

*For further information on an agenda item, please contact the City at
101 North "D" Street, or call (951) 943-6100*

AGENDA
JOINT MEETING OF THE CITY COUNCIL, SUCCESSOR
AGENCY TO THE REDEVELOPMENT AGENCY, PUBLIC
FINANCE AUTHORITY, PUBLIC UTILITY AUTHORITY,
HOUSING AUTHORITY, PERRIS JOINT POWERS
AUTHORITY AND PERRIS COMMUNITY ECONOMIC
DEVELOPMENT CORPORATION OF THE CITY OF PERRIS
Tuesday, March 10, 2015
6:00 P.M.
City Council Chambers
(corner of San Jacinto and Perris Boulevard)
101 North "D" Street
Perris, California

1. **CALL TO ORDER:** 6:00 p.m.

2. **ROLL CALL:**

Burke, Rabb, Rodriguez, Rogers, Busch

3. **INVOCATION:**

Pastor Wade Forde
Seventh-Day Adventist Church
300 E. 5th Street
Perris, CA 92570

4. **PLEDGE OF ALLEGIANCE:**

Mayor Pro Tem Burke will lead the Pledge of Allegiance.

5. **PRESENTATIONS/ANNOUNCEMENTS:**

At this time, the City Council may recognize citizens and organizations that have made significant contributions to the community and it may accept awards on behalf of the City.

A. Presentation by Shelly Guerin, Field Representative for the Girl Scouts of San Geronio.

6. APPROVAL OF MINUTES:

- A. Approval of the Minutes of the Special Joint Regular Meeting of the City Council, Successor Agency to the Redevelopment Agency, Perris Public Finance Authority, Perris Public Utility Authority, Housing Authority, Perris Joint Powers Authority and Perris Community Economic Development Corporation of the City of Perris held February 24, 2015 and the Joint Meeting of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority, Perris Community Economic Development Corporation, held February 24, 2015.

7. CONSENT CALENDAR:

Consent Calendar items are normally enacted in one motion. The Mayor or City Council may remove a Consent Calendar item for separate action. Public comment is limited to three (3) minutes.

- A. Adopt Resolution Numbers (next in order) regarding Annexation of PM 36010 to Maintenance District No. 84-1, located between Markham Street and the Ramona Expressway and between Brennan Avenue and Indian Avenue. (Owner: Prudential).

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF PM 36010 INTO MAINTENANCE DISTRICT NUMBER 84-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OR PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF PM 36010 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO

CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO MAINTENANCE DISTRICT NUMBER 84-1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF PM 36010 TO MAINTENANCE DISTRICT NUMBER 84-1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

- B. Adopt Resolution Numbers (next in order) regarding Annexation of PM 36010 to Landscape Maintenance District No. 1 (LMD 1), located between Markham Street and the Ramona Expressway and between Brennan Avenue and Indian Avenue. (Owner: Prudential).

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 96 (PM 36010) TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF PM 36010 TO BENEFIT ZONE 96, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 96, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 96, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID

ANNEXATION AS ANNEXATION OF PM 36010 TO BENEFIT ZONE 96, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

- C. Adopt Resolution Number (next in order) regarding Annexation of PM 36010 to Flood Control MD No. 1, located between Markham Street and the Ramona Expressway and between Brennan Avenue and Indian Avenue. (Owner: Prudential).

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO AUTHORIZE LEVYING ASSESSMENTS UPON CERTAIN PARCELS OF REAL PROPERTY, TO ORDER ANNEXATION OF PM 36010 TO BENEFIT ZONE 72, FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, PURSUANT TO THE BENEFIT ASSESSMENT ACT OF 1982; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

- D. Adopt Resolution Numbers (next in order) regarding Annexation of PM 36462 to Maintenance District No. 84-1, located on the northeast corner of Indian Avenue and Rider Street. (Owner: Duke Realty LP).

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF PM 36462 INTO MAINTENANCE DISTRICT NUMBER 84-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR

**ANNEXATION OF PM 36462 TO CITY OF PERRIS
MAINTENANCE DISTRICT NUMBER 84-1**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO MAINTENANCE DISTRICT NUMBER 84-1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATIO OF PM 36462 TO MAINTENANCE DISTRICT NUMBER 84-1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

- E. Adopt Resolution Numbers (next in order) regarding Annexation of PM 36462 to Landscape Maintenance District No. 1 (LMD 1), located at the northeast corner of Indian Avenue and Rider Street. (Owner: Duke Realty LP).**

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 107 AND BENEFIT ZONE 108 (PM 36462) TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF PM 36462 TO BENEFIT ZONE 107 AND BENEFIT ZONE 108, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 107 AND BENEFIT ZONE 108, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 107 AND BENEFIT ZONE 108, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF PM 36462 TO BENEFIT ZONE 107 AND BENEFIT ZONE 108, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

- F. Adopt Resolution Number (next in order) regarding Annexation of PM 36462 to Flood Control MD No. 1, located on the northeast corner of Indian Avenue and Rider Street. (Owner: Duke Realty LP).

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO AUTHORIZE LEVYING ASSESSMENTS UPON CERTAIN PARCELS OF REAL PROPERTY, TO ORDER ANNEXATION OF PM 36462 TO BENEFIT ZONE 79 AND BENEFIT ZONE 80, FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, PURSUANT TO THE BENEFIT ASSESSMENT ACT OF 1982; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

- G. Approve the Contract Services Agreement with Active Bidder® for Electronic Bidding Services for public projects.
- H. Adopt Resolution Number (next in order) establishing the date and time for Regular City Council Meetings.

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

ESTABLISHING THE DATE AND TIME OF REGULAR CITY COUNCIL MEETINGS

- I. Approve the 2014 Annual Progress Report for the General Plan Housing Element.
- J. Approval to reject all bids received for the Nuevo Road Landscape Improvements Project (LMD 1-2014-15-BZ-1A).
- K. Approve fee waiver requested by Free Indeed Christian Fellowship to hold Easter Youth Concert and Sunday Sunrise Service at Foss Field to be held April 4, 2015 through April 5, 2015.
- L. Adopt Resolution Number (next in order) objecting to County Tax Sale of certain property and approving offer to purchase said property.

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA OBJECTING TO THE SALE OF TAX-DEFAULTED PROPERTY KNOWN AS ASSESSOR'S PARCEL NUMBER 303300027-6 AND APPROVING THE OFFER TO PURCHASE SAID PROPERTY FOR THE MINIMUM PURCHASE PRICE PURSUANT TO SECTION 3698.5(A) OF THE REVENUE AND TAXATION CODE, STATE OF CALIFORNIA

- M. Approve One Year Contract Extension with Adame Landscape for General Fund Landscape Maintenance Services.
- N. Approve new Service Contracts with Severn Trent for Operations of Water and Collections Systems.
- O. Approve the Amendment to the Lease Agreement with Boys & Girls Club of Perris for 227 North "D" Street.
- P. Approve the termination of the Existing Lease Agreement and New Lease Agreement with Southwest Veterans Resource Center (SWVBRC) for 227 North "D" Street.

8. PUBLIC HEARINGS:

The public is encouraged to express your views on any matter set for public hearing. It is our procedure to first receive the staff report, then to ask for public testimony, first from those in favor of the project followed by testimony from those in opposition to it, and if there is opposition, to allow those in favor, rebuttal testimony only as to the points brought up in opposition. To testify on the matter, you need to simply come forward to the speaker's podium at the appropriate time, give your name and address and make your statement. After

a hearing is closed, you may not further speak on the matter unless requested to do so or are asked questions by the Mayor or a Member of the City Council. Public comment is limited to three (3) minutes.

- A. Consideration to adopt Resolution Numbers (next in order) regarding Annexation of Parcel into CFD 1-S (South Perris Public Services District) - Annexation No. 5 (Grove Lumber). (Applicant: JAR Commercial Investments, LLC).

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS, CALLING A SPECIAL ELECTION TO SUBMIT TO THE QUALIFIED ELECTORS WITHIN PROPOSED ANNEXATION NO. 5 THE QUESTION OF ANNEXING SUCH TERRITORY AND LEVYING OF A SPECIAL TAX WITHIN THE AREA OF PROPOSED ANNEXATION NO. 5

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS, DECLARING THE RESULTS OF A SPECIAL ELECTION RELATING TO ANNEXATION NO. 5 AND ORDERING THE ANNEXATION OF SUCH TERRITORY, THE LEVYING OF A SPECIAL TAX WITHIN THE AREA OF ANNEXATION NO. 5 AND DIRECTING THE RECORDING OF A NOTICE OF SPECIAL TAX LIEN

Introduced by: Jennifer Erwin, Assistant Director of Finance

PUBLIC COMMENT:

- B. Consideration to adopt Resolution Numbers (next in order) regarding refinancing of prior bonds associated with CFD No. 2005-2 (Harmony Grove).

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING FOR THE CITY AND IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-2 (HARMONY GROVE) OF THE CITY OF PERRIS, AUTHORIZING THE ISSUANCE OF BONDED INDEBTEDNESS IN AN AGGREGATE PRINCIPAL AMOUNT

NOT TO EXCEED \$14,000,000 TO REFINANCE PRIOR BONDS OF THE DISTRICT, PERMITTING THE PURCHASE OF SUCH BONDS BY THE PERRIS JOINT POWERS AUTHORITY, AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

A RESOLUTION OF THE PERRIS JOINT POWERS AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$14,000,000 OF ITS PERRIS JOINT POWERS AUTHORITY LOCAL AGENCY REVENUE BONDS (CFD NO. 2005-2 REFUNDING), 2015 SERIES A, THE PURCHASE OF BONDS ISSUED BY COMMUNITY FACILITIES DISTRICT NO. 2005-2 (HARMONY GROVE) OF THE CITY OF PERRIS WITH THE PROCEEDS OF THE AUTHORITY'S BONDS UPON CERTAIN TERMS AND CONDITION, AND APPROVING CERTAIN DOCUMENTS AND OTHER ITEMS RELATING THERETO

Introduced by: Eric Dunn, City Attorney

PUBLIC COMMENT:

- C. Adopt Resolution Number (next in order) regarding Street Vacation 13-09-0010, a proposal to vacate a 100'-foot section of 6th Street, between "C" Street and "D" Street to facilitate construction to the future Downtown Perris Metrolink Station. (Applicant: Riverside County Transportation Commission).

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, TO APPROVE VACATING A 100'-FOOT SECTION OF 6TH STREET, BETWEEN "C" STREET AND "D" STREET, TO FACILITATE CONSTRUCTION TO THE FUTURE DOWNTOWN PERRIS METROLINK STATION WITHIN THE DOWNTOWN SPECIFIC PLAN AREA, SUBJECT TO THE FINDINGS NOTED HEREIN

Introduced by: Clara Miramontes, Director of Development Services

PUBLIC COMMENT:

9. BUSINESS ITEMS: (not requiring a "Public Hearing"):

Public comment will be called for each non-hearing item. Please keep comments brief so that everyone who wishes to speak has the opportunity to do so. After public comment is closed, you may not further speak on the matter unless the Mayor or City Council requests further clarification of your statement. Public Comment is limited to three (3) minutes.

A. Riverside County Sheriff's Department Annual Report.

Introduced by: Michael Judge, Police Chief

PUBLIC COMMENT:

10. PUBLIC COMMENT/CITIZEN PARTICIPATION:

This is the time when any member of the public may bring a matter to the attention of the Mayor and the City Council that is within the jurisdiction of the City Council. The Ralph M. Brown act limits the Mayor's, City Council's and staff's ability to respond to comments on non-agendized matters at the time such comments are made. Thus, your comments may be agendized for a future meeting or referred to staff. The City Council may discuss or ask questions for clarification, if desired, at this time. Public comment is limited to three (3) minutes.

11. COUNCIL COMMUNICATIONS:

(Committee Reports, Agenda Items, Meeting Requests and Review etc.)

This is an opportunity for the Mayor and City Councilmembers to report on their activities and the actions of the Committees upon which they sit, to bring a matter to the attention of the full Council and staff, and to request agenda items. Any matter that was considered during the public hearing portion is not appropriate for discussion in this section of the agenda. NO ACTION CAN BE TAKEN AT THIS TIME.

12. CITY MANAGER'S REPORT:

13. CLOSED SESSION:

- A. Conference with Legal Counsel – Existing Litigation – Government Code Section 54956.9(d)(2); 1 case:
1. BAI Investor, LLC v. City of Perris, et al.**
- B. Conference with Legal Counsel - Anticipated Litigation - Government Code Section 54956.9 (d)(4) - 1 case**

14. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Building Official (951) 443-1029. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**CITY COUNCIL/
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY/
PERRIS PUBLIC FINANCE AUTHORITY/
PERRIS PUBLIC UTILITIES AUTHORITY/HOUSING
AUTHORITY/PERRIS JOINT POWERS AUTHORITY/PERRIS
COMMUNITY ECONOMIC DEVELOPMENT CORPORATION
AGENDA SUBMITTAL**

TO: The Honorable Mayor and Members of the City Council
FROM: Nancy Salazar, City Clerk *NS*
DATE: March 10, 2015
SUBJECT: *Approval of Minutes*

BACKGROUND: None.

FISCAL IMPACT: None.

- **RECOMMENDATION:** Motion to approve the Minutes of the Special Joint Meeting held on February 24, 2015 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority and the Perris Community Economic Development Corporation and the Regular Joint Meeting held on February 24, 2015 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority

Prepared by: Judy L. Haughney, CMC, Records Clerk *JLH*
Approved by: Nancy Salazar, City Clerk

Attachments:

- Minutes of the Special Joint Meeting held on February 24, 2015 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority and the Perris Community Economic Development Corporation and the Regular Joint Meeting held on February 24, 2015 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority

**MINUTES
SPECIAL JOINT MEETING OF THE CITY COUNCIL,
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCE AUTHORITY, PUBLIC UTILITY
AUTHORITY, HOUSING AUTHORITY, PERRIS JOINT
POWERS AUTHORITY AND PERRIS COMMUNITY
ECONOMIC DEVELOPMENT CORPORATION OF THE CITY
OF PERRIS**

Tuesday, February 24, 2015

5:00 P.M.

**Bob Glass Gymnasium Community Room
101 North "D" Street
Perris, California**

1. CALL TO ORDER: 5:00 p.m.

Mayor Busch called the Special Meeting to order at 5:00 p.m.

2. ROLL CALL:

Council Members Present: Rogers, Rabb, Rodriguez, Busch

Council Members Absent: Burke

Staff Present: City Manager Belmudez, City Attorney Dunn, Deputy City Manager Madkin, Police Captain Judge, Assistant director of Community Services and Housing Chavez and City Clerk Salazar

3. BUSINESS ITEM:

A. Update on Youth Advisory Committee Activities.

Introduced by: Richard Belmudez, City Manager

The Mayor called for Public Comment. There was no Public Comment.

The following Councilmembers spoke:

Rogers

Rabb


Rodriguez

Busch

4. ADJOURNMENT:

There being no further business the Special Meeting was adjourned at 5:37 p.m.

Respectfully Submitted,



Nancy Salazar, City Clerk

CITY OF PERRIS

MINUTES:

Date of Meeting: February 24, 2015

06:00 PM

Place of Meeting: City Council Chambers

1. CALL TO ORDER: 6:00 p.m.

Mayor Busch called the Regular City Council meeting to order at 6:01 p.m.

2. ROLL CALL: Rogers, Burke, Rabb, Rodriguez, Busch

Staff Members Present: City Manager Belmudez, City Attorney Dunn, City Engineer Motlagh, Assistant City Manager Carr, Deputy City Manager Madkin, Redevelopment & Economic Development Manager McDermott, Police Captain Judge, Fire Chief Barnett, Director of Development Services Miramontes, Capital Improvement Project Manager Morales, Information Technology Manager Cervantes, Administrative Services Manager Carlos, Assistant Director of Community Services and Housing Chavez, Assistant Finance Director Erwin, Assistant Director of Public Works Hartwill, Public Information Officer Vargo, Records Clerk Haughney and City Clerk Salazar.

3. INVOCATION: Pastor Carl Wiggins Eagle Wings Christian Church
1201 N. "A" Street Perris, CA 92570

4. PLEDGE OF ALLEGIANCE:

Councilwoman Rogers led the Pledge of Allegiance.

5. PRESENTATIONS/ANNOUNCEMENTS:

The Mayor added a Presentation to the agenda.

A. Presentation regarding a Food Truck Festival at Val Verde High School given by Gary Avants

6. APPROVAL OF MINUTES:

- A. Approved the Minutes of the Joint Regular Meeting of the City Council, Successor Agency to the Redevelopment Agency, Perris Public Finance Authority, Perris Public Utility Authority, Housing Authority, Perris Joint Powers Authority and Perris Community Economic Development Corporation of the City of Perris held February 10, 2015 and the Special Joint Meeting of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority, Perris Community Economic Development Corporation, the Perris Planning Commission and the Perris Public Safety Commission held February 17, 2015.

The Mayor called for a motion.

M/S/C: Moved by David Starr Rabb, seconded by Julio Rodriguez to Approve the Minutes as presented.

AYES: Rita Rogers, Tonya Burke, David Starr Rabb, Julio Rodriguez, Daryl Busch

NOES:

ABSENT:

ABSTAIN:

7. CONSENT CALENDAR:

The Mayor called for Public Comment. There was no Public Comment.

City Attorney Dunn clarified that regarding Item 7.C. the staff report noted several versions of the contract. He wished to note that the contract that would be used would be the 3-party contract between the City of Perris, Riverside Flood Control and Walmart.

- A. Adopted the Second Reading of Ordinance Number 1312 updating Title 8 of the Perris Municipal Code, Animal Control Ordinance, related to exotic animals and reptiles. (Applicant: City of Perris).

The Second Reading of Ordinance Number 1312 is entitled:
 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS,
 CALIFORNIA, AMENDING CHAPTER 8.08 OF THE PERRIS
 MUNICIPAL CODE REGARDING ANIMAL CONTROL
 REGULATIONS FOR EXOTIC ANIMALS

- B. Approved the award of bid to Tri-R General Contractors for tenant improvements regarding 24 South "D" Street, Perris Station Apartments Commercial Space, Suites 100 and 102.
- C. Approved the Right of Entry and Inspection Agreement for the connection of storm drain lines to Perris Valley Master Drainage Plan Line J. (Walmart Stores).

- D. Approved the proposal with Stetson Engineering to assist with the development and implementation of connectivity between the north Perris Water System and the current City of Perris Water System.
- E. Approved the First Addendum to the Agreement for Professional Services with Willdan Financial Services for Special District Services provided for Perris Community Facilities Districts, Perris Financing Authority Administration, Joint Powers Authority Administration and RDA.
- F. Adopted Resolution Number 4823 regarding Annexation of Parcel into CFD 1-S (South Perris Public Services District) - Annexation #6 (7-Eleven); APN #310-082-031. (Applicant: BELDU Partners).

Resolution Number 4823 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS DECLARING ITS INTENTION TO ANNEX CERTAIN TERRITORY THERETO [ANNEXATION NO. 6]

- G. Adopted Resolution Number 4824 regarding Street Vacation 13-09-0009 to summarily vacate a portion of 5th Street, between "C" Street and the A.T.S.F. Railroad right-of-way, to facilitate access to the future Downtown Perris Metrolink Station. (Applicant: Riverside County Transportation Commission).

Resolution Number 4824 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, TO SUMMARILY VACATE A PORTION OF 5TH STREET, BETWEEN C STREET AND THE A.T.S.F. RAILROAD RIGHT- OF-WAY, TO FACILITATE ACCESS TO THE FUTURE DOWNTOWN PERRIS METROLINK STATION WITHIN THE DOWNTOWN SPECIFIC PLAN AREA, SUBJECT TO THE FINDINGS NOTED HEREIN

The Mayor called for a motion.

M/S/C: Moved by Julio Rodriguez, seconded by Tonya Burke to Approve the Consent Calendar as presented.

AYES: Rita Rogers, Tonya Burke, David Starr Rabb, Julio Rodriguez, Daryl Busch

NOES:

ABSENT:

ABSTAIN:

8. PUBLIC HEARINGS:

- A. Adopted Resolution Number 4825 regarding the proposed Substantial Amendment to the 2014-2019 (Five-Year) Consolidated Plan and the FY 2014-2015 Action Plan to provide funding to eligible CDBG projects, specifically the Metz Park Improvement Project.

Resolution Number 4825 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS APROVING AN AMENDMENT TO THE FIVE YEAR CONSOLIDATED PLAN (2014-2019) AND FISCAL YEAR 2014- 2015 ANNUAL ACTION PLAN BY REALLOCATING \$96,734.65 IN UNEXPENDED COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FROM THE FISCAL YEAR 2013-2014 ANNUAL ACTION PLAN TO THE FISCAL YEAR 2014-2015 ANNUAL ACTION PLAN

This item was presented by Redevelopment Project Coordinator Cortes de Pavon.

The Mayor called for Public Comment. There was no Public Comment.

The following Councilmember spoke:

Busch

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by David Starr Rabb to Approve Resolution Number 4825 as presented.

AYES: Rita Rogers, Tonya Burke, David Starr Rabb, Julio Rodriguez, Daryl Busch

NOES:

ABSENT:

ABSTAIN:

9. BUSINESS ITEMS:

- A. 2014-15 Mid-Year Budget Review and Capital Improvement Program Update. Introduced by: Ron Carr, Assistant City Manager PUBLIC COMMENT:

This item was presented by Assistant Director of Finance Erwin and Capital Improvement Project Manager Morales.

The Mayor called for Public Comment. There was no Public Comment.

The following Councilmembers spoke:

Rabb

Burke

Rogers

Busch

The Mayor called for a motion.

M/S/C: Moved by Tonya Burke, seconded by David Starr Rabb to Approve the amendments as presented.

AYES: Rita Rogers, Tonya Burke, David Starr Rabb, Julio Rodriguez, Daryl Busch

NOES:

ABSENT:

ABSTAIN:

10. PUBLIC COMMENT/CITIZEN PARTICIPATION:

The following people spoke at Public Comment:

Ali Mazarei

Bill Daigle

Benny Villegas

11. COUNCIL COMMUNICATIONS:

The following Councilmembers spoke:

Rodriguez

Rabb

Rogers

Burke

Busch

12. CITY MANAGER'S REPORT:

13. CLOSED SESSION:

A. Conference with Real Property Negotiators - Government Code Section 54956.8 Property: 227 North "D" Street, Perris, CA City Negotiator: Richard Belmudez, City Manager Negotiating Parties: Boys and Girls Club of Perris Southwest Veteran's Business Resource Center Under Negotiation: Price and terms of payment

B. Conference with Legal Counsel - Existing Litigation - Government Code Section 54956.9(d)(2); 2 cases:

1. BAI Investor, LLC v. City of Perris, et al.

2. California Clean Energy Committee v. City of Perris

14. ADJOURNMENT:

**The City Council adjourned to Closed Session at 7:09 p.m.
Councilmember Rodriguez did not attend Closed Session.
The City Council reconvened in open session at 8:21 p.m. There was no reportable action.
There being no further business the City Council meeting was adjourned at 8:22 p.m. in memory of Scott Hines former Mayor of the City of Rancho Mirage.**

Respectfully Submitted,

Nancy Salazar, City Clerk

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date March 10, 2015

SUBJECT: Annexation of PM 36010 to Maintenance District No. 84-1

REQUESTED ACTION:

1. Adoption of Resolution Ordering Preparation of the Engineer's Report
2. Adoption of Resolution Preliminarily Approving Engineer's Report
3. Adoption of Resolution of Intention to Annex PM 36010 to Maintenance District No. 84-1 and setting a public hearing date of May 12, 2015

CONTACT: Habib Motlagh, City Engineer

BACKGROUND/DISCUSSION: PM 36010 is a 92.57-acre project located between Markham Street and the Ramona Expressway and between Brennan Avenue and Indian Avenue. The project is under the ownership of Prudential, and, as a condition of approval, is required to annex into MD 84-1.

