 863-7150.**
Cancelled 2015 Regular City Council Meetings	▪ **Tuesday, December 22, 2015.**

RIVERBANK CITY COUNCIL/LRA AGENDA ITEM NO. 1.1

SECTION 1: PRESENTATIONS

Meeting Date:	November 10, 2015
Subject:	Presentation and Acknowledgement to John Hurst, City Employee
From:	Jill Anderson, City Manager
Submitted by:	Luanne Bain, Administrative Assistant

RECOMMENDATION

It is recommended that the City Council acknowledge retiring City Employee, John Hurst, and present a plaque in his honor.

SUMMARY

City Employee John Hurst has been with the City since May 31, 1977, when he was hired as a Maintenance Worker I. Through the years he has worked his way up the proverbial ladder to become a Senior Maintenance Worker. On Friday, October 30, 2015, John retired from the City's employ.

The City wishes you the best of luck in retirement and your future endeavors.

FINANCIAL IMPACT:

There was a minimal cost for the plaque.

ATTACHMENTS

There are no attachments with this report.

RIVERBANK CITY COUNCIL AGENDA ITEM NO. 1.2

SECTION 1: PRESENTATIONS

Meeting Date:	November 10, 2015
Subject:	Financing Options for Capital Improvement Projects
From:	Jill Anderson, City Manager
Submitted by:	Marisela H. Garcia, Director of Finance

RECOMMENDATION

It is recommended that the City Council receive a presentation from NHA Advisors, Inc. regarding financing options available to local government for the financing of capital improvement projects.

SUMMARY

Tonight's presentation is an overview of options available for the financing of capital improvement projects. Options such as private placement, direct bank loans, or bonds will be described in greater detail.

BACKGROUND

Cities use a variety of methods in order to finance necessary capital improvement projects. Although grant funding is always explored as an option, may not be available for the type of improvement being proposed. Tonight's presentation is an overview of options such as bank loans, bonds, or private placement loans, that may be available to the City of Riverbank for the financing of such projects.

STRATEGIC PLAN

This report has been prepared to work towards accomplishing the following strategic goal established at the October 15, 2015 meeting:

"Improve and Maintain Infrastructure and Facilities"

FINANCIAL IMPACT

There is no financial impact associated with this presentation.

ATTACHMENTS

There are no attachments to this report.

RIVERBANK CITY COUNCIL / LRA AGENDA ITEM NO. 3.A

SECTION 3: CONSENT CALENDAR

Meeting Date:	November 10, 2015
Subject:	Waiver of Readings
From:	Jill Anderson, City Manager
Submitted by:	Annabelle Aguilar, CMC, City Clerk / LRA Recorder

RECOMMENDATION

It is recommended that the City Council / LRA Board approve the waiver of readings of Ordinances and Resolutions, except by title.

SUMMARY

The approval of the waiver of readings will allow Ordinances and Resolutions to be introduced by title only and acted upon without the need to read the entire text of the item into the public record. The documents related to proposed Ordinances and Resolutions are available for review by the public on the City's website and in the City Clerk's office at City Hall (North).

FINANCIAL IMPACT

There is no financial impact to this item.

ATTACHMENTS

There are no attachments to this report.

RIVERBANK CITY COUNCIL AGENDA ITEM NO. 3.B

SECTION 3: CONSENT CALENDAR

Meeting Date:	November 10, 2015
Subject:	A **Resolution** of the City Council of the City of Riverbank, California, Adopting the Transportation Development Act Local Transportation Fund (LTF) Non-Transit Claim for Fiscal Year 2015/2016 Other Purposes and Amending the Fiscal Year 2015/2016 Budget for the City Of Riverbank to Conform to Said Claim
From:	Jill Anderson, City Manager
Submitted by:	Marisela Garcia, Director of Finance Kathleen Cleek, Development Services Administration Manager

RECOMMENDATION:

It is recommended that the City Council approve a Resolution authorizing the submittal of a Fiscal Year 2015/2016 Transportation Development Act Local Transportation Fund Non-Transit Claim to receive funds in the amount of $130,698 from the Stanislaus Council of Governments (StanCOG) and amend budget to conform to said claim.

SUMMARY:

The City receives funding through the Transportation Development Act Local Transportation Fund for various transit, street, and non-motorized purposes. The money is allocated, through the Stanislaus Council of Governments (StanCOG) to each City in Stanislaus County based upon population. In order to receive the funds, the City must submit an annual claim form. The funds received by the City will be used for personnel and maintenance of local roads that are not eligible for federal funds. State law requires 2% of the allocated funds to be used for non-motorized projects within the City. The attached resolution and claim form are provided for your consideration.

The City of Riverbank currently has a LTF carryover of $22,574 in non-motorized funds for bicycle lanes and $627,987 for GIS mapping and other street maintenance projects, such as slurry seals and overlays from the Fiscal Year 2014/2015 claim. These allocations were approved at the March 24, 2015 City Council meeting. The City plans to add the allocated local transportation and non-motorized funds from Fiscal year 2015/2016 for the following expenditures and projects:

	CARRYOVER FY 2014/2015	FY 2015/2016	TOTAL
Street Maintenance Personnel	$ 0.00	$ 82,500	$ 82,500
GIS Mapping/Administration Personnel	$ 24,636	$ 0.00	$ 24,636
Other Street Maintenance Projects (Slurry Seals/Overlays)	$ 603,570	$ 30,996	$ 634,566
Bicycle Striping Non-motorized Funds	$ 22,574	$ 17,202	$ 39,776
Total Non-Motorized & Streets/Roads	**$ 650,780**	**$ 130,698**	**$ 781,478**

FINANCIAL IMPACT:

The City will receive $113,496 for Fiscal Year 2015/2016 for streets and road maintenance/rehabilitation and $17,202 for non-motorized projects.

STRATEGIC PLAN

Application for Local Transportation Funds is consistent with the City's strategic plan, specifically the following goals:

- Improve and maintain infrastructure and facilities
- Achieve and maintain financial stability and sustainability

ATTACHMENTS:

1. Resolution
2. Transportation Development Act Local Transportation Fund Claim for Fiscal Year 2015/2016 Other Purposes

CITY OF RIVERBANK

RESOLUTION NO. 2015-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERBANK, CALIFORNIA, ADOPTING THE TRANSPORTATION DEVELOPMENT ACT LOCAL TRANSPORTATION FUND (LTF) NON-TRANSIT CLAIM FOR FISCAL YEAR 2015/2016 OTHER PURPOSES AND AMENDING THE FISCAL YEAR 2015/2016 BUDGET FOR THE CITY OF RIVERBANK TO CONFORM TO SAID CLAIM

WHEREAS, The Stanislaus Council of Governments (StanCOG) has been designated as the Transportation Planning Agency with the responsibility to administer the distribution of Local Transportation Funds and State Assistance Funds; and

WHEREAS, StanCOG has presented the City of Riverbank with a Transportation Development Act Local Transportation Fund Non-Transit Claim for Fiscal Year 2015/2016 Other Purposes for funds to be paid to the City of Riverbank from the Local Transportation fund for fiscal year 2015/2016; and

WHEREAS, The Riverbank City Council must amend its Final Budget for fiscal year 2015/2016 to conform to the claims for Local Transportation Funds.

NOW, Therefore, Be It Resolved that the City Council of the City of Riverbank hereby approves the following:

1. The LTF Non-Transit Claim in the amount of $130,698 is hereby approved for submission to StanCOG; and
2. The Finance Director of the City of Riverbank is hereby authorized to execute the claim and to amend the annual budget of the City of Riverbank for fiscal year 2015/2016 to conform to the Local Transportation Fund and claim for State Transit Assistance Funds.

Passed and adopted by the City Council of the City of Riverbank at a regular meeting held on the 10th day of November 2015 by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

Attest:	**Approved:**
_____________________________	_________________________
Annabelle Aguilar, CMC **City Clerk**	**Richard D. O'Brien** **Mayor**

TRANSPORTATION DEVELOPMENT ACT
LOCAL TRANSPORTATION FUND
CLAIM FOR FISCAL YEAR 2015/16 OTHER PURPOSES

TO: Stanislaus Council of Governments
1111 I Street, Suite 308
Modesto, CA 95354

FROM:

Applicant:	City of Riverbank		
Address:	6707 Third Street		
City	Riverbank	Zip:	95367
Contact Person:	Kathleen Cleek	Phone:	(209) 863-7120
E-mail Address:	kcleek@riverbank.org	Fax:	(209) 869-1849

The City of Riverbank hereby requests, in accordance with the Transportation Development Act and applicable rules and regulations, that its claim for other purposes be approved in the amount of $130,698 for fiscal year 2015/16, to be drawn from the Local Transportation Fund.

When approved, please transmit this claim to the County Auditor for payment. Approval of the claim and payment by the County Auditor to this applicant is subject to such monies being on hand and available for distribution, and to the provisions that such monies will be used only in accordance with the terms contained in the approving resolution to the Stanislaus Council of Governments.

The claimant certifies that this Local Transportation Fund claim and the financial information contained therein is reasonable and accurate to the best of my knowledge and conforms with the requirements of the Transportation Development Act and applicable rules and regulations.

Submitted by: ______________________

Title: Marisela Garcia, Finance Director

Date: 10/30/2015

StanCOG Board of Directors:

Date of approval: ______________

Resolution #: ______________

____
StanCOG Approving Authority

CLAIMANT: City of Riverbank

LOCAL TRANSPORTATION FUND
CLAIM FOR OTHER PURPOSES
FY 2015/16

TABLE 1

1.	Planning, Local --PUC 99262/99402	$	-
2.	Transit ______________ *	$	-
3.	Streets and Roads --PUC 99400 (a)	$	113,496
4.	Nonmotorized - 2% LTF funds --PUC 99233.2/99234	$	17,202
5.	Nonmotorized - Other LTF funds --PUC 99233.2/99234	$	-
6.	**TOTAL CLAIM**	**$**	**130,698**

This table is to be filled out by StanCOG staff

City of Riverbank
Total LTF available to be claimed for other purposes:

FY 2015/16 Nonmotorized apportionment	$	16,820
FY 2014/15 Nonmotorized supplemental	$	382
Total 2% Nonmotorized	$	17,202
FY 2015/16 Other Purposes apportionment	$	87,749
FY 2014/15 Other Purposes supplemental	$	25,747
Total Other Purposes	$	113,496
Total available to be claimed at this time	**$**	**130,698**

*** If you have proposed transit expenditures, please fill in the appropriate PUC Code.**

NONMOTORIZED PROJECTS
FY 2015/16
(Use additional forms if necessary)

TABLE 2
BREAKDOWN BY PROJECT

BRIEFLY DESCRIBE PROJECTS AND EXPENDITURES INCLUDED IN THE 3 YEAR PERIOD BELOW

ID	PROJECT TITLE	MODE: BIKE	MODE: PED	MODE: PLAN	FOR BIKE PROJECTS ONLY: PROJECT IN StanCOG's BIKE PLAN *	FOR BIKE PROJECTS ONLY: PROJECT IN CITY/CO BIKE PLAN *	2013/14 ACTUAL EXPENDITURES	2014/15 ESTIMATED EXPENDITURES	2015/16 CLAIM	ACTUAL / ESTIMATED EXPENDITURES FOR 3 YEAR PERIOD
	Bicycle Striping/ADA	X	X				$0.00	$22,574.00	$17,202.00	$39,776.00
	Central Avenue-Bike/Walking Path	X	X				$29,445.00	$0.00	$0.00	$29,445.00
	GIS Sidewalk/ADA Plan		X	X			$0.00	$7,000.00	$0.00	$7,000.00
							$0.00	$0.00	$0.00	$0.00
							$0.00	$0.00	$0.00	$0.00
TOTAL FUNDS APPROPRIATED TO PROJECTS							$29,445.00	$29,574.00	$17,202.00	$76,221.00

TABLE 3
BREAKDOWN BY CATEGORY

RECORD LTF FUNDS ONLY

	% of Total Expenditures	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Estimate	2015/16 Claim	5 Year Total
Bicycle facilities	70.85%	$35,642.00	$14,321.00	$29,445.00	$22,574.00	$17,202.00	$119,184.00
Pedestrian facilities	29.15%	$9,335.00	$32,700.00	$0.00	$7,000.00	$0.00	$49,035.00
Preparation of Bicycle Plan	0.00%	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
TOTAL AMOUNT OF BIKE/PED EXPENDITURES		$44,977.00	$47,021.00	$29,445.00	$29,574.00	$17,202.00	$168,219.00

DOES THIS CLAIM MEET THE MINIMUM 50% BICYCLE EXPENDITURE STANCOG PERFORMANCE STANDARD? YES

StanCOG 50% bicycle expenditure requirement: The 5 year bicycle expenditures must be 50% or greater.

TABLE 4
FUNDS HELD IN RESERVE AT JURISDICTION

RECORD LTF FUNDS ONLY

	2011/12	2012/13	2013/14	2014/15
Fiscal year beginning fund balance	$73,527.00	$42,782.00	$12,287.00	$29,762.47
Plus fiscal year 2% nonmotorized claim	$13,772.00	$16,475.00	$17,287.00	$17,202.00
Plus interest	$460.00	$51.00	$188.47	$0.00
Minus nonmotorized expenditures	($44,977.00)	($47,021.00)	$0.00	$0.00
Fiscal year ending fund balance	$42,782.00	$12,287.00	$29,762.47	$46,964.47

1.	Prior year(s) LTF carryover held by jurisdiction applied towards FY 2015/16 Nonmotorized claim (TABLE 4)	$29,762
2.	Interest earned on previously paid LTF funds held by jurisdiction (required by State law) (TABLE 4)	$0
3.	FY 2015/16 Nonmotorized 2% funds applied towards FY 2015/16 projects (must match Page 2, Line 4)	$17,202
4.	FY 2015/16 Other LTF funds applied towards Nonmotorized claim (must match Page 2, Line 5)	$0
5.	FY 2015/16 Nonmotorized 2% funds to be held at StanCOG	$0
6.	Total of lines #1 through #5 above	$46,964

*** SEE PAGE 3b FOR NONMOTORIZED REGULATIONS/POLICIES AND NOTES**

CLAIMANT: City of Riverbank

ANNUAL PROJECT AND FINANCIAL PLAN

PROJECTS FOR OTHER PURPOSES
FY 2015/16

(Use additional forms as necessary)

TABLE 5

Briefly describe all proposed projects and indicate proposed project expenditures

Project Title & Brief Description	Will this Project add new travel lanes? **Yes or No**	Will this Project use Federal Funds? **Yes or No**	Is this Project consistent with the RTP **Yes or No**	Total Project Cost	LTF Funds Utilized
Personnel-Street Maintenance				$ 82,500	$ 82,500
Personnel-GIS Mapping/Administration				$ 24,636	$ 24,636
Other Street Maintenance Projects	No	No		$ 634,566	$ 634,566
TOTAL				**741,702.00**	**741,702.00**

1. LTF carryover applied towards FY 2015/16 Other Purposes	627,987.00
2. Interest earned on LTF carryover (required by State law)	219.07
3. FY 2015/16 apportionment applied towards FY 2015/16 Other Purposes	113,496.00
4. Total of Lines 1, 2 and 3 above	741,702.07

RIVERBANK CITY COUNCIL AGENDA ITEM NO. 5.1

SECTION 5: PUBLIC HEARING

Meeting Date:	November 10, 2015
Subject:	**Public Hearing** to consider a **Resolution** of the City Council of the City Of Riverbank, California, Authorizing the Submittal of Outstanding Abatement Invoices to Stanislaus County to be Collected as Special Assessments and Liens On the Property Tax Bill
From:	Jill Anderson, City Manager
Submitted by:	Marisela H. Garcia, Director of Finance

RECOMMENDATION

It is recommended that the City Council:

1) Hold a Public Hearing for Affected Property Owners regarding Outstanding Abatement Invoices and Collection by Special Assessment and Lien Process, and
2) Adopt a Resolution Authorizing the Submittal of the Outstanding Abatement Invoices to Stanislaus County for Collection through a Special Assessment and Lien Process.

SUMMARY

Pursuant to Section 97.06 *Abatement by City: Costs to be Special Assessment and Lien; Collection* of the City of Riverbank Municipal Code of Ordinances, the Finance Department is holding the Public Hearing established at the October 27, 2015 City Council meeting regarding outstanding invoices for forced weed abatement services on properties located at 6412 2nd Street and 6161 Jackson Avenue. The Public Hearing is designed to allow the affected property owners to protest the assessment of these outstanding invoices as a lien on their property. After receipt of any evidence or testimony presented by the affected Property Owners, the City Council may consider adopting a Resolution authorizing the submittal of the outstanding invoices to Stanislaus County for collection through a special assessment on their property taxes.

BACKGROUND

The purpose of the City's weed abatement process is to prevent fire hazards created by vegetative growth and the accumulation of combustible debris. Upon the receipt of a complaint, the Neighborhood Improvement Officer inspects parcels that are seen as a public nuisance. Property owners are notified that they must complete the abatement process on their properties when the minimum fire safety standards are not met. Should the property owner not comply, a forced abatement is performed by a contractor working on behalf of the City. Property owners are charged for this work and allowed 30 days to pay the invoice.

Should property owners fail to pay an outstanding invoice for the forced abatement of their property, the Finance Director must report the outstanding charges to the City Council. At this time, the City Council may choose to establish a Public Hearing date in order to consider directing the County Auditor-Controller to place the amount of the unpaid expense onto the next Property Tax bill assessed against the parcel listed.

Currently, there are two properties with outstanding invoices for forced abatement:

APN	**Property**	**Property Owner**	**Outstanding Invoice**
132-017-027	6412 2nd Street	Antonio Albor	$300
075-012-001	6161 Jackson Avenue	Tracy Marie Tabalon et. al.	$600

On October 27, 2015 the City Council received the report of Outstanding Abatement Invoices and established the Public Hearing date for these two properties for November 10, 2015. The property owners received notification of the public hearing via Certified Mailing from the City Clerk. Property owners are allowed the opportunity to protest the placement of these outstanding amounts onto their property tax bill.

Information pertaining to these two cases is provided below:

Property	**6412 2nd Street**	**6161 S. Jackson Rd**
Initial Letter Sent to Property Owners	04/01/2015	04/07/2015
Initial Inspection by Neighborhood Improvement	04/15/2015	05/19/2015
Secondary Inspection to Confirm Violations Remain	05/14/2015	N/A
Letter Sent to Property Owners Regarding Posting of Property	05/14/2015	05/19/2015
Re-Inspection Date for Compliance	05/29/2015	05/29/2015
Abatement Date	06/30/2015	06/08/2015

OPTIONS

After receiving comments from the affected property owners, the City Council may consider the following options:

1. If protested by the Property Owners, the City Council may consider establishing a timeline for the repayment of the outstanding invoices directly to the City, or

2. Adopt a Resolution authorizing the submittal of the invoices to Stanislaus County for collection of the amounts due through a special assessment or lien on the annual property tax billing.

STRATEGIC PLAN

This report is directly related to the City's Three-Year Strategic Plan goal of "Achieve and maintain financial stability and sustainability".

FINANCIAL IMPACT

There is no financial impact associated with the Public Hearing. An administrative fee may be charged by Stanislaus County for the collection of the outstanding abatement invoices through a special assessment or lien.

ATTACHMENTS

1. Resolution
2. Exhibit A: Report of Outstanding Abatement Invoices

CITY OF RIVERBANK

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERBANK, CALIFORNIA, AUTHORIZING THE SUBMITTAL OF OUTSTANDING ABATEMENT INVOICES TO STANISLAUS COUNTY TO BE COLLECTED AS SPECIAL ASSESSMENTS AND LIENS ON THE PROPERTY TAX BILL

WHEREAS, the purpose of the City's weed abatement process is to prevent fire hazards created by vegetative growth and the accumulation of combustible debris; and,

WHEREAS, if a property owner fails to perform necessary abatement work on their property as directed by the Neighborhood Improvement Division, the Neighborhood Improvement Officer will authorize the performance of a forced abatement on said property; and,

WHEREAS, It is the responsibility of the Finance Director to make attempts to recoup the expenditures related to the forced abatement of the property and if such attempts are unsuccessful the Outstanding Abatement Invoices Report is presented to the City Council and a Public Hearing is established to allow property owners to protest the placement of the outstanding invoices on their property tax bill; and,

WHEREAS, if no protests are received or reasonable accommodations are requested by the property owner for the repayment of the outstanding abatement invoices, the City Council may authorize the placement of these outstanding abatement invoices on the property tax billing, and

WHEREAS, Exhibit A reflects two properties who are recommended to be submitted to Stanislaus County for outstanding invoices to be collected as special assessments and liens on their annual property tax bill.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Riverbank hereby:

1) Authorizes the submittal of the outstanding abatement invoices as reflected on Exhibit A to Stanislaus County to be collected as a special assessment or lien on the annual property tax billing; and
2) Authorizes Stanislaus County to collect such assessment on behalf of the City of Riverbank.

PASSED AND ADOPTED by the City Council of the City of Riverbank at a regular meeting held on the 10th day of November, 2015; motioned by Councilmember ______, seconded by Councilmember ______, and upon roll call was carried by the following vote of ___:

AYES:
NAYS:
ABSENT:
ABSTAIN:

ATTEST:	**APPROVED:**
______________________________	______________________________
Annabelle Aguilar, CMC **City Clerk**	**Richard D. O'Brien** **Mayor**

Attachments: Exhibit A: Report of Outstanding Forced Abatement Invoices

EXHIBIT A
REPORT OF OUTSTANDING FORCED ABATEMENT INVOICES

APN	**Property**	**Property Owner**	**Outstanding Invoice**
132-017-027	6412 2nd Street	Antonio Albor	$300
075-012-001	6161 Jackson Avenue	Tracy Marie Tabalon et. al.	$600

RIVERBANK CITY COUNCIL AGENDA ITEM NO. 5.2

SECTION 5: PUBLIC HEARING

Meeting Date:	November 10, 2015
Subject:	Consideration of a proposed **Resolution** of the City Council of the City of Riverbank, California, Approving Variance No. 01-2015 for KB Home Central Valley Inc.
From:	Jill Anderson, City Manager
Submitted by:	Donna M. Kenney, Planning and Building Manager

RECOMMENDATION

It is recommended that the City Council approve the Variance 01-2015 to decrease a setback at 5705 Cornerstone Drive, Lot 99 from four (4) feet to three (3) feet based upon the Planning Commission recommendation in Resolution No. 2015-023 and findings in the proposed City Council Resolution.

SUMMARY

The applicant, KB Home Central Valley Inc. ("KB Home") is seeking a variance to decrease a setback on Lot 99 from four (4) feet to three (3) feet. The Planning Commission has considered this matter and has made its recommendation of approval by the adoption of Resolution No. 2015-023 (Attachment 1).

BACKGROUND AND ANALYSIS

On July 10, 2006, Morrison Homes received City Council approval for a 115 lot subdivision located at Cornerstone at Crossroads at Oakdale Road. KB Home eventually took over the project and began submitting batches of building permit applications, including one for Lot 99 issued in June 2015. In July 2015, planning staff was notified by KB Home that there was a problem with a setback for Lot 99: the approved development plan and their building permit plan showed a three (3) foot setback where a four (4) foot setback is required (Attachment 2). Staff began discussing a Lot Line Adjustment with KB Home but it was determined a Variance would be required since the adjacent lot could not accommodate a Lot Line Adjustment without becoming nonconforming itself.

The Planning Commission took public comment on this project at its regular meeting of October 20, 2015. In response to a concern expressed by a commissioner it was confirmed at the meeting that the change in setback would not be noticeable to the public. The floor plans and setbacks within this neighborhood are already varied to create interest. Within this block, there are homes with four (4) foot, six (6) foot and seven (7) foot rear setbacks (Attachment 3). In addition, some homes have pop-outs which provide the rear elevation of the homes with varied levels of depth to create extra interest. Of the 115 homes, this is the only lot that will have a three (3) foot setback and the buyer will be informed by the developer.

Since the setback issue with Lot 99 was an issue with the construction of five (5) other homes, the City Attorney drafted and KB Home signed an Acknowledge and Release (Attachment 4) allowing KB Home to build on Lot 99 at its own risk while this issue was resolved through the Planning Commission and City Council.

Pursuant to RMC Section 153.217 (a), the City Council shall make the following Finding of Facts in approving a variance:

1. Because of special circumstances applicable to the property including size, shape, topography, location or surroundings, the strict application of the zoning ordinance deprives the subject property of privileges enjoyed by other properties in the vicinity and under identical zoning classifications. *Lot 99 is situated in the middle of the block, surrounded by Lots 95, 96, 97, 98, and 100 which are currently under construction. Therefore, it is not possible at this time to do a Lot Line Adjustment without causing adjacent Lot 96 to become nonconforming.*

2. The granting of the application is necessary for the preservation and enjoyment of substantial property rights of the petitioner and will not constitute a grant of special privilege. *Without an approved variance, KB Home would need to design a new floor plan that would fit on this lot, incurring additional expenses and the delayed habitation of five (5) surrounding homes.*

3. The granting of such application will not, under the circumstances of the particular case, materially affect adversely the health or safety of persons residing or working in the neighborhood of the property of the applicant and will not, under the circumstances of the particular case be materially detrimental to the public welfare or injurious to property or improvements in the neighborhood. *Since the roof projection at this setback would be less than three (3) feet, KB Home will use a one (1) hour rated assembly on the underside of the roof projection as a fire safety feature.*

The City Council public hearing notice was published in the Riverbank News on October 28, 2015 and posted at City Hall North and South on October 28, 2015. In addition, notices were distributed to residents and business within 300-feet of the Project site in accordance with City standard practices. At time of staff report completion, (November 2, 2015), the City has not received any written public comment.

ENVIRONMENTAL DETERMINATION

The proposed project will not have a significant effect on the environment and is categorically exempt under Article 19, Section 15305 Minor Alterations in Land Use Limitations, (a) Minor lot line adjustments, side yard and set back variances not resulting in the creation of any new parcel. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.

STRATEGIC PLAN

The City of Riverbank Strategic Planning Session is a plan and set of goals that Riverbank will work towards for the next three years. The action to decrease a setback on Lot 99 from four (4) feet to three (3) feet is not a part of these goals.

FINANCIAL IMPACT

The proposed City Council Resolution will have no financial impact on the City.

ATTACHMENTS

1. Planning Commission Resolution No. 2015-023
2. Lot 99 site plan
3. Block setbacks
4. Acknowledgement and Release document
5. Proposed City Council Resolution

City of Riverbank
Planning Commission
Resolution No. 2015-023

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF RIVERBANK FINDING AND RECOMMENDING TO THE CITY COUNCIL APPROVAL OF VARIANCE NO. 01-2015 FOR KB HOME CENTRAL VALLEY INC.