This district was formed to finance the annual maintenance of streetlights and traffic signals installed in conjunction with new development. Thirty-five streetlights that will be maintained under MD 84-1 benefit this project. The project also specifically benefits from traffic signals located at the intersections of Indian Avenue with the entrance of PM 36010, with Ramona Expressway, with Markham Street, and with Harley Knox Boulevard; located at the intersection of Markham Street with Perris Boulevard; and, located at the intersection of Harley Knox Boulevard with Patterson Avenue.

BUDGET (or FISCAL) IMPACT:

The maximum annual assessment is \$17,993.19, plus inflation factors not to exceed 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, and 2) the Southern California Edison rate increase(s) effective in subsequent years.

Reviewed by:

Assistant City Manager 

City Attorney _____

- Attachments:
1. Resolution Ordering Preparation of the Engineer's Report
 2. Engineer's Report
 3. Resolution Preliminarily Approving Engineer's Report
 4. Resolution of Intention to Annex PM 36010 to Maintenance District No. 84-1

Consent:

RESOLUTION NUMBER

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF PM 36010 INTO MAINTENANCE DISTRICT NUMBER 84-1

WHEREAS, it has been determined by the City Council of the City of Perris, County of Riverside, California, that the public interest, convenience and necessity requires the installation of streetlights, traffic signals and other facilities set forth in Section 22525 of the Streets and Highways Code, State of California, and the maintenance thereof all within the boundaries of PM 36010 and the incorporated boundaries of the City of Perris, California; and

WHEREAS, the City Council has heretofore appointed Habib Motlagh, the City Engineer for the City of Perris, as the "Engineer of Work" for Maintenance District Number 84-1 and Shepherd & Staats, Incorporated has heretofore been appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of Chapter 1 of Part 2 of Division 15 of the Streets and Highways Code, State of California.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris as follows:

Section 1. That the public interest, convenience and necessity, requires the annexation to a maintenance district for the purpose of installing, constructing and maintaining the streetlights, traffic signals and other facilities authorized by Section 22525 of the Streets and Highways Code, State of California,

Section 2. That PM 36010 be defined as that area to be annexed to the City of Perris Maintenance District Number 84-1.

Section 3. That the lands to be specially charged for the installation, construction, and maintenance of the facilities shall be the area within the boundaries of the annexation to the district generally indicated on the map entitled "Diagram of Annexation of PM 36010 to Maintenance District Number 84-1, City of Perris, County of Riverside, State of California."

Section 4. That the proceedings are to be conducted for said annexation to the maintenance district under and in accordance with provisions of Division 15 of the Streets and Highways Code (Landscaping and Lighting Act of 1972) of the State of California.

Section 5. That Habib Motlagh, the City Engineer for the City of Perris, is hereby appointed the "Engineer of Work" and all provisions of Division 15 applicable to the Engineer shall apply to said "Engineer of Work" and Shepherd & Staats, Incorporated, is hereby appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of said Division 15 of the Streets and Highways Code.

Section 6. That Habib Motlagh, the City Engineer for the City of Perris, is hereby designated to sign all papers and documents in connection with the proceedings for the annexation to said maintenance district, acting in the capacity of the Engineer of Work.

Section 7. That the cost of maintaining the facilities set forth herein in subject annexation to the district shall be borne by the property owners within the subject annexation to the district, said cost to be assessed and collected in accordance with said Landscaping and Lighting Act of 1972.

Section 8. That the Engineer of Work is hereby ordered to prepare a report in accordance with Article 4 of said maintenance act, and is hereby directed to prepare and file such report with the City Clerk.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number ___ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 10th day of March, 2015, by the following called vote:

Ayes:

Noes:

Absent:

Abstain:

City Clerk, Nancy Salazar

AGENCY: City of Perris
PROJECT: Annexation of PM 36010
To Maintenance District No. 84-1
TO: City Council
City of Perris
State of California

REPORT PURSUANT TO "LANDSCAPING AND LIGHTING ACT OF 1972"

Pursuant to the direction from the City Council, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the **STATE OF CALIFORNIA**, being the "Landscaping and Lighting Act of 1972", as amended. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2014 to June 30, 2015, for that area to be known and designated as:

"Annexation of PM 36010
to Maintenance District No. 84-1"

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefore and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 10th day of March, 2015

HABIB M. MOTLAGH, City Engineer
CITY OF PERRIS
STATE OF CALIFORNIA

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 12th day of May 2015, by adoption of Resolution No. _____ of the City Council.

NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 10th day of March 2015.

NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA

Report

PART 1. Plans and Specifications. Generally, the work to be performed consists of the annual energy and maintenance costs for 35 new streetlights. The street lights to be maintained are identified on the plans and specifications being prepared by Albert A Webb Associates that are entitled "Street Light Location Plan, City of Perris, DPR 07-07-0029, PM 36010". It is noted that the referenced plans are for the construction of 59 streetlights. Twenty-four of the streetlights are to be constructed by others and are not of specific benefit to PM 36010.

The site of PM 36010 is shown on the Diagram within Part 4. In addition to the street lights, this area benefits from existing and future traffic signals. Of specific benefit are the traffic signals at the following intersections:

Harley Knox Blvd at the intersections of Indian Avenue and Patterson Avenue
Indian Avenue at the intersection of the entrance into PM 36010
Markham Street at the intersections of Indian Avenue and Perris Boulevard
Ramona Expressway at the intersection of Indian Avenue

The plans and specifications for all facilities are or will be on file in the City of Perris Office of Community Development and, by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto. The plans and specifications sufficiently show and describe the general nature, location and extent of the improvements.

The street light improvements are owned by SCE and, upon construction, will be as shown on the SCE Street Light Atlas Maps. The traffic signals are owned by the City of Perris and are shown on the City of Perris Traffic Signal Location Map. Said Map and Atlas are on file in the City of Perris Office of Community Development and are made a part of this report to the same extent as if said documents were attached hereto.

PART 2. An Estimate of the cost for the improvements to be maintained and/or improved for a given fiscal year includes labor, materials, electricity, and appurtenances. Incidental costs include engineering, legal, City Clerk, and administration expenses, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

The estimated annual cost for maintenance of the facilities is listed on the following page.

Street lighting and the orderly circulation of traffic directly benefits the area to be annexed to MD 84-1. Any share of the benefits received that does not provide a special benefit to the assessed properties is a general benefit provided by the improvements. The cost of the general benefit is not to be assessed to the properties in the district.

The cost of the general benefit is to be contributed by the City. This cost for lights is equal to the unit cost difference between a 9,500 lumen light and a 22,000 (or greater) lumen light. A 9,500 lumen light is the standard required on a local street. Other streets require a standard greater than 9,500 lumens in order to service a capacity greater than the local traffic.

The estimated annual cost for maintenance of the facilities is as follows:

Facility	Quantity	Annual Cost	Total Cost
Street Lights			
9500 Lumen	6	\$152.76	\$916.56
22000 Lumen	29	199.08	5,773.32
Traffic Signals			
Harley Knox Blvd and Indian Ave	20.00%	8,367.55	1,673.51
Harley Knox Blvd and Patterson Ave	20.00%	8,367.55	1,673.51
Indian Ave and PM 36010 Entrance	100.00%	8,367.55	8,367.55
Markham Street and Indian Ave	40.00%	8,367.55	3,347.02
Markham Street and Perris Blvd	20.00%	8,367.55	1,673.51
Ramona Expressway and Indian Ave	20.00%	8,367.55	1,673.51
Subtotal			\$25,098.49
Incidental Costs			2,509.84
City Contribution for Street Lights	29	-46.32	-1,343.28
Resolution 4745 Adjustment			-8,271.86
Balance to Assessment			\$17,993.19

Reference is made to the FY 2014/2015 annual proceedings for Maintenance District No. 84-1, as confirmed and set forth in Resolution 4745 approved on July 8, 2014. Under these proceedings, the benefit for the annual maintenance of streetlight and traffic signals is equal to \$46.28 per Benefit Unit, or single family home. For the purposes of this report, this assessment determines the net specific street light and traffic signal benefit.

As a condition of approval, the developer is required by the City to provide certain standard street lighting for the area within the development; and the energy costs for the initial 18-month period. No newly annexed area or portion thereof is assessed prior to the completion of the initial 18-month period.

Zero costs will be incurred by the area within this annexation for the fiscal year commencing July 1, 2014 to June 30, 2015.

PART 3. The Assessment Roll shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of the Diagram, enclosed herein as Part 4.

The method of assessment is based on units, with a residential dwelling or condominium equal to one benefit unit. The relationship between residential lots and non-residential development has been established at 4.2 residential lots to one assessed acre based on the general density of the City as a whole.

The current annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the improvements and appurtenant facilities is equal to \$46.28 per benefit unit, shown as follows:

$$\frac{\text{Assessed Acre}}{4.2 \text{ Benefit Units}} \times \frac{\$17,993.19}{92.57 \text{ AC}} = \$46.28 \text{ per Benefit Unit}$$

Plus inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, and
- 2) the Southern California Edison rate increase(s) effective in subsequent years.

The improvements benefiting the property were required for the approval of, and as a consequence of, development of this area. The assessed acreage is the net acreage of the PM 36010.

The current maximum annual assessment, by parcel within PM 36010, is listed as follows:

Parcel	Assessor Parcel & Assessment Number	Acreage	Net Acreage	Benefit Unit	Maximum Annual Assessment
1	302-050-029	6.61	6.43	27.01	\$1,250.02
2	302-050-030	4.95	4.82	20.24	936.71
3	302-050-031	6.42	6.11	25.66	1,187.54
4	302-050-032	67.12	65.76	276.19	12,782.07
5	302-050-033	<u>9.45</u>	<u>9.45</u>	<u>39.69</u>	<u>1,836.85</u>
Totals		94.55	92.57	388.79	\$17,993.19

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2014 to June 30, 2015, reference is made to the Assessment Roll included herein as Attachment No.1.

PART 4. A **Diagram** of the Annexation. The boundary of the area to be annexed is coincident with the boundary of PM 36010. Said boundary is designated as "Diagram of Annexation of PM 36010 to Maintenance District No. 84-1, City of Perris, County of Riverside, State of California." The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of annexation and benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

PART 5. A **Consent and Waiver for Annexation** to the District has been signed by the owners of the area within the proposed annexation. Said consent and waiver is included herein as Attachment No. 3.

**Assessment Roll
Annexation of PM 36010 to
Maintenance District No. 84-1
City of Perris**

Assessment Number	Assessor Parcel Number	Estimated Annual Assessment	Fiscal Year 2014/2015
302-050-029	302-050-029	\$1,250.02	\$00.00
302-050-030	302-050-030	936.71	00.00
302-050-031	302-050-031	1,187.54	00.00
302-050-032	302-050-032	12,782.07	00.00
302-050-033	302-050-033	<u>1,836.85</u>	<u>00.00</u>
Totals		\$17,993.19	\$00.00

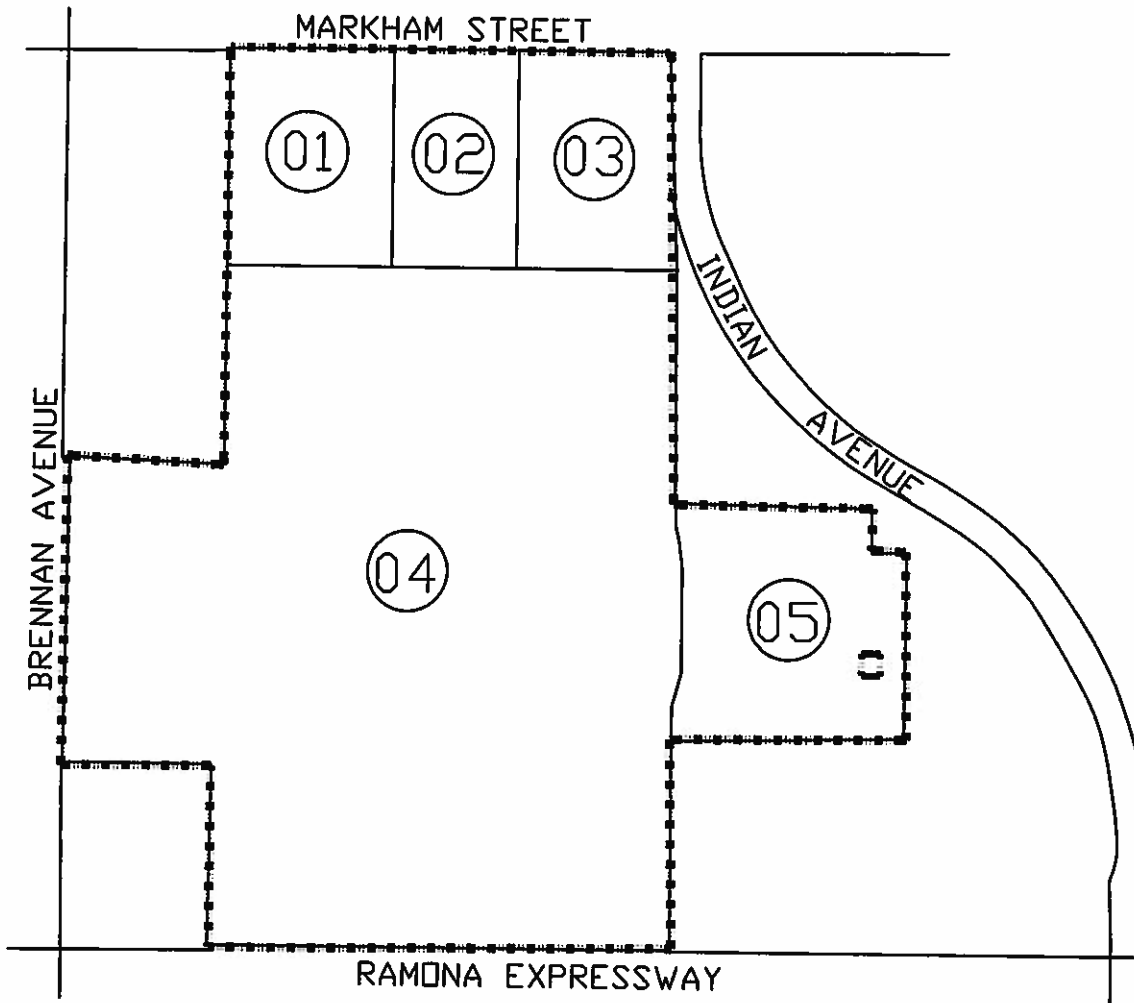
The Estimated Annual Assessment amount is subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, and
- 2) the Southern California Edison rate increase(s) effective in subsequent years.

DIAGRAM OF ANNEXATION OF
PARCEL MAP 36010 TO MAINTENANCE DISTRICT NO. 84-1

CITY OF PERRIS

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



CONSENT AND WAIVER TO ANNEXATION

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA, has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, said special maintenance districts known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 and MAINTENANCE DISTRICT NO. 84-1 (hereinafter referred to as the "Maintenance Districts"); and,

WHEREAS, the provisions of Article II of Chapter 2 of the Act authorize the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA to order the annexation of territory to the Maintenance Districts; and,

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA may, pursuant to said provisions of the Act, order the annexation of territory to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" as would otherwise be required by the provisions of the Act if all of the owners of property within the territory proposed to be annexed, have given written consent to the proposed annexation; and,

WHEREAS, the undersigned, the owners of all property within the territory proposed to be annexed to the Maintenance Districts, acknowledge that pursuant to the provisions of the Act, the undersigned would be entitled to notice and hearing and the preparation of an Engineer's "Report" pertaining to the annexation of the property, acknowledge that they are aware of the proposed annexation to the Maintenance Districts of the property owned by the undersigned, and waives any and all right which the undersigned may now have to notice and hearing or the filing of an Engineer's "Report" pertaining to the annexation of the undersigned's property to the Maintenance Districts.

NOW, THEREFORE, it is hereby declared by the undersigned property owners as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the undersigned, constituting the owners of the property described in Exhibit "A" attached hereto and incorporated herein by this reference and further constituting all of the property within the territory proposed to be annexed to the Maintenance Districts, hereby consent to the proposed annexation of said property to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" pertaining to such annexation.

Dated: 1/22/2013

Mark Vande Hey
Property Owner Name
Mark Vande Hey

Prudential
180 N. Stetson, Suite 3275
Chicago, IL 60201

Property Owner Address

Property Owner Name
OFFICIAL SEAL
GLORIA D HAWTHORNE
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 02/27/15

Property Owner Address

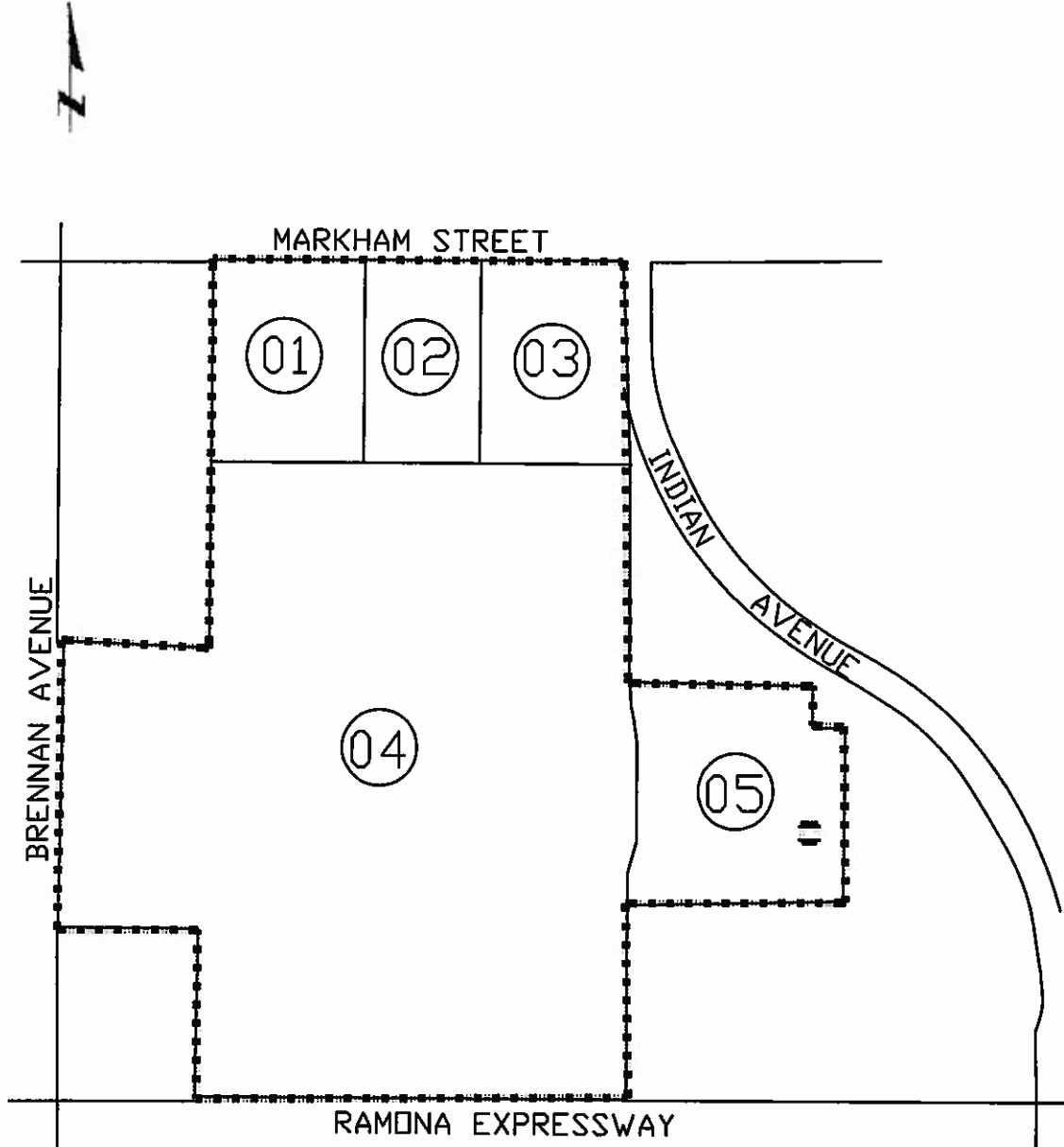
ATTACHMENT 3-1

Gloria Hawthorne Jan 23, 2013

EXHIBIT "A" TO CONSENT AND WAIVER FOR
ANNEXATION OF PARCEL MAP 36010 TO
MAINTENANCE DISTRICT NO. 84-1

CITY OF PERRIS

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



RESOLUTION NUMBER

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PERRIS, COUNTY OF RIVERSIDE, STATE OF
CALIFORNIA, OF PRELIMINARY APPROVAL OF
ENGINEER'S REPORT FOR ANNEXATION OF PM 36010
TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER
84-1**

WHEREAS, on the 10th day of March, 2015, the City Council of the City of Perris, County of Riverside, California ("the City Council") adopted its Resolution Number ____ directing the Engineer of Work to prepare and file with the City Clerk of said City a report in writing as required by the Landscaping and Lighting Act of 1972; and

WHEREAS, said Engineer of Work has prepared and filed with the City Clerk of said City a report (the "Engineer's Report") in writing as called for in said resolution and under and pursuant to said act, which report has been presented to this City Council for consideration; and

WHEREAS, said City Council has duly considered said report and each and every part thereof, and finds that each and every part of said report is sufficient, and that no portion of the report requires or should be modified in any respect.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris as follows:

Section 1. That the Engineer's estimate prepared by the City Engineer of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said report be, and each of them are hereby, preliminary approved and confirmed.

Section 2. That the diagram showing the District referred to and described in said report, the boundaries of the subdivisions of the land within said District as the same existed at the time of passage of said Resolution, is hereby preliminarily approved and confirmed.

Section 3. That the proposed assessment upon the subdivisions of land in said District is in proportion to the estimated benefit to be received by said subdivision, respectively, from said work and of the incidental expenses thereof, as contained in said report is hereby preliminarily approved and confirmed.

Section 4. That said report shall stand as the Engineer's Report for the purposes of all subsequent proceedings, and pursuant to the proposed District.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

Attest:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, City CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number _____ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

RESOLUTION NUMBER

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO MAINTENANCE DISTRICT NUMBER 84-1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF PM 36010 TO MAINTENANCE DISTRICT NUMBER 84-1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

The City Council of the City of Perris, pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California, does resolve as follows:

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, California, as follows:

Section 1. Description of Work: That the public interest and convenience requires and it is the intention of the City Council of the City of Perris to order the following work be done, to wit:

1. Installation, construction, maintenance, and servicing of streetlight and traffic signal facilities as authorized by Section 22525 of the Streets and Highways Code, State of California.
2. Any and all work and materials appurtenant thereto or which are necessary or convenient for the maintenance and servicing thereof.

Section 2. Location of Work: The improvements to be maintained and serviced consist of the streetlights and traffic signals within said annexation.

Section 3. Description of Assessment District: That the contemplated work, in the opinion of said City Council, is of more local than ordinary public benefit, and this City Council hereby makes the expense of said work chargeable upon a District, which said District is assessed to pay the costs and expenses thereof, and which District is described as follows:

All that certain territory of the City of Perris included within the exterior boundary lines shown upon that certain "Diagram of Annexation of PM 36010 to Maintenance District Number 84-1" heretofore approved by the City Council of said City by Resolution No. _____, indicating by said boundary line the extent of the territory included within the proposed assessment district and which map is on file in the office of the City Clerk of said City.

Reference is hereby made to said map for a further, full, and more particular description of said assessment district, and the said map so on file shall govern for all details as to the extent of said assessment district.

Section 4. Report of Engineer: The City Council of said City by Resolution Number _____ has preliminarily approved the report of the Engineer of Work which report indicated the amount of the proposed assessment, the district boundaries, assessment zones, detailed description of improvements, and the method of assessment. The report titled "Engineer's Report for Annexation of PM 36010, to Maintenance District Number 84-1", is on file in the office of the City Clerk of said City. Reference to said report is hereby made for all particulars for the amount and extent of the assessments and for the extent of the work.

Section 5. Collection of Assessments: The assessment shall be collected at the same time and in the same manner as taxes for the County of Riverside are collected. The Engineer of Work shall file a report annually with the City Council of said City and said City Council will annually conduct a hearing upon said report at their regular meeting before August 10th, at which time assessments for the next Fiscal Year will be determined. That the annual assessment reflecting the reasonable cost of providing for the maintenance, servicing and operation of the streetlights and traffic signals and appurtenant facilities is \$46.28 per Benefit Unit (single family home), plus an inflation factor not to exceed 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, and 2) the Southern California Edison rate increase(s) effective in subsequent years.

Section 6. Time and Place of Public Hearing: Notice is hereby given that on May 12, 2015, at 6:00 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, is hereby fixed as the time and place for a hearing by this City Council on the question of the levying and collection of the proposed assessments. That any and all persons having any objections to the work or the extent of the annexation to the assessment district may appear and show cause why said work should not be done or carried out or why said annexation to the district should not be confirmed in accordance with this Resolution of Intention. City Council will consider all oral and written protests.

Section 7. Landscaping and Lighting Act of 1972: All the work herein proposed shall be done and carried through in pursuance of an act of the legislature of the State of California designated the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California.

Section 8. Publication of Resolution of Intention: The City Clerk shall cause this Resolution of Intention to be published three times as required by Section 22626 and 22552 of the California Streets and Highways Code, with the first publication occurring no later than 45 days prior to the public hearing at which the City Council will consider levying the proposed special assessments. The published notice will encompass one-eighth of a newspaper page. The Perris City News is hereby designated as the newspaper in which the City Clerk shall publish this Resolution of Intention. Upon completion of giving notice, the City Clerk is further directed to file in her office a proof of publication setting forth compliance with the requirements for publishing.

Section 9. Mailing of Notice: The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of Section 53753 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

Section 10. Designation of Contact Person: That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

Section 11. Certification: The City Clerk shall certify to the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

Attest:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date March 10, 2015

SUBJECT: Annexation of PM 36010 to Landscape Maintenance District No. 1 (LMD 1)

REQUESTED ACTION:

1. Adoption of Resolution Ordering Preparation of the Engineer's Report
2. Adoption of Resolution Preliminarily Approving Engineer's Report
3. Adoption of Resolution of Intention to Annex PM 36010 to LMD 1 and setting a public hearing date of May 12, 2015

CONTACT: Habib Motlagh, City Engineer

BACKGROUND/DISCUSSION: PM 36010 is a 92.57-acre project located between Markham Street and the Ramona Expressway and between Brennan Avenue and Indian Avenue. The project is under the ownership of Prudential.

The landscaping benefit includes maintenance of the irrigation system, landscaping, and appurtenances located in the parkways and medians along the boundary of PM 36010. The medians are located in Ramona Expressway and Indian Avenue; and the parkways are located along the Ramona Expressway, Brennan Avenue, Markham Street and Indian Avenue.

As a condition of approval, the project is required to annex into LMD 1. This district was formed to finance the annual maintenance of landscape improvements installed in conjunction with new development.

BUDGET (or FISCAL) IMPACT: The current maximum annual assessment is \$67,141.03, plus inflation factors not to exceed 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, 2) the Southern California Edison rate increase(s) effective in subsequent years, and 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

Reviewed by:

Assistant City Manager 

City Attorney _____

- Attachments:
1. Resolution Ordering Preparation of the Engineer's Report
 2. Engineer's Report
 3. Resolution Preliminarily Approving Engineer's Report
 4. Resolution of Intention to Annex the PM 36010 to LMD 1

Consent:

RESOLUTION NUMBER XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 96 (PM 36010) TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

WHEREAS, it has been determined by the City Council of the City of Perris, County of Riverside, California, that the public interest, convenience and necessity requires the installation and planting of landscape materials and the installation and construction of an irrigation system and other facilities set forth in Section 22525 of the Streets and Highways Code, State of California, and the maintenance thereof, all within the incorporated boundaries of the City of Perris, California; and

WHEREAS, the City Council has heretofore appointed Habib Motlagh, the City Engineer for the City of Perris, as the "Engineer of Work" for Landscape Maintenance District Number 1 and Shepherd & Staats, Incorporated has heretofore been appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of Chapter 1 of Part 2 of Division 15 of the Streets and Highways Code, State of California.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris as follows:

Section 1. That the public interest, convenience and necessity, requires the annexation to a maintenance district for the purpose of installing, constructing and maintaining the installation and planting of landscape materials and the installation and construction of an irrigation system and other facilities authorized by Section 22525 of the Streets and Highways Code, State of California.

Section 2. That PM 36010 be defined as that area to be annexed to Benefit Zone 96, City of Perris Landscape Maintenance District Number 1.

Section 3. That the lands to be specially charged for the installation, construction, and maintenance of the facilities shall be the area within the boundaries of the annexation to the district generally indicated on the map entitled "Diagram of Annexation of PM 36010, to Benefit Zone 96, Landscape Maintenance District Number 1, City of Perris, County of Riverside, State of California."

Section 4. That the proceedings are to be conducted for said annexation to the maintenance district under and in accordance with provisions of Division 15 of the Streets and Highways Code (Landscaping and Lighting Act of 1972) of the State of California.

Section 5. That Habib Motlagh, the City Engineer for the City of Perris, is hereby appointed the "Engineer of Work" and all provisions of Division 15 applicable to the Engineer shall apply to said "Engineer of Work" and Shepherd & Staats, Incorporated, is hereby appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of said Division 15 of the Streets and Highways Code.

Section 6. That Habib Motlagh, the City Engineer for the City of Perris, is hereby designated to sign all papers and documents in connection with the proceedings for the annexation to said maintenance district, acting in the capacity of the Engineer of Work.

Section 7. That the cost of maintaining the facilities set forth herein in subject annexation to the district shall be borne by the property owners within the subject annexation to the district, said cost to be assessed and collected in accordance with said Landscaping and Lighting Act of 1972.

Section 8. That the Engineer of Work is hereby ordered to prepare a report in accordance with Article 4 of said maintenance act, and is hereby directed to prepare and file such report with the City Clerk.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

AGENCY: City of Perris

**PROJECT: Annexation of PM 36010
To Benefit Zone 96, Landscape Maintenance District No. 1**

**TO: City Council
City of Perris
State of California**

REPORT PURSUANT TO "LANDSCAPING AND LIGHTING ACT OF 1972"

Pursuant to the direction from the City Council, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the **STATE OF CALIFORNIA**, being the "Landscaping and Lighting Act of 1972", as amended. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2014 to June 30, 2015, for that area to be known and designated as:

**"Annexation of PM 36010
To Benefit Zone 96, Landscape Maintenance District No. 1"**

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefor and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 10th day of March, 2015

**HABIB M. MOTLAGH, City Engineer
CITY OF PERRIS
STATE OF CALIFORNIA**

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 12th day of May 2015, by adoption of Resolution No. _____ of the City Council.

**NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA**

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 10th day of March 2015.

**NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA**

Report

PART 1. Plans and Specifications for the improvements to be maintained and/or improved for a fiscal year are in the process of being designed for acceptance by the City of Perris. In general the landscaping, irrigation, hardscape and appurtenances to be maintained are within the public medians and parkways bordering PM 36010. The medians are located in Ramona Expressway and Indian Avenue and the parkways are along Ramona Expressway, Brennan Avenue, Markham Street and Indian Avenue.

Reference is made to the following landscaping plans and specifications:

"Tentative Parcel Map No. 36010, Recycled Water Use Improvements, DPR 07-07-0029, RWIP, Perris Valley Logistics Center LMD", prepared by Hunter Landscape,

"Landscape Improvement Plans, Markham St, Indian Ave, Brennan Ave, and Ramona Expwy Landscape", prepared under the supervision of Thomas K. Hayes for Howard Industrial Partners, LLC, and

"Existing Landscaped Median Plans for Indian Avenue, Per WO 12899 and 12933".

Reference is also made to the exhibit prepared for Eastern Municipal Water District by Albert A. Webb Associates, that is entitled "Tentative Parcel Map No. 36010, Recycled Water Use Improvements, DPR 07-07-0029, RWUE, Perris Valley Logistics Center, WO 15122".

For further information on the location of the improvements and the public right-of-way, reference is made to the plans and specifications prepared by Albert A. Webb Associates that are entitled, ""Street Improvement Plans, City of Perris, DPR #07-07-0029, PM. 36010, Perris Valley Logistics Center", and the street improvement plans for the construction of Indian Avenue.

It is noted that the maintenance of all facilities located within the inside property-line is the responsibility of the property owner.

Upon final approval, plans and specifications for the improvements will be on file in the City of Perris Office of Community Development and, by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto. The plans and specifications will sufficiently show and describe the general nature, location and extent of all the improvements.

PART 2. An Estimate of the cost for the improvements to be maintained and/or improved for a given fiscal year includes labor, water, electricity, materials and plant replacement, and appurtenances. The annual cost for the public improvements is listed on the following page.

The maximum annual assessment is based on the estimated cost of maintaining the improvements at maturity. The annual assessment levied will be based on the actual annual expenses incurred by Benefit Zone 96.

The annual cost for the public improvements is estimated as follows:

<u>Street Parkway</u>	<u>Square Feet</u>	<u>Quantities</u>	
		<u>Trees</u>	<u>Cubic Yards</u>
Markham Street	9,620	39	89
Brennan Avenue	5,070	63	47
Indian Avenue	3,140	15	29
Ramona Expressway	<u>32,380</u>	<u>86</u>	<u>300</u>
Quantity Totals	50,210	203	465

<u>Estimated Annual Parkway Costs</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Total Annual Cost</u>
Maintenance	50,210	SF	\$0.52	\$26,109.20
Plant Replace	241	Each	15.75	3,795.75
Tree Trimming	102	Each	80.00	8,160.00
Mulch Application	139.5	Cubic Yard	15.00	<u>2,092.50</u>
Subtotal				\$40,157.45
Contingency				<u>4,015.75</u>
Total Parkway Costs				\$44,173.20

<u>Estimated Annual Median Costs</u>	<u>Percent</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Total Annual Cost</u>
Ramona Expressway	30.00%	LS	\$21,870	\$6,561.00
Indian Avenue	30.00%	LS	25,500	7,650.00

Total Annual Maintenance Costs \$58,384.20

Incidentals 8,756.83

Balance to Assessment \$67,141.03

Due to the soil, water, exposure, and pedestrian traffic, plant replacement is estimated at a 3% die-off rate at 2-feet on-center. Tree trimming is scheduled to occur every other year. Mulch application is scheduled to occur every third year.

Incidental costs include annual engineering, legal, City Clerk, Finance Department, and Public Works expenses, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

A 6-month tax roll reserve provides funding for the cost of servicing and maintenance prior to the receipt of tax collections from the County of Riverside. The fiscal year begins July 1 and the first installment from the tax roll collections is usually distributed by the County of Riverside the following January. A 6-month tax roll reserve, based on the annual cost of the improvements is \$33,570.51.

The developer shall be responsible for the maintenance and upkeep of the public landscaping set forth herein for a period of one year after acceptance of the improvements by the City. Benefit Zone 96, for the fiscal year commencing July 1, 2014 to June 30, 2015, will incur zero costs.

PART 3. The **Assessment Roll** shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of Benefit Zone 96, as shown on the Diagram, enclosed herein as Part 4.

The area within Parcel Map 36010 specifically benefits from the maintenance of the medians and parkways along the streets that provide ingress and egress to all parcels. The method of assessment is based on units, with the benefit units assigned to the net area within Parcel Map 36010.

The current maximum annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the public improvements and appurtenant facilities is equal to \$725.30 per net acre. The annual assessments are subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years,
- 2) the Southern California Edison rate increase(s) effective in subsequent years, and
- 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

The Benefit Units assigned, and corresponding current maximum annual assessment for medians, parkways and total, per parcel, are listed as follows:

<u>Parcel</u>	<u>Assessor Parcel & Assessment Number</u>	<u>Acreage</u>	<u>Net Acreage</u>	<u>Benefit Unit</u>	<u>Maximum Annual Assessment</u>
1	302-050-029	6.61	6.43	6.43	\$4,663.68
2	302-050-030	4.95	4.82	4.82	3,495.95
3	302-050-031	6.42	6.11	6.11	4,431.58
4	302-050-032	67.12	65.76	65.76	47,695.73
5	302-050-033	<u>9.45</u>	<u>9.45</u>	<u>9.45</u>	<u>6,854.09</u>
Totals		94.55	92.57	92.57	\$67,141.03

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2014 to June 30, 2015, reference is made to the Assessment Roll included herein as Attachment No. 1.

PART 4. A **Diagram** of the Annexation. The boundary of the area to be annexed is coincident with PM 36010. Said boundary is designated as "Diagram of Annexation of PM 36010 to Benefit Zone 96, Landscape Maintenance District No. 1, City of Perris, County of Riverside, State of California". The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

PART 5. A **Consent and Waiver for Annexation** to the District has been signed by the owners of the area within the proposed annexation. Said consent and waiver are included herein as Attachment No. 3.

**Assessment Roll
Annexation of PM 36010 to
Benefit Zone 96,
Landscape Maintenance District No. 1, City of Perris**

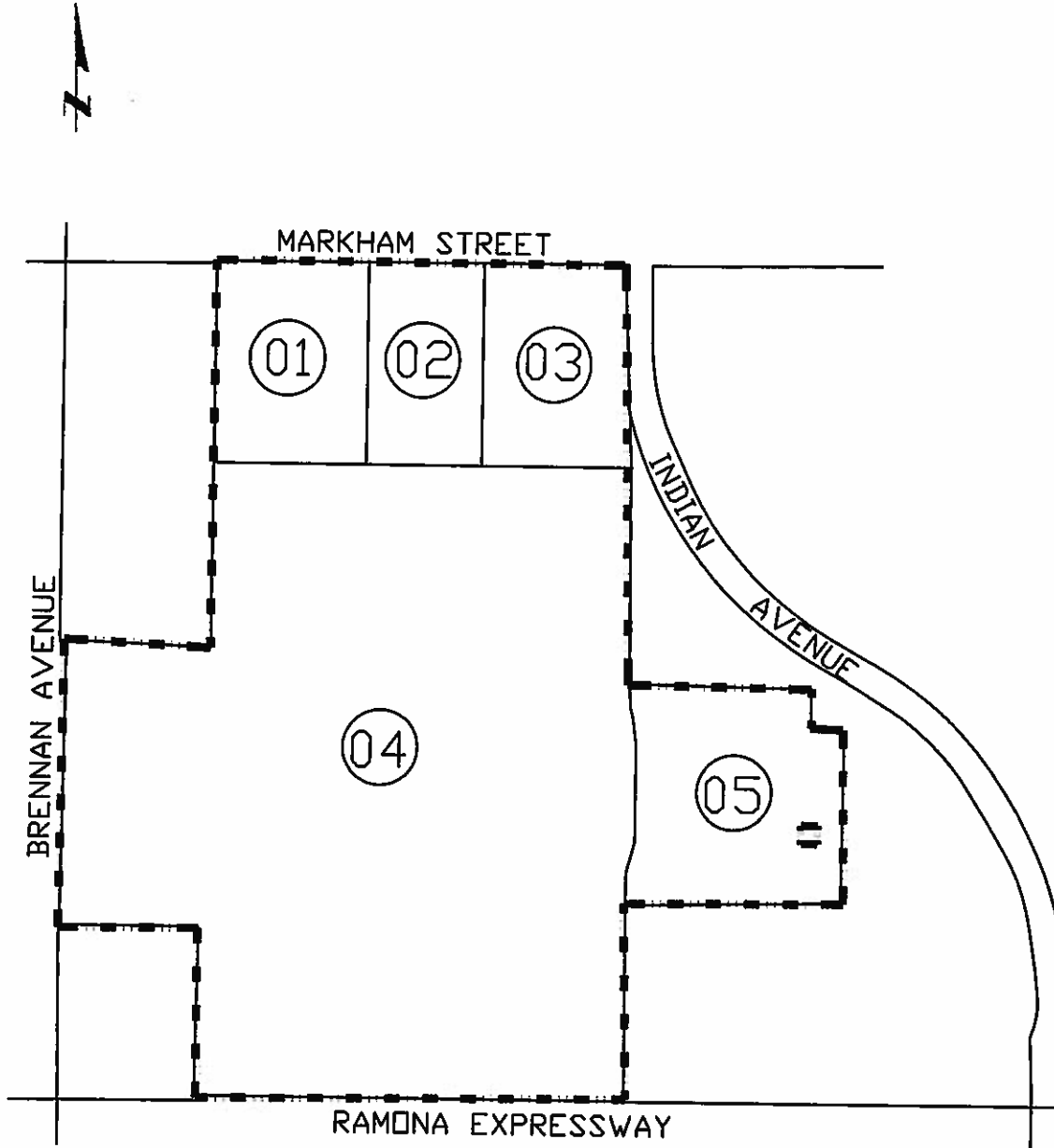
Benefit Zone	Assessment Number	Assessor Parcel Number	Estimated Annual Assessment	Fiscal Year 2014/2015
Zone 96	302-050-029	302-050-029	\$4,663.68	\$00.00
Zone 96	302-050-030	302-050-030	3,495.95	00.00
Zone 96	302-050-031	302-050-031	4,431.58	00.00
Zone 96	302-050-032	302-050-032	47,695.73	00.00
Zone 96	302-050-033	302-050-033	<u>6,854.09</u>	<u>00.00</u>
Totals			\$67,141.03	\$00.00

The Estimated Annual Assessment amount is subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years,
- 2) the Southern California Edison rate increase(s) effective in subsequent years, and
- 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

DIAGRAM OF ANNEXATION OF
PARCEL MAP 36010 TO BENEFIT ZONE 96
LANDSCAPE MAINTENANCE DISTRICT NO. 1
CITY OF PERRIS

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



CONSENT AND WAIVER TO ANNEXATION

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA, has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, said special maintenance districts known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 and MAINTENANCE DISTRICT NO. 84-1 (hereinafter referred to as the "Maintenance Districts"); and,

WHEREAS, the provisions of Article II of Chapter 2 of the Act authorize the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA to order the annexation of territory to the Maintenance Districts; and,

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA may, pursuant to said provisions of the Act, order the annexation of territory to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" as would otherwise be required by the provisions of the Act if all of the owners of property within the territory proposed to be annexed, have given written consent to the proposed annexation; and,

WHEREAS, the undersigned, the owners of all property within the territory proposed to be annexed to the Maintenance Districts, acknowledge that pursuant to the provisions of the Act, the undersigned would be entitled to notice and hearing and the preparation of an Engineer's "Report" pertaining to the annexation of the property, acknowledge that they are aware of the proposed annexation to the Maintenance Districts of the property owned by the undersigned, and waives any and all right which the undersigned may now have to notice and hearing or the filing of an Engineer's "Report" pertaining to the annexation of the undersigned's property to the Maintenance Districts.

NOW, THEREFORE, it is hereby declared by the undersigned property owners as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the undersigned, constituting the owners of the property described in Exhibit "A" attached hereto and incorporated herein by this reference and further constituting all of the property within the territory proposed to be annexed to the Maintenance Districts, hereby consent to the proposed annexation of said property to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" pertaining to such annexation.

Dated: 1/22/2013

Mark Vande Hey
Property Owner Name
Mark Vande Hey

Prudential
180 N. Stetson, Suite 3275
Chicago, IL 60201

Property Owner Address

Property Owner Name
OFFICIAL SEAL
GLORIA D HAWTHORNE
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:02/27/15

Property Owner Address

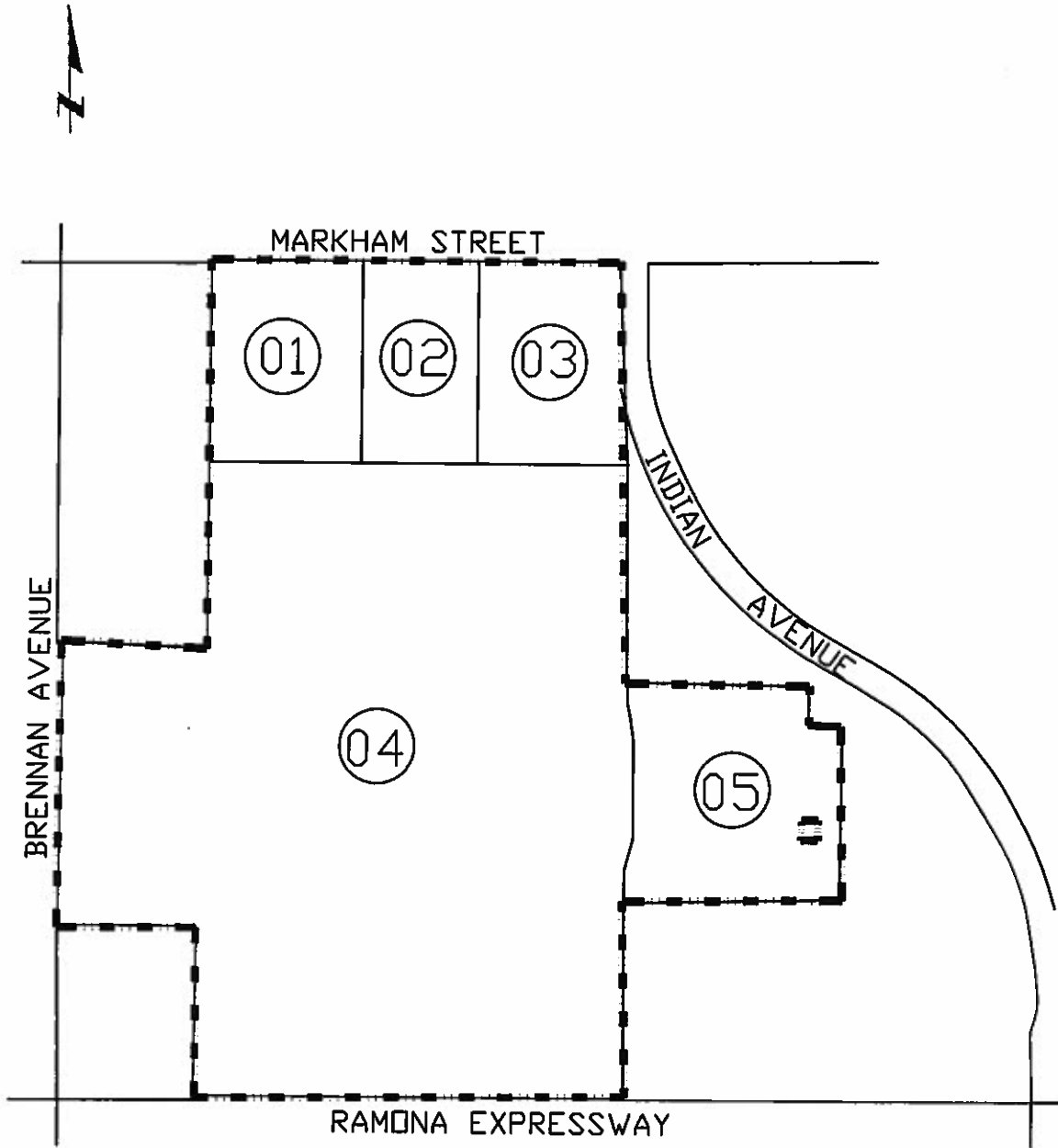
ATTACHMENT 3-1

Gloria D Hawthorne Jan 23, 2013

EXHIBIT "A" TO CONSENT AND WAIVER FOR
ANNEXATION OF PARCEL MAP 36010 TO BENEFIT ZONE 96
LANDSCAPE MAINTENANCE DISTRICT NO. 1

CITY OF PERRIS

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



RESOLUTION NUMBER XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF PM 36010 TO BENEFIT ZONE 96, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

WHEREAS, on the 10th day of March, 2015, the City Council of the City of Perris, County of Riverside, California ("the City Council") adopted its Resolution Number _____ directing the Engineer of Work to prepare and file with the City Clerk of said City a report in writing as required by the Landscaping and Lighting Act of 1972; and

WHEREAS, said Engineer of Work has prepared and filed with the City Clerk of said City a report (the "Engineer's Report") in writing as called for in said resolution and under and pursuant to said act, which report has been presented to this City Council for consideration; and

WHEREAS, said City Council has duly considered said report and each and every part thereof, and finds that each and every part of said report is sufficient, and that no portion of the report requires or should be modified in any respect.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris as follows:

Section 1. That the Engineer's estimate prepared by the City Engineer of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said report be, and each of them are hereby, preliminary approved and confirmed.