Whereas, An application for a Variance has been received from KB Home Central Valley Inc. ("KB Home") requesting to decrease a setback on Lot 99 from four (4) feet to three (3) feet; and

Whereas, The property Lot 99, 5705 Cornerstone Drive, is zoned PD; and

Whereas, The Planning Commission held a public hearing on October 20, 2015 to consider the application; and

Whereas, Public Notice for the Public Hearing was published in the Riverbank News on October 7, 2015 and notices to individual property owners within 300-feet were mailed on October 7, 2015.

Whereas, The applicant, Mr. Leo Pantoja, has provided evidence as part of his application, that the circumstance creates practical difficulties, unnecessary hardships and results inconsistent with the general purpose of the PD (Planned Development) Zoning District.

Whereas, The Planning Commission of the City of Riverbank believes the following three findings required under Riverbank Municipal Code Section 153.217, Variance can be supported:

1. Because of special circumstances applicable to the property including size, shape, topography, location or surroundings, the strict application of the zoning ordinance deprives the subject property of the privileges enjoyed by other properties in the vicinity and under identical zone classifications.

2. The granting of the application is necessary for the preservation and enjoyment of substantial property rights of the petitioner and will not constitute a grant of special privileges.

3. The granting of such application will not, under the circumstances of the particular case, materially affect adversely the health or safety of persons residing or working in the neighborhood of the property of the applicant and will not, under the circumstances of the particular case be materially detrimental to the public welfare or injurious to property or improvements in said neighborhood.

Whereas, The Planning Commission of the City of Riverbank makes the following findings:

1. Notice has been given in the time and in the manner required by State Law and City Code.

2. A variance requesting to decrease a setback on Lot 99 from four (4) feet to three (3) feet is categorically exempt under Article 19, Section 15305 Minor Alterations in Land Use Limitations, (a) Minor lot line adjustments, side yard and set back variances not resulting in the creation of any new parcel.

3. The property is zoned PD (Planned Development) and is of level grade with no unique site characteristics.

4. That the mandatory findings for granting a variance, RMC Section 152.217, Variance, are found to exist and evidence is found to exist to support the request of Mr. Pantoja to decrease a setback on Lot 99 from four (4) feet to three (3) feet.

NOW THEREFORE, BE IT RESOLVED by the City of Riverbank Planning Commission that Variance Application No. 01-2015 and Resolution No. 2015-023 be forwarded to the City Council for approval.

Passed and adopted this 20th day of October 2015, by the following vote:

Ayes: Commissioner's: Hughes, McKinney, Stewart and Villapudua

Noes: None

Absent: None

Abstain: None

Attest:

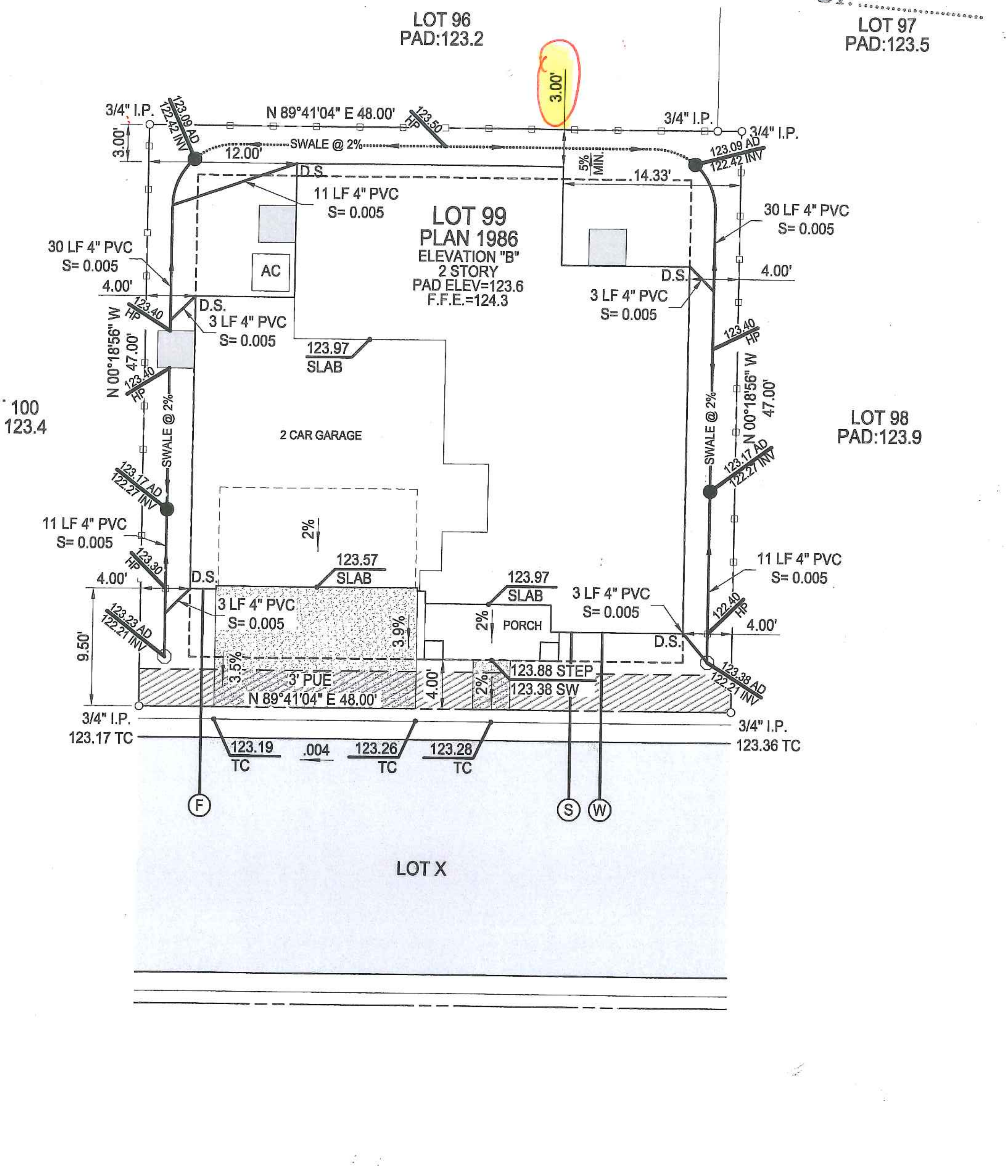
Donna M. Kenney

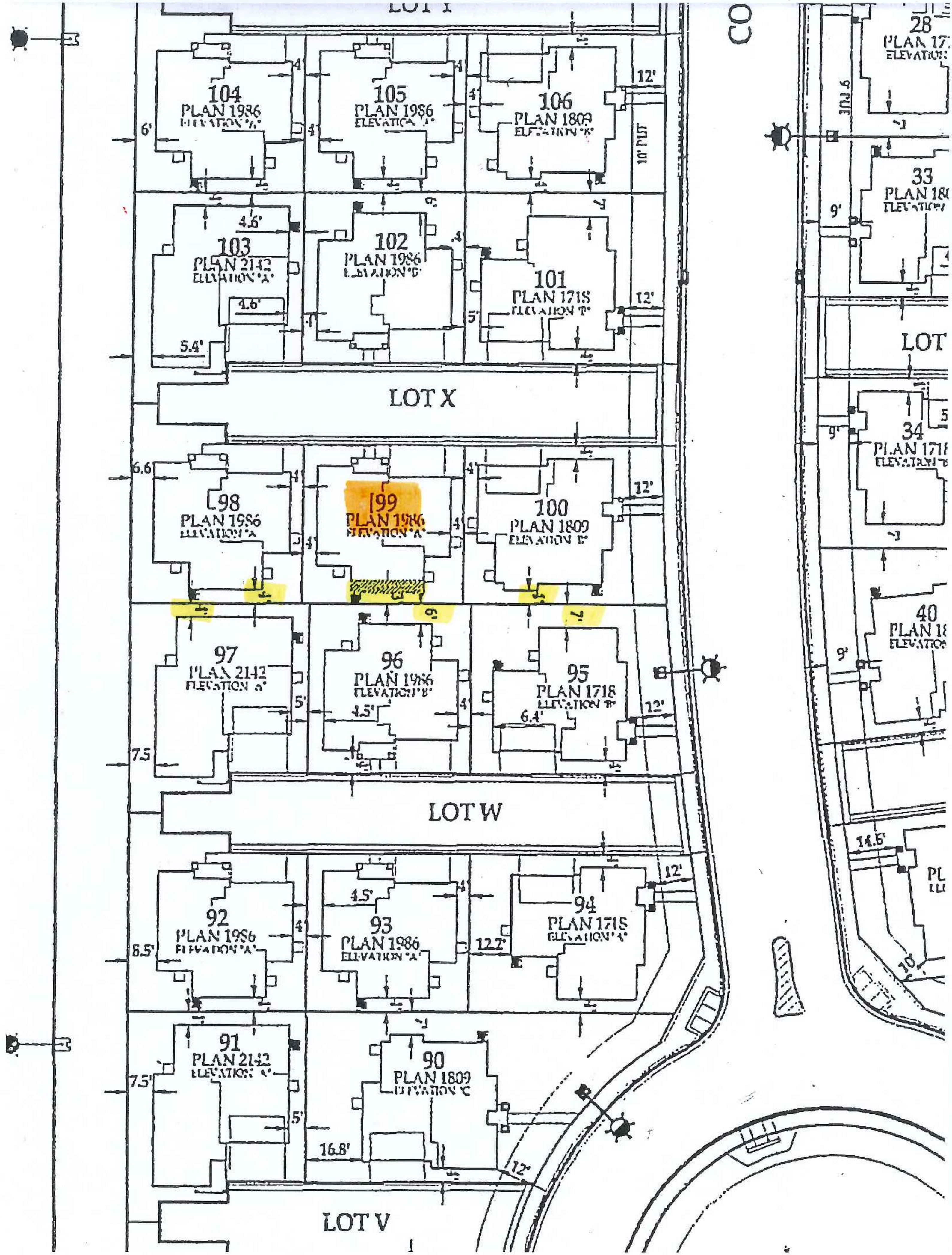
Donna M. Kenney, Planning and Building Manager

Approve:

Patricia Hughes

Patricia Hughes, Chair Planning Commission


LOT 96
PAD:123.2
LOT 97
PAD:123.5
3.00'
3/4" I.P.
123.09 AD
122.42 INV
N 89°41'04" E 48.00'
123.50
HP
3/4" I.P.
3/4" I.P.
3.00'
12.00'
SWALE @ 2%
123.09 AD
122.42 INV
5% MIN.
D.S.
14.33'
11 LF 4" PVC
S= 0.005
LOT 99
PLAN 1986
ELEVATION "B"
2 STORY
PAD ELEV=123.6
F.F.E.=124.3
30 LF 4" PVC
S= 0.005
30 LF 4" PVC
S= 0.005
AC
4.00'
D.S.
4.00'
3 LF 4" PVC
S= 0.005
D.S.
3 LF 4" PVC
S= 0.005
123.40
HP
N 00°18'56" W
47.00'
123.97
SLAB
123.40
HP
123.40
HP
100
123.4
SWALE @ 2%
2 CAR GARAGE
SWALE @ 2%
N 00°18'56" W
47.00'
LOT 98
PAD:123.9
123.17 AD
122.27 INV
123.17 AD
122.27 INV
2%
11 LF 4" PVC
S= 0.005
11 LF 4" PVC
S= 0.005
123.30
HP
123.57
SLAB
123.97
SLAB
4.00'
D.S.
3 LF 4" PVC
S= 0.005
3 LF 4" PVC
S= 0.005
3.9%
2%
PORCH
122.40
HP
4.00'
9.50'
123.23 AD
122.21 INV
D.S.
3.5%
3' PUE
4.00'
2%
123.88 STEP
123.38 SW
123.38 AD
122.21 INV
N 89°41'04" E 48.00'
3/4" I.P.
123.17 TC
123.19
TC
.004
123.26
TC
123.28
TC
3/4" I.P.
123.36 TC
F
S
W
LOT X


104
PLAN 1986
105
PLAN 1986
106
PLAN 1809
103
PLAN 2142
102
PLAN 1986
101
PLAN 1718
LOT X
98
PLAN 1986
ELEVATION 'A'
199
PLAN 1986
ELEVATION 'A'
100
PLAN 1809
97
PLAN 2142
96
PLAN 1986
ELEVATION 'B'
95
PLAN 1718
LOT W
92
PLAN 1986
ELEVATION 'A'
93
PLAN 1986
ELEVATION 'A'
94
PLAN 1718
91
PLAN 2142
90
PLAN 1809
ELEVATION 'C'
LOT V
28
33
34
40
10' PUE

ACKNOWLEDGEMENT AND RELEASE AGREEMENT

This **ACKNOWLEDGEMENT AND RELEASE** ("Release") is executed with an effective date of October 1, 2015, by and between KB Home, a Delaware corporation ("Developer") and the City of Riverbank, a California municipal corporation ("City"). Developer and City may herein be referred to individually as a "Party" or collectively as the "Parties". There are no other parties to this Release.

RECITALS

A. Developer is proceeding with construction of residences pursuant to Final Map No. 43-M-55 (the "Final Map") and related entitlements.

B. City has determined that Lot 99 of the Final Map ("Lot 99") requires a variance from the City's existing zoning and building regulations to authorize construction of a residence having less than a four-foot setback.

C. Developer has applied for such variance, and the variance must ultimately be approved by the Planning Commission, or by the City Council if the Planning Commission recommends denial of the variance.

D. Developer desires to proceed with installing the foundation for Lot 99 prior to the City's final determination on the application for a variance for Lot 99.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Parties agree as follows:

AGREEMENT

Section 1. Commencing Foundation Work. City acknowledges that Developer may proceed with installing a foundation at Lot 99, in accordance with all applicable laws and ordinances, prior to a final determination by the City regarding the variance application for Lot 99. Developer acknowledges that the City will not issue a final inspection or certificate of occupancy for Lot 99 until a variance has been approved for Lot 99.

Section 2. Developer Solely At Risk. All work performed or completed in connection with the installation of a foundation at Lot 99 prior to the City's approval of variance for Lot 99 is at the sole risk of the Developer. Work may need to be corrected, changed, modified, removed, replaced, restored, or redone ("Corrective Work"), at the sole cost and expense of the Developer, to bring Lot 99 into conformity with building specifications of the City. City does not waive and expressly reserves all of its rights and powers to approve, conditionally approve, or deny permits, applications, or any action it has authority to regulate pursuant to any applicable City codes and standards. Developer expressly waives all rights to seek legal action against City for refusal to issue a final inspection or certificate of occupancy for Lot 99.

Section 3. No City Liability. Developer acknowledges and agrees that the City will bear no liability whatsoever for any work performed to install a foundation or construct a residential unit at Lot 99 prior to the City's adoption of a variance for Lot 99. Developer remains responsible for complying with all conditions of approval, building permits and any other applicable permit issued by the City as well as any local, state, or federal laws. If Developer chooses to proceed with installation of a foundation for Lot 99 prior to the approval of a variance, Developer agrees to perform any Corrective Work required to bring Lot 99 into compliance with any conditions and requirements reasonably required by the City in order to bring Lot 99 into conformance with building regulations and construction standards.

Section 4. City Obligation. Developer shall request regular inspections for foundation work at Lot 99 in accordance with the City's adopted building regulations. City agrees that it shall not proceed against the Developer for any violation of the City code that is solely based on the fact that Developer has proceeded with installation of the foundation for Lot 99 before the adoption of a variance for Lot 99.

Section 5. No Guarantee or Waiver by City. This Release in no way guarantees that the City will issue a final inspection or certificate of occupancy in connection with Lot 99. City retains the sole discretion to deny any application submitted to it by Developer for any valid reason authorized by law. Nothing in this Release waives the City's right to enforce City codes or other applicable rules, regulations, or laws which it has jurisdiction to enforce. Nothing in this Release waives the City's authority to find that work done on the Property constitutes a nuisance or that any such nuisance or violation must be corrected at the sole expense of Developer. The City's only concession under this Release is that it will not proceed against Developer solely because Developer begins installing the foundation for Lot 99 prior to the adoption of a setback variance for Lot 99.

Section 6. Developer to Comply with All Laws. Any construction work performed by or on behalf of Developer, prior to the adoption of a variance for Lot 99, shall comply with all City codes, ordinances, rules, policies or procedures. All work shall also comply with any applicable state or federal statutes, laws, codes, or regulations.

Section 7. Indemnification of City. Developer shall hold City harmless for any costs arising from construction work or Corrective Work performed in connection with Lot 99, regardless whether such work is performed. In the event any person or entity brings a claim, action, or proceeding that arises from this Release or construction work or Corrective Work performed by Developer, Developer will indemnify, hold harmless, and defend City and its elected and appointed councils, commissions, officers, agents, employees, and representatives from all costs and expenses incurred in the defense of such claim, action, or proceeding, including but not limited to, damages, attorney's fees and expenses of litigation awarded to the prevailing party or parties. City may elect to tender its own defense to any action and receive reimbursement from Developer for any costs or expenses it accrues as a result of that defense.

Section 8. Stop, Cure, and Correct. Developer agrees to perform any required Corrective Work, to the satisfaction of the City, at Developer's sole cost and expense. City is not responsible for any costs or expenses incurred by Developer for construction or Corrective Work. If City informs Developer that construction or Corrective Work violates the law or is not in compliance with the City's requirements, Developer shall immediately stop work and work with the City in good faith to correct any violations or inadequacies.

Section 9. Limited Scope of Release. This Release does not apply to work outside the scope of the installation of a foundation and construction of Lot 99, and this Release does not subrogate any other local permit requirements in any way.

Section 10. Notices. Any notice or communication required hereunder between City and Developer must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the party to whom it is addressed. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any party hereto may at any time, by giving ten (10) days written notice to the other party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the parties at their addresses set forth below:

If to City:	City of Riverbank 6707 Third Street Riverbank, CA 95367 Attn: City Clerk
With copies to:	City of Riverbank 6707 Third Street Riverbank, CA 95367 Attn: City Manager
and	Churchwell White, LLP 1201 K Street, Suite 710 Sacramento, California 95814 Attn: Douglas L. White, Esq.
If to Developer:	KB Home 3005 Douglas Blvd., Suite 250 Roseville, CA 95861 Attn: David Judy

Section 11. General Provisions.

(a) *Governing Law.* The validity, interpretation and performance of this Release shall be controlled by and construed pursuant to the laws of the State of California.

(b) *Venue.* Venue for any legal proceedings related to this Release shall be in the Superior Court for the County of Stanislaus.

(c) *Severability.* If this Release in its entirety is determined by a court to be invalid or unenforceable, this Release shall automatically terminate as of the date of final entry of judgment. If any provision of this Release shall be determined by a court to be invalid and unenforceable, or if any provision of this Release is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Release, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Release.

(d) *Waiver.* A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.

(e) *Entire Agreement.* This Release, together with its specific references, attachments and Exhibits, constitute all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto with respect to Lot 99. Unless set forth herein, neither party shall be liable for any representations made express or implied not specifically set forth herein.

(f) *Supersedes Prior Agreement.* It is the intention of the parties hereto that this Release shall supersede any prior agreements, discussions, commitments, representations or agreements, written, electronic or oral, between the parties hereto with respect to commencing work on the foundation and construction of a residence on Lot 99 prior to the adoption of a variance for Lot 99.

(g) *Captions.* The captions of this Release are for convenience and reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Release.

(h) *Mandatory and Permissive.* "Shall" and "will" and "agrees" are mandatory. "May" or "can" are permissive.

(i) *Successors and Assigns.* All representations, covenants and warranties specifically set forth in this Release, by or on behalf of or for the benefit of any or all of the parties hereto, shall be binding upon an inure to the benefit of such party, its successors and assigns.

(j) *Counterparts.* This Release may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

(k) *Other Documents.* Parties agree that they shall cooperate in good faith to accomplish the objectives of this Release and to that end, agree to execute and deliver such other instruments or documents as may be necessary and convenient to the fulfill the purposes and intentions of this Release.

(l) *Time is of the Essence.* Time is of the essence in this Release in each covenant and term and condition herein.

(m) *Authority.* All parties to this Release warrant and represent that they have the power and authority to enter into this Release and the names, titles and capacities herein stated on behalf of any entities, persons, states or firms represented or purported to be represented by such entities, persons, states or firms and that all former requirements necessary or required by the state or federal law in order to enter into this Release had been fully complied with.

(n) *Document Preparation.* This Release will not be construed against the party preparing it, but will be construed as if prepared by all parties.

(o) *Advice of Legal Counsel.* Each party acknowledges that it has reviewed this Release with its own legal counsel, and based upon the advice of that counsel, freely entered into this Release.

(p) *Attorney's Fees and Costs.* If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Release, the prevailing party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such party may be entitled.

IN WITNESS WHEREOF, this Release has been entered into by and between Developer and City effective as of the day and year first above written.

CITY:

City of Riverbank, a California municipal corporation

Donna Kenney

Donna Kenney, Planning and Building Manager

Date: 9-30-15

DEVELOPER:

KB Home, a Delaware corporation

Name: Zach Gomes

Title: VP Operations

Date: 9/30/15

Approved as to Form:

Tom Hallinan, City Attorney

CITY OF RIVERBANK

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERBANK, CALIFORNIA, APPROVING VARIANCE NO. 01-2015 FOR KB HOME CENTRAL VALLEY INC.

Whereas, An application for a Variance has been received from KB Home Central Valley Inc. ("KB Home") requesting to decrease a setback on Lot 99 from four (4) feet to three (3) feet; and

Whereas, The property Lot 99, 5705 Cornerstone Drive, is zoned PD; and

Whereas, The Planning Commission held a public hearing on October 20, 2015 to consider the application; and

Whereas, Public Notice for the Public Hearing was published in the Riverbank News on October 7, 2015 and notices to individual property owners within 300-feet were mailed on October 7, 2015.

Whereas, The applicant, Mr. Leo Pantoja, has provided evidence as part of his application, that the circumstance creates practical difficulties, unnecessary hardships and results inconsistent with the general purpose of the PD (Planned Development) Zoning District.

Whereas, The Planning Commission of the City of Riverbank believes the following three findings required under Riverbank Municipal Code Section 153.217, Variance can be supported:

1. Because of special circumstances applicable to the property including size, shape, topography, location or surroundings, the strict application of the zoning ordinance deprives the subject property of the privileges enjoyed by other properties in the vicinity and under identical zone classifications.

2. The granting of the application is necessary for the preservation and enjoyment of substantial property rights of the petitioner and will not constitute a grant of special privileges.

3. The granting of such application will not, under the circumstances of the particular case, materially affect adversely the health or safety of persons residing or working in the neighborhood of the property of the applicant and will not, under the circumstances of the particular case be materially detrimental to the public welfare or injurious to property or improvements in said neighborhood.

Whereas, The Planning Commission of the City of Riverbank made the following findings in recommending their approval of the Variance to the City Council:

1. Notice has been given in the time and in the manner required by State Law and City Code.

2. A variance requesting to decrease a setback on Lot 99 from four (4) feet to three (3) feet is categorically exempt under Article 19, Section 15305 Minor Alterations in Land Use Limitations, (a) Minor lot line adjustments, side yard and set back variances not resulting in the creation of any new parcel.

3. The property is zoned PD (Planned Development) and is of level grade with no unique site characteristics.

Therefore, the mandatory findings for granting a variance, RMC Section 152.217, Variance, are found to exist and evidence is found to exist to support the request of Mr. Pantoja to decrease a setback on Lot 99 from four (4) feet to three (3) feet.

PASSED AND ADOPTED by the City Council of the City of Riverbank at a regular meeting held on the 10th day of November, 2015; motioned by Councilmember ______, seconded by Councilmember ______, and upon roll call was carried by the following vote of ___:

AYES:
NAYS:
ABSENT:
ABSTAIN:

ATTEST:	**APPROVED:**
____________________________	____________________________
Annabelle Aguilar, CMC	**Richard D. O'Brien**
City Clerk	**Mayor**

RIVERBANK CITY COUNCIL AGENDA ITEM NO.5.3

SECTION 5: PUBLIC HEARING

Meeting Date:	November 10, 2014
Subject:	Conduct the Second **Public Hearing** to Consider the Proposed District Boundary Map Options and to Reduce the Number of Optional Maps for Further Consideration
From:	Jill Anderson, City Manager
Submitted by:	Annabelle Aguilar, Sr. Management Analyst/City Clerk/Elections

RECOMMENDATION

In order to select and adopt a final district boundaries map that best represents the current population of Riverbank, which is part of the transition process to change from an "at-large" electoral system of electing Councilmembers to a "by-district" system with the Mayor elected citywide, it is recommended that the City Council:

1) conduct the second public hearing required by State law to establish district boundaries;
2) consider the proposed district boundary maps, A through H, and public comments that were presented by National Demographics Corporation; and
3) by roll call vote, select four (4), or less, of the eight (8) optional maps to be further considered at the third public hearing in order to select one (1) boundaries map that will establish the City of Riverbank's district boundaries, and that will be incorporated into a proposed ordinance to establish the electoral process for "by-district" elections.

SUMMARY

In response to concerns that the City of Riverbank's current "at-large" method of elections could be vulnerable to legal challenges under the California Voting Rights Act of 2001 (CVRA), the City Council began to consider transitioning Riverbank's "at-large" method of electing it's four (4) Councilmembers, to a "by-district" method, with the Mayor continuing to be elected at-large (citywide). The Consulting firm, National Demographic Corporation (NCD), was hired to assist the City in evaluating the City's current at-large system, to develop optional voter district boundary maps for consideration by the citizens of Riverbank and the City Council, and to assist the City in its transition to a "by-district" electoral system pursuant to State laws.

The City Council was informed at its regular meeting on October 27, 2015, that a new law was recently signed by Governor Brown that permitted the City Council of a General Law city with a population of less than 100,000, to enact an ordinance changing its city's method of electing its Councilmembers from an "at-large" to a "by-district" elections method; thereby, eliminating the requirement of submitting the change to its voters for approval. As a result, the City of Riverbank has changed its plan from introducing a measure for voter approval, which had a longer timeline to implement a by-district system (anticipated by November 2018); to now conducting the streamlined process of the new law with anticipated implementation of the by-district elections system beginning with the November 2016 General Municipal Elections.

The new process to achieve the transition is two-fold: First, City Council must establish Riverbank's district boundaries by conducting three required public hearings to consider the proposed district boundary map options, and to ultimately select and adopt one (1) of the proposed maps. The selected district boundaries map will establish the geographical areas that the four (4) City Councilmember seats would represent, with the Mayor continuing to be elected at-large. Second, the City Council must conduct a separate public hearing to consider the first reading and introduction of an ordinance and thereafter conduct a second reading and adoption of the ordinance, which will officially change Riverbank's electoral system, after 30 days, from an "at-large" to a "by-district" system.

Updated Implementation Plan

The following provides the anticipated timeline and action to transition Riverbank's current at-large electoral system to a by-district system:

Date	***Action***
October 27, 2015	The 1st City Council public hearing was conducted to receive additional public comments in regards to the proposed district boundary maps A through H.
November 10, 2015	Conduct the 2nd City Council public hearing to receive public comments, provide direction to staff as needed, and to narrow down the eight (8) proposed boundary maps, to four (4), or less, map options for further consideration.
November 24, 2015	Conduct the 3rd and last City Council public hearing, receive public comments, consider the four (4), or less, district boundary map options, and by City Council roll call vote, select and adopt one (1) district boundaries map to establish Riverbank's district boundaries.
November 24, 2015	City Council to conduct another public hearing, after the district boundaries have been established, to consider and approve the 1st Reading and introduction of an ordinance to officially change Riverbank's at-large electoral system to a by-district system.

Date	*Action*
December 8, 2015	City Council to conduct the 2nd Reading of the ordinance to change from the at-large to the by-district electoral system and consider its adoption into Riverbank's Code of Ordinances.
January 8, 2016	Effective date of the ordinance.
November 2016	Implement the "by-district" electoral system for the 2016 General Municipal Elections to establish the first two (2) district elected Councilmember seats, which are the seats currently held by Councilmember Darlene Barber-Martinez and Councilmember Jeanine Tucker. The Mayor's seat is also up for election which will be elected at-large (citywide).
November 2018	Implement the "by-district" 2018 General Municipal Election to establish the remaining two (2) district elected Councilmember seats, which are the seats currently held by Councilmember Cal Campbell and Councilmember Leanne Jones Cruz

BACKGROUND

The City of Riverbank is a General Law City governed by the State of California Government Code. Riverbank's City Council is comprised of four (4) Councilmembers and a Mayor, who serve a four-year term, and are elected on alternating even-years (Two Councilmembers during one even-year; two Councilmembers and the Mayor during the following even-year). Due to the increasing number of cities throughout the state facing legal challenges to their "at-large" electoral system, and many cities settling claims out of court, the City of Riverbank has been considering changing its electoral system from an "at-large" system, in which Councilmembers and the Mayor are elected by voters of the entire city, to a "by-district" system, in which voters elect a Councilmember from within a corresponding geographical section of the city considered to be a voter's "district boundary", and continue to elect its Mayor citywide.

Since October 2013, this topic has been a matter of public discussion at various times during Riverbank's regular City Council meetings. As a result, the City Council recognized there were three goals to achieve: 1) determine if it is in the best interest of the City of Riverbank to change its current electoral system from an at-large system to a by-district system, if the findings of an analysis supported it; 2) if so, establish the voter district boundaries; and 3) adopt an ordinance officially changing the City's electoral system.

Analysis of the City's Current System

To determine whether Riverbank's current at-large electoral system resulted in racially polarized voting which would be in violation of the CVRA, City Council approved hiring the consulting firm NDC. They were charged with conducting a statistical analysis of the City's current election system; developing several district boundary options for consideration, if needed; and guiding the City in its transition from the at-large system to the by-district system, if needed.

As a result of the analysis conducted and presented to the City Council on July 8, 2014, the City Council unanimously directed NDC to develop draft plans to transition the City of Riverbank to a by-district elections system, and further adopted Resolution No. 2014-066 to set parameters for drawing the district boundaries. By January 27, 2015, NDC had developed and presented to the City Council eight (8) district boundary maps (labeled A through H) that took into consideration the public's input as well as City Council's recommendations.

Public Forums

In addition to the City Council meetings, the City conducted several public forums to solicit public input and to initiate discussion of the eight (8) proposed boundary maps in anticipation of ultimately narrowing down the number of maps for consideration to make a final selection of one (1) district boundaries map. The last of the scheduled public forums were conducted on October 14, 2015, October 24, 2015, and October 29, 2015; respectively.

To finalize the establishment of the district boundaries, State law requires the City Council to conduct three public hearings to consider the proposed boundary maps, and by vote, select and approve one (1) district boundaries map at its third public hearing.

Recent Legislation

Prior to recently enacted legislation, the plan to achieve the City's transition to a by-district electoral system was to place a measure on the November 2016 ballot to obtain voter approval of an ordinance to change from the City's current at-large system; therefore, anticipating the district elections process to begin by November 2018, if approved. However, if the measure was rejected, the City would remain exposed to a lawsuit.

In light of the uncertainty of a voter-approved measure, as well as the number of cities in California that have been sued since the passage of the CVRA, and a number of cities that are choosing to switch their electoral systems from the "at-large" system, Governor Brown recently approved SB 493 (Cannella) (effective January, 2016), which added Government Code Section 34886, permitting the City Council of a General Law City with a population of fewer than 100,000 to adopt an ordinance; thereby, eliminating the time-consuming and costly process of a voter-approved ballot measure and the probability of a legal challenge if the measure failed.

This recent legislation has changed the City's previous transition plan by expediting the process to switch to a by-district electoral system, as depicted in the above new plan of action table. If the proposed ordinance is adopted, the transition to "by-district" elections would be initiated in November 2016, establishing the first district elected Councilmember seats currently held by Councilmember Darlene Barber-Martinez and Councilmember Jeanine Tucker. The Mayor's seat will also be up for election, however, will continue to be elected at-large.

STRATEGIC PLAN

Presentation of the process required to move to District Elections was set as an objective during the October 15, 2015 strategic planning session as part of the goal to Achieve and Maintain Financial Stability and Sustainability.

FINANCIAL IMPACT

At this time, there is no direct financial impact associated with the presentation of the information. The costs associated with the consulting assistance were previously budgeted.

ATTACHMENTS

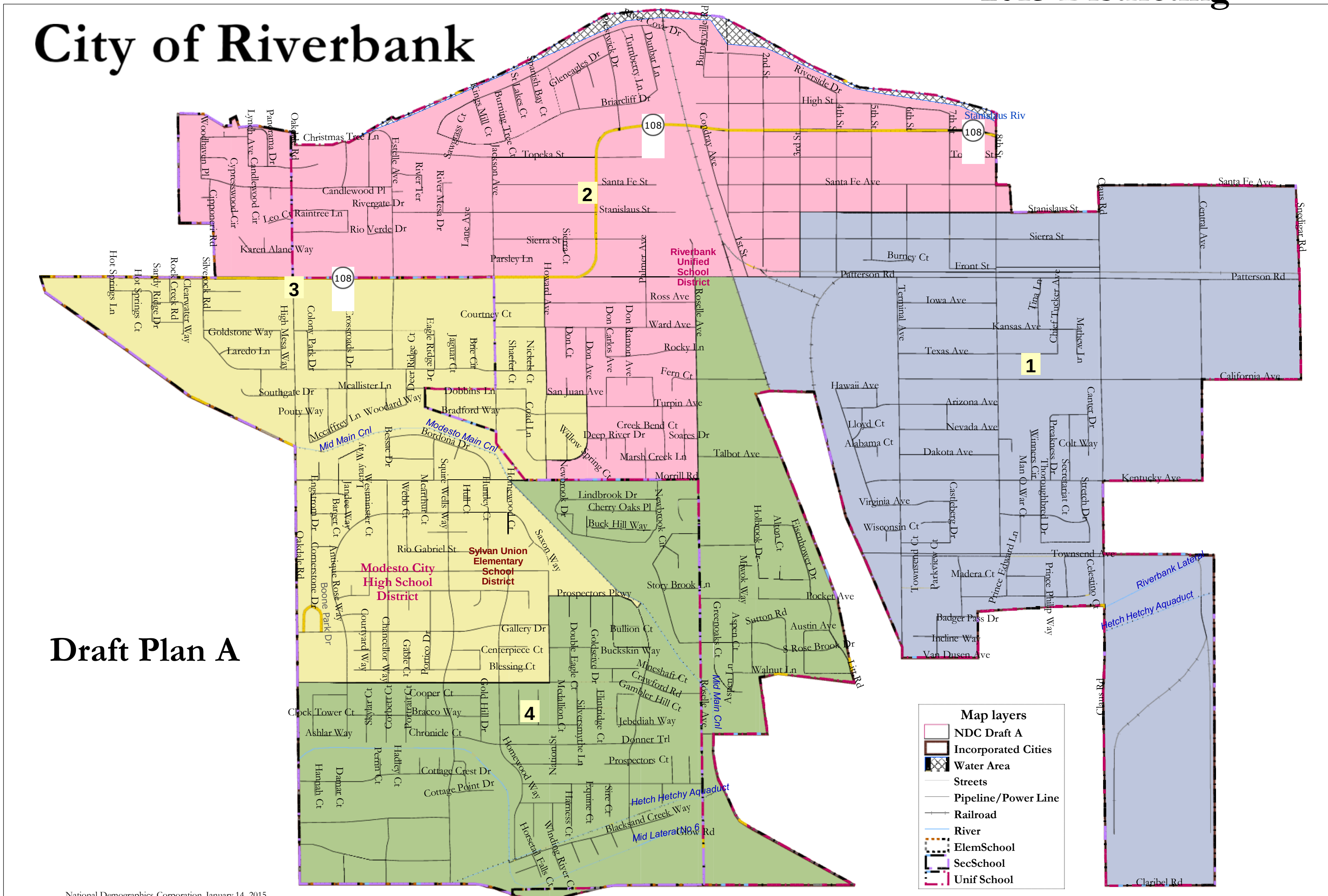
1. Proposed District Boundary Maps, A through H

National Demographics Corporation

Draft Plans A - H

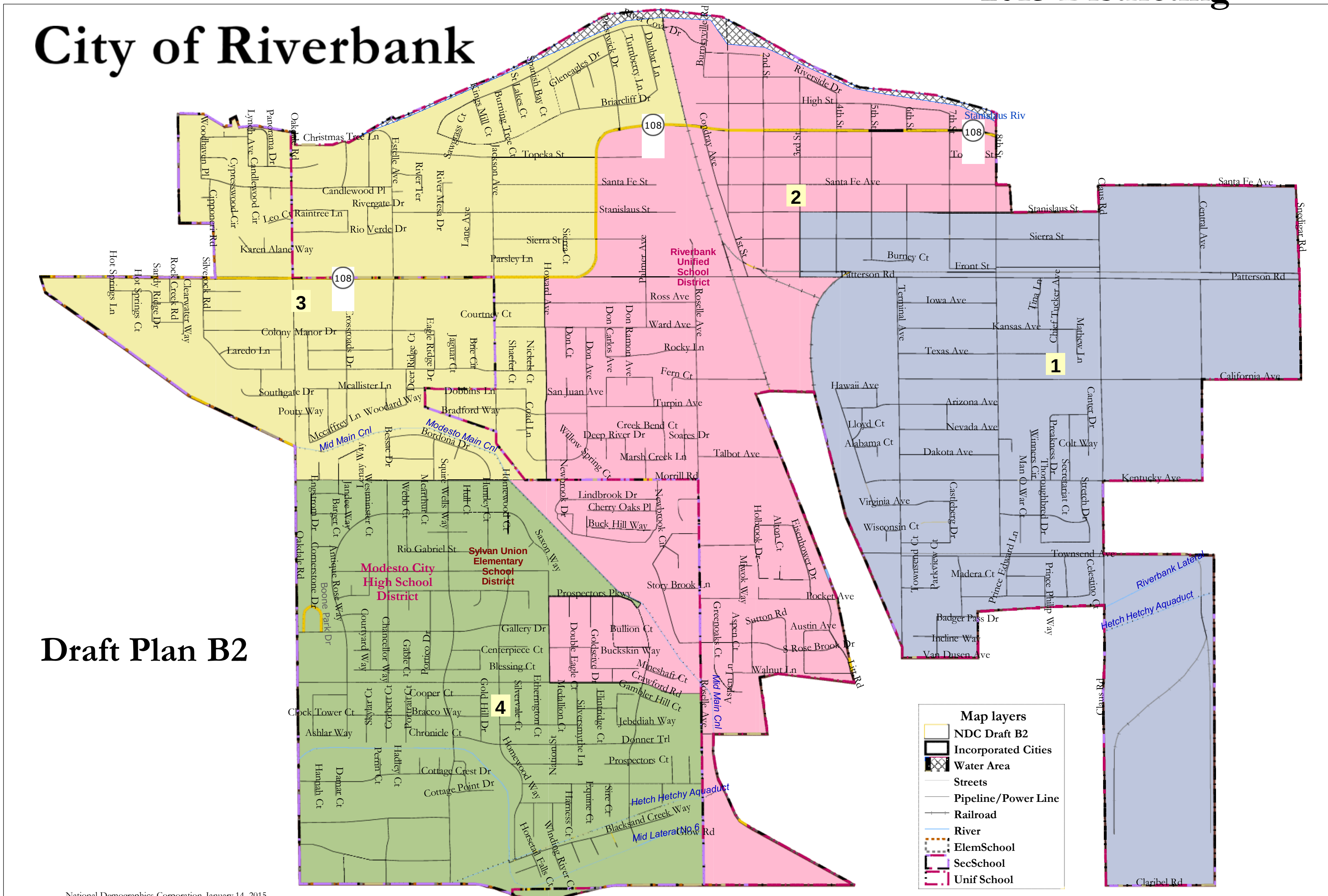
The following are the Boundary Plans proposed.

2015 Districting



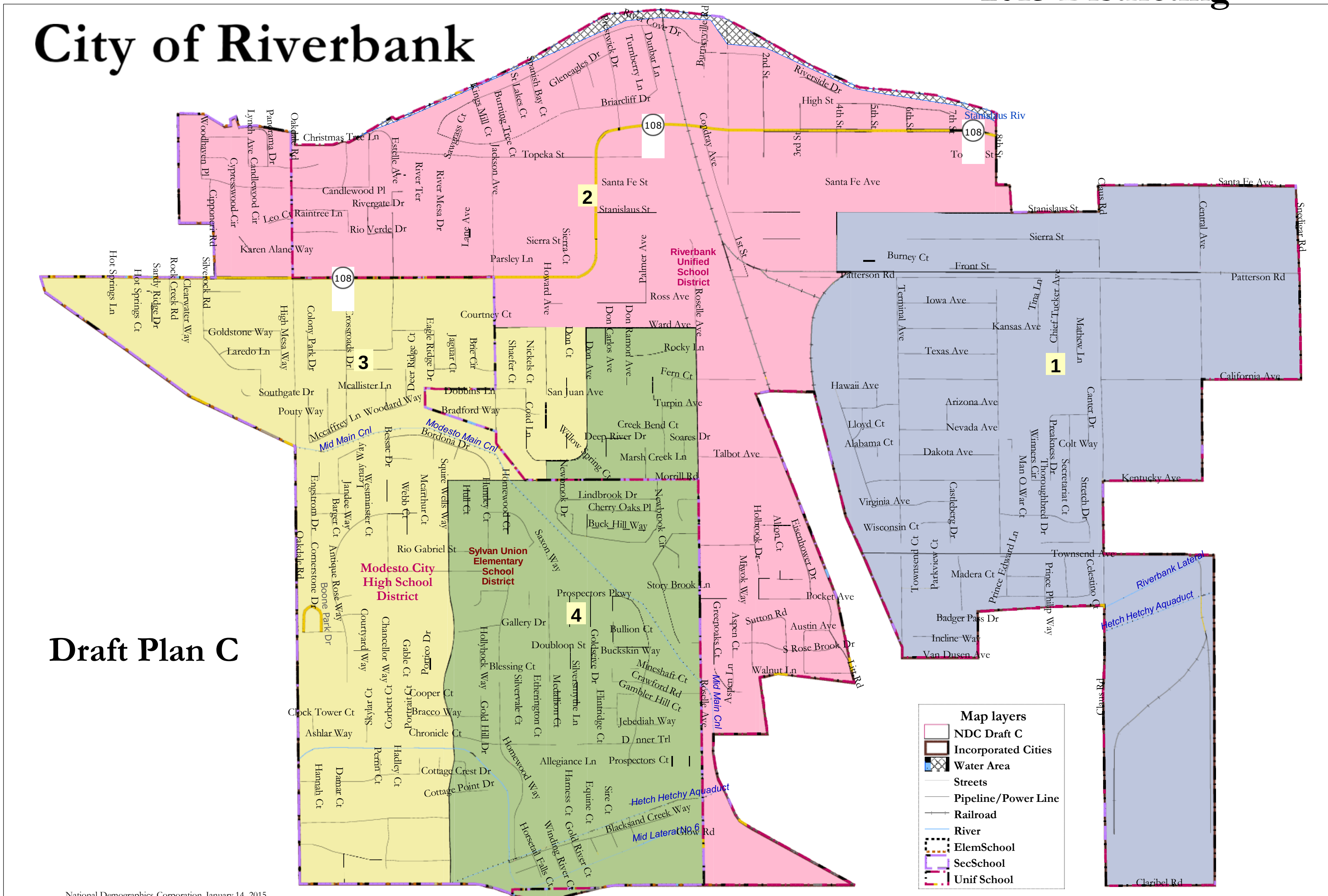
Claribel Rd

2015 Districting



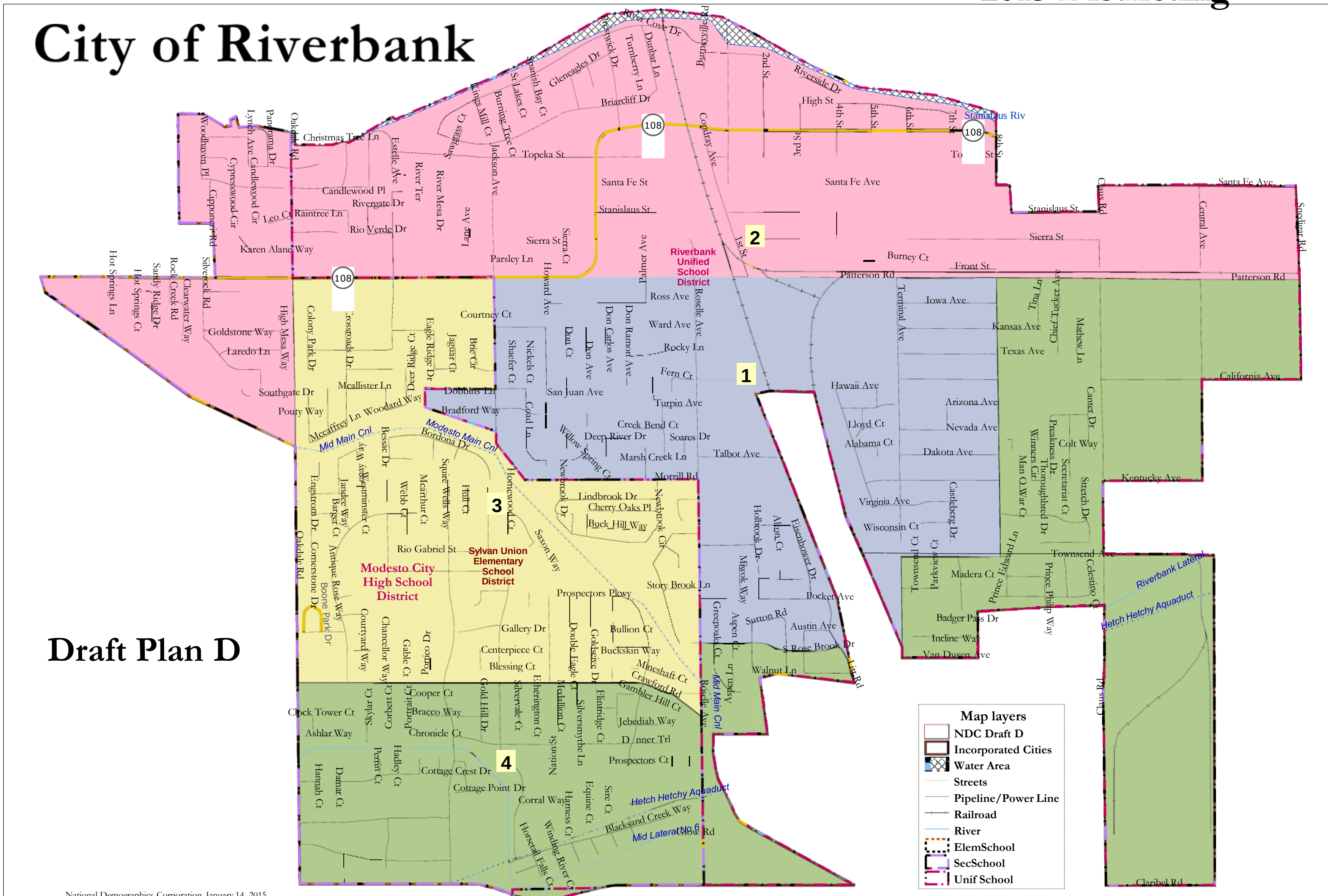
Claribel Rd

2015 Districting



Claribel Rd

2015 Districting

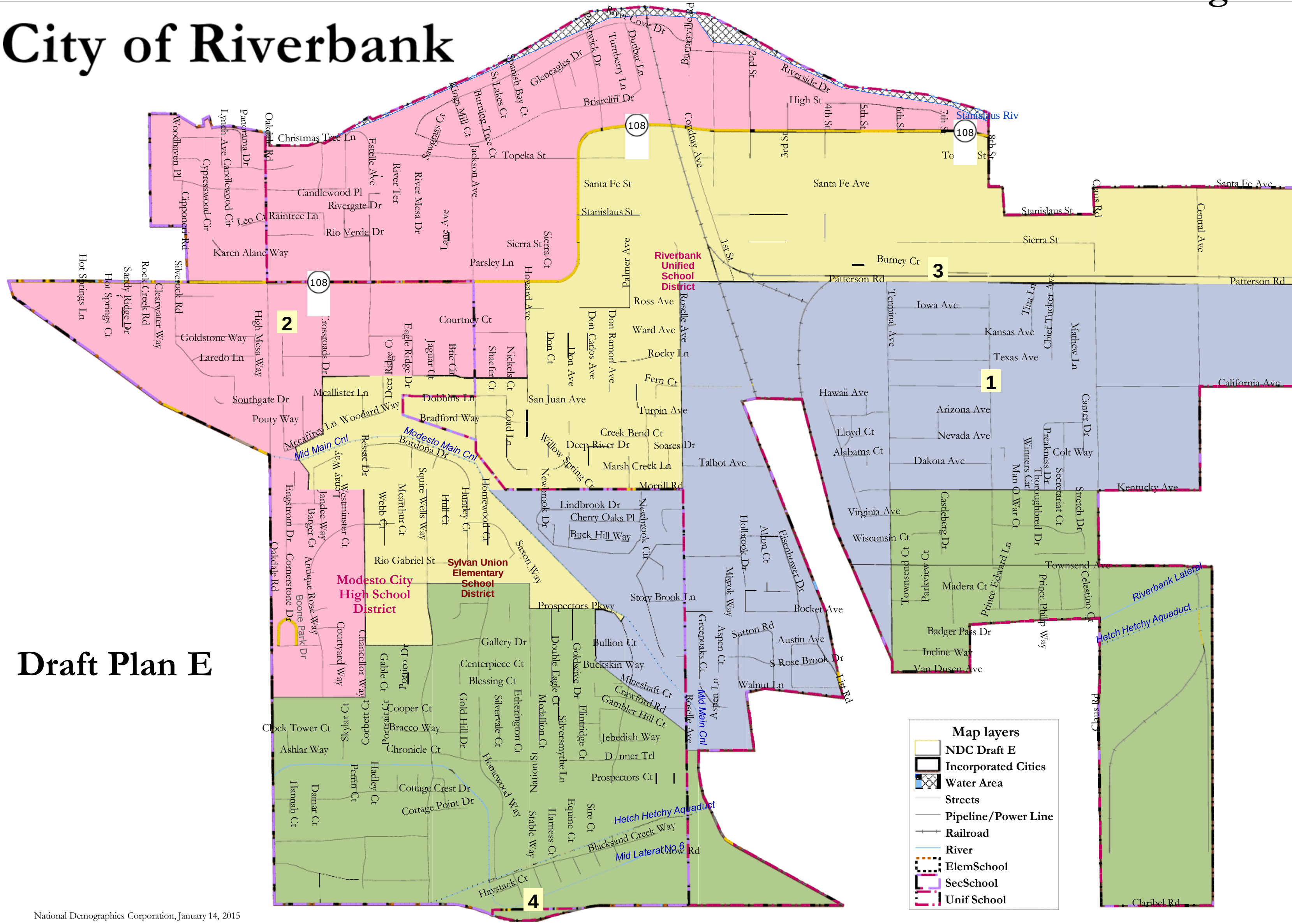


Claribel Rd

2015 Districting

City of Riverbank

Draft Plan E



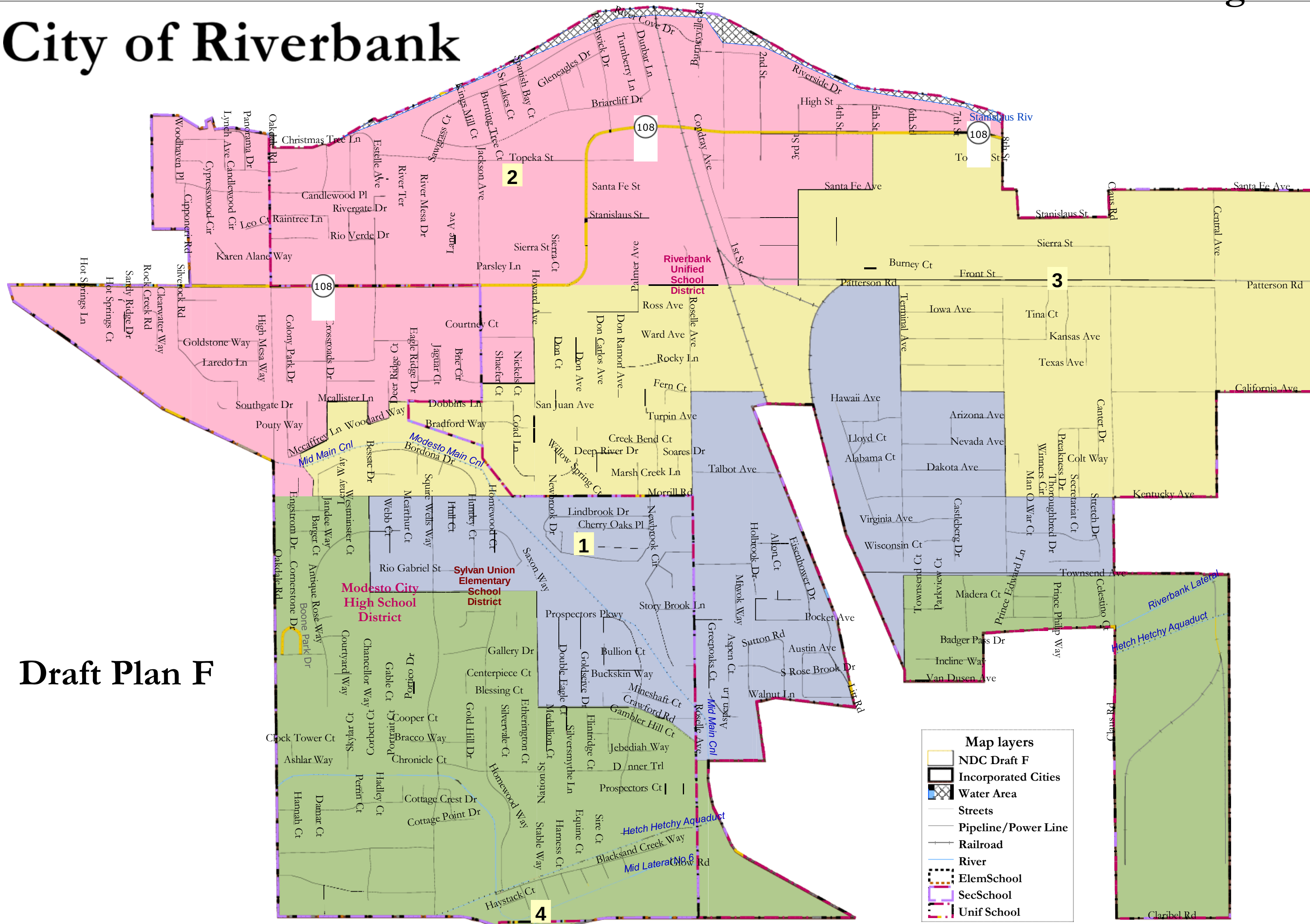
National Demographics Corporation, January 14, 2015