Section 2. That the diagram showing the District referred to and described in said report, the boundaries of the subdivisions of the land within said District as the same existed at the time of passage of said Resolution, is hereby preliminarily approved and confirmed.

Section 3. That the proposed assessment upon the subdivisions of land in said District is in proportion to the estimated benefit to be received by said subdivision, respectively, from said work and of the incidental expenses thereof, as contained in said report is hereby preliminarily approved and confirmed.

Section 4. That said report shall stand as the Engineer's Report for the purposes of all subsequent proceedings, and pursuant to the proposed District.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

RESOLUTION NUMBER XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 96, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 96, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF PM 36010 TO BENEFIT ZONE 96, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

The City Council of the City of Perris, pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California, does resolve as follows:

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, California, as follows:

Section 1. **Description of Work:** That the public interest and convenience requires and it is the intention of the City Council of the City of Perris to order the following work be done, to wit:

1. Installation, construction, maintenance, and servicing of landscaping as authorized by Section 22525 of the Streets and Highways Code, State of California.
2. Any and all work and materials appurtenant thereto or which are necessary or convenient for the maintenance and servicing thereof.

Section 2. Location of Work: The improvements to be maintained and serviced include the irrigation system, landscaping, and appurtenances benefiting PM 36010. The improvements, located in public rights-of-way bordering PM 36010, are located in the medians and parkways listed as follows:

- Medians within Ramona Expressway and Indian Avenue
- Parkways along Ramona Expressway, Brennan Avenue, Markham Street, and Indian Avenue

Section 3. Description of Assessment District: That the contemplated work, in the opinion of said City Council, is of more local than ordinary public benefit, and this City Council hereby makes the expense of said work chargeable upon a District, which said District is assessed to pay the costs and expenses thereof, and which District is described as follows:

All that certain territory of the City of Perris included within the exterior boundary lines shown upon that certain “Diagram of Annexation of PM 36010 to Benefit Zone 96, Landscape Maintenance District Number 1” heretofore approved by the City Council of said City by Resolution No ____, indicating by said boundary line the extent of the territory included within the proposed assessment district and which map is on file in the office of the City Clerk of said City.

Reference is hereby made to said map for a further, full, and more particular description of said assessment district, and the said map so on file shall govern for all details as to the extent of said assessment district.

Section 4. Report of Engineer: The City Council of said City by Resolution Number ____ has preliminarily approved the report of the Engineer of Work which report indicated the amount of the proposed assessment, the district boundaries, assessment zones, detailed description of improvements, and the method of assessment. The report titled “Engineer’s Report for Annexation of PM 36010 to Benefit Zone 96, Landscape Maintenance District Number 1”, is on file in the office of the City Clerk of said City. Reference to said report is hereby made for all particulars for the amount and extent of the assessments and for the extent of the work.

Section 5. Collection of Assessments: The assessment shall be collected at the same time and in the same manner as taxes for the County of Riverside are collected. The Engineer of Work shall file a report annually with the City Council of said City and said City Council will annually conduct a hearing upon said report at their regular meeting before August 10th, at which time assessments for the next Fiscal Year will be determined. That the annual assessment reflecting the reasonable cost of providing for the maintenance, servicing and operation of the public landscaping and appurtenant facilities is equal to \$725.30 per Benefit Unit, plus inflation factors not to exceed 1) the “Common Labor, Construction Cost Index”, as

published by Engineering News Record in subsequent years, 2) the Southern California Edison rate increase(s) effective in subsequent years, and 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

Section 6. Time and Place of Public Hearing: Notice is hereby given that on May 12, 2015, at 6:00 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, is hereby fixed as the time and place for a hearing by this City Council on the question of the levying and collection of the proposed assessments. That any and all persons having any objections to the work or the extent of the annexation to the assessment district may appear and show cause why said work should not be done or carried out or why said annexation to the district should not be confirmed in accordance with this Resolution of Intention. City Council will consider all oral and written protests.

Section 7. Landscaping and Lighting Act of 1972: All the work herein proposed shall be done and carried through in pursuance of an act of the legislature of the State of California designated the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California.

Section 8. Publication of Resolution of Intention: The City Clerk shall cause this Resolution of Intention to be published three times as required by Section 22626 and 22552 of the California Streets and Highways Code, with the first publication occurring no later than 45 days prior to the public hearing at which the City Council will consider levying the proposed special assessments. The published notice will encompass one-eighth of a newspaper page. The Perris Progress is hereby designated as the newspaper in which the City Clerk shall publish this Resolution of Intention. Upon completion of giving notice, the City Clerk is further directed to file in her office a proof of publication setting forth compliance with the requirements for publishing.

Section 9. Mailing of Notice: The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of Section 54953 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

Section 10. Designation of Contact Person: That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

Section 11. Certification: The City Clerk shall certify to the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date March 10, 2015

SUBJECT: Annexation of PM 36010 to Flood Control MD No. 1

REQUESTED ACTION: Adoption of Resolution of Intention to Annex PM 36010 to Flood Control Maintenance District No. 1 and set a public hearing date of May 12, 2015

CONTACT: Habib Motlagh, City Engineer

BACKGROUND/DISCUSSION: PM 36010 is a 92.57-acre project located between Markham Street and the Ramona Expressway and between Brennan Avenue and Indian Avenue. The project is under the ownership of Prudential.

As a condition of approval, the project is required to annex into FCMD 1. This district provides revenue for the annual maintenance of interior streets (residential only) and flood control improvements installed in conjunction with new development. The project will benefit from the maintenance and servicing of public flood control facilities and from the interim maintenance and servicing of Riverside County Flood Control and Water Conservation District (RCFC&WCD) facilities that protect PM 36010 from inundation.

The public facilities include catch basins, under-sidewalk drains, and inlets; 18-, 24-, 36- and 42-inch reinforced concrete pipe; double reinforced concrete box and emergency spillway; and, participation in the earthen channel extending from Perris Boulevard to the Perris Valley Storm Drain Channel.

The RCFC&WCD facilities include 1,350 lineal feet combination concrete trapezoidal channel and underground storm drain system; maintenance road and lift station; double and single reinforced concrete box; and, 1,740 lineal feet combination reinforced concrete box, 48" and 54" reinforced concrete pipes underground storm drain system and its associated transition structure.

BUDGET (or FISCAL) IMPACT: The maximum annual assessment is \$85,668.91, plus inflation factors 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, 2) the Southern California Edison rate increase(s) effective in subsequent years, and 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

Reviewed by:

Assistant City Manager 

City Attorney _____

Attachments: 1. Engineer's Report
2. Resolution of Intention to Annex PM 36010 to Flood Control MD No. 1

Consent:

AGENCY: City of Perris

**PROJECT: Annexation of PM 36010
To Benefit Zone 72, Flood Control Maintenance District No. 1**

**TO: City Council
City of Perris
State of California**

REPORT PURSUANT TO "BENEFIT ASSESSMENT ACT OF 1982"

Pursuant to the direction from the City Council of the City of Perris, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Part 1 of Division 2 of Title 5 of the Government Code of the **STATE OF CALIFORNIA**, being the "Benefit Assessment Act of 1982", as amended, commencing with Section 54703. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2014 to June 30, 2015, for that area to be known and designated as:

**"Annexation of PM 36010
To Benefit Zone 72, Flood Control Maintenance District No. 1"**

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefor and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 10th day of March, 2015

**HABIB M. MOTLAGH, City Engineer
CITY OF PERRIS
STATE OF CALIFORNIA**

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 12th day of May 2015, by adoption of Resolution No. _____ of the City Council.

**NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA**

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 10th day of March 2015.

**NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA**

Report

PART 1. A **General Description** of the flood control improvements includes facilities that will accommodate the storm flow and protect PM 36010 from inundation. These improvements channel, contain and convey the storm flow to the Perris Valley Storm Drain Channel. These improvements are generally described as follows:

Public (City) Facilities:

- Catch basins, under-sidewalk drains and inlets
- 18", 24", 36" and 42" reinforced concrete pipe
- Double reinforced concrete box
- Street Undercrossings
- Emergency Spillway
- Earthen Channel and facilities extending from Perris Boulevard to the Perris Valley Storm Drain Channel

Interim Maintenance of RCFC&WCD Facilities:

- 1,350 lineal feet combination concrete trapezoidal channel and underground storm drain system with a concrete bulkhead at its upstream terminus (Line E-Stage 2)
- Maintenance Road adjacent to Line E-Stage 2
- Lift Station
- 50 lineal feet of double reinforced concrete box (Line 2)
- 70 lineal feet of reinforced concrete box (Line 3)
- 1,740 lineal feet combination reinforced concrete box, 48" and 54" reinforced concrete pipes underground storm drain system and its associated transition structure (Lat E-4)

The RCFC&WCD facilities will be maintained on an interim basis until accepted by the Riverside County Flood Control and Water Conservation District. Acceptance is pending the completion of certain additional master plans facilities.

Maintenance and upkeep of these storm drainage facilities includes, but is not be limited to, grading, general cleanup and debris removal, inspections, stenciling, replacement and repairs. Annual photo documentation is scheduled to take place, along with silt removal as required. Depending on that year's storm drain flow and the level of debris in the flow, a system cleaning may be required after the first rain and again during or at the end of the rainy season.

Funds will accumulate in order to apply slurry seal to the maintenance road every six years. It is also anticipated that in the sixth year, funds will be required to for the replacement of lift station equipment.

It is noted that all private on-site facilities and detention basins are to be maintained by the property owner and not the City of Perris.

PART 2. Plans and Specifications for the improvements to be maintained for a fiscal year are being prepared by Albert A. Webb Associates and are entitled as follows:

“Street Improvement Plans, City of Perris, DPR #07-07-0029, PM. 36010, Perris Valley Logistics Center”, and

“Perris Valley MDP, Line “E”, Stage 2, Lateral “E-4”, Stage 1”

Plans and specifications for the catch basins and laterals to be maintained in Indian Avenue were prepared by KCT Consultants, Inc. and are entitled “Perris Valley MDP Line E-3”.

The plans and specifications have been approved by both the City Engineer for the City of Perris and the Chief Engineer for the Riverside County Flood Control and Water Conservation District and are on file in the City of Perris Office of Community Development. The plans and specifications sufficiently show and describe the general nature, location and extent of the improvements, and by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto.

PART 3. An Estimate of the cost for the public improvements to be maintained and/or improved for a given fiscal year includes labor, equipment, materials, and appurtenances.

Incidentals include annual engineering, legal, City Clerk, and finance expenses to the District, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

The maximum annual assessment is based on the estimated cost of maintaining the facilities. The annual assessment levied will be based on the actual expenses incurred by Benefit Zone 72.

With service intervals and staggered maintenance operations, revenue requirements for maintenance will fluctuate year to year. Each year’s maintenance operations will be funded by that year’s assessment plus the fund balance remaining from prior year assessments.

When the improvements are accepted, the City of Perris will assume the expenses of maintaining the improvements twelve months from the acceptance date. Zero costs will be incurred for the fiscal year commencing July 1, 2014 to June 30, 2015.

The estimated annual cost for maintenance of the facilities is listed below.

<u>Public City Facilities</u>	<u>Total Annual Cost</u>
Catch Basins and Storm Drain Pipe	\$7,723.21
Reinforced Concrete Box and Emergency Spillway	12,355.30
Drainage Channel (30%)	<u>15,474.00</u>
Subtotal	\$35,552.51
Contingency	<u>3,555.25</u>
Total Maintenance Expenses	\$39,107.76

Incidentals	5,866.16
-------------	----------

Public City Facilities Annual Cost	\$44,973.92
-------------------------------------------	--------------------

<u>RCFC&WCD Facilities</u>	<u>Total Annual Cost</u>
Line E Stage 2	\$18,818.42
Maintenance Road	2,325.00
Lift Station	2,040.00
Line 2 and Line 3	724.94
Lat E-4	<u>8,261.83</u>
Subtotal	\$32,170.19
Contingency	<u>3,217.02</u>
Total Maintenance Expenses	\$35,387.21

Incidentals	5,307.78
-------------	----------

RCFC&WCD Facilities Annual Cost	\$40,694.99
--------------------------------------------	--------------------

PART 4 The Assessment Roll shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of the Diagram, enclosed herein as Part 5.

The City and RCFC&WCD facilities will accommodate the storm flow specifically impacting PM 36010. These improvements specifically benefit the area within the annexation; and, the improvements were required for the approval of, and as of consequence of, development of this area.

The earthen channel benefits developing properties that contribute to the storm drain flow being conveyed to the Perris Valley Storm Drain Channel. The specific benefit is equal to the proportionate share of the flow to be accommodated. Accordingly, 30 percent of the annual cost for the maintenance of the earthen channel is assessed to Benefit Zone 72.

The method of assessment is based on units, with the benefit units assigned to the net area within Parcel Map 36010. The current annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the improvements and appurtenant facilities is equal to \$1,439.32 per benefit unit, shown as follows:

$$\frac{\text{Total Annual Cost}}{\text{Benefit Units}} = \frac{\$44,973.92 + \$40,694.99}{92.57 \text{ Benefit Units}} = \$925.45 \text{ per Benefit Unit}$$

The annual assessments are subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years,
- 2) the Southern California Edison rate increase(s) effective in subsequent years, and
- 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

The Benefit Units assigned, and the corresponding current maximum annual assessment, per parcel, are listed as follows:

Parcel	Assessor Parcel & Assessment Number	Acreage	Net Acreage	Benefit Unit	Maximum Annual Assessment
1	302-050-029	6.61	6.43	6.43	\$5,950.64
2	302-050-030	4.95	4.82	4.82	4,460.67
3	302-050-031	6.42	6.11	6.11	5,654.50
4	302-050-032	67.12	65.76	65.76	60,857.60
5	302-050-033	<u>9.45</u>	<u>9.45</u>	<u>9.45</u>	<u>8,745.50</u>
Totals		94.55	92.57	92.57	\$85,668.91

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2014 to June 30, 2015, reference is made to the Assessment Roll included herein as Attachment No. 1.

A 6-month tax roll reserve provides funding for the cost of servicing and maintenance prior to the receipt of tax collections from the County of Riverside. The fiscal year begins July 1 and the first installment from the tax roll collections are usually distributed by the County of Riverside the following January. A 6-month tax roll reserve for the current maintenance of the flood control facilities and incidental costs is estimated to be \$56,939.42.

PART 5. A Diagram of the Annexation. The boundary of the area to be annexed is coincident with PM 36010. Said boundary is designated as "Diagram of Annexation of PM 36010 to Benefit Zone 72, Flood Control Maintenance District No. 1, City of Perris, County of Riverside, State of California". The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

PART 6. A Petition for Annexation to the District has been signed by the owners of the area within the proposed annexation. Said petitions are included herein as Attachment No. 3.

Assessment Roll

**Annexation of PM 36010 to
Benefit Zone 72,
Flood Control Maintenance District No. 1, City of Perris**

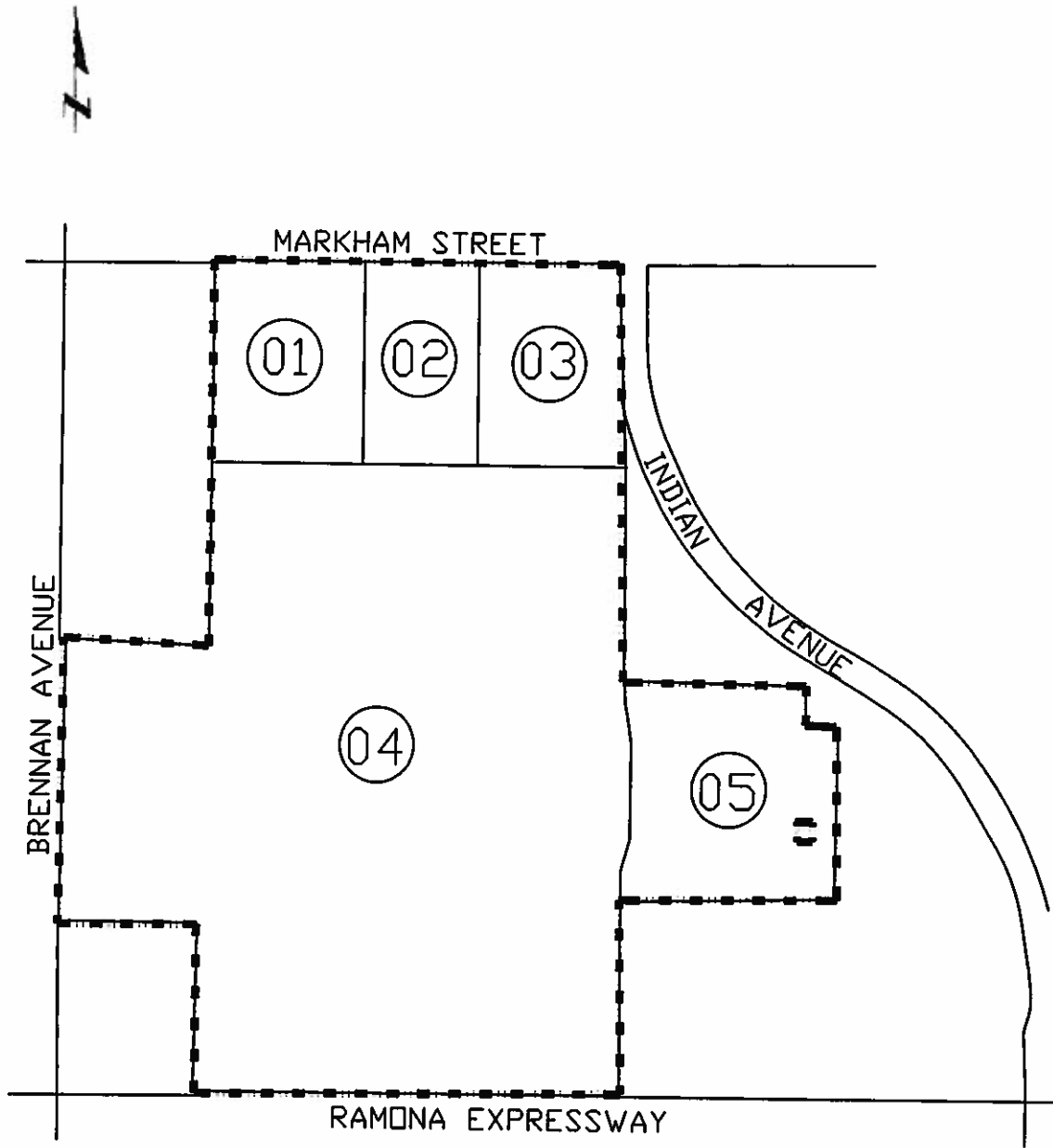
Benefit Zone	Assessment Number	Assessor Parcel Number	Estimated Annual Assessment	Fiscal Year 2014/2015
Zone 72	302-050-029	302-050-029	\$5,950.64	\$00.00
Zone 72	302-050-030	302-050-030	4,460.67	00.00
Zone 72	302-050-031	302-050-031	5,654.50	00.00
Zone 72	302-050-032	302-050-032	60,857.60	00.00
Zone 72	302-050-033	302-050-033	<u>8,745.50</u>	<u>00.00</u>
Totals			\$85,668.91	\$00.00

The annual assessments are subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years,
- 2) the Southern California Edison rate increase(s) effective in subsequent years, and
- 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years

DIAGRAM OF ANNEXATION OF
PARCEL MAP 36010 TO BENEFIT ZONE 72
FLOOD CONTROL MAINTENANCE DISTRICT NO. 1
CITY OF PERRIS

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



**PETITION FOR THE ANNEXATION TO A BENEFIT ASSESSMENT DISTRICT TO
FINANCE THE MAINTENANCE OF CERTAIN PUBLIC IMPROVEMENTS**

**BEFORE THE CITY COUNCIL OF THE CITY OF PERRIS,
STATE OF CALIFORNIA**

In the matter of the proposed)
Annexation to City of Perris)
Flood Control Maintenance District No. 1)

TO: The City Council of the City of Perris

We, the undersigned, hereby:

- (1) Petition you to initiate and complete all necessary proceedings under the Benefit Assessment Act of 1982, Chapter 6.4 (commencing with Section 54703) of Part 1 of Division 2 of Title 5 of the California Government Code for the annexation to a benefit assessment district for the maintenance of certain flood control improvements which benefit the property described on Exhibit "A" attached hereto and incorporated herein by this reference to the Maintenance District.
- (2) Certify that the proposed annexation to a benefit assessment district that will be subject to assessment for maintenance of such improvements, is that real property in the City of Perris, County of Riverside, State of California, generally described on Exhibit "A" attached hereto and incorporated herein by this reference to the Maintenance District.
- (3) Certify that we constitute the owners(s), including mortgagees or beneficiaries under any existing mortgage or subject to assessment for the proposed annexation, of the property in the proposed annexation to a benefit assessment district, as shown by the last equalized assessment roll used by the County of Riverside at the time this Petition is filed and also constitute the owner(s) of sixty percent (60%) of the area of all assessable lands within the proposed annexation to a benefit assessment district.
- (4) In order to expedite the project, agree to dedicate all necessary rights-of-way or easements as determined necessary for maintenance of the public improvements.

Dated: 1/22/2013



Mark Vande Hey
Property Owner name and address
Mark Vande Hey
Prudential
180 N. Stetson Street, Suite 3275
Chicago, Il 60201

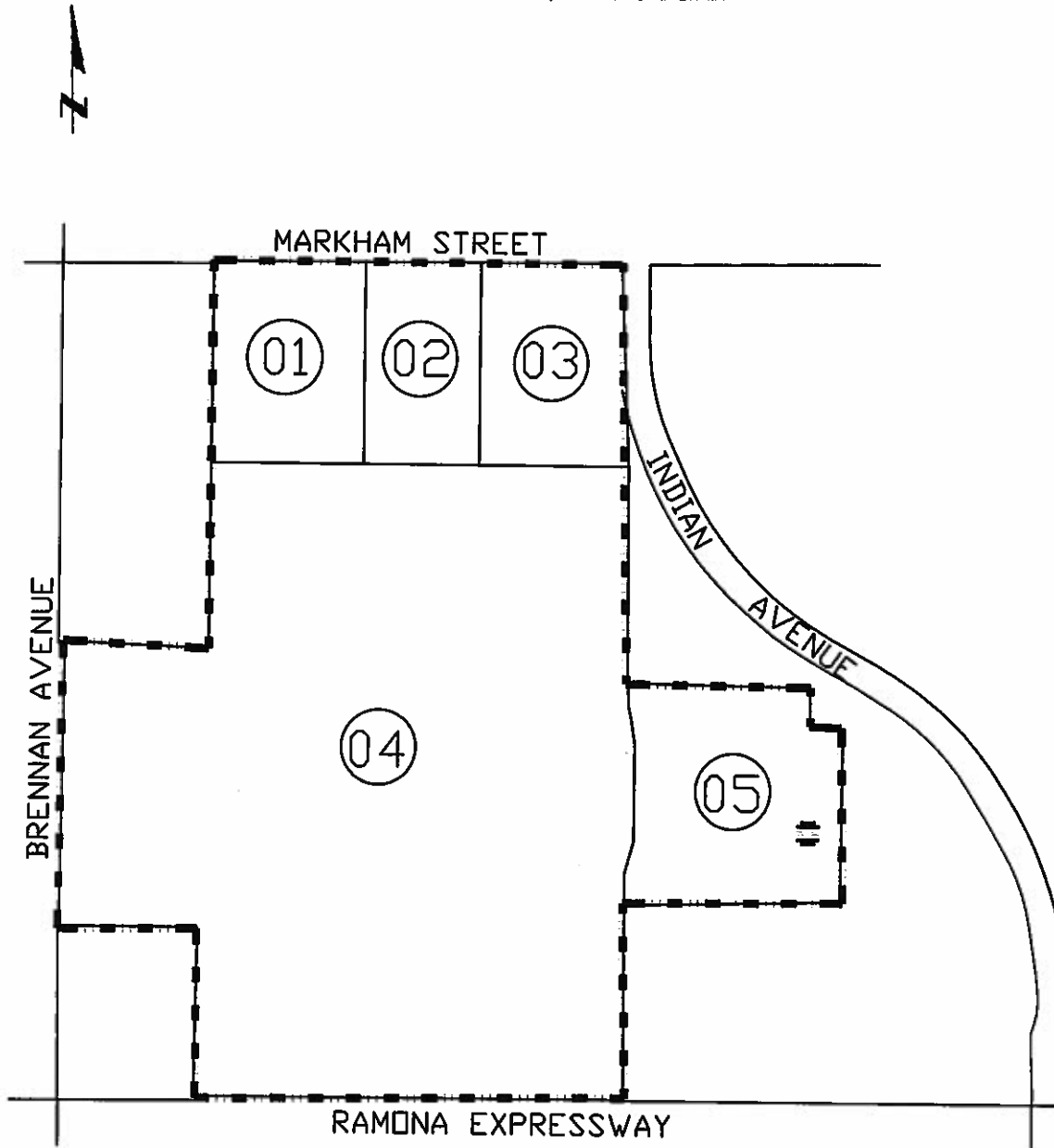
Property Owner name and address

Please have notarized

EXHIBIT "A" TO PETITION FOR
ANNEXATION OF PARCEL MAP 36010 TO BENEFIT ZONE 72
FLOOD CONTROL MAINTENANCE DISTRICT NO. 1

CITY OF PERRIS

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



RESOLUTION NUMBER XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO AUTHORIZE LEVYING ASSESSMENTS UPON CERTAIN PARCELS OF REAL PROPERTY, TO ORDER ANNEXATION OF PM 36010 TO BENEFIT ZONE 72, FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, PURSUANT TO THE BENEFIT ASSESSMENT ACT OF 1982; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

WHEREAS, the City Council of the City of Perris, County of Riverside, California ("this City Council"), wishes to provide continued financing for necessary maintenance of certain flood control and drainage improvements within the boundaries of PM 36010 through the levy of benefit assessments pursuant to the provisions of Chapter 6.4 (commencing with Section 54703) of Part 1 of Division 2 of Title 5 of the California Government Code commonly known as the "Benefit Assessment Act of 1982", (the "Act"); and

WHEREAS, Prudential, (the "Owners") have presented signed petitions to the City Council requesting the annexation of PM 36010 to a benefit assessment district to finance the maintenance of those certain drainage and flood control improvements permitted pursuant to Sections 54710 and 54710.5 of the Act (the "Improvements") which benefit properties within PM 36010; and

WHEREAS, the City Council now proposes to levy benefit assessments under the provisions of the Act to insure continued financing to maintain the Improvements pursuant to the Act, all for the benefit of parcels within PM 36010; and

WHEREAS, to accomplish such purposes, the City Council proposes to annex PM 36010 to Benefit Zone 72, Flood Control Maintenance District No. 1.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, California, as follows:

Section 1. The public interest, convenience, and necessity require, and it is the intention of the City Council pursuant to the provisions of the Act to maintain the Improvements for the benefit of the properties within the area of benefit.

Section 2. Maintenance of the improvements will be of direct benefit to parcels within PM 36010 which are hereby declared to be the properties benefited by the Improvements and to be assessed to pay the cost and expenses thereof. The area of benefit shall be all that part of the City within the boundaries shown on the map entitled "Diagram of Annexation of PM 36010 to Benefit Zone 72, Flood Control Maintenance District Number 1" on file in the office of the City Clerk of the City of Perris, California.

Section 3. At least forty-five (45) days prior to the date set for the hearing on the proposed assessment, the Assessment Engineer is hereby directed to file with the City Clerk a written report (the "Engineer's Report") pursuant to the Act, Government Code Section 53753 and Article XIID of the Constitution of the State of California, containing the following:

- a. A description of the service proposed to be financed through the revenue derived from the benefit assessments.
- b. A description of each lot or parcel of property proposed to be subject to the benefit assessments. The assessor's parcel number or Tract Map number shall be a sufficient description of the parcel.
- c. The amount of the proposed assessment for each parcel.
- d. The basis and schedule of the assessments.
- e. Other such matters as the Assessment Engineer shall deem appropriate.

Section 4. On the 12th day of May, 2015, at 6:00 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, the City Council will conduct a Protest Hearing at which time any and all persons having any objections to the work or extent of the annexation to the assessment district, may appear and show cause why said work should not be done or carried out in accordance with this Resolution of Intention. The City Council will consider all oral and written protests.

Section 5. The City Clerk is hereby directed to publish notice of the hearing on the proposed assessment and notice of the filing of the Engineer's Report once a week for two successive weeks, with at least five days intervening between the respective publication dates, not counting such publication dates, in the Perris City News, a newspaper of general circulation within the area of benefit. The notice shall be 1/8 of a page in size and contain the following information:

- a. The amount of the assessment.
- b. The purpose of the assessment.
- c. The total estimated assessments expected to be generated annually.
- d. The method and frequency for collecting the assessment.
- e. The date, time, and location of the public hearing.
- f. The phone number and address of an individual that interested persons may contact to receive additional information about the assessment.

The notice shall be published at least forty-five (45) days prior to the public hearing.

Section 6. The City Clerk is also hereby instructed to give additional notice of the hearing and notice of the filing of the Engineer's Report by posting a copy of this resolution in three public places within the City of Perris.

Section 7. Said notice shall be posted and first published at least forty-five (45) days before the date set for the public hearing.

Section 8. The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments, including the Owners. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of Section 53753 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

Section 9. That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date March 10, 2015

SUBJECT: Annexation of PM 36462 to Maintenance District No. 84-1

REQUESTED ACTION:

1. Adoption of Resolution Ordering Preparation of the Engineer's Report
2. Adoption of Resolution Preliminarily Approving Engineer's Report
3. Adoption of Resolution of Intention to Annex PM 36462 to Maintenance District No. 84-1 and setting a public hearing date of May 12, 2015

CONTACT: Habib Motlagh, City Engineer

BACKGROUND/DISCUSSION: PM 36462 is a 95.74-acre project located on the northeast corner of Indian Avenue and Rider Street. The project is under the ownership of Duke Realty LP, and, as a condition of approval, is required to annex into MD 84-1.

This district was formed to finance the annual maintenance of streetlights and traffic signals installed in conjunction with new development. Forty-one streetlights that will be maintained under MD 84-1 benefit this project. The project also specifically benefits from traffic signals located at the intersections of Indian Avenue with Morgan Street, Rider Street, Markham Street and Harley Knox Boulevard; and, located at the intersection of Harley Knox Boulevard with Patterson Avenue.

BUDGET (or FISCAL) IMPACT:

The maximum annual assessment is \$18,609.56, plus inflation factors not to exceed 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, and 2) the Southern California Edison rate increase(s) effective in subsequent years.

Reviewed by:

Assistant City Manager 

City Attorney _____

- Attachments:
1. Resolution Ordering Preparation of the Engineer's Report
 2. Engineer's Report
 3. Resolution Preliminarily Approving Engineer's Report
 4. Resolution of Intention to Annex PM 36462 to Maintenance District No. 84-1

Consent:

RESOLUTION NUMBER

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF PM 36462 INTO MAINTENANCE DISTRICT NUMBER 84-1

WHEREAS, it has been determined by the City Council of the City of Perris, County of Riverside, California, that the public interest, convenience and necessity requires the installation of streetlights, traffic signals and other facilities set forth in Section 22525 of the Streets and Highways Code, State of California, and the maintenance thereof all within the boundaries of PM 36462 and the incorporated boundaries of the City of Perris, California; and

WHEREAS, the City Council has heretofore appointed Habib Motlagh, the City Engineer for the City of Perris, as the "Engineer of Work" for Maintenance District Number 84-1 and Shepherd & Staats, Incorporated has heretofore been appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of Chapter 1 of Part 2 of Division 15 of the Streets and Highways Code, State of California.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris as follows:

Section 1. That the public interest, convenience and necessity, requires the annexation to a maintenance district for the purpose of installing, constructing and maintaining the streetlights, traffic signals and other facilities authorized by Section 22525 of the Streets and Highways Code, State of California,

Section 2. That PM 36462 be defined as that area to be annexed to the City of Perris Maintenance District Number 84-1.

Section 3. That the lands to be specially charged for the installation, construction, and maintenance of the facilities shall be the area within the boundaries of the annexation to the district generally indicated on the map entitled "Diagram of Annexation of PM 36462 to Maintenance District Number 84-1, City of Perris, County of Riverside, State of California."

Section 4. That the proceedings are to be conducted for said annexation to the maintenance district under and in accordance with provisions of Division 15 of the Streets and Highways Code (Landscaping and Lighting Act of 1972) of the State of California.

Section 5. That Habib Motlagh, the City Engineer for the City of Perris, is hereby appointed the "Engineer of Work" and all provisions of Division 15 applicable to the Engineer shall apply to said "Engineer of Work" and Shepherd & Staats, Incorporated, is hereby appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of said Division 15 of the Streets and Highways Code.

Section 6. That Habib Motlagh, the City Engineer for the City of Perris, is hereby designated to sign all papers and documents in connection with the proceedings for the annexation to said maintenance district, acting in the capacity of the Engineer of Work.

Section 7. That the cost of maintaining the facilities set forth herein in subject annexation to the district shall be borne by the property owners within the subject annexation to the district, said cost to be assessed and collected in accordance with said Landscaping and Lighting Act of 1972.

Section 8. That the Engineer of Work is hereby ordered to prepare a report in accordance with Article 4 of said maintenance act, and is hereby directed to prepare and file such report with the City Clerk.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number ___ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 10th day of March, 2015, by the following called vote:

Ayes:

Noes:

Absent:

Abstain:

City Clerk, Nancy Salazar

AGENCY: City of Perris
PROJECT: Annexation of PM 36462
To Maintenance District No. 84-1
TO: City Council
City of Perris
State of California

REPORT PURSUANT TO "LANDSCAPING AND LIGHTING ACT OF 1972"

Pursuant to the direction from the City Council, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the **STATE OF CALIFORNIA**, being the "Landscaping and Lighting Act of 1972", as amended. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2014 to June 30, 2015, for that area to be known and designated as:

**"Annexation of PM 36462
to Maintenance District No. 84-1"**

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefore and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 10th day of March, 2015

HABIB M. MOTLAGH, City Engineer
CITY OF PERRIS
STATE OF CALIFORNIA

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 12th day of May 2015, by adoption of Resolution No. _____ of the City Council.

NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 10th day of March 2015.

NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA

Report

PART 1. Plans and Specifications. Generally, the work to be performed consists of the annual energy and maintenance costs for new streetlights and traffic signals. The street lights to be maintained are located on Morgan Street, Perris Boulevard, Rider Street and Indian Avenue, along the exterior boundaries of PM 36462, as shown on the Diagram, enclosed herein as Part 4.

The street lights are further identified on the plans and specifications prepared by Huitt-Zollars, Inc. that is entitled "Offsite Street Lighting Improvements for Perris Ridge Commerce Center II, Morgan, Indian Avenue, Rider Street & Perris Blvd., City of Perris, California".

In addition to the street lights, this area benefits from existing and future traffic signals in the area. Of specific benefit are the traffic signals listed in the Estimate, enclosed herein as Part 2.

The plans and specifications for all facilities are or will be on file in the City of Perris Office of Community Development and, by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto. The plans and specifications sufficiently show and describe the general nature, location and extent of the improvements.

The street light improvements are owned by SCE and, upon construction, will be as shown on the SCE Street Light Atlas Maps. The traffic signals are owned by the City of Perris and are shown on the City of Perris Traffic Signal Location Map. Said Map and Atlas are on file in the City of Perris Office of Community Development and are made a part of this report to the same extent as if said documents were attached hereto.

PART 2. An Estimate of the cost for the improvements to be maintained and/or improved for a given fiscal year includes labor, materials, electricity, and appurtenances. Incidental costs include engineering, legal, City Clerk, and administration expenses, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

The estimated annual cost for maintenance of the facilities is listed on the following page.

The estimated annual cost for maintenance of the facilities is as follows:

<u>Facility</u>	<u>Quantity</u>	<u>Annual Cost</u>	<u>Total Cost</u>
Street Lights			
9500 Lumen	0	\$152.76	\$00.00
22000 Lumen	41	199.08	8,162.28
Traffic Signal at intersection of			
Indian Avenue & Morgan Street	30%	\$8,367.55	\$2,510.26
Indian Avenue & Rider Street	30%	8,367.55	2,510.26
Indian Avenue & Markham Street	20%	8,367.55	1,673.51
Indian Avenue & Harley Knox Blvd.	20%	8,367.55	1,673.51
Harley Knox Blvd. & Patterson Ave.	20%	8,367.55	<u>1,673.51</u>
Total Traffic Signals			\$10,041.05
Subtotal			\$18,203.33
Incidental Costs			\$3,640.67
City Contribution for Street Lights Resolution 4745 Adjustment	41	-\$46.32	-1,899.12 -1,335.32
Balance to Assessment			\$18,609.56

Zero costs will be incurred by the area within this annexation for the fiscal year commencing July 1, 2014 to June 30, 2015.

PART 3. The Assessment Roll shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of the Diagram, enclosed herein as Part 4.

Street lighting and the orderly circulation of traffic directly benefits the area to be annexed to MD 84-1. Any share of the benefits received that does not provide a special benefit to the assessed properties is a general benefit provided by the improvements. The cost of the general benefit is not to be assessed to the properties in the district.

The cost of the general benefit is to be contributed by the City. This cost for lights is equal to the unit cost difference between a 9,500 lumen light and a 22,000 (or greater) lumen light. A 9,500 lumen light is the standard required on a local street. Other streets require a standard greater than 9,500 lumens in order to service a capacity greater than the local traffic.

Reference is made to the FY 2014/2015 annual proceedings for Maintenance District No. 84-1, as confirmed and set forth in Resolution 4745 approved on July 8, 2014. Under these proceedings, the benefit for the annual maintenance of streetlight and traffic signals is equal to \$46.28 per Benefit Unit, or single family home. For the purposes of this report, this assessment determines the net specific street light and traffic signal benefit.

As a condition of approval, the developer is required by the City to provide certain standard street lighting for the area within the development; and the energy costs for the initial 18-month period. No newly annexed area or portion thereof is assessed prior to the completion of the initial 18-month period.

The method of assessment is based on units, with a residential dwelling or condominium equal to one benefit unit. The relationship between residential lots and non-residential development has been established at 4.2 residential lots to one assessed acre based on the general density of the City as a whole.

The assessed acreage is the net acreage of each parcel as shown on Parcel Map 36462. The current annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the improvements and appurtenant facilities is equal to \$46.28 per benefit unit, shown as follows:

$$\begin{array}{r} \text{Assessed Acre} \\ 4.2 \text{ Benefit Units} \end{array} \quad \times \quad \begin{array}{r} \$18,609.56 \\ 95.74 \text{ AC} \end{array} = \$46.28 \text{ per Benefit Unit}$$

Plus inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, and
- 2) the Southern California Edison rate increase(s) effective in subsequent years.

The current annual assessment for PM 36462 is further detailed as follows:

<u>Parcel</u>	<u>Assessed Acreage</u>	<u>Benefit Unit</u>	<u>Annual Assessment</u>
1	59.02	247.88	\$11,472.07
2	<u>36.72</u>	<u>154.22</u>	<u>7,137.49</u>
Totals	95.74	402.10	\$18,609.56

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2014 to June 30, 2015, reference is made to the Assessment Roll included herein as Attachment No.1.

PART 4. **A Diagram of the Annexation.** The boundary of the area to be annexed is coincident with the boundary of PM 36462. Said boundary is designated as "Diagram of Annexation of PM 36462 to Maintenance District No. 84-1, City of Perris, County of Riverside, State of California." The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of annexation and benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

PART 5. **A Consent and Waiver for Annexation** to the District has been signed by the owner of the area within the proposed annexation. Said consent and waiver is included herein as Attachment No. 3.

**Assessment Roll
Annexation of PM 36462 to
to Maintenance District No. 84-1
City of Perris**

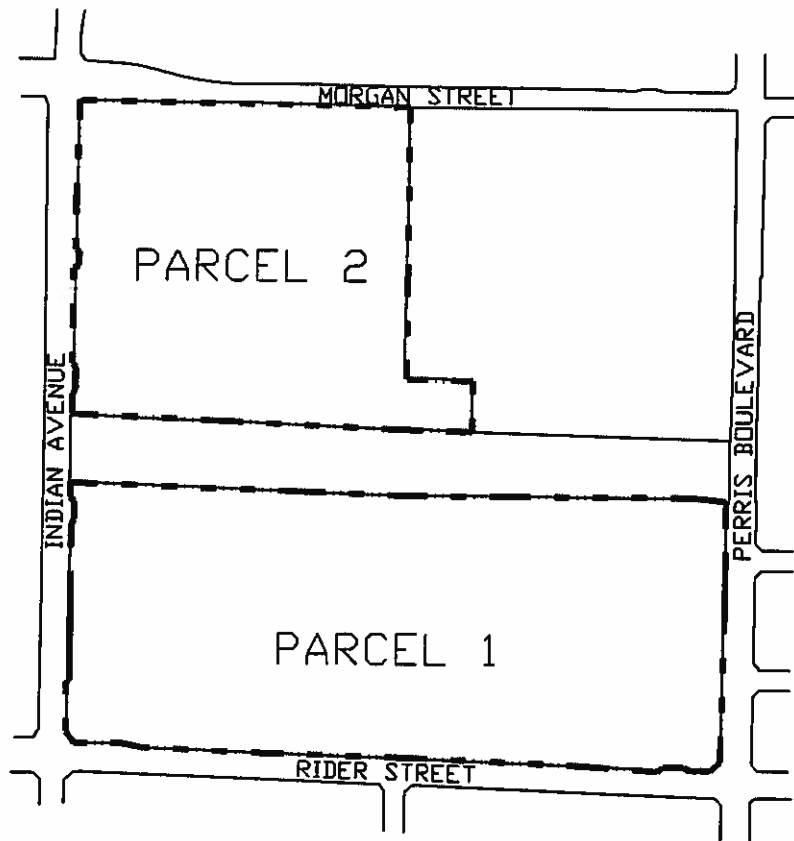
<u>Parcel and Assessment Number</u>	<u>Assessor Parcel Number</u>	<u>Estimated Annual Assessment</u>	<u>Fiscal Year 2014/2015</u>
1	303-090-002		
1	303-090-003		
1	303-090-004		
1	303-090-005		
1	303-090-006		
1	303-090-007		
1	303-090-008		
1	303-090-009		
1	303-090-010		
1	303-090-011		
1	303-090-012		
1	303-090-013		
1	303-090-014		
1	303-090-015		
1	303-090-016		
1	303-090-017		
1	303-090-018		
1	303-090-019		
1	303-090-020		
Total Parcel 1		\$11,472.07	\$00.00
2	303-080-005	\$7,137.49	\$00.00
Grand Total		\$18,609.56	\$00.00

The Estimated Annual Assessment amount is subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, and
- 2) the Southern California Edison rate increase(s) effective in subsequent years.

DIAGRAM OF ANNEXATION OF PM 36462 TO MAINTENANCE DISTRICT 84-1

CITY OF PERRIS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



LEGEND

- — — — — ANNEXATION BOUNDARY
- PARCEL BOUNDARY

REFERENCE THE RIVERSIDE COUNTY ASSESSOR MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

SHEET 1 OF 1

CONSENT AND WAIVER TO ANNEXATION

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA, has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, said special maintenance districts known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 and MAINTENANCE DISTRICT NO. 84-1 (hereinafter referred to as the "Maintenance Districts"); and,

WHEREAS, the provisions of Article II of Chapter 2 of the Act authorize the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA to order the annexation of territory to the Maintenance Districts; and,

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA may, pursuant to said provisions of the Act, order the annexation of territory to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" as would otherwise be required by the provisions of the Act if all of the owners of property within the territory proposed to be annexed, have given written consent to the proposed annexation; and,

WHEREAS, the undersigned, the owners of all property within the territory proposed to be annexed to the Maintenance Districts, acknowledge that pursuant to the provisions of the Act, the undersigned would be entitled to notice and hearing and the preparation of an Engineer's "Report" pertaining to the annexation of the property, acknowledge that they are aware of the proposed annexation to the Maintenance Districts of the property owned by the undersigned, and waives any and all right which the undersigned may now have to notice and hearing or the filing of an Engineer's "Report" pertaining to the annexation of the undersigned's property to the Maintenance Districts.

NOW, THEREFORE, it is hereby declared by the undersigned property owners as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the undersigned, constituting the owners of the property described in Exhibit "A" attached hereto and incorporated herein by this reference and further constituting all of the property within the territory proposed to be annexed to the Maintenance Districts, hereby consent to the proposed annexation of said property to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" pertaining to such annexation.