Claribel Rd

2015 Districting

City of Riverbank

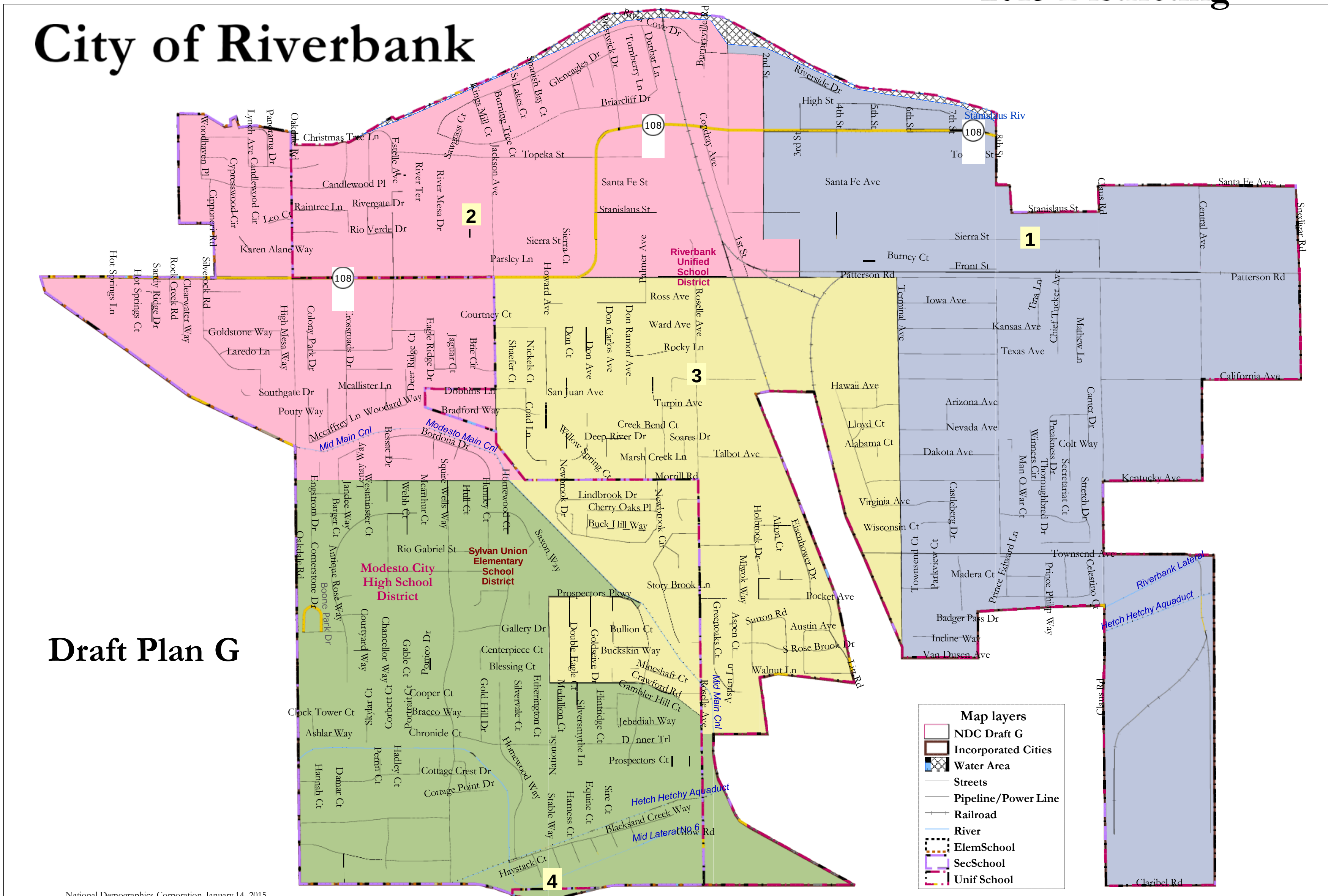
Draft Plan F



National Demographics Corporation, January 14, 2015

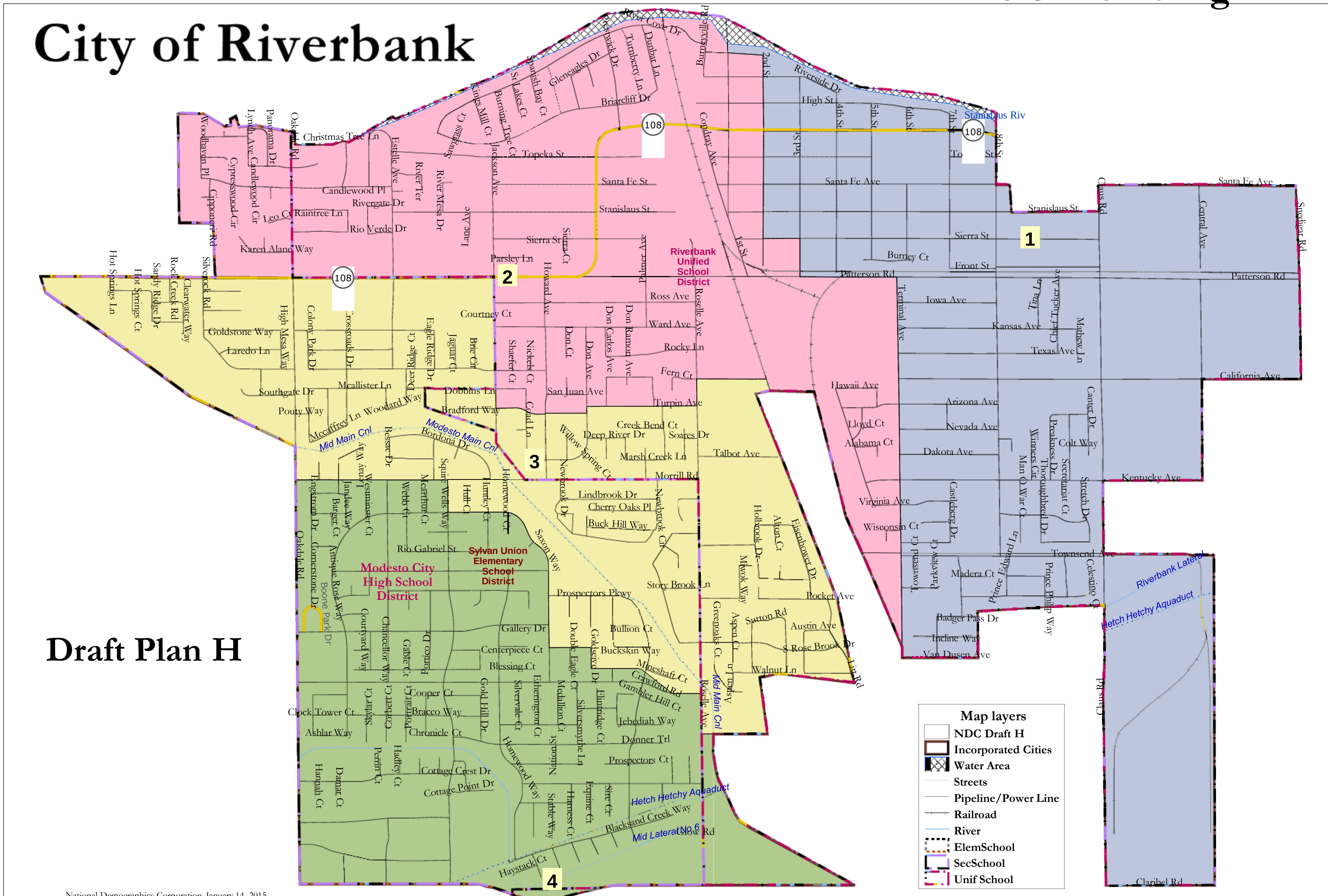
Claribel Rd

2015 Districting



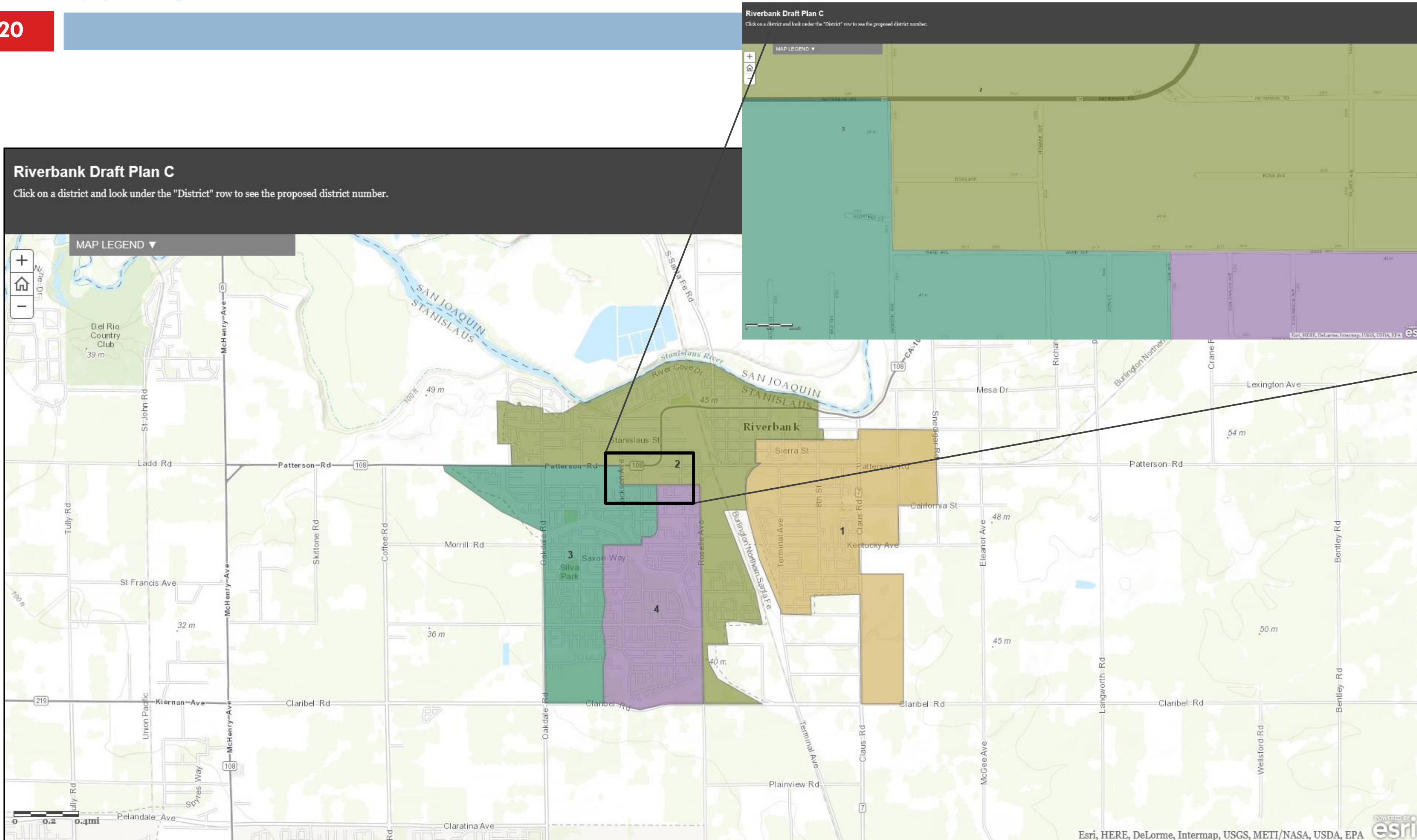
Claribel Rd

2015 Districting



Claribel Rd

Plan Review tool: ArcGIS Online



National Demographics Corporation

Public Input

Today:

- Let us know what you like and don't like about each of the draft plans
- You can use the stickers provided to "vote" for a draft plan

Public Input is highly encouraged:

- Public input is important and welcomed at every stage
- At any time: call, write, or email any thoughts, suggestions or draft plans
- Draft a plan on a computer, on a napkin, or anything in between
- Attend public forum or hearing
- Attend Council meeting

RIVERBANK CITY COUNCIL AGENDA ITEM NO. 5.4

SECTION 5: PUBLIC HEARING

Meeting Date:	November 10, 2015
Subject/ Title:	Conduct the First Reading and Introduction of an **Ordinance** of the City Council of the City of Riverbank, California, Repealing in its Entirety Riverbank Municipal Code of Ordinances, Title XI: Business Regulations, Chapter 123: Tobacco Sales Licensing Requirements, and Substituting it with a New Chapter 123: Tobacco and E-Cigarette Sales Licensing Requirements
From:	Jill Anderson, City Manager
Submitted by:	Donna M. Kenney, Planning and Building Manager

RECOMMENDATION

It is recommended that the City Council conduct the public hearing for the first reading and introduction by title only of the proposed ordinance and consider its approval as presented, which will initiate the scheduling of the ordinance for its second reading by title only at the November 24, 2015, regular City Council meeting to consider its adoption.

SUMMARY

In the last few years, e-cigarettes have become increasingly popular as an alternative to traditional tobacco products. E-cigarettes and related products are not currently regulated in the City's Municipal Code of Ordinances even though there are concerns about the potential health impacts of e-cigarettes and the ability to create products with flavors and packaging that are attractive to minors. As a result, it is proposed that the Municipal Code be updated to include provisions to regulate the sale of e-cigarettes along with traditional tobacco products. It is the intent of the City of Riverbank to encourage responsible e-cigarette retailing and to discourage violations of e-cigarette-related laws, especially those which prohibit or discourage the sale or distribution of e-cigarettes and nicotine products to minors, but not to expand or reduce the degree to which the acts regulated by federal or state law are criminally proscribed or to alter the penalties provided therein.

GENERAL PLAN

The proposed ordinance is consistent with the General Plan and each of its elements and all components therein because the proposed ordinance is consistent with the goals and policies of the Land Use and Economic Development Elements of the Riverbank General Plan:

(a) *Policy LAND-4.3 – The City will encourage and assist small, locally-owned businesses that wish to locate, expand, or simply to continue to do business in Riverbank through flexible development standards, public investment, property assemblage, incentives, streamlined entitlement process, public-private partnerships, and other means.*

(b) *Policy ED-5.1 – The City will work with the business community to continually identify areas for improvement and/or streamlining in the building and development permit approval process, City operations, public input, and other processes.*

(c) *Policy ED-5.2 – The City will proactively maintain responsiveness to addressing any business climate shortcomings identified through outreach and communication through local businesses.*

ENVIRONMENTAL DETERMINATION

The Ordinance regarding e-cigarettes is not a project within the meaning of Section 15378 of the State CEQA Guidelines because it has no potential for resulting in a physical change in the environment, directly or ultimately. Therefore, no CEQA analysis of the ordinance is required.

FINANCIAL IMPACT

The e-cigarette sales licensing application process will require additional staff time to review and grant these licenses. However, the City is authorized to charge a fee associated with this application that can help offset those costs.

STRATEGIC GOALS

The City of Riverbank Strategic Planning Session is a plan and set of goals that Riverbank will work towards for the next three years. While the proposed action to license and regulate the sales of e-cigarettes is not a specific objective, it is consistent with the goal to established goal to Enhance Public Safety as part of the City's Vision "To be recognized as a premier community where individuals, families and businesses thrive in a safe and beautiful environment." n objective of these goals.

ATTACHMENTS

1. Proposed City Council Ordinance

CITY OF RIVERBANK

ORDINANCE NO. 2015-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIVERBANK, CALIFORNIA, REPEALING IN ITS ENTIRETY RIVERBANK MUNICIPAL CODE OF ORDINANCES, TITLE XI: BUSINESS REGULATIONS, CHAPTER 123: TOBACCO SALES LICENSING REQUIREMENTS, AND SUBSTITUTING IT WITH A NEW CHAPTER 123: TOBACCO AND E-CIGARETTE SALES LICENSING REQUIREMENTS

WHEREAS, It is the intent of this ordinance to implement Riverbank's adopted Vision Statement that "Riverbank in 2025 will be a pleasant, quiet, friendly community with a distinct small-town character" and that "Our City should be safe and healthy for all our residents"; and

WHEREAS, the City Council finds that a local licensing system for tobacco and e-cigarette retailers to protect the public health, safety and welfare, is appropriate; and

WHEREAS, Tobacco and e-cigarette sales licensing will ensure that retailers comply with tobacco and e-cigarette control laws and the business standards of the City of Riverbank.

<u>SECTION 1:</u> THE CITY COUNCIL OF THE CITY OF RIVERBANK DOES HEREBY ORDAIN AS FOLLOWS:

(a) Title XI: BUSINESS LICENSES, Chapter 123 of the Riverbank Municipal Code is deleted in its entirety and replaced with Chapter 123: TOBACCO AND E-CIGARETTE SALES LICENSING REQUIREMENTS.

CHAPTER 123: TOBACCO AND E-CIGARETTE SALES LICENSING REQUIREMENTS

Section

(b) Sections 123.01 through Section 123.15 of the Riverbank City Code shall be added to read as follows:

§ 123.01 LEGISLATIVE INTENT.

It is the intent of this ordinance to implement Riverbank's adopted Vision Statement that, "Riverbank in 2025 will be a pleasant, quiet, friendly community with a distinct small-town character"; and that "Our City should be safe and healthy for all our residents". The uncontrolled sale of tobacco products hinders achievement of this adopted vision. It is the intent of the City of Riverbank to encourage responsible tobacco and e-cigarette retailing and to discourage violations of tobacco and e-cigarette related laws, especially those which prohibit or discourage the sale or distribution of tobacco, e-cigarette, and nicotine products to minors, but not to expand or reduce the degree to which the acts regulated by federal or state law are criminally proscribed or to alter the penalties provided therein.

In order to facilitate the achievement of this vision and to protect the public health, safety and welfare, the City Council finds that a local licensing system for tobacco and e-cigarette retailers is appropriate. Tobacco and e-cigarette sales licensing will ensure that retailers comply with tobacco and e-cigarette control laws and the business standards of the City of Riverbank.

§ 123.02 DEFINITIONS.

The following words and phrases, whenever used in this chapter, shall have the meaning provided in this section unless the context clearly requires otherwise:

APPELLANT. Means a person who appeals a Finance Department decision to the Appeals Board.

APPEALS BOARD. Means the Planning Commission.

E-CIGARETTE. A device used to simulate the experience of smoking, having a cartridge with a heater or other mechanism that vaporizes liquid nicotine instead of burning tobacco. Also referred to as an electronic cigarette or e-cig.

ILLEGAL PARAPHERNALIA. Means any equipment, product, or material that is modified for making, using, or concealing illegal drugs such as cocaine, heroin, and methamphetamine. Drug paraphernalia generally falls into two categories including user-specific products and dealer-specific products.

(1) *User-specific products.* These products include items that are marketed to illegal drug users to assist them in taking or concealing illegal drugs. These products include glass hashish pipes, crack cocaine pipes, smoking masks, hashish bongs, cocaine freebase kits, syringes, and items such as hollowed-out cosmetic cases or fake phones or pagers used to conceal illegal drugs. Also included are items for commercially growing hydroponic marijuana, such as guidebooks, fertilizer, and fluorescent grow-lights, and products purported to cleanse an individual's system of drug residues to increase the individual's chance of passing a urine analysis for drug use.

(2) *Dealer-specific products.* These products include items that are used by drug traffickers for preparing illegal drugs for distribution at the street level. Items such as digital scales and vials that can be used to sell crack, heroin, or marijuana are also within the purview of this definition.

PERSON. Means any natural person, firm, partnership, trust, estate, association, corporation, or organization of any kind. Where a principal acts through an agent, the word "person" shall include both such principal and agent.

TOBACCO PRODUCT. Means any substance containing tobacco leaf, including, but not limited to, cigarettes, cigars, pipe tobacco, snuff, chewing tobacco, dipping tobacco, bidis, liquid nicotine, or any other preparation of tobacco.

TOBACCO AND E-CIGARETTE RETAILER. Means any person who sells, offers for sale, or does or offers to exchange for any form of consideration, tobacco, e-cigarettes, or tobacco products.

TOBACCO AND E-CIGARETTE RETAILING. Means the doing of any of these things: This definition is without regard to the quantity of tobacco, e-cigarette, or tobacco products sold, offered for sale, exchanged, or offered for exchange.

§ 123.03 REQUIREMENT FOR TOBACCO AND E-CIGARETTE RETAILER LICENSE.

(A) It is unlawful for any person to act as a tobacco or e-cigarette retailer without first obtaining and maintaining a valid tobacco and e-cigarette retailer's license pursuant to this chapter for each location at which that activity is to occur. No license may be issued to authorize tobacco and e-cigarette retailing at other than a fixed location. For example, tobacco and e-cigarette retailing by persons on foot and tobacco and e-cigarette retailing from vehicles are prohibited.

(B) The following standards are met prior to issuance of a tobacco and e-cigarette retail license: Sale of tobacco and e-cigarette products shall have five hundred (500) foot spacing from any school, or playground; and, flashing or electronic signage within view of schools, playgrounds, or residential districts shall be prohibited.

(C) The term of a license is one (1) year from the date of issuance, unless earlier suspended, terminated, or revoked pursuant to Section 123.12. Each tobacco and e-cigarette retailer shall apply for the renewal of his or her tobacco and e-cigarette retailer's license no later than thirty (30) days prior to its expiration.

(D) Nothing in this chapter shall be construed to grant any person obtaining and maintaining a tobacco and e-cigarette retailer's license any status or right other than the right to act as a tobacco and e-cigarette retailer at the location in the City of Riverbank identified on the face of the license. For example, nothing in this chapter shall be construed to render inapplicable, supersede, or apply in lieu of any other provision of applicable law, including, without limitation, any condition or limitation on smoking in enclosed places of employment made applicable to business establishments by Labor Code Section 6404.5.

§ 123.04 PERFORMANCE STANDARDS; DEEMED APPROVED ACTIVITIES.

An activity shall retain its deemed approved status only if it conforms to all of the following deemed approved performance standards:

(A) That the tobacco and e-cigarette retailer shall not offer for sale illegal paraphernalia. The offering of sale of such shall result in immediate suspension of a tobacco and e-cigarette license;

(B) That the tobacco and e-cigarette retailer does not sell tobacco or e-cigarette products to underage minors pursuant to state and federal laws;

(C) That the tobacco and e-cigarette retailer does not adversely affect the peace, or safety of persons residing or working in the surrounding area;

(D) That it does not result in repeated nuisance activities within the premises or in close proximity of the premises, including but not limited to disturbance of the peace, illegal drug activity, harassment of passersby, acts of vandalism, excessive littering, loitering, graffiti, illegal parking, curfew violations, or police detentions and arrests;

(E) That it does not result in violations to any applicable provision of any other city, state, or federal regulation, ordinance or statute;

(F) That its upkeep and operating characteristics are compatible with and will not adversely affect the livability or appropriate development of the surrounding neighborhood.

§ 123.05 AUTOMATIC DEEMED APPROVED STATUS.

All tobacco and e-cigarette retailer commercial activities that were legal activities immediately prior to the effective date of the tobacco and e-cigarette sale regulations shall automatically become deemed approved activities as of the effective date of the regulations and shall no longer be considered legal nonconforming activities. Each such deemed approved activity shall retain its deemed approved status as long as it complies with the deemed approved performance standards.

§ 123.06 APPLICATION PROCEDURE.

Application for a tobacco and e-cigarette retailer's license shall be submitted in the name of each person proposing to conduct retail tobacco and e-cigarette sales and shall be signed by each person or an authorized agent thereof. It is the responsibility of each person to be informed of the laws affecting the issuance of a tobacco and e-cigarette retailer's license. A license that is issued, in error or on the basis of false or misleading information supplied by a person, may be revoked pursuant to Section 123.12. All applications shall be submitted on a form supplied by the department and shall contain the following information:

(A) The name, address, and telephone number of each person;

(B) The business name, address, and telephone number of each location for which a tobacco retailer's license is sought;

(C) A floor plan of the establishment that clearly shows the location within the establishment where the tobacco and e-cigarette products are to be stored.

(D) The name and mailing address authorized by each person to receive all license-related communications and notices (the "authorized address"). If an authorized address is not supplied, each person shall be understood to consent to the provision of notice at the business address specified pursuant to subsection B of this section;

(E) Whether or not any person has previously been issued a license pursuant to this chapter that is, or was at any time, suspended or revoked and, if so, the dates of the suspension period or the date of revocation;

(F) Such other information as the Finance Department deems necessary for the administration or enforcement of this chapter.

§ 123.07 ISSUANCE OF LICENSE.

Upon the receipt of an application for a tobacco and e-cigarette retailer's license that meets the requirements of this chapter, and payment of the license fee, the Finance Department shall issue a license, unless:

(A) The application is incomplete or inaccurate; or

(B) The application seeks authorization for tobacco and e-cigarette retailing by a person for which or for whom a suspension is in effect, or by a person which or who has had any license revoked pursuant to the Riverbank Code of Ordinances.

§123.08 DISPLAY OF LICENSE.

Each license shall be prominently displayed in a publicly visible location at the licensed premises.

§ 123.09 LICENSE FEE.

The fee to issue or to renew a tobacco and e-cigarette retailer's license shall be established by resolution of the City Council.

§123.10 LICENSES NOT TRANSFERABLE.

A tobacco and e-cigarette retailer's license is not transferable. If the information required in the license application pursuant to Section 123.06 (A), (B) or (C) changes, the tobacco and e-cigarette retailer must notify the Finance Department within fourteen (14) days, and update all information on the license application form in order to continue to act as a tobacco and e-cigarette retailer. For example, if a tobacco and e-cigarette retailer to whom a license has been issued changes business location, that tobacco and e-cigarette retailer must supply updated license information within fourteen (14) days of acting as a tobacco or e-cigarette retailer at the new location. If a business is sold, the new owner must apply for a license for that location before acting as a tobacco and e-cigarette retailer. The current licensee shall notify the Finance Department of the sale of the tobacco and e-cigarette retailing business.