Dated: 9-10-2014

[Signature]

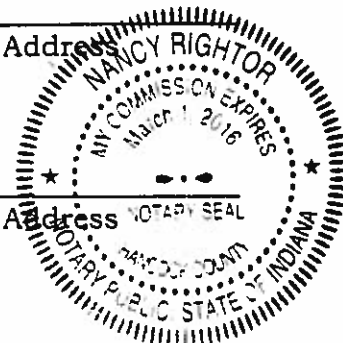
Property Owner Name
Jason F. Sturman

Property Owner Name

Duke Realty LP
8001 Irvine Center Dr. STE 1450
Irvine, CA 92618

Property Owner Address

Property Owner Address



Please have notarized

RESOLUTION NUMBER

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PERRIS, COUNTY OF RIVERSIDE, STATE OF
CALIFORNIA, OF PRELIMINARY APPROVAL OF
ENGINEER'S REPORT FOR ANNEXATION OF PM 36462
TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER
84-1**

WHEREAS, on the 10th day of March, 2015, the City Council of the City of Perris, County of Riverside, California ("the City Council") adopted its Resolution Number ____ directing the Engineer of Work to prepare and file with the City Clerk of said City a report in writing as required by the Landscaping and Lighting Act of 1972; and

WHEREAS, said Engineer of Work has prepared and filed with the City Clerk of said City a report (the "Engineer's Report") in writing as called for in said resolution and under and pursuant to said act, which report has been presented to this City Council for consideration; and

WHEREAS, said City Council has duly considered said report and each and every part thereof, and finds that each and every part of said report is sufficient, and that no portion of the report requires or should be modified in any respect.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris as follows:

Section 1. That the Engineer's estimate prepared by the City Engineer of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said report be, and each of them are hereby, preliminary approved and confirmed.

Section 2. That the diagram showing the District referred to and described in said report, the boundaries of the subdivisions of the land within said District as the same existed at the time of passage of said Resolution, is hereby preliminarily approved and confirmed.

Section 3. That the proposed assessment upon the subdivisions of land in said District is in proportion to the estimated benefit to be received by said subdivision, respectively, from said work and of the incidental expenses thereof, as contained in said report is hereby preliminarily approved and confirmed.

Section 4. That said report shall stand as the Engineer's Report for the purposes of all subsequent proceedings, and pursuant to the proposed District.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

Attest:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, City CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number _____ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

RESOLUTION NUMBER

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO MAINTENANCE DISTRICT NUMBER 84-1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF PM 36462 TO MAINTENANCE DISTRICT NUMBER 84-1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

The City Council of the City of Perris, pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California, does resolve as follows:

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, California, as follows:

Section 1. Description of Work: That the public interest and convenience requires and it is the intention of the City Council of the City of Perris to order the following work be done, to wit:

1. Installation, construction, maintenance, and servicing of streetlight and traffic signal facilities as authorized by Section 22525 of the Streets and Highways Code, State of California.
2. Any and all work and materials appurtenant thereto or which are necessary or convenient for the maintenance and servicing thereof.

Section 2. Location of Work: The improvements to be maintained and serviced consist of the streetlights and traffic signals within said annexation.

Section 3. Description of Assessment District: That the contemplated work, in the opinion of said City Council, is of more local than ordinary public benefit, and this City Council hereby makes the expense of said work chargeable upon a District, which said District is assessed to pay the costs and expenses thereof, and which District is described as follows:

All that certain territory of the City of Perris included within the exterior boundary lines shown upon that certain "Diagram of Annexation of PM 36462 to Maintenance District Number 84-1" heretofore approved by the City Council of said City by Resolution No. _____, indicating by said boundary line the extent of the territory included within the proposed assessment district and which map is on file in the office of the City Clerk of said City.

Reference is hereby made to said map for a further, full, and more particular description of said assessment district, and the said map so on file shall govern for all details as to the extent of said assessment district.

Section 4. Report of Engineer: The City Council of said City by Resolution Number _____ has preliminarily approved the report of the Engineer of Work which report indicated the amount of the proposed assessment, the district boundaries, assessment zones, detailed description of improvements, and the method of assessment. The report titled "Engineer's Report for Annexation of PM 36462, to Maintenance District Number 84-1", is on file in the office of the City Clerk of said City. Reference to said report is hereby made for all particulars for the amount and extent of the assessments and for the extent of the work.

Section 5. Collection of Assessments: The assessment shall be collected at the same time and in the same manner as taxes for the County of Riverside are collected. The Engineer of Work shall file a report annually with the City Council of said City and said City Council will annually conduct a hearing upon said report at their regular meeting before August 10th, at which time assessments for the next Fiscal Year will be determined. That the annual assessment reflecting the reasonable cost of providing for the maintenance, servicing and operation of the streetlights and traffic signals and appurtenant facilities is \$46.28 per Benefit Unit (single family home), plus an inflation factor not to exceed 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, and 2) the Southern California Edison rate increase(s) effective in subsequent years.

Section 6. Time and Place of Public Hearing: Notice is hereby given that on May 12, 2015, at 6:00 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, is hereby fixed as the time and place for a hearing by this City Council on the question of the levying and collection of the proposed assessments. That any and all persons having any objections to the work or the extent of the annexation to the assessment district may appear and show cause why said work should not be done or carried out or why said annexation to the district should not be confirmed in accordance with this Resolution of Intention. City Council will consider all oral and written protests.

Section 7. Landscaping and Lighting Act of 1972: All the work herein proposed shall be done and carried through in pursuance of an act of the legislature of the State of California designated the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California.

Section 8. Publication of Resolution of Intention: The City Clerk shall cause this Resolution of Intention to be published three times as required by Section 22626 and 22552 of the California Streets and Highways Code, with the first publication occurring no later than 45 days prior to the public hearing at which the City Council will consider levying the proposed special assessments. The published notice will encompass one-eighth of a newspaper page. The Perris City News is hereby designated as the newspaper in which the City Clerk shall publish this Resolution of Intention. Upon completion of giving notice, the City Clerk is further directed to file in her office a proof of publication setting forth compliance with the requirements for publishing.

Section 9. Mailing of Notice: The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of Section 53753 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

Section 10. Designation of Contact Person: That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

Section 11. Certification: The City Clerk shall certify to the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

Attest:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 10th day of March, 2015, by the following called vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

City Clerk, Nancy Salazar

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date March 10, 2015

SUBJECT: Annexation of PM 36462 to Landscape Maintenance District No. 1 (LMD 1)

REQUESTED ACTION:

1. Adoption of Resolution Ordering Preparation of the Engineer's Report
2. Adoption of Resolution Preliminarily Approving Engineer's Report
3. Adoption of Resolution of Intention to Annex PM 36462 to LMD 1 and setting a public hearing date of May 12, 2015

CONTACT: Habib Motlagh, City Engineer

BACKGROUND/DISCUSSION: PM 36462 is a 95.74-acre project located on the northeast corner of Indian Avenue and Rider Street. The project is under the ownership of Duke Realty LP.

The landscaping benefit includes maintenance of the irrigation system, landscaping, and appurtenances located in the parkways, easements and medians along the boundary of PM 36462. These improvements are located within the Morgan Avenue parkways and easements, Perris Boulevard medians and parkways, Rider Street medians and parkways, and Indian Avenue medians and parkways.

As a condition of approval, the project is required to annex into LMD 1. This district was formed to finance the annual maintenance of landscape improvements installed in conjunction with new development.

BUDGET (or FISCAL) IMPACT: The current maximum annual assessment is \$70,840.55, plus inflation factors not to exceed 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, 2) the Southern California Edison rate increase(s) effective in subsequent years, and 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

Reviewed by:

Assistant City Manager 

City Attorney _____

Attachments: 1. Resolution Ordering Preparation of the Engineer's Report
2. Engineer's Report
3. Resolution Preliminarily Approving Engineer's Report
4. Resolution of Intention to Annex the PM 36462 to LMD 1

Consent:

RESOLUTION NUMBER XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 107 AND BENEFIT ZONE 108 (PM 36462) TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

WHEREAS, it has been determined by the City Council of the City of Perris, County of Riverside, California, that the public interest, convenience and necessity requires the installation and planting of landscape materials and the installation and construction of an irrigation system and other facilities set forth in Section 22525 of the Streets and Highways Code, State of California, and the maintenance thereof, all within the incorporated boundaries of the City of Perris, California; and

WHEREAS, the City Council has heretofore appointed Habib Motlagh, the City Engineer for the City of Perris, as the "Engineer of Work" for Landscape Maintenance District Number 1 and Shepherd & Staats, Incorporated has heretofore been appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of Chapter 1 of Part 2 of Division 15 of the Streets and Highways Code, State of California.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris as follows:

Section 1. That the public interest, convenience and necessity, requires the annexation to a maintenance district for the purpose of installing, constructing and maintaining the installation and planting of landscape materials and the installation and construction of an irrigation system and other facilities authorized by Section 22525 of the Streets and Highways Code, State of California.

Section 2. That PM 36462 be defined as that area to be annexed to Benefit Zone 107 and Benefit Zone 108, City of Perris Landscape Maintenance District Number 1.

Section 3. That the lands to be specially charged for the installation, construction, and maintenance of the facilities shall be the area within the boundaries of the annexation to the district generally indicated on the map entitled "Diagram of Annexation of PM 36462, to Benefit Zone 107 and Benefit Zone 108, Landscape Maintenance District Number 1, City of Perris, County of Riverside, State of California."

Section 4. That the proceedings are to be conducted for said annexation to the maintenance district under and in accordance with provisions of Division 15 of the Streets and Highways Code (Landscaping and Lighting Act of 1972) of the State of California.

Section 5. That Habib Motlagh, the City Engineer for the City of Perris, is hereby appointed the "Engineer of Work" and all provisions of Division 15 applicable to the Engineer shall apply to said "Engineer of Work" and Shepherd & Staats, Incorporated, is hereby appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of said Division 15 of the Streets and Highways Code.

Section 6. That Habib Motlagh, the City Engineer for the City of Perris, is hereby designated to sign all papers and documents in connection with the proceedings for the annexation to said maintenance district, acting in the capacity of the Engineer of Work.

Section 7. That the cost of maintaining the facilities set forth herein in subject annexation to the district shall be borne by the property owners within the subject annexation to the district, said cost to be assessed and collected in accordance with said Landscaping and Lighting Act of 1972.

Section 8. That the Engineer of Work is hereby ordered to prepare a report in accordance with Article 4 of said maintenance act, and is hereby directed to prepare and file such report with the City Clerk.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

AGENCY: City of Perris

**PROJECT: Annexation of PM 36462
To Benefit Zone 107 and Benefit Zone 108, Landscape Maintenance District No. 1**

**TO: City Council
City of Perris
State of California**

REPORT PURSUANT TO "LANDSCAPING AND LIGHTING ACT OF 1972"

Pursuant to the direction from the City Council, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the **STATE OF CALIFORNIA**, being the "Landscaping and Lighting Act of 1972", as amended. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2014 to June 30, 2015, for that area to be known and designated as:

**"Annexation of PM 36462
To Benefit Zone 107 and Benefit Zone 108, Landscape Maintenance District No. 1"**

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefor and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 10th day of March, 2015

**HABIB M. MOTLAGH, City Engineer
CITY OF PERRIS
STATE OF CALIFORNIA**

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 12th day of May 2015, by adoption of Resolution No. _____ of the City Council.

**NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA**

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 10th day of March 2015.

**NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA**

Report

PART 1. Plans and Specifications for the improvements to be maintained and/or improved for a fiscal year are in the process of being designed for acceptance by the City of Perris. All improvements to be maintained will be located in public rights-of-way and easements.

In general, the landscaping, irrigation, hardscape and appurtenances to be maintained are located along the exterior boundaries of PM 36462, as shown on the Diagram, enclosed herein as Part 4. The improvements to be maintained, by benefit zone, are further described as follows:

Benefit Zone 107, Parcel 1, PM 36462

- Medians within Perris Boulevard, Rider Street and Indian Avenue
- Parkways along Perris Boulevard, Rider Street and Indian Avenue

Benefit Zone 108, Parcel 2, PM 36462

- Medians within Indian Avenue
- Parkways along Indian Avenue and Morgan Street, including the public utility easement located at the corner of Indian Avenue and Morgan Street and extending easterly along Morgan Street

Benefit Zone 107 and Benefit Zone 108 share equally in the cost for the maintenance of the Indian Avenue parkway along the Metropolitan Water District easement that divides the benefit zones.

Reference is made to the landscaping plans and specifications prepared by SPLA, Scott Peterson Landscape Architecture, Inc., for the City of Perris and Eastern Municipal Water District, entitled as follows:

“Perris Ridge Commerce Center – Phase II Off-Site Medians & ROW Parkways for Morgan St, Indian Avenue, W. Rider Street & Perris Blvd, Perris, California”.

Reference is also made to the Recycled Water Use Exhibit prepared by Huitt-Zollars, Inc., as WO 15151, for Eastern Municipal Water District, entitled “Perris Ridge Commerce Center II, LLC, P.M. 36462”.

For further information on the location of the improvements and the public rights-of-way, reference is made to Parcel Map 36462 and the plans and specifications prepared by Huitt-Zollars, Inc. entitled “Street Improvement Plans for Perris Ridge Commerce Center II, Indian Avenue, Rider Street & Perris Blvd., City of Perris, California, DPR 06-0417”.

Maintenance of the Perris Boulevard medians extending from Morgan Street southerly to the Metropolitan Water District easement are not to be maintained by and assessed to Benefit Zone 107 and 108.

It is noted that the maintenance of all facilities located within the inside property-line is the responsibility of the property owner.

Upon final approval, plans and specifications for the improvements will be on file in the City of Perris Office of Community Development and, by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto. The plans and specifications will sufficiently show and describe the general nature, location and extent of all the improvements.

PART 2.

An Estimate of the cost for the improvements to be maintained and/or improved for a given fiscal year includes labor, water, electricity, materials, and appurtenances. The annual costs for the public improvements, by benefit zone, are estimated as follows:

Benefit Zone 107 Quantities

<u>Location</u>	<u>Square Feet (SF)</u>		<u>Irrigated SF</u>		<u>Trees</u>	
	<u>Medians</u>	<u>Parkways</u>	<u>Medians</u>	<u>Parkways</u>	<u>Medians</u>	<u>Parkways</u>
Perris Boulevard	4,000	8,309	2,833	8,309	17	10
Rider Street	14,074	13,509	9,969	13,509	35	66
Indian Avenue	<u>19,166</u>	<u>5,196</u>	<u>13,575</u>	<u>5,196</u>	<u>17</u>	<u>15</u>
Totals	37,240	27,014	26,377	27,014	69	91

Benefit Zone 107 Annual Cost Estimate

<u>Item</u>	<u>Medians</u>	<u>Parkways</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Annual Cost</u>		<u>Total</u>
					<u>Medians</u>	<u>Parkways</u>	
Maintenance	26,377	27,014	SF	\$0.52	\$13,716.04	\$14,047.28	\$27,763.32
Plant Replace	127	130	SF	15.75	2,000.25	2,047.50	4,047.75
Tree Trimming	35	46	Each	80.00	2,800.00	3,680.00	6,480.00
Rock Cobble	3,259	0	SF	0.55	<u>1,792.45</u>	<u>00.00</u>	<u>1,792.45</u>
Subtotal					\$20,308.74	\$19,774.78	\$40,083.52
Contingency					<u>2,030.87</u>	<u>1,977.48</u>	<u>4,008.35</u>
Total Maintenance					\$22,339.61	\$21,752.26	\$44,091.87
Incidentals					2,233.96	2,175.23	4,409.19
Balance to Assessment					\$24,573.57	\$23,927.49	\$48,501.06

Benefit Zone 108 Quantities

<u>Location</u>	<u>Square Feet (SF)</u>		<u>Irrigated SF</u>		<u>Trees</u>	
	<u>Medians</u>	<u>Parkways</u>	<u>Medians</u>	<u>Parkways</u>	<u>Medians</u>	<u>Parkways</u>
Morgan Street	0	9,288	0	9,288	0	0
Morgan Easement	0	8,300	0	8,300	0	0
Indian Avenue	<u>5,982</u>	<u>6,822</u>	<u>4,237</u>	<u>6,822</u>	<u>12</u>	<u>15</u>
Totals	5,982	24,410	4,237	24,410	12	15

Benefit Zone 108 Annual Cost Estimate

<u>Item</u>	<u>Medians</u>	<u>Parkways</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Annual Cost</u>		<u>Total</u>
					<u>Medians</u>	<u>Parkways</u>	
Maintenance	4,237	24,410	SF	\$0.52	\$2,203.24	\$12,693.20	\$14,896.44
Plant Replace	20	117	SF	15.75	315.00	1,842.75	2,157.75
Tree Trimming	6	8	Each	80.00	480.00	640.00	1,120.00
Rock Cobble	524	0	SF	0.55	<u>288.20</u>	<u>00.00</u>	<u>288.20</u>
Subtotal					\$3,286.44	\$15,175.95	\$18,462.39
Contingency					<u>328.64</u>	<u>1,517.60</u>	<u>1,846.24</u>
Total Maintenance					\$3,826.08	\$16,693.55	\$20,308.63
Incidentals					361.51	1,669.35	2,030.86
Balance to Assessment					\$3,976.59	\$18,362.90	\$22,339.49

The maximum annual assessment is based on the estimated cost of maintaining the improvements at maturity. The annual assessment levied will be based on the actual annual expenses incurred each Benefit Zone.

Due to the soil, water, exposure, and pedestrian traffic, plant replacement is estimated at a 3% die-off rate at 2-feet on-center. Tree trimming is scheduled to occur every other year.

Incidental costs include annual engineering, legal, City Clerk, Finance Department, and Public Works expenses, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

A 6-month tax roll reserve provides funding for the cost of servicing and maintenance prior to the receipt of tax collections from the County of Riverside. The fiscal year begins July 1 and the first installment from the tax roll collections is usually distributed by the County of Riverside the following January.

A 6-month tax roll reserve, based on the annual cost of each category of the improvements is listed below.

<u>6-Month Tax Roll Reserve</u>			
<u>Benefit Zone</u>	<u>Medians</u>	<u>Parkways</u>	<u>Total</u>
107	\$12,286.78	\$11,963.74	\$24,250.53
108	<u>1,988.29</u>	<u>9,181.45</u>	<u>11,169.74</u>
Totals	\$14,275.07	\$21,145.19	\$35,420.26

The developer shall be responsible for the maintenance and upkeep of the public landscaping set forth herein for a period of one year after acceptance of the improvements by the City. Benefit Zone 107 and Benefit Zone 108, for the fiscal year commencing July 1, 2014 to June 30, 2015, will incur zero costs.

PART 3. The Assessment Roll shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of Benefit Zone 107 and Benefit Zone 108, as shown on the Diagram, enclosed herein as Part 4.

The area within Parcel Map 36462 specifically benefits from the maintenance of the medians and parkways along the streets that provide ingress and egress to the parcels. The improvements benefiting the parcels were required as a condition of approval for Parcel Map 36462.

If the property owner maintains the parkways, the annual assessment will be levied only for the maintenance of the median. If the property owner does not maintain the parkways to standard, the City will assume maintenance and the maximum assessment for the medians and the parkways will be levied.

The method of assessment is based on units, with one benefit unit assigned to each benefit zone. The current maximum annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the public improvements and appurtenant facilities, per benefit zone, is equal to the following:

<u>Benefit Zone</u>	<u>Benefit Unit</u>	<u>Current Maximum Annual Assessment</u>		
		<u>Medians</u>	<u>Parkways</u>	<u>Total</u>
107	1.00	\$24,573.57	\$23,927.49	\$48,501.06
108	1.00	<u>3,976.59</u>	<u>18,362.90</u>	<u>22,339.49</u>
Totals		\$28,550.16	\$42,290.39	\$70,840.55

The annual assessments are subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years,
- 2) the Southern California Edison rate increase(s) effective in subsequent years, and
- 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2014 to June 30, 2015, reference is made to the Assessment Roll included herein as Attachment No. 1.

PART 4. A Diagram of the Annexation. The boundary of the area to be annexed is coincident with PM 36462. Said boundary is designated as "Diagram of Annexation of PM 36462 to Benefit Zone 107 and Benefit Zone 108, Landscape Maintenance District No. 1, City of Perris, County of Riverside, State of California". The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

PART 5. A Consent and Waiver for Annexation to the District has been signed by the owner of the area within the proposed annexation. Said consent and waiver is included herein as Attachment No. 3.

**Assessment Roll
Annexation of PM 36462 to
Benefit Zone 107 and Benefit Zone 108,
Landscape Maintenance District No. 1, City of Perris**

<u>Benefit Zone and Assessment Number</u>	<u>Assessor Parcel Number</u>	<u>Estimated Annual Assessment</u>	<u>Fiscal Year 2014/2015</u>
107	303-090-002		
107	303-090-003		
107	303-090-004		
107	303-090-005		
107	303-090-006		
107	303-090-007		
107	303-090-008		
107	303-090-009		
107	303-090-010		
107	303-090-011		
107	303-090-012		
107	303-090-013		
107	303-090-014		
107	303-090-015		
107	303-090-016		
107	303-090-017		
107	303-090-018		
107	303-090-019		
107	303-090-020		
Total Benefit Zone 107		\$48,501.06	\$00.00
Benefit Zone 108	303-080-005	\$22,339.49	\$00.00
Total Parcel Map 36462		\$70,840.55	\$00.00

The Estimated Annual Assessment amount is subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years,
- 2) the Southern California Edison rate increase(s) effective in subsequent years, and
- 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

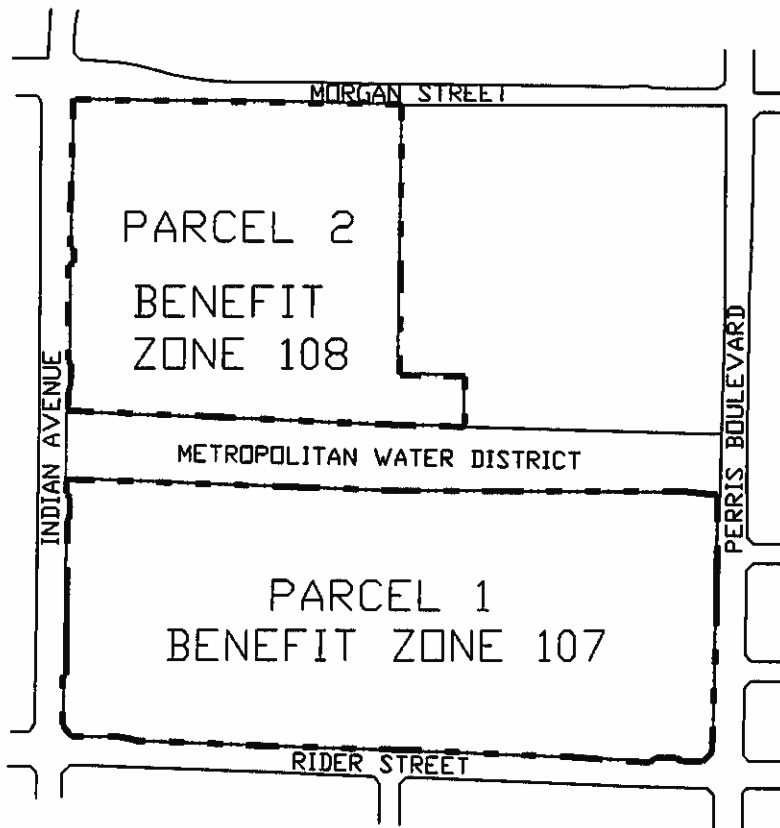
DIAGRAM OF ANNEXATION OF
PARCEL MAP 36462 TO BENEFIT ZONE 107
AND BENEFIT ZONE 108
LANDSCAPE MAINTENANCE DISTRICT NO. 1

CITY OF PERRIS

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



NOT TO SCALE



LEGEND

- ANNEXATION AND BENEFIT ZONE BOUNDARY
- PARCEL BOUNDARY

REFERENCE THE RIVERSIDE COUNTY ASSESSOR MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

SHEET 1 OF 1

CONSENT AND WAIVER TO ANNEXATION

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA, has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, said special maintenance districts known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 and MAINTENANCE DISTRICT NO. 84-1 (hereinafter referred to as the "Maintenance Districts"); and,

WHEREAS, the provisions of Article II of Chapter 2 of the Act authorize the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA to order the annexation of territory to the Maintenance Districts; and,

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA may, pursuant to said provisions of the Act, order the annexation of territory to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" as would otherwise be required by the provisions of the Act if all of the owners of property within the territory proposed to be annexed, have given written consent to the proposed annexation; and,

WHEREAS, the undersigned, the owners of all property within the territory proposed to be annexed to the Maintenance Districts, acknowledge that pursuant to the provisions of the Act, the undersigned would be entitled to notice and hearing and the preparation of an Engineer's "Report" pertaining to the annexation of the property, acknowledge that they are aware of the proposed annexation to the Maintenance Districts of the property owned by the undersigned, and waives any and all right which the undersigned may now have to notice and hearing or the filing of an Engineer's "Report" pertaining to the annexation of the undersigned's property to the Maintenance Districts.

NOW, THEREFORE, it is hereby declared by the undersigned property owners as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the undersigned, constituting the owners of the property described in Exhibit "A" attached hereto and incorporated herein by this reference and further constituting all of the property within the territory proposed to be annexed to the Maintenance Districts, hereby consent to the proposed annexation of said property to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" pertaining to such annexation.

Dated: 9-10-2014

[Handwritten Signature]

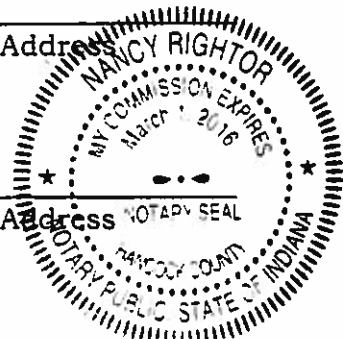
Property Owner Name
Jason F. Sturman

Property Owner Name

Duke Realty LP
8001 Irvine Center Dr. STE 1450
Irvine, CA 92618

Property Owner Address

Property Owner Address



Please have notarized

RESOLUTION NUMBER XXX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PERRIS, COUNTY OF RIVERSIDE, STATE OF
CALIFORNIA, OF PRELIMINARY APPROVAL OF
ENGINEER'S REPORT FOR ANNEXATION OF PM 36462
TO BENEFIT ZONE 107 AND BENEFIT ZONE 108, CITY OF
PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER
1**

WHEREAS, on the 10th day of March, 2015, the City Council of the City of Perris, County of Riverside, California ("the City Council") adopted its Resolution Number _____ directing the Engineer of Work to prepare and file with the City Clerk of said City a report in writing as required by the Landscaping and Lighting Act of 1972; and

WHEREAS, said Engineer of Work has prepared and filed with the City Clerk of said City a report (the "Engineer's Report") in writing as called for in said resolution and under and pursuant to said act, which report has been presented to this City Council for consideration; and

WHEREAS, said City Council has duly considered said report and each and every part thereof, and finds that each and every part of said report is sufficient, and that no portion of the report requires or should be modified in any respect.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris as follows:

Section 1. That the Engineer's estimate prepared by the City Engineer of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said report be, and each of them are hereby, preliminarily approved and confirmed.

Section 2. That the diagram showing the District referred to and described in said report, the boundaries of the subdivisions of the land within said District as the same existed at the time of passage of said Resolution, is hereby preliminarily approved and confirmed.

Section 3. That the proposed assessment upon the subdivisions of land in said District is in proportion to the estimated benefit to be received by said subdivision, respectively, from said work and of the incidental expenses thereof, as contained in said report is hereby preliminarily approved and confirmed.

Section 4. That said report shall stand as the Engineer's Report for the purposes of all subsequent proceedings, and pursuant to the proposed District.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

RESOLUTION NUMBER XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 107 AND BENEFIT ZONE 108, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 107 AND BENEFIT ZONE 108, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF PM 36462 TO BENEFIT ZONE 107 AND BENEFIT ZONE 108, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

The City Council of the City of Perris, pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California, does resolve as follows:

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, California, as follows:

Section 1. Description of Work: That the public interest and convenience requires and it is the intention of the City Council of the City of Perris to order the following work be done, to wit:

1. Installation, construction, maintenance, and servicing of landscaping as authorized by Section 22525 of the Streets and Highways Code, State of California.
2. Any and all work and materials appurtenant thereto or which are necessary or convenient for the maintenance and servicing thereof.

Section 2. Location of Work: The improvements to be maintained and serviced include the irrigation system, landscaping, and appurtenances benefiting PM 36462 and located along the exterior boundary of each benefit zone as follows:

Benefit Zone 107, Parcel 1, PM 36462

- Medians within Perris Boulevard, Rider Street and Indian Avenue
- Parkways along Perris Boulevard, Rider Street and Indian Avenue

Benefit Zone 108, Parcel 2, PM 36462

- Medians within Indian Avenue
- Parkways along Indian Avenue and Morgan Street, including the public utility easement located at the corner of Indian Avenue and Morgan Street and extending easterly along Morgan Street

The improvements are located in public rights-of-way and easements.

Section 3. Description of Assessment District: That the contemplated work, in the opinion of said City Council, is of more local than ordinary public benefit, and this City Council hereby makes the expense of said work chargeable upon a District, which said District is assessed to pay the costs and expenses thereof, and which District is described as follows:

All that certain territory of the City of Perris included within the exterior boundary lines shown upon that certain "Diagram of Annexation of PM 36462 to Benefit Zone 107 and Benefit Zone 108, Landscape Maintenance District Number 1" heretofore approved by the City Council of said City by Resolution No ____, indicating by said boundary line the extent of the territory included within the proposed assessment district and which map is on file in the office of the City Clerk of said City.

Reference is hereby made to said map for a further, full, and more particular description of said assessment district, and the said map so on file shall govern for all details as to the extent of said assessment district.

Section 4. Report of Engineer: The City Council of said City by Resolution Number ____ has preliminarily approved the report of the Engineer of Work which report indicated the amount of the proposed assessment, the district boundaries, assessment zones, detailed description of improvements, and the method of assessment. The report titled "Engineer's Report for Annexation of PM 36462 to Benefit Zone 107 and Benefit Zone 108, Landscape Maintenance District Number 1", is on file in the office of the City Clerk of said City. Reference to said report is hereby made for all particulars for the amount and extent of the assessments and for the extent of the work.

Section 5. Collection of Assessments: The assessment shall be collected at the same time and in the same manner as taxes for the County of Riverside are collected. The Engineer of Work shall file a report annually with the City Council of said City and said City Council will annually conduct a hearing upon said report at their regular meeting before August 10th, at which time assessments for the next Fiscal Year will be determined. That the annual assessment reflecting the reasonable cost of providing for the maintenance, servicing and operation of the public landscaping and appurtenant facilities is equal to \$48,501.06 for Benefit Zone 107 and \$22,339.49 for Benefit Zone 108, plus inflation factors not to exceed 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, 2) the Southern California Edison rate increase(s) effective in subsequent years, and 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

Section 6. Time and Place of Public Hearing: Notice is hereby given that on May 12, 2015, at 6:00 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, is hereby fixed as the time and place for a hearing by this City Council on the question of the levying and collection of the proposed assessments. That any and all persons having any objections to the work or the extent of the annexation to the assessment district may appear and show cause why said work should not be done or carried out or why said annexation to the district should not be confirmed in accordance with this Resolution of Intention. City Council will consider all oral and written protests.

Section 7. Landscaping and Lighting Act of 1972: All the work herein proposed shall be done and carried through in pursuance of an act of the legislature of the State of California designated the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California.

Section 8. Publication of Resolution of Intention: The City Clerk shall cause this Resolution of Intention to be published three times as required by Section 22626 and 22552 of the California Streets and Highways Code, with the first publication occurring no later than 45 days prior to the public hearing at which the City Council will consider levying the proposed special assessments. The published notice will encompass one-eighth of a newspaper page. The Perris Progress is hereby designated as the newspaper in which the City Clerk shall publish this Resolution of Intention. Upon completion of giving notice, the City Clerk is further directed to file in her office a proof of publication setting forth compliance with the requirements for publishing.

Section 9. Mailing of Notice: The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of Section 54953 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

Section 10. Designation of Contact Person: That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

Section 11. Certification: The City Clerk shall certify to the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date March 10, 2015

SUBJECT: Annexation of PM 36462 to Flood Control MD No. 1

REQUESTED ACTION: Adoption of Resolution of Intention to Annex PM 36462 to Flood Control Maintenance District No. 1 and set a public hearing date of May 12, 2015

CONTACT: Habib Motlagh, City Engineer

BACKGROUND/DISCUSSION: PM 36462 is a 95.74-acre project located on the northeast corner of Indian Avenue and Rider Street. The project is under the ownership of Duke Realty LP.

As a condition of approval, the project is required to annex into FCMD 1. This district provides revenue for the annual maintenance of interior streets (residential only) and flood control improvements installed in conjunction with new development.

The project will benefit from the maintenance and servicing of the public flood control facilities that protect PM 36462 from inundation. The public facilities include catch basins, transition structures, 8-inch PVC in medians, and 18-, 24- and 36-inch reinforced concrete pipe.

BUDGET (or FISCAL) IMPACT: The maximum annual assessment is \$13,624.60, plus inflation factors 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years, 2) the Southern California Edison rate increase(s) effective in subsequent years, and 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

Reviewed by:

Assistant City Manager 

City Attorney _____

Attachments: 1. Engineer's Report
2. Resolution of Intention to Annex PM 36462 to Flood Control MD No. 1

Consent:

AGENCY: City of Perris

**PROJECT: Annexation of PM 36462
To Benefit Zone 79 and Benefit Zone 80, Flood Control Maintenance District No. 1**

**TO: City Council
City of Perris
State of California**

REPORT PURSUANT TO "BENEFIT ASSESSMENT ACT OF 1982"

Pursuant to the direction from the City Council of the City of Perris, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Part 1 of Division 2 of Title 5 of the Government Code of the **STATE OF CALIFORNIA**, being the "Benefit Assessment Act of 1982", as amended, commencing with Section 54703. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2014 to June 30, 2015, for that area to be known and designated as:

**"Annexation of PM 36462
To Benefit Zone 79 and Benefit Zone 80, Flood Control Maintenance District No. 1"**

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefor and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 10th day of March, 2015

**HABIB M. MOTLAGH, City Engineer
CITY OF PERRIS
STATE OF CALIFORNIA**

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 12th day of May 2015, by adoption of Resolution No. _____ of the City Council.

**NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA**

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 10th day of March 2015.

**NANCY SALAZAR, City Clerk
CITY OF PERRIS
STATE OF CALIFORNIA**

Report

PART 1. **A General Description** of the flood control improvements includes facilities that will accommodate the storm flow impacting PM 36462. These public improvements are generally described as catch basins, parkway catch basins with grates, storm drain pipe, transitions structures and appurtenances that convey the flow from the street to the Perris Valley Storm Drain Channel.

Maintenance and upkeep of these storm drainage facilities includes, but is not be limited to, general cleanup and debris removal, inspections, stenciling, replacement and repairs. Annual photo documentation is scheduled to take place, along with silt removal as required. Depending on that year's storm drain flow and the level of debris in the flow, a system cleaning may be required after the first rain and again during or at the end of the rainy season.

PART 2. **Plans and Specifications** for the improvements to be maintained for a fiscal year have been approved by the City of Perris. The improvements are identified on the plans and specifications prepared by Huitt-Zollars, Inc. that are entitled "Storm Drain Improvement Plans for Perris Ridge Commerce Center II, Indian Avenue, Rider Street & Perris Blvd., City of Perris, California".

Benefit Zone 79 specifically benefits from the improvements identified on these plan and specifications as Line A and Line C. Benefit Zone 80 specifically benefits from the improvements labeled as Line B. The improvements are further described as follows:

Line A: catch basins, transitions structures, 8" PVC in medians, and 18", 24" and 36" reinforced concrete pipes

Line B: catch basins, transitions structures, 8" PVC in medians, and 18" and 24" reinforced concrete pipes

Line C: catch basins, transitions structures, 8" PVC in medians, and 24" reinforced concrete pipes

The improvements labeled as Line D specially benefit other properties and are not to be maintained by or assessed to Benefit Zones 79 and 80. Reference is also made to the plans and specifications prepared by Thienes Engineering, Inc. for the Riverside County Flood Control and Water Conservation District that are entitled "Perris Valley MDP, Line "A-B". The laterals shown on these plans that are to be maintained by the City of Perris specially benefit other properties and are not to be maintained by or assessed to Benefit Zones 79 and 80.

The plans and specifications have been approved by both the City Engineer for the City of Perris and the Chief Engineer for the Riverside County Flood Control and Water Conservation District and are on file in the City of Perris Office of Community Development. The plans and specifications sufficiently show and describe the general nature, location and extent of the improvements, and by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto.

PART 3. An Estimate of the cost for the public improvements to be maintained and/or improved for a given fiscal year includes labor, equipment, materials, and appurtenances. The estimated annual cost for maintenance of the facilities, by benefit zone, is listed below.

<u>Item</u>	<u>Annual Cost Estimate</u>		<u>Total</u>
	<u>Benefit Zone 79</u>	<u>Benefit Zone 80</u>	
Storm Drain Maintenance	\$8,660.00	\$2,600.00	\$11,260.00
Contingency	<u>866.00</u>	<u>260.00</u>	<u>1,126.00</u>
Subtotal	\$9,526.00	\$2,860.00	\$12,386.00
Incidentals	952.60	\$286.00	1,238.60
Total Annual Costs	\$10,478.60	\$3,146.00	\$13,624.60

Incidentals and contingency costs include annual engineering, legal, City Clerk, and finance expenses to the District, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

With service intervals and staggered maintenance operations, revenue requirements for maintenance will fluctuate year to year. Each year's maintenance operations will be funded by that year's assessment plus the fund balance remaining from prior year assessments.

A 6-month tax roll reserve provides funding for the cost of servicing and maintenance prior to the receipt of tax collections from the County of Riverside. The fiscal year begins July 1 and the first installment from the tax roll collections are usually distributed by the County of Riverside the following January. A 6-month tax roll reserve for the current maintenance of the flood control facilities and incidental costs is estimated to be \$5,239.30 for Benefit Zone 79 and \$1,573.00 for Benefit Zone 80.

When the improvements are accepted, the City of Perris will assume the expenses of maintaining the improvements twelve months from the acceptance date. Zero costs will be incurred for the fiscal year commencing July 1, 2014 to June 30, 2015.

PART 4 The Assessment Roll shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of the Diagram, enclosed herein as Part 5.

The improvements to be maintained will accommodate the storm flow impacting PM 36462. The public flood control improvements to be maintained specifically benefits the area within the area of the annexation; and, the improvements are required for the approval of, and as a consequence of, development of this area.

It is noted that the maintenance of all storm drain facilities located within the inside property-line is the responsibility of the property owner.

The method of assessment is based on units, with one benefit unit assigned to each benefit zone. The current maximum annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the public improvements and appurtenant facilities, per benefit zone, is equal to the following:

<u>Benefit Zone</u>	<u>Assessed Benefit Unit</u>	<u>Current Maximum Annual Assessment</u>
FCBZ 79	1.00	\$10,487.60
FCBZ 80	1.00	<u>3,146.00</u>
Totals		\$13,624.60

The annual assessments are subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years,
- 2) the Southern California Edison rate increase(s) effective in subsequent years, and
- 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2014 to June 30, 2015, reference is made to the Assessment Roll included herein as Attachment No. 1.

PART 5. **A Diagram of the Annexation.** The boundary of the area to be annexed is coincident with PM 36462. Said boundary is designated as "Diagram of Annexation of PM 36462 to Benefit Zone 79 and Benefit Zone 80, Flood Control Maintenance District No. 1, City of Perris, County of Riverside, State of California". The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

PART 6. **A Petition for Annexation** to the District has been signed by the owner of the area within the proposed annexation. Said petition is included herein as Attachment No. 3.

Assessment Roll

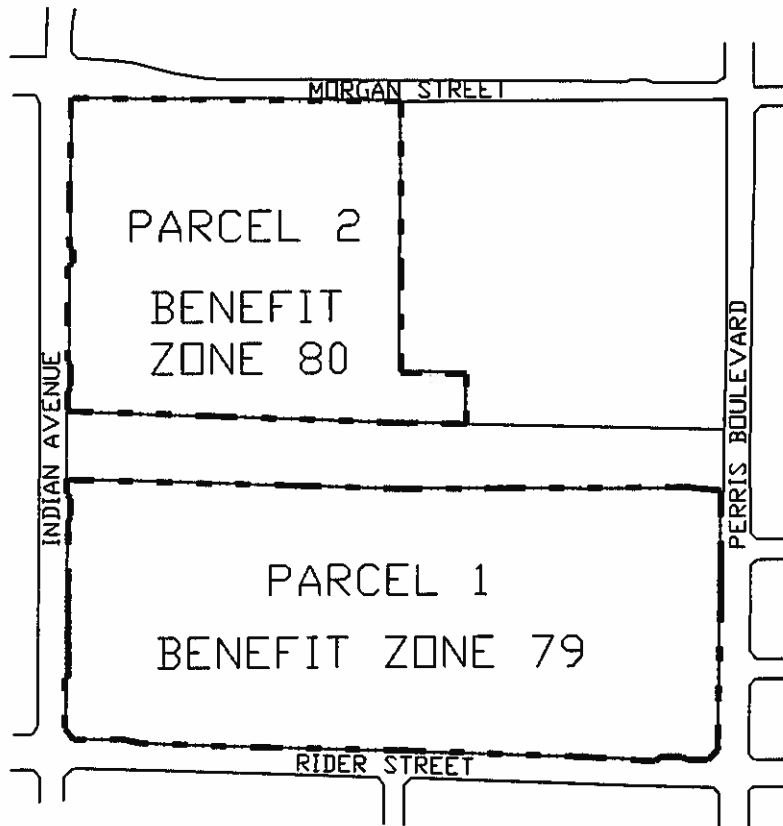
**Annexation of PM 36462 to
Benefit Zone 79 and Benefit Zone 80,
Flood Control Maintenance District No. 1, City of Perris**

<u>Benefit Zone and Assessment Number</u>	<u>Assessor Parcel Number</u>	<u>Estimated Annual Assessment</u>	<u>Fiscal Year 2014/2015</u>
79	303-090-002		
79	303-090-003		
79	303-090-004		
79	303-090-005		
79	303-090-006		
79	303-090-007		
79	303-090-008		
79	303-090-009		
79	303-090-010		
79	303-090-011		
79	303-090-012		
79	303-090-013		
79	303-090-014		
79	303-090-015		
79	303-090-016		
79	303-090-017		
79	303-090-018		
79	303-090-019		
79	303-090-020		
Total Benefit Zone 79		\$10,487.60	\$00.00
Benefit Zone 80	303-080-005	3,146.00	00.00
Total Parcel Map 36462		\$13,624.16	\$00.00

The annual assessments are subject to inflation factors not to exceed:

- 1) the "Common Labor, Construction Cost Index", as published by Engineering News Record in subsequent years,
- 2) the Southern California Edison rate increase(s) effective in subsequent years, and
- 3) the Eastern Municipal Water District rate increase(s) effective in subsequent years.

DIAGRAM OF ANNEXATION OF
PARCEL MAP 36462 TO BENEFIT ZONE 79
AND BENEFIT ZONE 80
FLOOD CONTROL MAINTENANCE DISTRICT NO. 1
CITY OF PERRIS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



LEGEND

- ANNEXATION AND BENEFIT ZONE BOUNDARY
- PARCEL BOUNDARY

REFERENCE THE RIVERSIDE COUNTY ASSESSOR MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

SHEET 1 OF 1

**PETITION FOR THE ANNEXATION TO A BENEFIT ASSESSMENT DISTRICT TO
FINANCE THE MAINTENANCE OF CERTAIN PUBLIC IMPROVEMENTS**

**BEFORE THE CITY COUNCIL OF THE CITY OF PERRIS,
STATE OF CALIFORNIA**

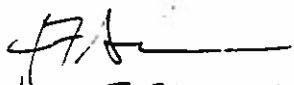
In the matter of the proposed)
Annexation to City of Perris)
Flood Control Maintenance District No. 1)

TO: The City Council of the City of Perris

We, the undersigned, hereby:

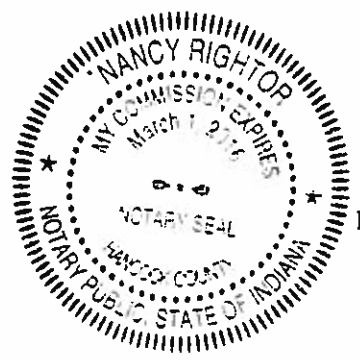
- (1) Petition you to initiate and complete all necessary proceedings under the Benefit Assessment Act of 1982, Chapter 6.4 (commencing with Section 54703) of Part 1 of Division 2 of Title 5 of the California Government Code for the annexation to a benefit assessment district for the maintenance of certain flood control improvements which benefit the property described on Exhibit "A" attached hereto and incorporated herein by this reference to the Maintenance District.
- (2) Certify that the proposed annexation to a benefit assessment district that will be subject to assessment for maintenance of such improvements, is that real property in the City of Perris, County of Riverside, State of California, generally described on Exhibit "A" attached hereto and incorporated herein by this reference to the Maintenance District.
- (3) Certify that we constitute the owners(s), including mortgagees or beneficiaries under any existing mortgage or subject to assessment for the proposed annexation, of the property in the proposed annexation to a benefit assessment district, as shown by the last equalized assessment roll used by the County of Riverside at the time this Petition is filed and also constitute the owner(s) of sixty percent (60%) of the area of all assessable lands within the proposed annexation to a benefit assessment district.
- (4) In order to expedite the project, agree to dedicate all necessary rights-of-way or easements as determined necessary for maintenance of the public improvements.