§ 123.11 LICENSE VIOLATION.

(A) *Violation of Tobacco-Related and E-Cigarette-Related Laws.* It shall be a violation of a tobacco or e-cigarette retailer's license for a person or his or her agent or employee to violate any local, state, or federal tobacco-related or any e-cigarette-related law.

(B) *License Compliance Monitoring.* The City of Riverbank anticipates that compliance checks of each tobacco and e-cigarette retailer will be conducted at least two (2) times during each twelve-month (12) period by the Stanislaus County Public Health Department. The city shall not enforce any tobacco-related or e-cigarette-related minimum age law against a person who otherwise would be in violation of such law because of the person's age (hereinafter "youth decoy") if the violation occurs when:

(1) The youth decoy is participating in a compliance check supervised by a law enforcement official, a code enforcement official, or any peace officer; or

(2) The youth decoy is participating in a compliance check funded or supervised in part by the County of Stanislaus or, funded or supervised in any part by the California Department of Health Services.

§ 123.12 SUSPENSION, TERMINATION, OR REVOCATION OF LICENSE.

(A) *Suspension, Termination, or Revocation of License for Violation.* In addition to any other penalty authorized by law, a tobacco and e-cigarette retailer's license may be suspended or revoked, if the Finance Department determines that the person or his or her agents or employees have violated the requirements of this chapter or other conditions of the license imposed pursuant to Section 123.04. A person who loses his license for one location does not lose it for all locations, if those locations are in compliance with this chapter, and may renew licenses for other conforming locations. A person cannot obtain a new license for a new location so long as there is a suspension in effect for any location.

(1) *Notice Required.* The licensee shall be served with written notice of all determinations or decisions under this section affecting his or her license. Notice shall be served by personal service, overnight courier, certified mail return receipt requested, or U.S. mail with first class postage affixed. The notice shall be sent to the business address on file. All notices shall be deemed served, when received, except for notices sent by first class mail which shall be deemed served two (2) days after deposit in the U.S. mail if addressed to a location within Stanislaus County and five (5) days if addressed to a location outside Stanislaus County. The notice shall describe the legal and factual basis for the decision. A decision imposing a fine shall specify the amount of the fine. A decision to suspend or revoke a license shall specify the beginning and ending dates of the suspension or the effective date of the revocation. No decision shall become effective in less than ten days from the date of service.

(2) *Duration of Suspensions.*

(a) Upon a finding by the Finance Department of a first license violation within any thirty-six-month (36) period, the license shall be suspended for fourteen (14) days. However, prior to imposing the suspension, the Finance Department shall by letter (an "advice letter") advise the person that if the person trains all sales employees at the location of the sale in the laws pertaining to the sale of tobacco and e-cigarette products to minors and techniques to ensure future compliance with said laws, the suspension will not go into effect. Within thirty (30) days of the issuance of the advice letter, the person must file with the Finance Department an affidavit signed by the person and the sales employees that said training has been completed. If the person fails to timely submit the affidavit, the Finance Department shall notify the person that the permit is suspended for fourteen (14) days.

(b) Upon a finding by the Finance Department of a second license violation within any thirty-six-month (36) period, the license shall be suspended for twenty-one (21) days.

(c) Upon a finding by the Finance Department of a third license violation within any thirty-six-month (36) period, the license shall be suspended for thirty (30) days.

(d) Upon a finding by the Finance Department of a fourth license violation within any thirty-six-month (36) period, the license shall be revoked and the person or persons who had been issued the license shall not be issued a tobacco and e-cigarette retailer's license pursuant to this chapter for a period of three (3) years from the date of revocation.

(B) *Failure to Pay Renewal Fees.* A tobacco and e-cigarette retailer's license which is not timely renewed pursuant to Section 123.03 (C) is an expired license. The tobacco and e-cigarette retailer shall not engage in tobacco and e-cigarette retailing at the licensed location until a new license has been issued for that location.

(C) *Revocation of License Issued in Error.* A tobacco and e-cigarette retailer's license shall be revoked if the Finance Department determines that one or more of the basis for denial of a license under Section 123.03 or 123.04 existed at the time application was made or at any time before the license was issued. The revocation shall be without prejudice to the filing of a new application for a license.

(D) *License Suspension Requires the Removal of All Tobacco and E-cigarette Products from Public View.* A tobacco and e-cigarette retailer whose license is suspended must remove from public view all tobacco and e-cigarette products and tobacco and e-cigarette advertising for the duration of the suspension. Failure to remove such items from view will be regarded as a violation of this chapter equivalent to that of selling to minors.

(E) *Revocation of License Obtained Under False Pretenses.* Tobacco and e-cigarette retailers whose license is obtained under false pretenses shall have that license revoked. A licensee whose license is revoked pursuant to this subsection may not apply for a new license for a period of one (1) year from the date the license is revoked.

§ 123.13 ADMINISTRATIVE FINE.

(A) *Grounds for a Fine.* If the Finance Department determines that any unlicensed person, including a person named on a revoked or suspended license, has engaged in tobacco and e-cigarette retailing in violation of this chapter, the Finance Department shall fine that person as follows:

(1) A fine not exceeding one hundred dollars ($100) for a first violation in any thirty-six-month (36) period;

(2) A fine not exceeding two hundred dollars ($200) for a second violation in any thirty-six-month (36) period; or

(3) A fine not exceeding five hundred dollars ($500) for a third or subsequent violation in any thirty-six-month (36) period.

(4) Each day that such a person engages in tobacco and e-cigarette retailing shall constitute a separate violation.

(B) *Imposition of Fine.* If no request for a hearing is timely received in accordance with Section 123.14, the Finance Department's determination on the violation and the imposition of a fine shall be final and payment shall be made within thirty (30) days after notice of the fine was served in accordance with Section 123.12(A)(1). If the fine is not paid within that time, the fine may be collected, along with interest at the legal rate, in any manner provided by law. In the event that a judicial action is necessary to compel payment of the fine and accumulated interest, the person or persons subject to the fine shall also be liable for the costs of the suit and attorney's fees incurred by the city in collecting the fine.

§ 123.14 APPEALS BOARD APPEALS.

(A) *Appeal of Fine, Suspension, or Revocation.* A decision of the Finance Department to impose a fine or to revoke or suspend a license may be appealed to the Appeals Board. The appellant must file a written notice of appeal with the City Clerk's office within ten (10) days after service of the notice of the decision. Failure to file an appeal within ten (10) days waives any right to further challenge the Finance Department's decision. "File" means delivered to the City Clerk's office in the Riverbank City Hall. The filing of a notice of appeal automatically stays the Finance Department's decision, until the Appeals Board has served its final decision on the appeal. The Appeals Board may reverse, modify or uphold the Finance Department's decision.

(B) *Notice of Hearing.* If a notice of appeal is timely filed, the City Clerk shall provide written notice to the appellant of the date, time, and place of the hearing in the manner specified in this article. A hearing may not be conducted less than twenty (20) days after notice is given to the appellant.

(C) *Hearing.* The Appeals Board rules governing the conduct of its hearings shall include the following:

(1) The Finance Department shall submit evidence at the hearing substantiating its decision. Such evidence may include testimony, police or other reports of the incident, witness statements and other documents. Not less than ten (10) days prior to the scheduled hearing, the City Clerk must notify the appellant of the name, address and phone number of any witness to the violation, and furnish the appellant with a copy of any document it intends to submit at the hearing. Not less than seven (7) days prior to the hearing, the appellant may request the Finance Department to produce at the hearing any witness the department intends to rely upon to substantiate the violation. The written request must name the witness or witnesses who are requested to attend the hearing. The Finance Department may not rely on the testimony of any witness (including such testimony contained in reports or written witness statements) whose appearance at the hearing is required by this subsection, if that witness fails to appear.

(2) Not less than ten (10) days prior to the hearing, the appellant must notify the City Clerk in writing of the name, address and phone number of any witness the appellant intends to call as a witness at the hearing, provide a brief description of the proposed testimony, and furnish the City Clerk with a copy of any document the appellant intends to offer as evidence at the hearing. The appellant may not call any witness to testify at the hearing who was not identified as required by this subsection or offer any document as evidence at the hearing that was not provided to the Finance Department as required by this subsection.

(3) At the hearing, the appellant may be represented by an attorney, at appellant's expense. Both the Appeals Board and the appellant shall have the right to examine and cross-examine any witness produced at the hearing. The rules of evidence that normally apply in court shall not apply in a hearing before the Appeals Board but the Appeals Board shall only consider evidence which would be relied upon by reasonable people making an important decision, and shall disregard evidence which by its nature is unreliable or not credible.

(4) The entire hearing shall be electronically or stenographically recorded. The Appeals Board shall base its decision exclusively on the evidence presented at the hearing and shall issue a written decision, which includes a statement of the relevant facts which the committee finds to be true and explains how the facts support its decision. For example, if the Finance Department finds that the appellant sold cigarettes or e-cigarettes to a minor, but this was the first violation committed by the appellant within thirty-six (36) months, the decision would explain that Section 123.12(B)(2)(a) requires a fourteen-day (14) suspension of the appellant's license to sell tobacco and e-cigarette products at the licensed location, and on that basis, the facts support a fourteen-day (14) suspension of the license for that location. The record of the hearing shall be preserved for not less than six (6) months after the decision is served on the appellant.

(D) *Hearing Decision.* The chairperson of the Appeals Board shall issue the written decision required by subsection (C)(4) of this section. Copies of the decision shall be served in accordance with Section 123.12(A)(1). The hearing decision shall include notice of the appellant's right to seek review of the decision pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6.

(E) Finality of the Appeals Board's decision. The decision of the Appeals Board shall be the final decision for the City of Riverbank.

(F) Appeal to Superior Court. Judicial review of the Appeal Board's decision shall be governed by the Code of Civil Procedure Sections 1094.5 and 1094.6.

(G) Enforcement of Decision. Unless stayed by a court, any final decision of the Appeals Board is effective immediately and may be implemented and enforced by the department.

§ 123.15 ENFORCEMENT.

The remedies provided by this chapter are cumulative and in addition to any other remedies available at law or in equity.

(A) Causing, permitting, aiding, abetting, or concealing a violation of any provision of this chapter shall constitute a violation.

(B) Violations of this chapter are declared to be public nuisances.

(C) Violations of this chapter are declared to be unfair business practices and are presumed to at least nominally damage each and every resident of the community in which the business operates.

(D) A violation of this chapter constitutes a misdemeanor punishable by a fine of one thousand dollars ($1,000) or by imprisonment in the county jail for six (6) months, or both.

(E) In addition to other remedies provided by this chapter or by other law, any violation of this chapter may be remedied by a civil action brought by the city attorney or the district attorney, including, for example, administrative or judicial nuisance abatement proceedings, other legally authorized enforcement proceedings, and suits for injunctive relief.

SECTION 2: This Ordinance shall become effective thirty (30) days after its final passage, and shall be published pursuant to GC § 36933 in a newspaper of general circulation within fifteen (15) days after its adoption.

The foregoing ordinance was given its first reading and introduced by title only at a regular meeting of the City Council of the City of Riverbank on November 10, 2015. Said ordinance was given a second reading by title only and adopted.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Riverbank at a regular meeting on the __ day of ___, 2015; motioned by Councilmember ____________, seconded by Councilmember _______________, moved said ordinance by a City Council roll call vote of ____:

AYES:
NAYS:
ABSENT:
ABSTAINED:

ATTEST:	**APPROVED:**
___________________________	___________________________
Annabelle H. Aguilar, CMC **City Clerk**	**Richard D. O'Brien** **Mayor**

APPROVED AS TO FORM:

____
Tom P. Hallinan, City Attorney

RIVERBANK CITY COUNCIL AGENDA ITEM NO. 6.1

SECTION 6: NEW BUSINESS

Meeting Date:	November 10, 2015
Subject:	Award a Contract to NHA Advisors, LLC, an Independent Registered Municipal Advisor, for Financial Advisory Services in Relation to the Financing of the Water Meter Project
From:	Jill Anderson, City Manager
Submitted by:	Marisela H. Garcia, Director of Finance

RECOMMENDATION

It is recommended that the City Council consider awarding a contract to NHA Advisors for financial advisory services in relation to the financing of the water meter project and authorizing the Director of Finance to execute said contract.

SUMMARY

At the March 31, 2015 Strategic Plan session the City Council approved an objective authorizing staff to proceed with obtaining the financing for the installation of SMART Water Meters (the Water Meter Project). Tonight's request authorizes the awarding of a contract to NHA Advisors for services in relation to the financing of the Water Meter Project at a cost not to exceed $35,000. NHA Advisors will work on behalf of the City of Riverbank to solicit and evaluate all financing proposals for this project. NHA Advisors has worked with the City in the past on projects such as the Waste Water Treatment Plant Energy Efficiency Project with Schneider Electric.

CONTRACT WITH NHA ADVISORS

The contract with NHA Advisors for their services will be for $35,000 and will be paid from Water Capital Improvement Funds that have already been appropriated to this project via the adoption of the Fiscal Year 2015-16 Annual Budget in June 2015. With the award of this contract, NHA Advisors will be responsible for the following:

- Review and analysis of existing City water fund obligations
- Work with City staff to develop cash flow model
- Develop financing plan meeting capital requirements working under the recently approved water rate structure and projected revenue stream
- Development of coverage analysis for annual debt service payments

- Draft any staff reports or presentations required for City Council
- Attend City staff meetings or participate in conference calls as requested by City staff
- Make presentations to City Council, as requested
- Structure and manage specific financings in accordance with the City's financing plan, capital project plan, and specific capital project needs and financing requirements
- Provide information and advice on the timing of bond issuance and financing process (schedule) and develop timeline for financing of water improvements
- Work with City to assemble financing team as required (may include bond counsel, rating agency, trustee depending on final structure and funding source)
- Coordinate the efforts of legal counsel, with respect to the preparation and approval of the financing documents by the City Council
- Provide financing structure and rate covenants for incorporation into financing documents
- Manage financing process
- Develop project financing plan summary in order to solicit banks or bond underwriter proposals from multiple firms
- Assist the City in the selection of a bank or underwriter, negotiate underwriting spread and interest rates on behalf of the City, and monitor the underwriter's sales effort to ensure the lowest financing costs are achieved (if water financing sold as a public offering)
- Manage bond pricing and final financing structure (debt service, bond terms)
- Work with bond counsel to finalize documents for execution by City
- Coordinate the delivery, printing and final approval of legal documents, and the preparation of closing certificates and final official statement
- Coordinate the work of the City and members of the financing team to ensure that the issue is consummated within a reasonable period of time

A timeline for the financing of the Water Meter Project is as follows:

Date	Activity
Week of November 9, 2015	Request Authorization from City Council to move forward with financing
November 11, 2015	Send Bid RFP & Credit Materials
November 20, 2015	Financial Institution Bids Due
November 24, 2015	Recommendation for Financial Institution
December 8, 2015	Request City Council Approval of Financing Documents
December 22, 2015	Close Financing-Funds wired to City
January 2016	Project Begins

FINANCING PLAN

Based on the initial analysis performed by NHA Advisors, the City will have sufficient net revenues to cover the proposed debt service under the new water rate structure. The rate study recently completed by Bartle Wells assumed the amortization of the water project over a 15-year term to minimize the rate impact on all customers.

Given the proposed 15-year term, the City will have options to either fund the water meter project through a direct bank loan, private placement of water revenue bonds with a single financial institution or access the capital markets with a public offering. It is anticipated that at this time, the lowest cost of funds will be available through a direct bank loan or private placement but confirmation will be known once proposed are received from the different financing sources.

BACKGROUND

The City of Riverbank has been providing metered water to our residents for well over 30 years. Currently, the City has over 6,800 service connections all of which are read by the Water Division on a bi-monthly basis. Based on the type of meter, the City uses a variety of methods by which to obtain meter readings including the following:

Type of Meter	% of Total Meters	Reading Method
Direct (Radio) Read	56%	Vehicle Drive-By
Touch Pad	37%	Walking
Manual	7%	Walking

Six (6) months a year, for approximately 3 weeks per month, the City's four Water Division staff members are dedicated full time to the meter reading process. In addition, the City's Finance staff must prepare all of the equipment prior to the process to ensure that they are in working condition and ready for the meter reading process to begin.

A typical meter reading month will involve the following steps:

1. Finance prepares laptop for reading of Radio Read Meters
2. Water Division reads Radio Read Meters – 1 day
3. Finance prepares Meter Guns for reading of Manual and Touch Pad meters
4. Water Division reads manual & touch pad meters – 10 days
5. Finance downloads readings to system and prepares the re-read list for those meters that were not able to be read or that present deviations from the normal usage – 1 day
6. Water Division manually reads meters on the re-read list. 1-2 days
7. Finance exports reads into the billing system.
8. Finance manually inputs the re-reads into the billing system – 1 day
9. Finance prepares billing – 1 day

During the six (6) months when meter reading is not occurring, the Water Division is tasked with the maintenance and upkeep of our water system, including the performance of any state mandated tasks (i.e. valve turning exercises). In addition to these duties, the Water Division staff also performs the daily turn-on's for new service, turn-off's for discontinued service, and investigates any complaints received from customers regarding their water usage and billings.

The City spends approximately $122,400 in staff time manually handling all meter related duties.

Duties	Water Department Costs	Finance Department Costs
Water Turn On/Off	$28,700	$8,900
Meter Reading	$52,000	$5,900
Investigating Complaints	$10,100	$8,800
Door Notices	$700	$400
Shut-Off List	$6,500	$400
Total Cost	**$98,000**	**$24,400**

CURRENT WATER SYSTEM ISSUES

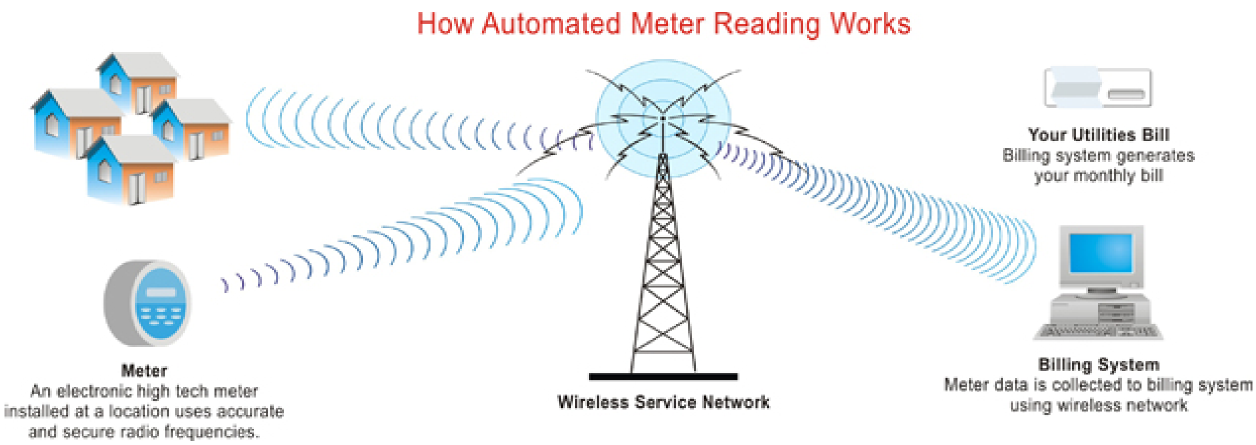
Our current water delivery system has some significant deficiencies that do not allow the city to track water usage properly nor provide excellent customer service assistance to our residents. Several of the key issues the City is facing with our current system include the following:

1. Loss of Revenue
   - Older meters lose efficiency and are not able to capture the correct readings. An audit of our water meters in August 2013 reflected an 80% read rate success.
   - The City has no ability to track closed accounts to monitor whether usage continues. Water
2. No Leak Detection on our water mains
3. Customer Service Issues
   - Customer cannot track own usage
   - Usage Data is only available every other month
   - Customer complaints require days to investigate
4. Antiquated Meter Reading Equipment no longer under warranty
   - Water Districts moving to automated systems

AUTOMATIC METER READING/AUTOMATED METER INFRASTRUCTURE PROJECT

On January 27, 2015 the City Council approved an award to National Meter Automation, Inc. for the installation of a Fixed Network Automatic Meter Reading / Advanced Metering Infrastructure (AMR/AMI) system to read meters in an automated and cost effective manner. The project will include water meter replacement and/or installation of over 6,800 meters city-wide. With this project, the City will be able to conduct advanced data analysis through this system based upon the data it provides.

It is the intention of the City to undergo this project in order to upgrade aging water meter technology with the most advanced technology available. As water meters age, their efficiency decreases and thus the City loses valuable revenues necessary to continue maintaining our water system. In addition, the time saved from being able to automatically read meters from a central location will allow Water Division employees to dedicate their time maintaining our system rather than meter reading.



This project will also include the installation of a leak detection system on the City's water main distribution lines to ensure that leaks are detected in a timely manner, avoiding any major loss of water or other catastrophe.

BENEFITS OF THE AMR/AMI SYSTEM

- Increased Efficiency = Increased Revenues
  - Accurate readings will lead to an increase in revenues of approximately 5%-10% = $87,000-$174,000
- Decreased maintenance costs with system under warranty
- Facilitates monthly billing of all three services
- Facilitates move to billing for gallons vs. cubic feet
  - Customer no longer has to calculate gallons on their own
- Enhanced Customer Service
  - Customer can track own usage, view billings, etc.
  - Readings can be obtained hourly, daily, weekly, etc.
  - Customer Complaints can be handled immediately
- Promotes Water Conservation
- Staff has time to perform maintenance required by the State Water Resources Control Board & Dep't of Public Health.

FINANCIAL IMPACT

This project has an estimated cost of $4.7 million, of which $4.1 will be financed through a loan or bond and $600,000 was appropriated from the Water Capital Improvement Fund during the adoption of the FY 2015-16 Annual Budget. The contract with NHA Advisors will be for a not to exceed amount of $35,000 and will be paid through the Water Capital Improvement Funds already allocated towards this project.

STRATEGIC PLAN

This report has been prepared to work towards accomplishing the following strategic objective established at the October 15, 2015 meeting:

"Present to the City Council for consideration a SMART Water Meters Financing Plan"

ATTACHMENT

1. Draft Independent Registered Municipal Advisor Agreement between the City of Riverbank and NHA Advisors, LLC.
2. Financing Memorandum

INDEPENDENT REGISTERED MUNICIPAL ADVISOR AGREEMENT
BETWEEN
THE CITY OF RIVERBANK
AND
NHA ADVISORS, LLC

THIS AGREEMENT for consulting services is made by and between the City of Riverbank (the "City") and NHA Advisors, LLC (the "Consultant") (together referred to as the "Parties") as of November 1, 2015 (the "Effective Date").

The City is preparing to install new and improved water meters throughout its distribution system and requires the financing of such meters and installation costs. The City desires to engage the expert financial advisory and professional services of an independent registered municipal advisor (NHA Advisors, LLC) to assist in the analysis, evaluation and funding options to meet cash flow objectives and capital projects.

<u>Section 1 – SERVICES</u>

If acting in the capacity of an Independent Registered Municipal Advisor ("IRMA") with regard to the IRMA exemption of the SEC Rule, Consultant will review all third party recommendations submitted to City in writing by the City. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, and incorporated herein, at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

<u>Recommendation</u>. If Consultant makes a recommendation of a municipal securities transaction or municipal financial product or if the review of a recommendation of another party is requested in writing by City and is within the scope of the engagement, Consultant will determine, based on the information obtained through reasonable diligence of Consultant whether a municipal securities transaction or municipal financial product is suitable for City. In addition, Consultant will inform City of:

- The evaluation of the material risks, potential benefits, structure, and other characteristics of the recommendation;
- The basis upon which Consultant reasonably believes that the recommended municipal securities transaction or municipal financial product is, or is not, suitable for City; and
- Whether Consultant has investigated or considered other reasonably feasible alternatives to the recommendation that might also or alternatively serve the City's objectives.

If City elects a course of action that is independent of or contrary to the advice provided by Consultant, Consultant is not required on that basis to disengage from City.

1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on June 30, 2016 or the date of completion specified in Exhibit A, and Consultant shall complete the work described in Exhibit A on or before that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as referenced in Section 8.

1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.

1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.

1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.1 above and to satisfy Consultant's obligations hereunder.

Section 2 - COMPENSATION

City hereby agrees to pay Consultant compensation for services performed in Exhibit A (Scope of Services) under the Compensation Schedule (Exhibit B).

City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City in writing, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- For work performed on an hourly Compensation Schedule, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;

2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 **Final Payment.** City shall pay the final sum due pursuant to this Agreement within 60 days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

2.4 **Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

2.5 **Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on the compensation schedule attached hereto as Exhibit B.

2.6 **Reimbursable Expenses.** Reimbursable expenses are specified below, and shall not exceed $2,500. Expenses will typically include third-party data collection or services not provided by City. Reimbursable expenses are in addition to the total amount of compensation provided under this Agreement that shall not be exceeded.

2.7 **Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.

2.8 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets to verify costs incurred to that date.

2.9 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3 - FACILITIES AND EQUIPMENT

Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4 - INSURANCE REQUIREMENTS

Before beginning any work under this Agreement, Consultant, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Consultant shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects, and that such insurance is in effect prior to beginning work to the City. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence that such insurance is in effect to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Consultant shall maintain all required insurance listed herein for the duration of this Agreement.

4.1 **Workers' Compensation.** *Consultant is not subject to worker's compensation insurance at this time*. In the event Consultant engages employees subject to the State of California's worker's compensation requirements, the Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than $1,000,000 per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General requirements.** Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than $1,000,000 per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition), Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 **Additional requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

a. The Insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

b. City, its officers, officials, employees, and volunteers are to be covered as additional insured as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired, or borrowed by the Consultant

c. For any claims related to this Agreement or the work hereunder, the Consultant's insurance covered shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

d. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after 30 days' prior written notice has been provided to the City.

4.3 **Professional Liability Insurance.**

4.3.1 **General requirements.** Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than $1,000,000 covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall not exceed $250,000 per claim.

4.3.2 **Claims-made limitations.** The following provisions shall apply if the professional liability coverage is written on a claims-made form:

a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.

c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must purchase an extended period coverage for a minimum of five years after completion of work under this Agreement.

d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

4.4 <u>All Policies Requirements.</u>

4.4.1 <u>Acceptability of insurers.</u> All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.2 <u>Verification of coverage.</u> Prior to beginning any work under this Agreement, Consultant shall furnish City with complete copies of all policies delivered to Consultant by the insurer, including complete copies of all endorsements attached to those policies. All copies of policies and endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. If the City does not receive the required insurance documents prior to the Consultant beginning work, it shall not waive the Consultant's obligation to provide them. The City reserves the right to require complete copies of all required insurance policies at any time.

4.4.3 <u>Deductibles and Self-Insured Retentions.</u> Consultant shall disclose to and obtain the written approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, employees, and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

4.4.4 **Wasting Policies**. No policy required by this Section 4 shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.4.5 **Waiver of Subrogation.** Consultant hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to affect this waiver of subrogation.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the consultant, its employees, agents, and subcontractors.

4.4.6 **Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4.5 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5 - CONSULTANT'S RESPONSIBILITIES AND INDEMNIFICATION

Fiduciary Duty - Consultant is registered as a Municipal Advisor with the SEC and Municipal Securities Rulemaking Board ("MSRB"). As such, Consultant has a Fiduciary duty to City and must provide both a Duty of Care and a Duty of Loyalty that entails the following.

Duty of Care:

- Exercise due care in performing its municipal advisory activities;
- Possess the degree of knowledge and expertise needed to provide City with informed advice;

- Make a reasonable inquiry as to the facts that are relevant to City's determination as to whether to proceed with a course of action or that form the basis for any advice provided to City; and
- Undertake a reasonable investigation to determine that Consultant is not forming any recommendation on materially inaccurate or incomplete information; Consultant must have a reasonable basis for:
  - any advice provided to or on behalf of City;
  - any representations made in a certificate that it signs that will be reasonably foreseeably relied upon by City, any other party involved in the municipal securities transaction or municipal financial product, or investors in City securities; and
  - any information provided to City or other parties involved in the municipal securities transaction in connection with the preparation of an official statement.

Duty of Loyalty:

Consultant must deal honestly and with the utmost good faith with City and act in City's best interests without regard to the financial or other interests of Consultant. Consultant will eliminate or provide full and fair disclosure (included herein) to Issuer about each material conflict of interest (as applicable). Consultant will not engage in municipal advisory activities with City as a municipal entity, if it cannot manage or mitigate its conflicts in a manner that will permit it to act in City's best interests.

Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers from and against any and all liability, loss, damage, claims, expenses, and costs (including without limitation, attorney's fees and costs and fees of litigation) (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the Services or its failure to comply with any of its obligations contained in this Agreement, except such Liability caused by the sole negligence or willful misconduct of City.

The Consultant's obligation to defend and indemnify shall not be excused because of the Consultant's inability to evaluate Liability or because the Consultant evaluates Liability and determines that the Consultant is not liable to the claimant. The Consultant must respond within 30 days, to the tender of any claim for defense and indemnity by the City, unless this time has been extended by the City. If the Consultant fails to accept or reject a tender of defense and indemnity within 30 days, in addition to any other remedy authorized by law, so much of the money due the Consultant under and by virtue of this Agreement as shall reasonably be considered necessary by the City, may be retained by the City until disposition has been made of the claim or suit for damages, or until the Consultant accepts or rejects the tender of defense, whichever occurs first.

With respect to third party claims against the Consultant, the Consultant waives any and all rights of any type to express or implied indemnity against the Indemnitees.

Notwithstanding the forgoing, to the extent this Agreement is a “construction contract” as defined by California Civil Code Section 2782, as may be amended from time to time, such duties of consultant to indemnify shall not apply when to do so would be prohibited by California Civil Code Section 2782.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement 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 City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant 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 City.

Section 6 - STATUS OF CONSULTANT

6.1 **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.

6.2 **Consultant Not an Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

6.3 **Federal Regulations.** Under the Municipal Securities Rulemaking Board (the “MSRB”) regulations that became effective on July 1, 2014, municipal advisors are required to disclose certain conflicts of interest to their clients. In accordance with those proposed regulations we make the following disclosures:

- Consultant is not aware of any actual or potential conflicts of interest that might impair our ability either to render unbiased and competent advice to the City or to fulfill our fiduciary duty to the City
- Consultant has no affiliate that provides any advice, service, or product to or on behalf of the City
- Consultant has not made any payments either directly or indirectly to obtain or retain business with the City
- The only compensation Consultant will receive in connection with the Exhibit A (Scope of Services) is identified in Exhibit B (Compensation Schedule) agreed to herein by the City. Consultant has not and will not receive any payments from third parties in connection with this engagement
- Consultant has not and will not enter into any fee-splitting arrangements with any provider of investments or services to the City
- Consultant is not aware of any conflicts of interest that may arise from the City's payment of the municipal advisory fee for the activities to be performed pursuant to this engagement
- To the best of its knowledge, none of Consultant's other engagements or relationships will impair Consultant's ability either to render unbiased and competent advice to the City or to fulfill Consultant's fiduciary duty to the City
- Consultant is not aware of any legal or disciplinary event that is material to the City's evaluation of Consultant or the integrity of its management or advisory personnel
- No legal or disciplinary event has been disclosed by Consultant to the Securities and Exchange Commission as may be required under applicable rules or regulations

Section 7 - LEGAL REQUIREMENTS

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.

7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.

7.4 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.

7.5 **Legal Events and Disciplinary History.** Consultant does not have any legal events and disciplinary history on its Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. City may electronically access Consultant's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website:
www.sec.gov/edgar/searchedgar/companysearch.html

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC.

7.6 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8 - TERMINATION AND MODIFICATION

8.1 **Termination.** City may cancel this Agreement at any time and without cause upon written notification to Consultant.

Consultant may cancel this Agreement upon 45 days' written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

8.2 **Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

8.3 **Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.

8.4 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.

8.5 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.

8.6 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall be included, but not be limited to, the following:

8.6.1 Immediately terminate the Agreement;

8.6.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.6.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.6.4 Charge Consultant the difference between the costs to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

Section 9 - KEEPING AND STATUS OF RECORDS

Effective July 1, 2014, pursuant to the Securities and Exchange Commission (SEC) record retention regulations, Consultant is required to maintain in writing, all communication and created documents between Consultant and City for 5 years.

If there are any questions regarding the above, please do not hesitate to contact Consultant. If the foregoing terms meet with your approval, please indicate your acceptance by executing both copies of this letter and returning one copy.

Section 10 - MISCELLANEOUS PROVISIONS

10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Stanislaus.

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this

Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 **No Implied Waiver of Breach**. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

10.6 **Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.

10.7 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous 12 months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code § 1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

As of the date of the Agreement, there are no actual or potential conflicts of interest that Consultant is aware of that might impair its ability to render unbiased and competent advice or to fulfill its fiduciary duty. If Consultant becomes aware of any potential conflict of interest that arise after this disclosure, Consultant will disclose the detailed information in writing to City in a timely manner.

The fee paid to Consultant increases the cost of investment to City. The increased cost occurs from compensating Consultant for municipal advisory services provided.

Consultant does not act as principal in any of the transaction(s) related to this Agreement.

During the term of the municipal advisory relationship, this agreement will be promptly amended or supplemented to reflect any material changes in or additions to the terms or information within this agreement and the revised writing will be promptly delivered to City.

Consultant does not have any affiliate that provides any advice, service, or product to or on behalf of the City that is directly or indirectly related to the municipal advisory activities to be performed by Consultant.

Consultant has not made any payments directly or indirectly to obtain or retain the City's municipal advisory business.

Consultant has not received any payments from third parties to enlist the Consultant's recommendation to City of its services, any municipal securities transaction or any municipal finance product.

Consultant has not engaged in any fee-splitting arrangements involving Consultant and any provider of investments or services to City.

Consultant does not any conflicts of interest from compensation for municipal advisory activities to be performed, that is contingent on the size or closing of any transactions as to which Consultant is providing advice.

Consultant does not have any other engagements or relationships that might impair the Consultant's ability either to render unbiased and competent advice to or on behalf of City or to fulfill its fiduciary duty to the City, as applicable.

Consultant does not have any legal or disciplinary event that is material to City's evaluation of the municipal advisory or the integrity of its management or advisory personnel.

10.8 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.9 **Contract Administration.** This Agreement shall be administered by the City Finance Director ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

10.10 **Notices.** Any written notice to Consultant shall be sent to:

Craig Hill, Principal
NHA Advisors, LLC
4040 Civic Center Drive, Suite 200
San Rafael, CA 94903

Any written notice to City shall be sent to:

Marisela H. Garcia, Finance Director
City of Riverbank
6617 Third Street
Riverbank, CA 95367

10.11 **Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A and B represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

Exhibit A Scope of Services
Exhibit B Payment Schedule

10.12 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

The Parties have executed this Agreement as of the Effective Date.

CITY

____
Marisela H. Garcia, Finance Director

Attest:

____
City Clerk

Approved as to Form:

____
City Attorney

CONSULTANT

GCH
____
Craig Hill, Principal

EXHIBIT A

INDEPENDENT REGISTERED MUNICIPAL ADVISOR SERVICES
SCOPE OF SERVICES

Consultant will provide municipal advisory services to the City related to its water enterprise fund, recent water rate changes and capital needs requiring some form of financing. Services will include the following components:

- Review and analysis of existing City water fund obligations
- Work with City staff to develop cash flow mode
- Develop financing plan meeting capital requirements working under the recently approved water rate structure and projected revenue stream
- Development of coverage analysis for annual debt service payments
- Draft any staff reports or presentations required for City Council
- Attend City staff meetings or participate in conference calls as requested by City staff
- Make presentations to City Council, as requested
- Structure and manage specific financings in accordance with the City's financing plan, capital project plan, and specific capital project needs and financing requirements
- Provide information and advice on the timing of bond issuance and financing process (schedule) and develop timeline for financing of water improvements
- Work with City to assemble financing team as required (may include bond counsel, rating agency, trustee depending on final structure and funding source)
- Coordinate the efforts of legal counsel, with respect to the preparation and approval of the financing documents by the City Council
- Provide financing structure and rate covenants for incorporation into financing documents
- Manage financing process
- Develop project financing plan summary in order to solicit banks or bond underwriter proposals from multiple firms
- Assist the City in the selection of a bank or underwriter, negotiate underwriting spread and interest rates on behalf of the City, and monitor the underwriter's sales effort to ensure the lowest financing costs are achieved (if water financing sold as a public offering)
- Manage bond pricing and final financing structure (debt service, bond terms)
- Work with bond counsel to finalize documents for execution by City
- Coordinate the delivery, printing and final approval of legal documents, and the preparation of closing certificates and final official statement
- Coordinate the work of the City and members of the financing team to ensure that the issue is consummated within a reasonable period of time

EXHIBIT B

COMPENSATION SCHEDULE

For work described under EXHIBIT A, Consultant will be compensated based on the hourly rate schedule shown below.

Staff Allocation	Hourly Rate
Principal	$275
Vice President	$225
Associate	$175
Analyst	$125
Administrative	$ 75

***Modification of Compensation Schedule* -** Upon amendments to Exhibit A (Scope of Services), Consultant will provide a budget or fixed fee (contingent) for identified projects based on discussions with City staff. No compensation modifications will be provided without City consent and acknowledgement.

***Out-of-Pocket* -** All expenses will be billed directly at cost to the City. Expenses will be limited to typical expenses necessary for completion of the services required, for example typical charges will include copying, mailing, shipping, and data purchase (if not provided by others). Travel will not be expensed. The maximum expense total will not exceed $2,500.

***Budget* -** Proposed budget for the Scope of Services (Exhibit A), without further approval from the City, described above is $35,000.

NHA | ADVISORS
Strategy. Innovation. Solutions.

4040 Civic Center Drive, Suite 200
San Rafael, CA 94903

Office: 415.785.2025
www.NHAadvisors.com

MEMORANDUM

To: Marisela Hernandez, Finance Director, City of Riverbank

From: Craig Hill

Date: November 2, 2015

RE: City of Riverbank – Water Meter Financing

Background

The City of Riverbank ("City") is working with National Meter Automation to install radio-read meters on all accounts located within the City's service area. As part of the project estimating, it was determined that the City would require some form of financing to cover the total cost of the project. In order to generate sufficient revenues necessary to make financing payments, the City was required to develop a new water rate structure to cover projected operating costs, required capital improvements and proposed new debt service related to the water meter project.

Financing Plan

Based on our initial analysis, the City will have sufficient net revenues to cover the proposed debt service under the new water rate structure. The rate study recently completed by Bartle Wells assumed the amortization of the water project over a 15-year term to minimize the rate impact on all customers.

Given the proposed 15-year term, the City will have options to either fund the water meter project through a direct bank loan, private placement of water revenue bonds with a single financial institution or access the capital markets with a public offering. It is anticipated that at this time, the lowest cost of funds will be available through a direct bank loan or private placement but confirmation will be known once proposed are received from the different financing sources.

Assuming the City Council approves moving forward with the financing plan, NHA Advisors will submit credit packages to potential financing sources and request bids within two weeks. Once received, a quantitative and qualitative analysis will be completed on each proposal in order to determine the best recommendation for approval by the City Council in December.

Proposed Financing Structure

There are no publicly offered obligations of the City's water fund and therefore all covenants will be created as part of this financing. It is important to establish flexible parity and additional bond test covenants to allow the City to finance additional improvements at some point in the future using the water revenues as security.

Solicitation of Bids

NHA Advisors will work with a private placement agent to solicit interest rate bids from multiple financial institutions. The bids will require proposals for the entire project amount, any potential debt service reserves and financing costs. The term of the financing will not exceed 15 years.

Timing of Financing

Key dates for processing the financing include:

• Week of November 9th	City Council directs staff to move forward on financing
• November 11th	Send Bid RFP and Credit Materials
• November 20th	Financial Institution Bids Due
• November 24th	Recommendation for Financial Institution
• December 1st	City Council Agenda Deadline
• December 8th	City Council Approval of Financing Documents
• December 22nd	Close Financing

RIVERBANK LOCAL REDEVELOPMENT AUTHORITY
AGENDA ITEM NO. 6.2

SECTION 6: NEW BUSINESS

Meeting Date:	November 10, 2015
Subject:	Accept Report on Status of LRA Budget for First Quarter FY 2015/16
From:	Jill Anderson, City Manager
Submitted by:	Debbie Olson, Executive Director Melissa Holdaway, Administrative Analyst II

RECOMMENDATION

It is recommended that the Local Redevelopment Authority (LRA) Board of Directors (Board) receive and approve the status report on the LRA budget for the first quarter of fiscal year 2015/16.

SUMMARY

This report covers the first quarter revenue and expenditures specifically for the time period from July 1, 2015 through September 30, 2015.

BACKGROUND:

In April 2010, the LRA Board adopted a resolution that requires LRA staff to provide a quarterly report to the LRA Board on the status of the budget. This report is intended to comply with that requirement.

This report is a snapshot of the LRA's financials as of the date of the report. A final report will be prepared at the end of the fiscal year that reflects additional details regarding revenue and expenditures from this quarter that may not have been included at the time this staff report was due.

Please note this report does not reflect beginning cash-on-hand.

FINANCIAL IMPACT

Fund 197 – Leasehold Revenue

Revenue was lower than expected. This is because utility revenue can lag by 30-60 days between the time Hetch Hetchy billis the LRA for power and when the tenants pay their utility bills.

Additionally, the Army is in arrears for past due utilities in the amount of $48,004.10. We performed an audit of Army utility usage from 2010 to present in order to verify the amount due. We have submitted the audit findings along with corroborating documentation. We are confident that the Army will remit payment based on our findings.

Expenditures were slightly higher than anticipated due to repairs to the fire suppression repairs required as a result of the 5-year fire suppression system inspection.

Fund 198 – Office of Economic Adjustment Grant (OEA)

Revenue and expenditures in line with expectations for the quarter.

STRATEGIC PLANNING ALIGNMENT

The presentation of the LRA's FY 2014-15 First Quarter supports the City's mission and reinforces the City's core values of transparency and fiscal responsibility.

ATTACHMENT

1. FY 2015-16 LRA Budget by Fund

	2015-16 Budget	First Quarter Jul-Sept
Fund 197		
Rents	1,456,800	389,125
Sale of Personal Property	500,000	
DOD Caretaker Revenue	98,685	
Utility Revenue from Tenants	725,000	81,719
Miscellaneous Revenue	87,853	3,050
Total Revenue	2,868,338	473,894
Salaries	21,602	5,701
Fringe	11,297	2,787
Administrative Expenses		
Travel	1,605	787
Equipment		
Office Supplies/Legal Ads	397	0
Phones	521	
Copier	509	
Postage	50	4
Janitorial	257	
Marketing/Branding	9,370	625
Professional Services		
Legal	146,000	6,936
Other Services	1,995	
Insurance Premiums	100,000	
Facilty Operations & Maintenance		
Well maintenance	1,500	
Permits	6,000	80
Water Testing	7,000	180
Electrical PM	70,000	
Electrical Infrastructure Upgrade/Repair	0	
Fire Supression Maintenance	5,000	7,315
Landscaping	8,000	790
Propane	3,000	
Repairs	112,853	11,124
*Fire Assessment Fees**	200	
Common Area Costs (electric, water, garbage)	860,000	165,446
Tenant Improvements	20,000	
Facility Mgmt/Security Services Contracts		
Security	168,000	28,215
Facility Management	475,000	72,911
Total Expenditures	2,030,156	302,901
Net Revenues Less Expenditures	838,182	170,993

	2015-16 Budget	***First Quarter Jul-Sept***
Fund 198		
OEA Grants	**382,483**	**82,630**
Total Revenue	**382,483**	**82,630**
Salaries	**191,589**	**51,313**
Fringe	**100,635**	**25,083**
Administrative Expenses		
Travel	**2,702**	**1,851**
Office Supplies/Legal Ads	**3,045**	**1,358**
Phones	**4,580**	**1,205**
Copier	**4,580**	**1,774**
Postage	**450**	**46**
Janitorial	**2,317**	
Marketing/Branding	**630**	
Professional Services		
Legal	**54,000**	
Other Services	**17,955**	
Total Expenditures	**382,483**	**82,630**
Net Revenues Less Expenditures	**0**	**0**

RIVERBANK CITY COUNCIL AGENDA ITEM NO. 6.3

SECTION 6: NEW BUSINESS

Meeting Date:	November 10, 2015
Subject:	A **Resolution** of the City Council of the City of Riverbank, California, Approving and Authorizing the City Manager to Execute a Memorandum of Understanding Regarding the Stanislaus and Tuolumne Rivers Groundwater Basin Association
From:	Jill Anderson, City Manager
Submitted by:	Michael Riddell, Public Works Superintendent

RECOMMENDATION

It is recommended that the City Council adopt a resolution approving and authorizing the City Manager to execute Memorandum of Understanding (MOU) regarding the Stanislaus and Tuolumne Rivers Groundwater Basin Association (STRGBA).

INTRODUCTION

The City of Riverbank has been a member of STRGBA since 1994. A revised MOU has been prepared for consideration by the member agencies to expand and clarify the role of the organization in order to meet the requirements of the Sustainable Groundwater Management Act of 2014.

PURPOSE OF STRGBA

Sustainably managed groundwater and surface water resources within the Modesto Sub-basin (Sub-basin) are vitally important to meet current and future, agricultural, domestic, municipal, industrial and environmental needs within the Sub-basin. Since its inception in 1994, the Stanislaus and Tuolumne Rivers Groundwater Basin Association (STRGBA) has provided a forum for local agencies to work cooperatively together to provide for coordinated planning in the pursuit of making the best use of available water resources of the Sub-basin. Current member agencies include the cities of Riverbank, Oakdale, Modesto, Stanislaus County, Oakdale Irrigation District, and Modesto Irrigation District. The purpose and goals of STRGBA are as shown below:

- To determine and evaluate the Sub-basin's groundwater supply.

- To promote coordination of groundwater management planning activities, including the preparation of the groundwater management plan.
- To develop a hydrologic groundwater model of the Sub-basin.
- To determine the Sub-basin's need for additional or improved water extraction, storage, delivery, conservation and recharge facilities.
- To provide information and guidance for the management, preservation, protection and enhancement of groundwater quality and quantity in the Sub-basin.

SUSTAINABLE GROUNDWATER MANAGEMENT ACE OF 2014

In September of 2014, Governor Jerry Brown signed into law the Sustainable Groundwater Management Act of 2014 (SGMA) changing the landscape of groundwater management. SGMA is a comprehensive three bill package that sets the framework for statewide sustainable groundwater management by local agencies. SGMA requires, among other items, the formation of Groundwater Sustainability Agencies (GSA) and the preparation of Groundwater Sustainability Plans (GSP) with a focus on long-term sustainability in the Sub-basin. Formation of GSA's must occur no later than June 30, 2017 and GSP's must be adopted no later than January 31, 2022 for high and medium priority basins not currently in overdraft.

SUMMARY OF REVISED MOU

Since the passage of SGMA, STRGBA member agencies have been hard at work plotting a course for the future. While the landscape has changed for sustainable management over the last 20 years, significant positive impacts to the Sub-basin have been made. While STRGBA is committed to being the GSA for the Sub-basin, an interim vehicle is needed and the revised Memorandum of Understanding Regarding the Stanislaus and Tuolumne Rivers Groundwater Basin Association (MOU) is just that. While largely unchanged with respect to form, the revised MOU accomplishes four (4) primary functions; (1) it brings in the City of Waterford which was the only local agency not previously at the table, (2) replaces the existing MOU which is set to expire at the end of 2015, (3) extends the MOU until the end of 2017 and (4) memorializes that while it is unmown at this time what a governance structure will look like, the member agencies agree to work individually and collectively to seek formation of one or more GSA to provide for SGMA compliant groundwater management governance within the Sub-basin prior to June 30, 2017.

FINANCIAL IMPACT

STRGBA currently has approximately $30,000 in the bank any additional request for funds would come out of Waters Operation Budget and would be addressed when additional funding is requested by the organization.

STRATEGIC PLAN

This report has been prepared to achieve the City of Riverbank's Three-Year Goal to Improve and Maintain Infrastructure and Facilities.

ATTACHMENTS

The following items are attached to this report:

1) Resolution
2) STRGBA Memorandum of Understanding

Additional information may be found at **www.water.ca.gov/groundwater/sgm/gsp.cfm**

CITY OF RIVERBANK

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERBANK, CALIFORNIA, APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING REGARDING THE STANISLAUS AND TUOLUMNE RIVERS GROUNDWATER BASIN ASSOCIATION

WHEREAS, sustainably managed groundwater and surface water resources within the Modesto Sub-basin are vitally important to meet the current and future, agricultural, domestic, municipal, industrial and environmental needs within the Sub-basin; and

WHEREAS, since its inception in 1994, the Stanislaus and Tuolumne Rivers Groundwater Basin Association has provided a forum for local agencies to work cooperatively together to provide for coordinated planning in the pursuit of making the best use of available water resources of the Sub-basin; and

WHEREAS, current member agencies include the cities of Oakdale, Riverbank, Modesto, Stanislaus County, Oakdale Irrigation District, and Modesto Irrigation District; and

WHEREAS, over the last 20 years, the Stanislaus and Tuolumne Rivers Groundwater Basin Associate has been successful in meeting many of its goals and for all practical purposes was ahead of its time; and

WHEREAS, since the passage of the Sustainable Groundwater Management Act of 2014, Stanislaus and Tuolumne Rivers Groundwater Association member agencies have been hard at work plotting a course for the future; and

WHEREAS, the revised Memorandum of Understanding accomplishes four (4) primary functions; (1) it brings in the City of Waterford which was the only local agency not previously at the table, (2) replaces the existing Memorandum of Understanding which is set to expire at the end of 2015, (3) extends the Memorandum of Understanding until the end of 2017, and (4) memorializes that while it is unknown at this time what a governance structure will look like, the member agencies agree to work individually and collectively to seek formation of one or more Groundwater Sustainability Agency to provide for Sustainable Groundwater Management Act compliant groundwater management governance within the Modesto Sub-basin prior to June 30, 2017.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Riverbank does hereby approve a resolution approving and authorizing the City

Manager to execute Memorandum of Understanding Regarding the Stanislaus and Tuolumne Rivers Groundwater Basin Association.

PASSED AND ADOPTED by the City Council of the City of Riverbank at a regular meeting held on the 10th day of Novemberr, 2015; motioned by Councilmember ______, seconded by Councilmember ______, and upon roll call was carried by the following vote of ___:

AYES:
NAYS:
ABSENT:
ABSTAIN:

ATTEST:	**APPROVED:**
___________________________	___________________________
Annabelle Aguilar, CMC	**Richard D. O'Brien**
City Clerk	**Mayor**

Attachments: UWMP Section 6.5 thru 6.7

MEMORANDUM OF UNDERSTANDING REGARDING THE STANISLAUS AND TUOLUMNE RIVERS GROUNDWATER BASIN ASSOCIATION

July 2015

1. PARTIES:

   The Parties to this Memorandum of Understanding (MOU) are: County of Stanislaus, a political subdivision of the State of California; Oakdale Irrigation District, a California irrigation district; the City of Oakdale, a California public agency; the City of Riverbank, a California public agency; the City of Modesto, a California public agency; the City of Waterford, a California public agency; and Modesto Irrigation District, a California irrigation district.

2. RECITALS:

   This MOU is entered into with regard to the following facts and circumstances, among others:

   2.1 Groundwater and surface water resources within the Modesto Sub-basin (Sub-basin) are vitally important resources, in that they provide the foundation to maintain current and fulfill future environmental, agricultural, domestic, municipal and industrial needs, as well as other needs, and to maintain the economic viability and prosperity of the Sub-basin.

   2.2 Agriculture has been prominent in making Stanislaus County one of the world's foremost agricultural areas, and has played a major role in the development of the economy of Stanislaus County; in an era of increasing competition for the area's finite water resources, it is important to understand and plan for the local area's economic well-being.

   2.3 In 1994, an association known as the Stanislaus and Tuolumne Rivers Groundwater Association (the "Former Association") was created.

   2.4 The Former Association ceased to exist as of December 31, 1997, pursuant to the terms of the agreement among the Parties creating it.

2.5 During the period following termination of the Former Association, the Parties have continued to conduct business that might have been conducted by the Former Association.

2.6 The Parties desire to form an Association (defined below) to update the role and functions of the Former Association and to provide a mechanism for the Parties to cooperate in working toward the purposes and goals established in this MOU.

2.7 **Purpose and Goals**: The purposes and goals for the formation of the Association are:

2.7.1 To determine and evaluate the Sub-basin's existing groundwater supply;

2.7.2 To promote coordination of groundwater management planning activities developed by the Former Association and the prior efforts of individual Parties;

2.7.3 To determine the Sub-basin's need for additional or improved water extraction, storage, delivery, conservation, and recharge facilities;

2.7.4 To provide information and guidance for the management, preservation, protection and enhancement of groundwater quality and quantity in the Sub-basin; and

2.7.5 While it is unknown at this time what a governance structure will look like for the Sub-basin, the Parties agree to work individually and collectively to seek formation of one or more Groundwater Sustainability Agency (GSA) or Groundwater Sustainability Agencies (GSAs) to provide SGMA-compliant groundwater management governance within the Sub-basin prior to June 30, 2017. The ultimate governance structure for groundwater management within the Sub-basin isn't the subject of this MOU. As such, this MOU doesn't form a GSA or multiple GSAs, but rather begins a consensus-seeking discussion process toward SGMA compliance.

2.8 The Parties believe that cooperative and coordinated actions by local agencies and users within the Sub-basin will result in sustainable usage of the groundwater within the Sub-basin.

2.9 The Parties believe that groundwater management activities, whether developed under the umbrella of the Association or through individual agency efforts coordinated through the Association, for water suppliers and water users within the Sub-basin are necessary to protect the groundwater and to meet the needs of users of such resources within the Sub-basin.

2.10 The Parties have developed a hydrologic groundwater model for use in planning and operational decision making.

2.11 The Parties enter into this MOU in order to reauthorize the Association to promote certain goals and provide coordinated planning to make the best use of available water resources to meet the needs of the Parties and respective constituents and service territories in the mutual best interests of the inhabitants and resources of the Sub-basin.

2.12 In forming the Association, it is the Parties desire that the Association not be formed as a separate governmental entity, nor have any enforceable regulatory authority over any Party's facilities or any Party's respective groundwater supplies or water rights nor duplicate any services, duties or authority of any other agency.

3. <u>DEFINITIONS</u>:

The following terms, whether in the singular or the plural, and when used herein with initial capitalization, shall have the meanings specified in this Section 4:

3.1 **Annual Budget**: A budget will be developed by the Association's governing body to fund certain project(s) to advance the goals and objectives of this MOU.

3.2 **Sub-basin**: The Modesto Sub-basin, which is geographically defined as that area in the State of California bounded on the west by the San Joaquin River; on the north by the Stanislaus River, on the east by the base of the Sierra Nevada foothills; and on the south by the Tuolumne River, and includes the area of land overlying that Sub-basin and all tributaries therein as defined by the Department of Water Resources Bulletin 118.

3.3 **Committee**: That body, consisting of one representative from each of the Parties, which governs the Association, as established pursuant to Section

5.2 of this MOU.

3.4 **Coordinator**: The individual appointed by the Committee pursuant to Section 6 is otherwise responsible for coordinating a work plan.

3.5 **Governing Bodies**: The legislative bodies of the governmental Parties to this MOU.

3.6 **MOU**: This Memorandum of Understanding Regarding the Stanislaus and Tuolumne Rivers Groundwater Basin Association.

3.7 **Parties**: Each of those entities named in Section 1of this MOU, or those Parties added pursuant to section 5.4 of this MOU.

3.8 **Voting Percentage**: A Party's Voting Percentage as set forth in Section 8.3 of this MOU.

4. <u>THE ASSOCIATION</u>:

4.1 **Powers and Purposes**: The Parties to this MOU shall operate as the Stanislaus and Tuolumne Rivers Groundwater Basin Association (“Association”).

4.1.1 The Parties to this MOU shall operate as the Stanislaus and Tuolumne Rivers Groundwater Basin Association (“Association”).

4.1.2 This Association shall have no enforceable regulatory authority over any person or entity, including Parties or Parties' facilities or rights.

4.1.3 The Association shall have the power to sue or be sued in its own name.

4.2 **Committee**: The Association shall be governed by a Committee whose membership and responsibilities are set forth herein.

4.2.1 Each Party shall designate one person to serve as a member of the Committee, and one or more alternates. The names of the member and alternates shall be submitted to the Coordinator. Each member of the Committee, and each alternate, shall serve at the pleasure of the Party appointing such member. A Party's alternate may serve in the place of that Party's member in the absence of such member and, in such case, the alternate shall have the powers of the member.

4.2.2 The Committee shall elect a chair and vice chair from its members at the first meeting of each calendar year. The chair will be responsible for presiding over meetings of the Committee, and shall notify committee members and the Coordinator of meetings of the Committee. The Committee will establish a date, time and place for its regular meetings, and may hold special meetings when required for the proper transaction of business. All meetings of the Committee shall be held in accordance with the provisions of the Brown Act, California Government Code Section · 54950 et seq. The Committee will prescribe such procedures for the conduct of its business as it deems appropriate.

4.2.3 A quorum shall consist of a simple majority of the Voting Percentage of the Committee, except that less than a quorum may adjourn meetings of the Committee from time to time. Alternatively, the Coordinator may adjourn a meeting of the Committee to a specified time, date and place if there is less than a quorum of members present for a meeting.

4.2.4 The Committee shall have the following duties and responsibilities:

a. Develop and implement the activities, including work schedule, designed to achieve the objectives of the Association as set forth in Section 2 of this MOU.

b. Enter into contracts, and approve all amendments thereto, for and on behalf of the Association, necessary to carry out the powers and duties of the Association.

c. Establish an Annual Budget for the Association, and approve proposed revisions to such budget, provided that no action of the Association shall be deemed to bind any party to contribute such funds absent approval of the Governing Bodies.

d. Recommend for approval by the Governing Bodies Budget(s) necessary to carry out proposed project(s).

e. Establish such committees as may be necessary or desirable to carry out the purposes of the Association, and to exercise general supervision over such committees.

4.2.5 Except for actions for which a different approval standard is set forth in this MOU, all actions of the Committee shall be approved by a majority of the members present.

4.3 **Staff**: The Association shall have the authority to hire or retain agents, contractors and consultants as the Committee shall determine necessary and appropriate.

4.4 **New Parties**: New parties may join the Association, provided that they meet the requirements set forth in this Section 5.4.

4.4.1 Any county or local public agency, whose territory or service area includes land located within the Sub-basin, which provides water service within its service area, and whose service area includes all or a portion of the Sub-basin (as defined in Section 4.2), may apply for membership in the Association.

4.4.2 Application for membership shall be subject to approval by the Governing Bodies of the Parties; approval shall require the affirmative vote of the Governing Bodies of a simple majority of the Parties.

4.4.3 Any new Party to this Agreement shall, as a condition of admission to the Association, be required to first pay its proportionate share of back contributions or as otherwise determined appropriate by the Committee.

5. <u>COORDINATOR</u>:

5.1 **Appointment**: The Committee shall appoint a Coordinator, who shall have the duties and responsibilities set forth in this Section 6. The Coordinator shall be an employee of a Party, unless otherwise approved by the Committee.

5.2 **Duties and Responsibilities**: The Coordinator will have the following duties and responsibilities:

5.2.1 Develop and submit for consideration of approval by the Committee a work plan and schedule of activities designed to accomplish the goals of the Association as established in this MOU or as may be directed by the Committee.

5.2.2 Propose an Annual Budget, and from time to time such revisions as the Coordinator may feel necessary or desirable, to the Committee for its review and approval.

5.2.3 Submit to the Committee as directed by the Committee, a progress report as to the Association's activities, and an Annual Budget report which compares actual expenditures with the adopted budget.

5.2.4 Execute and administer contracts as directed by the Committee.

5.2.5 Maintain proper records and accounts of Work performed by the Association and its committees.

5.2.6 Receive and disburse funds at or under the direction of the Committee.

5.2.7 Act as secretary/treasurer to the Association, and acting in that capacity, prepare, record and distribute minutes of all Committee meetings.

5.2.8 Perform such other actions as may be necessary or desirable to promote the work of the Committee and the Association.

6. ASSOCIATION BUDGET AND COSTS:

6.1 **Budget Cycle**: The budget cycle of the Association shall be on a calendar year basis.

6.2 **Annual Budget**: The Coordinator shall prepare an annual financial budget for each calendar year that the Committee determines certain projects are necessary. The Coordinator's draft Annual Budget for the preceding year should be delivered to the Committee members no later than June 1 of each year. The Committee should approve or revise the draft budget and distribute the draft budget to each Party no later than July 1 of each year. The Committee shall meet to review input from the Parties' Governing Bodies no later than August 1, and shall approve a final budget no later than September

1 for the preceding year. The respective Governing Bodies of the Parties should review the Annual Budget of the Committee no later than October 1 of each year and notify the Coordinator that it has allocated or appropriated its respective contribution to the annual Budget no later than October 15 of each year. The Committee shall then adopt and approve the annual Budget and have it in place and effect by January 1 of that budget year as approved by the Parties.

6.3 **Allocation of Funds**: Within the annual financial budget adopted pursuant to Section 7.2, the Committee shall have the authority to make minor adjustments in the allocation of funds between budget categories; provided, however, that the cumulative change in the budget category does not exceed ten percent (10%) of the amount authorized in the Annual Budget and the total amount of the Annual Budget is not increased. Other budget adjustments require approval of the Governing Bodies.

6.4 **Budget Increases**: Increases in the total amount of a Budget must be approved by the Governing Bodies of a simple majority of the Parties.

6.5 **Failure to Pay**: If any Party fails to pay its respective share of any Annual Budget or budget increase when due, whether or not that Party's Governing Body approved the Annual Budget or the budget increase, then that Party shall be ineligible to vote on any subject or issue unless such failure is excused by the Committee. During any period of time during which a Party is ineligible to vote on a matter by reason of the application of this Section 7.5, such Party shall not be counted as a Party in determining a quorum, or in determining a " majority” with regard to the approval of any action. In order to restore its eligibility to vote, a Party must be current on all amounts due, including any expenditures approved by the Association while such Party was ineligible to vote.

6.6 **Expenditures**: Association funds may be properly expended for all costs approved by the Committee and properly incurred in the performance of the work approved by the Committee, or under such authority as may be delegated to the Coordinator by the Committee.

6.7 **Non-Reimbursable Costs**: Costs incurred by any Party in connection with any functions of the Association, or any committee established by the Committee, and expenses of a Party's personnel including, without limitation, the regular and alternate members appointed by a Party to any committee while performing such functions, shall not be reimbursed by the Association except upon approval of the Committee, provided that a Party shall be reimbursed for the services performed by such Party's employees while serving as staff to the Association as approved through the Budget process.

7. <u>FUNDING AND VOTING PERCENTAGES</u>:

7.1 **Funding**: Each Party shall be responsible for its proportionate share of the funding requirements of the Association. The proportionate shares of each Party shall be determined by dividing the funding requirements of the Association by the number of Parties. During Committee approval of certain projects that beneficially affect one Party over another, equitable project funding shall be determined by the Committee.

The Parties shall provide funding consistent with the Annual Budgets adopted by the Committee at times set forth in such budgets, or on call of the Coordinator. Funding needs of the Association payable by the Parties shall be determined by the Committee, and such funds shall be transmitted by the Party to the Coordinator within sixty (60) days of project approval. Upon receipt, the Coordinator will immediately deposit funds in an interest-bearing bank account. The funds in such account shall remain the property of each Party and interest earned thereon shall belong to each Party.

7.2 **Payment Reduction**: Each Party agrees that the Parties' respective obligations to make payments hereunder shall not be subject to any reduction, whether by offset, counter claim, recoupment or otherwise. A Party's funding contributions to this Association or a portion thereof may be reimbursed upon termination of that Party's participation in the Association and approval by a simple majority vote of the Committee.

7.3 **Voting Rights**: Each Party's representative on the Committee shall be entitled to one vote; provided, however, that if a matter being decided by the Committee will have a disproportionate effect on the financial obligations of the Parties as contemplated in Section 8.1, each Party shall be entitled to vote weighted in proportion to the financial obligation or benefit of the Parties.

7.4 **Modification by Party**: Funding Percentages and/or Voting Percentages may be changed only upon the approval of the Governing Bodies of a simple majority of the Parties.

8. RELATIONSHIPS OF PARTICIPANTS:

8.1 **Each Party's Action is Independent of the Other**: The obligation of each Party to make payments under Section 8.1 of this MOU is an individual and several obligation and not a joint obligation of the Parties. Each Party shall be individually responsible for its own covenants, obligations and liabilities under this MOU. No Party shall be under the control of or shall be deemed to control any other Party or the Parties collectively. No Party shall be the agent of or have the right or power to bind any other Party without such Party's express written consent, except as expressly provided in this MOU.

8.2 **Indemnity**: No Party, nor any officer or employee of a Party, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by another Party under or in connection with this MOU. The Parties further agree, pursuant to Government Code Section 895.4, that each Party shall fully indemnify and hold harmless each other Party and its agents, officers, employees and contractors from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney fees, arising out of, resulting from, or in connection with any work delegated to or action taken or omitted to be taken by such Party under this MOU.

In no event, except for any claim, demand, liability, loss or damage arising out of or resulting from any action taken or not taken by one Party at the direction of its directors, officers, or employees of management or administrative responsibility, which is knowingly or intentionally taken or not taken with conscience indifference to the consequences thereof or with the intent that injury or damage would result or would probably result therefrom, shall a Party be liable to any other Party for any indirect or consequential damage claim, demand, liability, loss, expense (including attorney's fees), or damage arising out of or in any way connected with this Agreement , including any negligence in connection therewith.

8.3 **No Creation of a Joint Powers Agency**: The Parties agree that by this MOU they do not intend to provide for the creation of an agency or entity which is separate from the Parties pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code, relating to the joint exercise of powers.

9. TERM OF THIS MOU:

The term of this MOU shall commence once all named parties have executed this MOU; and it shall terminate on December 31, 2017 unless extended in writing signed by all Parties to this MOU. Upon termination of this MOU, the Committee shall determine the assets and liabilities of the Association; make every effort to satisfy all obligations within sixty (60) days of the termination of the agreement; and distribute the remaining fund balance equitably to each Party in proportion to each Party's funding contribution to the Association.

10. GENERAL PROVISION GOVERNING MOU:

10.1 **Invalidity of any Term not to Invalidate the Entire Memorandum**: In the event that any of the terms, covenants or conditions of this MOU or the application of any such term, covenant or condition shall be held invalid as to any Party, person or circumstance by any court of competent jurisdiction, all other terms, covenants or conditions of this MOU and their application shall not be affected thereby, but shall remain in full force and effect unless any such court holds that those provisions are not separable from all other provisions of this MOU.

10.2 **No Third Party Beneficiaries**: This MOU is for the sole benefit of the Parties and shall not be construed as granting rights to any person other than the Parties or imposing obligations on a party to any person other than another party.

10.3 **Good Faith**: Subject to the right of a Party to withdraw or terminate its membership in the Association, each Party shall use its best efforts and work wholeheartedly and in good faith for the expeditious completion of the objectives of this MOU and the satisfactory performance of the terms and provisions contained herein.

10.4 **Withdrawal or Termination of Membership**: Except in the event of the termination of this MOU pursuant to Section 10 a Party who withdraws or terminates its membership in the Association shall not be entitled to a refund of its funding contributions. Any Party may terminate membership and withdraw from this Association upon thirty (30) days written notice of termination to the Association. If a Party withdraws from the Association when the Party is in arrears as to its funding contributions to the Association, that Party's entitlement to use any groundwater model or other work product of the Association as provided for herein shall be determined by the Committee.

10.5 **Amendment**: This MOU may be amended by first receiving the affirmative vote of the Governing Body of a simple majority of the Parties.

10.6 **Counterpart Execution**: This MOU may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10.7 **Governance**: This MOU is made under and shall be governed by the laws of the State of California.

10.8 **Reasonable Delivery of Documents**: The Parties agree to act in good faith to promptly execute any documents that are necessary, or may become necessary, to implement activities approved by the Governing Bodies in the Annual Budget subject to the authority and the right of the Governing Bodies to terminate participation in this MOU.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed, each signatory hereto represents that he has been appropriately authorized to enter into this MOU on behalf of the Party for whom he/she signs.

X ________________________________

Jill Anderson
City Manager

Date:_________________

RIVERBANK CITY COUNCIL AGENDA ITEM NO. 6.4

SECTION 6: NEW BUSINESS

Meeting Date:	November 10, 2015
Subject:	Potential Downtown Restaurant Incentives
From:	Jill Anderson, City Manager
Submitted by:	Donna M. Kenney, Planning and Building Manager

RECOMMENDATION:

It is recommended that Council review the presented information and provide direction to staff to prepare an implementation plan that utilizes Incentives #1) Grease Interceptor Loan Program and #2) Program to Allow Conditional Waiver to Install Grease Interceptors.

SUMMARY:

During the Strategic Planning session held October 15, 2015, the City Council set an objective that incentive programs to encourage new restaurants to locate or relocate in the downtown would be presented to the City Council for consideration under the three-year Goal of "Retain and Attract Businesses". Research was conducted and four programs are being highlighted to show a few different approaches that have been used in other cities:

1) Grease Interceptor Loan Program;
2) Conditional Waiver to Install Grease Interceptors Program;
3) Retail and Restaurant Incentive Program; and
4) "Feet on the Street" Program.

While all four are presented, after discussion and analysis, it was determined that an implementation program using Incentives #1 and #2 would be the most feasible considering the limited financial and staff resources that are available to implement any business incentive program. Additional research can be done to complete a more exhaustive search of programs if the City Council would like to see more alternatives.

POTENTIAL OPTIONS:

The following programs are summarized for discussion and consideration:

1. A Grease Interceptor Loan Program;

2. A Conditional Waiver to Install Grease Interceptors Program;
3. A Retail and Restaurant Incentive Program; and
4. A “Feet on the Street” Program.

These potential programs were reviewed and two in particular, #1 and #2, were found to be the most feasible.

Incentive #1 – Grease Interceptor Loan Program (Attachment 1)

Grease Interceptors are required in order to aid in the prevention of sanitary sewer blockages and obstructions from contributions and accumulation of fats, oils and greases into the sanitary sewer system from industrial or commercial establishments, particularly food preparation and serving facilities. The installation of these devices can be costly to new restaurants, particularly if the grease interceptor must be retrofitted into an existing building, such as those located in our downtown. The purchase and installation of a grease interceptor can range from $10,000-$20,000, which may place a huge burden on restaurants seeking to be located in our downtown corridor.

The implementation of a grease interceptor loan program would assist individuals/businesses seeking to establish a food service business in our downtown neighborhood. The program would be designed to provide funds towards a portion of the purchase and installation of the grease interceptors. Components of the program could include the following or some variation, thereof:

- No-Interest (0%) or Low-Interest (1%-2%) Loan
- Assistance for a portion of the costs up to a certain amount or possibly a percentage of purchase and installation (depending upon funding available)
- First-Come, First-Serve program (due to limited funding)

An application would be prepared to allow potential restaurants to apply for this loan program, similar to Attachment 1 (City of Elgin Grease Trap Incentive Program). This program has worked for Elgin, Ill., population of 110,000, whose City Council entered into an incentive agreement with Portillo Restaurant Group in 2012 to induce development of a restaurant and retail center, adding 120 jobs and bringing in $7 million dollars annually. Implementation of this potential program in Riverbank would be on a much smaller scale because of the difference in the size of the cities and the lack of funding outside of the General Fund; however, it may be an incentive that could be used to market the City and make the difference for a restaurant to choose downtown Riverbank.

Proposed Riverbank Grease Interceptor Loan Program

While these loan programs can take many forms, for purposes of discussion, the proposed funding source would be the General Fund, with an initial allocation of $21,000 for up to three 0% loans in the amount of $7,000 each with repayment terms to be determined, with potential loan forgiveness clauses if the business remained operational for three, five or seven years. A new budget allocation would be needed at midyear if the City Council directs staff to move forward; however, the funds would only be spent if there was a restaurant that qualified for the program. The program budget could be modified if new funds became available or if the General Fund was not able to fund any type of loan program.

Before proceeding with the development of the documents needed to implement a program of this type, including the loan repayment agreements, City Council direction in regards to the need to make an allocation from the General Fund to make the program viable is requested.

Incentive #2- Conditional Waiver to Install Grease Interceptor Program (Attachment 2)

The City of Los Angeles, CA has a Conditional Waiver Program that allows restaurants to open without installing a grease interceptor if they meet certain terms and conditions:

a. The Food Service Establishment ("FSE") must dispose of all food waste directly into the trash or garbage receptacles and not into sinks;
b. The FSE must "Dry Wipe" all pots, pans, dishware and work areas prior to washing of such utensils, equipment or areas;
c. The FSE must collect waste cooking oil and store it properly in recycling barrels or drums; and,
d. The FSE must comply with any other condition deemed appropriate by the Director of the Bureau of Sanitation.

The Conditional Waiver may be revoked if the FSE is confirmed to have contributed to Fats, Oil & Grease accumulation in the sewer collection system that resulted in a Sanitary Sewer Overflow, or if the FSE fails to comply with the terms and conditions of the Conditional Waiver. Upon revocation of the waiver, the FSE will be required to install a grease interceptor. The implementation of this potential program in Riverbank would not require a funding source and could be used to attract smaller, "mom and pop" type restaurants.

Incentive #3 – Retail and Restaurant Incentive Program (Attachment 3)

The City of Mandan, SD has a Retail and Restaurant Incentive Program to serve as a catalyst for securing new retail, restaurant and service businesses to fill vacant properties and stimulate new construction by providing financial assistance to qualified applicants in the form of a rent subsidy. In addition, it will provide greater selection and convenience to residents, businesses and visitors as well as generate additional revenues for the public sector by way of local sales or restaurant and lodging taxes. The program requires that the applicant pay all upfront expenses. The process is as follows:

a. The applicant submits the application and attachments and staff reviews the complete application within 2 weeks of submittal.
b. A Committee reviews the application and makes a recommendation to the City Commission within 45 days.
c. The business has 180 days from Commission approval to be open and operational.

d. The City will provide a rent subsidy within 30 days after the applicant has been open for business one (1) month. The subsidy will be structured as an interest-free loan that will be prorated and forgiven over the course of three (3) years, provided the business remains in operation within the city. Businesses who relocate outside the city before the three (3) years shall repay a pro-rata share of the rent subsidy. One example is a 3,000 square foot restaurant which can apply for up to $5 per square foot to be paid over twelve (12) months totaling $15,000 or $1,250 per month. In another example, an existing retailer plans to expand from 3,000 square feet to 6,000 square feet so can apply for up to $5 per square foot on the 3,000 square foot expansion only. It would be paid over twelve (12) months totaling $15,000 or $1,250 per month.

This option is a grant program rather than a loan program, so a sustainable funding source would need to be secured or the program would very likely have to be limited to a year or less because the funding source would be the General Fund.

Incentive #4 – Hesperia's "Feet on the Street" Program (Attachment 4)

The City of Hesperia has implemented its "Feet on the Street" Program to assist businesses that could benefit from a no-cost business evaluation and consulting program (part-time consultant provided by the City). The Program offers a confidential financial analysis by a qualified business consultant who will identify areas of strengths and weaknesses in the business and isolate problem areas that need attention and corrective action. Tools include:

a. Cash flow and aging of Accounts Payable;
b. Market-targeting customer groups, advertising and promotional activities;
c. Pricing strategies and discount policies;
d. Accounts receivable collections and credit policies; and
e. Evaluation of location and occupancy costs and review of debt and working capital requirements.

Although the funding for the implementation of this potential incentive program would be limited to the cost of a part-time consultant, it is more likely to help existing restaurants than attract new ones to the downtown. In addition, the Stanislaus Business Alliance offers similar services, so the City does direct existing and potential businesses to the Alliance which offers an array of business support services.

STRATEGIC PLAN:

Riverbank's Strategic Planning sessions allow the Council and staff to reaffirm the City's Mission Statement, Vision Statement, Core Values and Three-Year Goals. In addition, strategic objectives are drafted and completed as the City works towards their long range goals. The presentation of some business incentive options to encourage new restaurants downtown is one of the City Council's strategic objectives from their session held on October 15, 2015. Therefore, this action is consistent with the City's Strategic Plan.

FISCAL IMPACT:

There is no financial impact associated with discussing these options. Implementation would require some additional funding, as well as the dedication of staff resources:

Option #1 would require a funding source that would then be recovered and reapportioned if the program continued over the long-term. To initiate a pilot program, a $21,000 allocation would be needed at midyear and would likely require an appropriation from the City's General Fund Reserve. While the funds would only be spent if used by a restaurant, there would be need to be a commitment to fund the loans prior to investing time in the implementation of the program.

Option #2 does not require a funding source;

Option #3 would require a sustainable funding source that is not recoverable or reapportioned and it does not minimize the upfront costs, which seem to be the most challenging for a new business to overcome.

Option #4 is essentially available through the Stanislaus Business Alliance, so investing additional funds to provide consulting services is not recommended.

ATTACHMENTS:

Attachment 1 – Conditional Waiver to Install Grease Interceptor
Attachment 2 – Grease Interceptor Loan Program
Attachment 3 – Retail and Restaurant Incentive Program
Attachment 4 – Hesperia's "Feet on the Street" Program

CITY OF ELGIN

GREASE TRAP INCENTIVE PROGRAM

Application Form

The City of Elgin will provide a rebate of fifty percent (50%) of the cost of purchase and installation of a grease trap required of businesses in those areas of the Center City served by combination sewers. Submit completed applications to: Ray Moller, Director of Economic Development and Business Services, City of Elgin, 150 Dexter Court, Elgin, IL 60120. The rebate will be provided upon approval of expenditure by the Elgin City Council and upon the City receiving proof that the grease trap has been installed. For areas outside the Center City, please call for information (847) 931-6749.

A. APPLICANT INFORMATION

Name: ____

Mailing Address:____

Telephone: (daytime) _______________________ (evening) ________________________

Is applicant the owner of the property at which the grease trap is to be located? Yes ___ No ___

If applicant is not same as property owner, provide such person's name, mailing address and telephone number at which he/she can be reached.

Name: ____

Address: ____

Telephone: (_______)_____________________________

If applicant is not property owner, please indicate term of lease (number of years) for occupying space to house business. ___________year (s). Please attach a copy of lease.

B. PROPERTY AND BUSINESS INFORMATION

Address of property to be served by grease trap: ____________________________________

____

Name of business to be served by grease trap: ______________________________________

Provide brief description of the nature of the business and the type of food service to be offered:

____

____

Is this a new business? _____Yes _____No If a new business, provide a copy of business plan, showing income sources and cash flow for at least two years.

If an existing business, provide a copy of federal and state income tax return for past five years.

NOTE: All personal and business financial information will be kept confidential.

C. GREASE TRAP REQUIREMENTS

State size of grease trap being required to serve the business: _________--gallon.

Attach correspondence from the Fox River Water Reclamation District that specifies the grease trap size required.

ESTIMATED cost of grease trap (purchase and installation): .$__________________.

Attach a minimum of two cost proposals for purchase and installation.

D. PROPERTY OWNER'S ACKNOWLEDGEMENT (if applicant is not property owner)

As owner of the property located at __________________________________, in Elgin, Illinois, I acknowledge that the applicant is seeking assistance under the City of Elgin Grease Trap Incentive Program and is a tenant of the above-stated property. Further, I have given permission for the applicant to have installed a grease trap, in compliance with applicable regulations of the City of Elgin and the Fox River Water Reclamation District, to serve the business at the property identified above.

Name of Owner ___________________________ Signature ___________________________

E. ASSURANCES

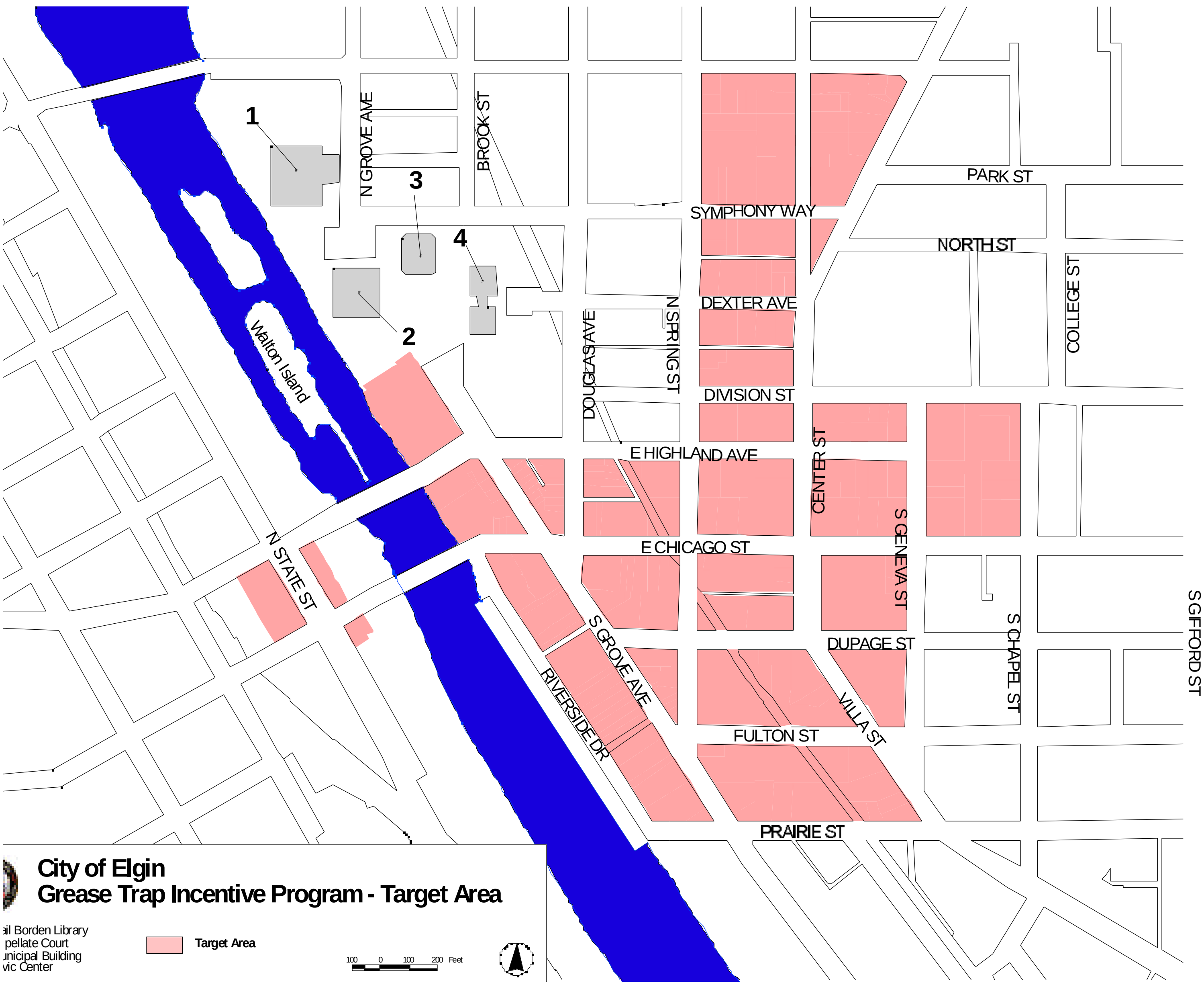
I hereby assure that all information provided within this application for assistance under the City of Elgin Grease Trap Incentive Program is true and accurate. If any information provided herein is found not to be true and accurate/ I acknowledge that the City of Elgin may choose not to give this application further consideration.

Name of Applicant: ______________________________ Signature ___________________________

OFFICE USE ONLY:

Application received: ____ (date)

Application received by: _______________________________________ (name)



CITY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS
BUREAU OF SANITATION

INDUSTRIAL WASTE MANAGEMENT DIVISION
2714 MEDIA CENTER DR.
LOS ANGELES, CA 90065
Fats, Oil & Grease Control Program
OFFICE: (323) 342-6118
FAX: (323) 342-6111

CONDITIONAL WAIVER TO INSTALL GREASE INTERCEPTOR

Conditional Waiver Number:

IU Number: ______________ Date Granted: ______________
Legal Business Name: ______________________________
Doing Business As: ______________________________
Location Address: ______________________________
____

The Bureau of Sanitation's, Industrial Waste Management Division has determined that the facility named above, henceforth referred to as the Food Service Establishment (FSE), has met all applicable regulatory and other requirements as required by the Section 64.30 of the Los Angeles Municipal Code and the Rules and Regulations of the Board of Public Works, and is hereby granted a Conditional Waiver from Grease Interceptor Installation Requirements. This Conditional Waiver shall remain in effect as long as the FSE complies with the following terms and conditions:

TERMS AND CONDITIONS OF THE CONDITIONAL WAIVER

1. The FSE must dispose of all food waste directly into the trash or garbage receptacles and not into sinks;
2. The FSE must "Dry Wipe" all pots, pans, dishware and work areas prior to washing of such utensils, equipment or areas;
3. The FSE must collect waste cooking oil and store it properly in recycling barrels or drums; and,
4. The FSE must comply with any other condition deemed appropriate by the Director of the Bureau of Sanitation.

This Conditional Waiver will be revoked if the FSE is confirmed to have contributed to Fats, Oil & Grease accumulation in the sewer collection system that resulted in a Sanitary Sewer Overflow, or if the FSE fails to comply with the terms and conditions of this Conditional Waiver. Upon revocation of this Conditional Waiver, the FSE will be required to install a grease interceptor.

Any violation of the terms and conditions of this Conditional Waiver constitutes a misdemeanor, punishable by a fine of $1000.00 per violation per day, or imprisonment for six (6) months or both.

______________________________ for
Rita L. Robinson, Director of the Bureau of Sanitation

____
Date

CITY OF LOS ANGELES

CALIFORNIA

ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
PUBLIC WORKS
—
BUREAU OF SANITATION
—
RITA L. ROBINSON
DIRECTOR
JOSEPH MUNDINE
EXECUTIVE OFFICER
VAROUJ ABKIAN
TRACI MINAMIDE
ENRIQUE C. ZALDIVAR
ASSISTANT DIRECTORS
INDUSTRIAL WASTE MANAGEMENT DIVISION
2714 MEDIA CENTER DRIVE
LOS ANGELES, CA 90065
OFFICE: (323) 342-6200
FAX: (323) 342-6111

PRINT DATE + 3

DBA
LOCATION ADDRESS
CITY, STATE ZIP CODE

In reply refer to: *IUXXXXXX*

Attention: *CONTACT NAME*

CONDITIONAL WAIVER FROM GREASE INTERCEPTOR INSTALLATION REQUIREMENTS
GRANTED TO: *DBA*
LOCATION ADDRESS

This letter is in response to the application filed by for a "Conditional Waiver from Grease Interceptor Installation Requirements" (Conditional Waiver). In evaluation the application, the Bureau of Sanitation (Bureau) conducted an on-site investigation and reviewed the Bureau's records.

In accordance with Los Angeles Municipal Code (LAMC) 64.30 C.1. (l), and pursuant to the Bureau's evaluation, the Bureau grants the enclosed "Conditional Waiver from Grease Interceptor Installation Requirements." The Conditional Waiver is nontransferable and is in effect for the following facility:

Reference Number:	*IU NUMBER*
Business Name:	*DBA*
Location Address:	*LOCATION ADDRESS*
	CITY, STATE ZIP CODE

Please be aware that any violation of the terms and conditions of the Conditional Waiver will result in progressive enforcement action that will require the immediate installation of a grease interceptor. In addition, pursuant to the LAMC 64.30.30D.11, the City of Los Angeles (City) requires reimbursement of all costs incurred by the City as a result of such enforcement action.

If there are any questions regarding this matter, please contact FOG Control Engineer, Jin Wen, of my staff, at (323) 342-6118.

RITA L. ROBINSON, Director
Bureau of Sanitation

Enclosures: LAMC 64.30
Cc: John Morris, Chief Industrial Waste Inspector I

CITY OF MANDAN
"WHERE THE WEST BEGINS"

RETAIL & RESTAURANT INCENTIVE — APPLICATION EVALUATION

The purpose of the program is to serve as a catalyst for securing new retail, restaurant and service business in the City of Mandan to provide greater selection and convenience to residents, businesses and visitors as well as to generate additional revenues for the public sector by way of local sales or restaurant and lodging taxes. Following are guidelines for use by Mandan Growth Fund Committee members. To be completed individually, tallied and averaged. Subject to discussion.

Applicant:					
Amount of subsidy requested psf:					
Operating space (sf):					
1. Degree to which business fills a gap?	Significant				Minimal
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
2. Products/services needed by other businesses?	Significant				Minimal
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
3. Sales or restaurant tax potential?	Significant				Minimal
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
4. # of jobs created?	Significant				Minimal
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
5. Use of other public incentives	Minimal (5% or less)	6-9%	10-19%	20-29%	Significant 30% or more
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
6. Customer base	Broad				Limited
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
7. Hours of operation	High				Low
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
8. Qualifications of owners, managers	Strong			Weak	No info
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
9. Potential for long-term viability	Strong				Weak
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
10. Storefront plans/curb appeal	Significant				Minimal
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
11. Investment - inventory, equip, building, etc.	Significant				Minimal
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
Ratings/recommendation to be provided by third-party such as SBDC or LCRDC					
12. Business plan	Strong			Weak	No plan
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
13. Financial history	Strong			Weak	No info
	5 ☐	4 ☐	3 ☐	2 ☐	1 ☐
Totals					
Grand Total		**Average Rating**			

General Guide (based average rating):

- Less than 2.0 = no assistance
- 2.0 to 2.4 = ¼ of maximum
- 2.5 to 2.9 = ½ of maximum
- 3.0 to 3.9 = ¾ of maximum
- 4.0 and greater = maximum

Certification and Authorization

I / We certify that all information set forth in this application is a true representation of the facts pertaining to the proposed business for the purpose of obtaining funding under the City of Mandan Retail & Restaurant Incentive Program. I / We understand and acknowledge that any willful misrepresentation of the information contained in this application could result in disqualification from the program, requiring any funds already disbursed to be repaid in full to the City of Mandan.

The undersigned specifically authorizes the City of Mandan Business Development Office or its representatives to conduct a background check on the applicant, including the checking of references and the verification of any information on the application.

I understand that personal and/or business information may be requested pursuant to this applicant for an incentive and I hereby give my consent for such information to be provided to the City of Mandan Business Development Office, the Mandan Growth Fund Committee or its representatives. I also understand that the Mandan Growth Fund Committee and the Mandan City Commission retain the decision as to whether this incentive application is approved, disapproved, or modified. It is my right to accept or decline the incentive amount and terms approved by the program.

The applicant further certifies that he/she has read and understands the City of Mandan Retail & Restaurant Incentive Program Guidelines. If a determination is made by City of Mandan staff that program funds have not been used for eligible program activities, the Applicant agrees that the proceeds shall be returned, in full, to the City of Mandan and acknowledges that, with respect to such proceeds so returned, he/she shall have no further interest, right, or claim. It is understood that all funding commitments are contingent upon the availability of program funds.

Release of information
The applicant hereby authorizes any third party to release to the City of Mandan Business Development Office without limit, any and all financial information regarding the applicant that is requested by the City of Mandan Business Development Office, its representatives or employees. Further, the applicant hereby authorizes release of said records and information by the City of Mandan Business Development Office to a third party, as deemed necessary by the City of Mandan Business Development Office, its representatives or employees.

All owners, officers or partners must sign this application.

Signatures:

Applicant/Business Owner: ________________________ Date: ____________________

(if different from applicant)

Property Owner : ________________________________ Date: ____________________

Submit application form and all supporting documents to:

City of Mandan
Business Development Office
205 Second Avenue NW
Mandan, ND 58554

For more information, call City of Mandan Business Development Office; phone 701-667-3485.

CITY OF
MANDAN
"WHERE THE WEST BEGINS"

Retail & Restaurant Incentive Program
GUIDELINES

The Program

The purpose of this program is to serve as a catalyst for securing new retail, restaurant and service concepts to fill vacant properties and stimulate new construction by providing financial assistance to qualified applicants.

The program is available to qualified retail and restaurant businesses new to or expanding in the City of Mandan. Retailers/restaurateurs may choose any location within the City.

The program is offered through the City of Mandan's Business Development Office. The funding source is a portion of the City's 1 percent sales tax revenue set aside in the Mandan Growth Fund for economic development purposes. Availability of funds for the program will depend on the balance in the Growth Fund at the time of application. Funding for qualified applicants is encumbered on a first-come, first-served basis.

Program Benefits

An incentive in the form of a forgivable loan during the first 12 months of operation for qualified retail, restaurant or service businesses based on their operating square footage. The maximum assistance to be provided is $5 per square foot. There is an additional cap of no more than $20,000 per property.

Examples:

- *Retail shop or restaurant plans to open in a 3,000 square foot operating space. Could apply for up to a $5 per square foot subsidy to be paid for 12 months totaling $15,000 or $1,250 per month.*
- *Retail shop or restaurant plans to operate in an 8,000 square foot space. A $5 per square foot subsidy exceeds the maximum of $20,000 per property, so the most that could be allocated is $20,000 for 12 months (an equivalent subsidy of $2.50 per square foot) at $1,666.67 per month.*
- *Existing retailer plans to expand from 3,000 sf to 6,000 sf. Could apply for up to a $5 psf subsidy on the 3,000 sf expansion to be paid for 12 months totaling $15,000 or $1,250 per month.*

Eligibility

1. "For profit" businesses that collect sales and use taxes and that are not currently operating in the city or that provide new or underserved products or services. (See Retail Preferences – Exhibit A).
2. Applications will be considered for first-time retailers/restaurateurs, new and expanding concepts by existing retailers/restaurateurs, and expansion of retailers and restaurateurs from outside the City.
3. Eligible retailers must devote a majority of the floor space to the display of products available for sale on the premises. Catalog showrooms shall not be eligible.
4. Non-profit organizations will be considered only if there is a retail component to the operation.
5. Must be a permitted use in compliance with all laws, zoning ordinances, rules and regulations applicable to the business.
6. Ineligible uses include but are not necessarily limited to thrift stores, second hand stores, dollar stores, pawn shops, non-profit agencies and entities (unless there is a retail component), schools, day care centers, currency exchanges including check cashing agencies and some non-bank financial retail outlets, bars and liquor stores (more than 50% of revenue generated by alcohol sales as compared to food), passive real estate ownership and management firms, and personal service retailers such as tanning salons, nail shops, beauty parlors, or tattoo parlors.
7. The Mandan Growth Fund Committee will review each application on a case-by-case basis and reserves the right to exclude other business activities if the use is not consistent with approved City redevelopment and development plans; if it does not benefit the health, safety and welfare of the community; or if the business activity does not meet the objectives of this program.
8. Businesses currently located in the City moving from one location to another location are not eligible unless there is an expansion and then only on the additional operating square footage.

Conditions

1. In lease situations, a minimum 3-year agreement is preferred.
2. Retailer must be open for business a minimum of 30 hours per week. If an applicant proposes to be open fewer hours, justification must be presented in the business plan.
3. First-time retailers or applicants that have been in business for less than one year must submit application to the local N.D. Small Business Development Center office and after start up participate in quarterly consultations with the SBDC or another approved business consultant.
4. Installation of an automatic door is required for at least a main entrance to the building as required by Mandan Municipal Code Section 111-2-9.

Application Process

1. Submit the application and all required attachments to the City of Mandan's Business Development Office (see application for required documentation).
2. City staff will make every effort to review completed applications (along with all necessary supporting documentation required for the application process) within a 2-week period.
3. The Mandan Growth Fund Committee will meet to review application and make recommendation to the Mandan City Commission. MGF meetings are scheduled as needed. Applicants will be notified of the meeting and asked to attend to present their request for assistance.
4. An application recommended for approval will be forwarded to the Mandan City Commission for consideration. The City Commission meets the first and third Tuesdays of the month at 5:30 p.m. Applicants will be notified of the meeting and asked to attend to represent their request.

5. Recommendations of the Growth Fund Committee will be presented to the City Commission for consideration of final approval within 45 days after a complete application is submitted.
6. Business has 180 days from City Commission approval, which encumbers funding, to be open and operational. The applicant may request an extension in writing to the City Commission. The extension may or may not be approved. If the extension is not approved and the reimbursements have not commenced within 180 days, the amount allocated to the applicant will be forfeited by the applicant.

Selection Criteria

- Degree to which business provides an economic and added value public benefit to the location area and complements other businesses in the community
- Degree to which the business fills gaps in Mandan's retail and service sector (as indentified in a 2008 household survey and through available market statistics)
- Qualifications and track records of business owners or managers
- Potential for long-term viability
- Business plan
- Financial history
- Hours of operation
- Extent of customer base
- Storefront plans (exterior condition or upgrades, signage, displays)
- Investment of business owner (in inventory, point-of-sale software, equipment, building improvements, or other business start-up expenses)
- Jobs created
- Degree to which other public incentives are being utilized or the overall ratio of public to private investment.

Implementation Procedures

1. The program requires that the applicant pay upfront expenses. The City of Mandan will provide the subsidy within 30 days after the applicant has been open for business for one month.
2. Applicant (and landlord in lease situations) must be current on all municipally applied taxes, special assessments, utility bills, or loans. Payments will cease if either party fails to be current on these obligations.
3. Payments cease if applicant discontinues the business, moves the business from Mandan, , or fails to comply with any and all building, fire, health or zoning codes or regulations applicable to the business.
4. The subsidy will be structured as an interest-free loan that will be pro-rated and forgiven over the course of 3 years from date of opening, provided the retailer remains in continuous operation within the City of Mandan. Retailers who locate outside the City before this time shall repay a pro-rata share of the rent subsidy.
5. Following the first 12 months of subsidization and through the third year of operation, each applicant will be required to submit a quarterly report to the Business Development Office to verify that the business is still operating in the approved location and an annual report to provide statistics on full-time and part-time employment.

Exhibit A — Retail Preferences

- Appliances
- Art/frame store
- Arts, crafts, hobby shop
- Bakery/bread store/dessert shop
- Book store (new)
- Clothing and other apparel — men, women, children
- Consumer goods rental
- Dry cleaners
- Electronics
- Food specialties — product specific, health, fresh, organic, etc.
- Gift, novelty, souvenir shop
- Hardware/paint
- Home décor or accessories
- Ice cream parlor
- Kitchen supplies and accessories
- Movie theater or other recreational/entertainment services
- Music or musical instruments
- Pet supplies
- Restaurants (more than 50% of revenue generated by food sales as compared to alcohol)
- Shoe store — men, women, children
- Toy store

This list may not be all inclusive. Other types of businesses may be eligible as long as not explicitly listed as "ineligible" and if providing products or services missing from Mandan's business community or documented as in demand by residents.

CITY OF
MANDAN
"WHERE THE WEST BEGINS"

Retail & Restaurant
Incentive Program
APPLICATION & CHECKLIST

Business Name ____

Address of Proposed Downtown Business ______________________________

Applicant's Mailing Address____________________ City__________ State_____ Zip______

Applicant's Phone____________________ Email__________________________

Use:

Retail Square Feet__________ Restaurant Square Feet________

AMOUNT OF ASSSISTANCE REQUESTED PER SQUARE FOOT $____________________

Approximate cost to open the business: $______________________________

Personal Investment $______________________________________ (Equity)

Bank or other financial commitment $__________________ Other: _______________

Building Acquisition or Construction Cost $__________________________

Building Rehabilitation $__________________________Lease Term _____________

Monthly Rent/Lease Per Square Foot $__________________Landlord Match___________

Proposed Opening Date of the Business ______________________________

Description of the Business Including Products and Services Being Offered _______________

____

____

____

Number of New Jobs __________ Expected daily traffic ________Estimated Opening Date __________

Weekly hours of operation ____

Other Business & Applicant Information

Please submit as many of the following items as possible in order for the City of Mandan Growth Fund Committee and City Commission to make an appropriate decision on an application:

- ☐ Option to buy agreement for a building or letter of intent to lease contingent on receipt of incentives
- ☐ Business plan
- ☐ Personal financial statement and 3 years federal tax returns for principals of any new business, or business operating less than one year. Three years tax returns for any existing business
- ☐ Marketing plan
- ☐ Cost estimates for up-fit/equipping the space
- ☐ Business/personal history
- ☐ Certificate of Good Standing from N.D. Tax Department
- ☐ Proof of registration with N.D. Secretary of State

Be advised as per North Dakota open records law that applications may be released to the public if requested except for portions subject to NDCC 44-04-18.4 pertaining to confidentiality of trade secret, proprietary, commercial, and financial information.

BUSINESS RETENTION

The City of Hesperia has implemented its Business Outreach Program, a new component of Hesperia's long-standing Business Attraction, Retention, and Expansion Program.

The Business Outreach Program was developed during the quickly changing financial environment faced by Hesperia's small businesses and offers methods to bolster the survivability and continued viability of our community employers.

Don't wait - act now! Call today to schedule an appointment with a Business Outreach Team member.

For more information, please get in touch with a Business Outreach Team member at our priority e-mail or phone contacts:

City of Hesperia
Economic Development
Hesperia Community Redevelopment Agency
9700 Seventh Avenue
Hesperia, CA 92345
760/947-1635 or 760/947-1910
econdev@cityofhesperia.us
www.cityofhesperia.us

HESPERIA
1988

City of Hesperia

FEET ON THE STREET

BUSINESS OUTREACH Program©

Hesperia Community Redevelopment Agency

PARTNERSHIP WITH IE SBDC BENEFITS HESPERIA BUSINESS

The City of Hesperia and the Hesperia Community Redevelopment Agency (HCRA) have partnered with the Inland Empire Small Business Development Center (IESBDC), combining efforts to assist Hesperia businesses that could benefit from the new, no-cost business evaluation and consulting program now offered by the City.

The HCRA has provided matching funds to the Inland Empire Economic Partnership's Small Business Development Center in order to accommodate Hesperia's businesses at Hesperia City Hall, a location more convenient to the city's core business areas.

Growing challenges to businesses resulting from the ongoing economic downturn have affected enterprises of all sizes in virtually every industry. Small businesses are critical to the economy of this country, providing more than half of existing private sector jobs, and two-thirds of new jobs, according to the Small Business Administration.

BUSINESS OUTREACH PROGRAM

It is exactly those types of businesses that Hesperia's new Business Outreach Program was designed to reach.

The program offers a confidential financial analysis by a qualified business consultant who will identify areas of strengths and weaknesses in the business; and isolate problems areas that need attention and corrective action by management.

These tools consist of a no-cost review and evaluation of business operations that include, but are not limited to the following deliverables:

- Cash flow and aging of Accounts Payable
- Market – targeting customer groups, advertising and promotional activities, product/service mix
- Pricing strategies and discount policies
- Accounts Receivable collections and credit policies
- Evaluation of location and occupancy costs
- Review of debt and working capital requirements

Additionally, Economic Development staff will visit local businesses beginning December 1, 2008; at times, accompanied by the part-time consultant to discuss best practices. Staff will bring along laptops, surveys and a desire to see business owners and managers succeed.

Office hours for appointments and confidential consultations are held at Hesperia City Hall on Tuesdays and Thursdays from 9:00 a.m. to 3:00 p.m., although appointments will be accommodated for other days and times. Staff will be visiting businesses throughout the City five days a week.

For more information about scheduling an appointment, please contact City of Hesperia Economic Development staff at 760/947-1635, or the Inland Empire SBDC at 760/951-1592.

CALIFORNIA SBDC Inland Empire

__About Inland Empire SBDC__
The Inland Empire SBDC is a division of the Inland Empire Economic Partnership and is supported by the U.S. Small Business Administration (SBA). For more information about the Inland Empire SBDC, call 951/781-2345.

Hesperia Business Outreach Survey

The City of Hesperia values your business. This survey will assist in evaluating local business needs. Your information will remain confidential. Thank you.

1. Which of the following best describes your business? (circle all that apply)

Corporation	Office
Family-owned	Restaurant
Franchise	Retail
Sole proprietor	Service
Industrial	Warehouse
Manufacturing	

2. What type of product/service does your business provide?

____

____

____

3. Does your business recycle manufactured goods into reusable products?

   Yes/No

4. What type of product(s) do you recycle?

____

____

____

5. Who are your suppliers? Vendors?

____

____

____

6. How would you characterize your business in the current economy?

- ☐ Excellent
- ☐ Good
- ☐ Fair
- ☐ Poor
- ☐ Day-to-day
- ☐ Long-term

____

____

7. How many employees do you have? Have you had to add or lay-off employees in the last 24 months? If so, how many?

Current number of employees: ____________
Number of employees added: ____________
Number of employees laid-off: ____________

8. How would you characterize the trends in sales over the last 24 months? (Check answer that best applies)

- ☐ Growth >20%
- ☐ Growth less than 20% with expansion potential
- ☐ Growth less than 20% and holding
- ☐ No growth and holding
- ☐ No growth and/or declining

9. What is the financial outlook (i.e. revenue/sales projections) for your company in the next 6-18 months? Are you currently considering relocating, expanding, closing, or selling this business? If so, why?

____

____

____

____

10. Do you feel that your business opportunity is limited for gaining additional customers? If so, would you be willing to explain?

____

____

____

11. As a business owner, have you been faced with significant challenges as a result of operating within California? San Bernardino County? Hesperia?

____

____

____

12. In your opinion, what do you think can be done to improve the stability of your business?

____

____

____

13. Would you be interested in information concerning the following subjects: (check all that apply)

☐	Business management	☐	OSHA and other safety regulations
☐	Financing programs	☐	Marketing strategies
☐	Labor training	☐	Labor/management relations (EE opportunity)
☐	Selling to government	☐	Recycling business wastes/EPA regulations
☐	ADA requirements	☐	Internet/E-business
☐	Tax increment financing	☐	Technology/telecommunications
☐	Passing business on to heirs	☐	EZ Incentives
☐	RMDZ Incentives	☐	Other (please specify) ________________

City of Hesperia

14. Are you aware of the many programs that the City of Hesperia Economic Development Department has that are designed to assist business?
Yes / No

15. Would you like an Economic Development staff member to contact you for more information regarding business outreach programs?
Yes/No

16. As a business owner, are you interested in free small business counseling?
Yes / No

17. Please feel free to provide any comments or concerns about how the City of Hesperia may be able to help you to continue to grow your business.

____
____
____
____

Your name: ________________________________
Business: ________________________________
Address: ________________________________
Phone/FAX: ______________ / ______________
Email: ________________________________
When is the best time to contact you? ______________

Department Use Only

ED Staff: ______________ Agency/Partner: ______________
Survey Date: ______________ Follow Up: ______________