Dated: 9-10-2014


JASON. F. STURMAN

Property Owner name and address
DUKE REALTY LP
8001 IRVINE CENTER DR., STE 1450
IRVINE, CA 92618

Property Owner name and address

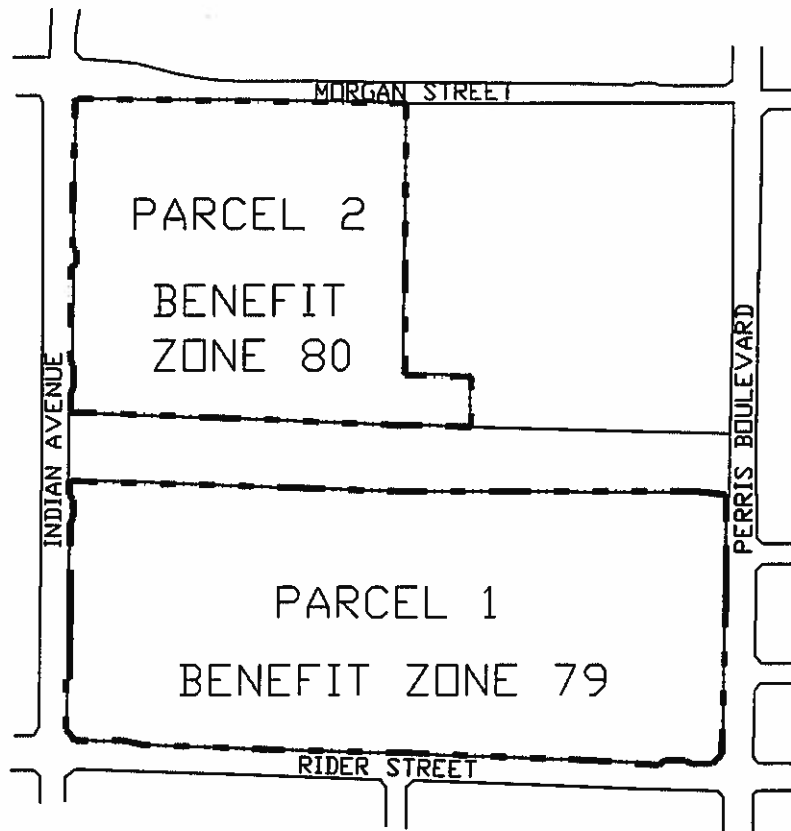


Please have notarized

EXHIBIT "A" TO PETITION FOR
ANNEXATION OF PARCEL MAP 36462 TO BENEFIT ZONE 79
AND BENEFIT ZONE 80
FLOOD CONTROL MAINTENANCE DISTRICT NO. 1

CITY OF PERRIS

COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



LEGEND

- ANNEXATION AND BENEFIT ZONE BOUNDARY
- PARCEL BOUNDARY

REFERENCE THE RIVERSIDE COUNTY ASSESSOR MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

SHEET 1 OF 1

RESOLUTION NUMBER XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO AUTHORIZE LEVYING ASSESSMENTS UPON CERTAIN PARCELS OF REAL PROPERTY, TO ORDER ANNEXATION OF PM 36462 TO BENEFIT ZONE 79 AND BENEFIT ZONE 80, FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, PURSUANT TO THE BENEFIT ASSESSMENT ACT OF 1982; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON MAY 12, 2015

WHEREAS, the City Council of the City of Perris, County of Riverside, California ("this City Council"), wishes to provide continued financing for necessary maintenance of certain flood control and drainage improvements within the boundaries of PM 36462 through the levy of benefit assessments pursuant to the provisions of Chapter 6.4 (commencing with Section 54703) of Part 1 of Division 2 of Title 5 of the California Government Code commonly known as the "Benefit Assessment Act of 1982", (the "Act"); and

WHEREAS, Duke Realty, LP, (the "Owners") have presented signed petitions to the City Council requesting the annexation of PM 36462 to a benefit assessment district to finance the maintenance of those certain drainage and flood control improvements permitted pursuant to Sections 54710 and 54710.5 of the Act (the "Improvements") which benefit properties within PM 36462; and

WHEREAS, the City Council now proposes to levy benefit assessments under the provisions of the Act to insure continued financing to maintain the Improvements pursuant to the Act, all for the benefit of parcels within PM 36462; and

WHEREAS, to accomplish such purposes, the City Council proposes to annex PM 36462 to Benefit Zone 79 and Benefit Zone 80, Flood Control Maintenance District No. 1.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, California, as follows:

Section 1. The public interest, convenience, and necessity require, and it is the intention of the City Council pursuant to the provisions of the Act to maintain the Improvements for the benefit of the properties within the area of benefit.

Section 2. Maintenance of the improvements will be of direct benefit to parcels within PM 36462 which are hereby declared to be the properties benefited by the Improvements and to be assessed to pay the cost and expenses thereof. The area of benefit shall be all that part of the City within the boundaries shown on the map entitled "Diagram of Annexation of PM 36462 to Benefit Zone 79 and Benefit Zone 80, Flood Control Maintenance District Number 1" on file in the office of the City Clerk of the City of Perris, California.

Section 3. At least forty-five (45) days prior to the date set for the hearing on the proposed assessment, the Assessment Engineer is hereby directed to file with the City Clerk a written report (the "Engineer's Report") pursuant to the Act, Government Code Section 53753 and Article XIID of the Constitution of the State of California, containing the following:

- a. A description of the service proposed to be financed through the revenue derived from the benefit assessments.
- b. A description of each lot or parcel of property proposed to be subject to the benefit assessments. The assessor's parcel number or Tract Map number shall be a sufficient description of the parcel.
- c. The amount of the proposed assessment for each parcel.
- d. The basis and schedule of the assessments.
- e. Other such matters as the Assessment Engineer shall deem appropriate.

Section 4. On the 12th day of May, 2015, at 6:00 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, the City Council will conduct a Protest Hearing at which time any and all persons having any objections to the work or extent of the annexation to the assessment district, may appear and show cause why said work should not be done or carried out in accordance with this Resolution of Intention. The City Council will consider all oral and written protests.

Section 5. The City Clerk is hereby directed to publish notice of the hearing on the proposed assessment and notice of the filing of the Engineer's Report once a week for two successive weeks, with at least five days intervening between the respective publication dates, not counting such publication dates, in the Perris City News, a newspaper of general circulation within the area of benefit. The notice shall be 1/8 of a page in size and contain the following information:

- a. The amount of the assessment.
- b. The purpose of the assessment.
- c. The total estimated assessments expected to be generated annually.
- d. The method and frequency for collecting the assessment.
- e. The date, time, and location of the public hearing.
- f. The phone number and address of an individual that interested persons may contact to receive additional information about the assessment.

The notice shall be published at least forty-five (45) days prior to the public hearing.

Section 6. The City Clerk is also hereby instructed to give additional notice of the hearing and notice of the filing of the Engineer's Report by posting a copy of this resolution in three public places within the City of Perris.

Section 7. Said notice shall be posted and first published at least forty-five (45) days before the date set for the public hearing.

Section 8. The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments, including the Owners. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of Section 53753 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

Section 9. That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 10th day of March, 2015, by the following called vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

City Clerk, Nancy Salazar

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: Approve staff recommendation to contract with ActiveBidder® for Electronic Bidding Services for Public Projects

REQUESTED ACTION: Approve the use of ActiveBidder® for Electronic Bidding and Authorize the City Manager to execute any associated documents

CONTACT: Habib Motlagh, City Engineer

BACKGROUND/DISCUSSION:

On August 26, 2014 an Ordinance was brought to the City Council for consideration to approve the use of Electronic Bidding for Public Projects in the City of Perris. The Ordinance was approved by the City Council for 1st reading on August 26th and adopted at its 2nd reading on September 30, 2014. Ordinance Number 1307 became effective on October 30, 2014. On August 26, 2014 the City Council directed staff to interview companies and bring back a recommendation for approval by the City Council.

City Staff conducted the requested interviews and recommends that the City of Perris utilize ActiveBidder® for electronic bidding services.

ActiveBidder® is an electronic procurement service engineered to provide extreme ease of use and maximum flexibility to both vendors and agencies. The City of Perris will receive instant access to the complete list of registered vendors, present and future as well as all bid documents associated with bid submission. Vendors/bidders will be required to register. There is no cost associated with registration for vendors/bidders, and a link for registration will be placed on our website. Nominal charges apply at the time that the vendor/bidder chooses to submit a bid and are consistent with fees that are currently charged for bid packages. All bids will be stored indefinitely and the City of Perris will have the ability to search through and add to a reference library of bids and projects. ActiveBidder® is available at no charge to the City of Perris and includes unlimited training and 24/7 technical support.

BUDGET (or FISCAL) IMPACT:

There is no fiscal impact to the City of Perris. Vendors/bidders will need to register with ActiveBidder® and pay the subscription cost at the time of bid submission. There is no cost to the vendor/bidder to register.

RECOMMENDATION:

It is recommended that the City Council approve the use of ActiveBidder® for Electronic Bidding and authorize the City Manager to execute any associated documents.

Reviewed by: _____
City Attorney: _____
Assistant City Manager/Finance Director Ke

Consent: Yes
Public Hearing:
Business Item:

Attachments:
Ordinance Number 1307
Proposed Contract with Activebidder®

ORDINANCE NUMBER 1307

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS AMENDING CHAPTER 3.32 OF THE PERRIS MUNICIPAL CODE TO AUTHORIZE THE USE OF ELECTRONIC BIDDING AND UPDATE PURCHASING LIMITS FOR PUBLIC PROJECTS

WHEREAS, pursuant to Government Code the City Council of the City of Perris ("City Council") has adopted regulations pertaining to the procedures governing the City's procurement of supplies, services, and equipment; and

WHEREAS, Perris Municipal Code Chapter 3.32 establishes procedures for the purchase of supplies, services and equipment including formal and informal bidding procedures; and

WHEREAS, the City is committed to an open, transparent and efficient competitive bidding and procurement process; and

WHEREAS, the City believes that an electronic bidding process would provide a more efficient, user friendly and effective method to seek competitive pricing, products and services; and

WHEREAS, the City Council wishes to change its competitive bidding requirements to achieve these goals by allowing electronic bidding; and

WHEREAS, the City also desires to update the purchasing limits for informal and formal bids for public projects to be consistent with state law; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Recitals Incorporated. The foregoing Recitals are true and correct and incorporated herein as if set forth in full.

Section 2. Amendment. Chapter 3.32 of the Perris Municipal Code entitled "Purchasing and Informal Bid Procedures" is hereby amended as follows:

- Subsection A of section 3.32.240, entitled "Adoption of plans and bidding—Public projects", is amended to read in its entirety as follows:
 - "A. The city council shall adopt all plans, specifications, and working details for all public projects of more than one hundred seventy-five thousand dollars."
- Section 3.32.280 and its title are amended to read in its entirety as follows:
 - "3.32.280 Public projects under forty-five thousand dollars.

“Public projects of forty-five thousand dollars or less may be performed by the employees of the city by force account, by negotiated contract, or by purchase order.”

- The first sentence of Section 3.32.290, entitled “Informal bid procedures—Public projects”, is amended to read as follows:

“Public projects of one hundred seventy-five thousand dollars or less may be let to contract by the informal procedures set forth in this section.”

- The first sentence of Section 3.32.300, entitled “Formal bid procedures-Public projects” is amended to read as follows:

“Public projects of greater than one hundred seventy-five thousand dollars must be let to contract by the formal procedures set forth in this section.”

- Section 3.32.355, entitled “Electronic bidding alternative” is added to Chapter 3.32 and reads in its entirety as follows:

“Section 3.32.355 Electronic bidding alternative.

- A. Notwithstanding any contrary provision in this code, the use of electronic media is authorized for any formal and informal bidding process pursuant to this Chapter 3.32, including without limitation submission, identification, opening and reporting of bids electronically (“electronic bidding”), provided that it be in accordance with state law and the Perris Municipal Code. Electronic bidding shall include measures as the City deems appropriate for security of the bidding, approval and award processes and accurate retrieval or conversion of electronic information into a medium which permits inspection and copying. All electronic bids shall be submitted in a manner set forth in the notice of inviting bids and/or the bid instructions.
- B. The City may, in its sole discretion, require electronic bidding for any informal and formal bids authorized under this Chapter 3.32. If the City elects to use electronic bidding, then all bids must be submitted electronically consistent with the notice of inviting bids and/or bid instructions. If electronic bidding is not selected, then no bids may be submitted electronically.
- C. The term “mail” as used in, and other forms of written communication required under, this Chapter 3.32 includes electronic mail and facsimile.”

Section 3. No Repeal Of Other Provisions. Unless expressly modified or added herein, all provisions of Chapter 3.32 remain in full force and effect.

Section 4. Certification. The City Clerk shall certify to the passage and adoption of this Ordinance by the City Council and shall cause the same to be posted at the designated locations in the City, pursuant to Government Code Section 36933.

Section 5. Effective Date; Operative Date. This Ordinance shall become effective 30 days after its adoption, pursuant to Government Code Section 36937.

Section 6. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance, or any part thereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this chapter or part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the fact that any one or more sections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

ADOPTED, SIGNED and APPROVED this 30th day of September, 2014.



Mayor, Daryl R. Busch

ATTEST:



City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Ordinance Number 1307, introduced at a regular meeting of the City Council of the City of Perris held on the 26th day of August, 2014, was duly and regularly adopted by the City Council at a regular meeting thereof held on the 30th day of September, 2014, and that it was so adopted by the following called vote:

AYES: ROGERS, YARBROUGH, RODRIGUEZ, LANDERS, BUSCH
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE



City Clerk, Nancy Salazar

CITY OF PERRIS
CONTRACT SERVICES AGREEMENT FOR
ACTIVEBIDDER ELECTRONIC PROCUREMENT PLATFORM

This Contract Services Agreement ("Agreement") is made and entered into this ___ day of _____, 2015, by and between the City of Perris, a municipal corporation ("City"), and OmniPlatform Corporation (Activebidder), a California Corporation ("Consultant").

NOW, THEREFORE, the parties hereto agree as follows:

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all of the terms and conditions of this Agreement, Consultant shall perform the work or services set forth in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as *Exhibit "B"* and incorporated herein by this reference. In the event of a conflict between the provisions of *Exhibit "B"* and any other provisions of this Agreement, the provisions of *Exhibit "B"* shall govern.

1.2 Compliance With Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the City and any federal, state or local governmental agency of competent jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Consultant shall obtain, at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

2.0 COMPENSATION

2.1 Contract Sum. The consultant's sole compensation shall be from bid subscription fee charged to registered vendors, for each bid, as further described in Exhibit "C" attached hereto and incorporated here by reference.

3.0 COORDINATION OF WORK

3.1 Representative of Consultant. Lauren Brilliant is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work or services specified herein and make all decisions in connection therewith.

3.2 Contract Officer. The City's City Manager is hereby designated as being the representative the City authorized to act in its behalf with respect to the work and services

specified herein and make all decisions in connection therewith ("Contract Officer"). The City may designate another Contract Officer by providing written notice to Consultant.

3.3 Prohibition Against Subcontracting or Assignment. Consultant shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the City. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of City. Any such prohibited assignment or transfer shall be void.

3.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth on *Exhibit "A"*. Consultant shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City.

4.0 INSURANCE AND INDEMNIFICATION

4.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,00.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the City, its officers, employees and agents ("City Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the City and the City's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing thirty (30) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 4.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Consultant agrees that the provisions of this Section 4.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of

Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to this Section 4.1.

4.2 Indemnification.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless City and the City's Parties from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City and City's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

5.0 TERM

5.1 Term. Unless earlier terminated in accordance with Section 5.2 below, this Agreement shall continue in full force and effect until February 24, 2016 and shall automatically renew on an annual basis unless terminated by either party.

5.2 Termination Prior to Expiration of Term. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party. Upon receipt of the notice of termination, the Consultant shall immediately cease all work or services hereunder except as may be specifically approved by the Contract Officer. In the event of termination by the City, Consultant shall be entitled to compensation for all services rendered prior to the effectiveness of the notice of termination and for such additional services specifically authorized by the Contract Officer and City shall be entitled to reimbursement for any compensation paid in excess of the services rendered.

6.0 MISCELLANEOUS

6.1 Covenant Against Discrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through it, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Consultant shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

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

6.3 Conflict of Interest. No officer or employee of the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any state statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. When requested by the Contract Officer, prior to the City's execution of this Agreement, Consultant shall provide the City with an executed statement of economic interest.

6.4 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, City of Perris, 101 North "D" Street, Perris, CA 92570, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement.

6.5 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

6.6 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and that this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by a writing signed by both parties.

6.7 Severability. In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

6.8 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

6.9 Attorneys' Fees. If either party to this Agreement is required to initiate, defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment.

6.10 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST: "CITY"
CITY OF PERRIS

By: _____
Nancy Salazar, City Clerk

By: _____
Richard Belmudez, City Manager

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

Eric L. Dunn, City Attorney

"CONSULTANT"
OMNIPLATFORM-ACTIVEBIDDER

By: _____
Signature

Print Name and Title

By: _____
Signature

Print Name and Title

[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES

1. City shall receive instant access to the complete list of registered vendors, present and future.
2. City shall have the ability to search through, and add to, a reference library of all bids and projects. All bids shall be stored indefinitely.
3. City shall receive unlimited training and 24/7 technical support.
4. Consultant shall not impose size limit on uploaded files.
5. Consultant shall maintain bank-grade encryption for security of transmitted information.
6. Consultant shall not be liable for content of bid packages.
7. City shall make final determination, as to when to use the consultant's services, for each project, and may use alternate processes at City's sole discretion.

EXHIBIT "B"
SPECIAL REQUIREMENTS

Not Applicable

EXHIBIT "C"

COMPENSATION

Each bid has a onetime subscription fee for security and resource usage, charged to the registered vendor, upon subscribing to a bid. This fee shall constitute Consultants sole compensation. There shall be no charge to the vendor to register.

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: Resolution Establishing the Date and Time for Regular City Council Meetings

REQUESTED ACTION: That the City Council adopt Resolution No. ____ [next in order] entitled:

“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ESTABLISHING THE DATE AND TIME OF REGULAR CITY COUNCIL MEETINGS”

CONTACT: Eric Dunn, City Attorney

Background/Discussion:

On January 13, 2015, the City Council directed the City Attorney to prepare an ordinance amending the Municipal Code to authorize a change in the start time of City Council Meetings. On January 27, 2015, the City Council introduced the first reading of Ordinance 1311 to amend Municipal Code Chapter 2.04 to authorize the City Council to designate the time for Council Meetings by resolution. On February 10, 2015, the City Council adopted Ordinance 1311, waiving any further reading.

Pursuant to the amended Chapter 2.04 of the Municipal Code, the City Council shall, from time to time, adopt a resolution prescribing the date and time for all regular meetings. The proposed resolution will establish the time for all regular City Council meetings at six p.m. on the second and last Tuesdays of each month. Whenever the day and the time for holding any of the regular City Council meetings falls on a holiday, the meeting shall be held on the next business day unless otherwise ordered by the City Council at a prior meeting.

Budget (or Fiscal) Impact:

None.

Reviewed by:

City Attorney X

Assistant City Manager *ED*

Attachments:

Consent: X

Public Hearing:

Business Item:

Other:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ESTABLISHING THE DATE AND TIME OF REGULAR CITY COUNCIL MEETINGS

WHEREAS, Government Code Section 54954(a) requires the City Council to provide by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by the City, the time and place for holding regular meetings; and

WHEREAS, Perris Municipal Code Section 2.04.010 requires the City Council to adopt a resolution from time to time, prescribing the date and time for all regular meetings; and

WHEREAS, in accordance with applicable laws, the City Council wishes to commence regular City Council meetings at six p.m., on the second and last Tuesdays of each month.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS does resolve as follows:

Section 1. The above recitals are all true and correct and incorporated herein by reference.

Section 2. The start time for all regular City Council meetings shall be six o'clock p.m. The date for all regular City Council meetings shall be the second and last Tuesdays of each month. Whenever the day and the time for holding any of the regular City Council meetings falls on a holiday, the meeting shall be held on the next business day unless otherwise ordered by the City Council at a prior meeting.

Section 3. The City Council declares that should any provision, section, paragraph, sentence, or word of this Resolution be rendered or declared invalid by any court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this Resolution shall remain in full force and effect.

Section 4. The Mayor shall sign this Resolution and the Clerk shall certify to the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this ____th day of _____, 2015.

Daryl R. Busch, Mayor

ATTEST:

Nancy Salazar, City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, City Clerk of the City of Perris do hereby certify that the foregoing Resolution Number ____ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held on the ____th day of _____2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:


Nancy Salazar, City Clerk

**CITY COUNCIL
AGENDA SUBMITTAL**

Meeting Date: March 10, 2015

SUBJECT: City of Perris General Plan Housing Element, 2014 Annual Progress Report

REQUESTED ACTION: That the City Council approve the 2014 Annual Progress Report for the General Plan Housing Element.

CONTACT: Darren Madkin, Deputy City Manager 

BACKGROUND/DISCUSSION:



On August 27, 2013, the City Council adopted the General Plan Housing Element for the planning period 2014-2021. The Housing Element establishes policies, procedures and incentives in its land use planning and redevelopment activities to guide the development, redevelopment and preservation of a balanced housing supply to adequately accommodate households currently living and expected to live in Perris. The Housing Element also outlines the City's housing action plan, which is a series of actions and programs to be implemented through 2014 in order to meet its fair share contribution of housing needs for all income groups established by Regional Housing Needs Allocation (RHNA).

The City is required to prepare an annual report each year detailing the progress it has made during the prior year in meeting its Housing Element goals, pursuant to State law (Government Code Section 65400(b)). The annual progress report must be submitted to the California State Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR). The City's 2014 annual progress report is attached, which further details the goals, policies, programs and implementation actions implemented in the previous year. The annual progress report covers the three areas of information outlined by HCD, which are listed as follows:

- 1) Progress in meeting regional housing needs. A total of 233 building permits were issued for new residential construction in 2014, of which (39) permits were issued for the Verano Apartments. Last year's new building construction activities attributed to the low-moderate RHNA allocations. .
- 2) The effectiveness of the Housing Element in attainment of the community's goals and objectives. Attached Table C includes a program-by-program status report relative to implementation schedule and status as of 2014. The City of Perris 2014-2021 Housing Element was adopted in August 27, 2013. Measuring the effectiveness of programs is a continued implementation and will be reported in the next annual progress report.
- 3) Progress towards mitigating governmental constraints indentified in the Housing Element. The City of Perris 2014-2021 Housing Element was adopted in August 27, 2013. Measuring the effectiveness of programs is a continued implementation and is reported in attached Table C.

City Staff is requesting that the City Council review and approve the attached 2014 Annual Progress Report. The annual progress report for year 2014 is due on April 1, 2015.

BUDGET (or FISCAL) IMPACT: Minimal advertising costs for the notice of public hearing which was published in the local newspaper.

Prepared by: Rebecca Miranda, Redevelopment Project Coordinator
Reviewed by: Sabrina Chavez, Assistant Director of Housing and Community Services 
Assistant City Manager: Ron Carr 

Attachments: 2014 Annual Housing Element Progress Report

Consent Item: X
Public Hearing:

Business Item:
Workshop:

**Table C
CITY OF PERRIS**

**ANNUAL PROGRESS REPORT FOR 2014
ON IMPLEMENTATION OF THE HOUSING ELEMENT
General Plan Report requirement pursuant to Section 65400 of the Government Code**

Housing Program	Program Action 2014-2021	Implementing Entity	Time Frame for Implementation	Status as of 2014
Goal 1: Promote and maintain a variety of housing types for all economic segments of the City.				
Action 1.1:	Review and update the General Plan periodically (if an update is needed) to ensure that growth trends are addressed.	Planning Department	Ongoing Implementation	No up-date in 2014 General Plan.
Action 1.2:	Encourage opportunities for development of housing in lower density land use designations through various Overlay Zone alternatives (Senior Housing, Planned Development, Downtown Design) or with the density bonus incentives.	Housing Authority / Planning Department	Ongoing Implementation	The City continues to promote lower density land use designations.
Action 1.3:	The Perris Housing Authority will utilize funding, if available, and/or CDBG allocations to provide the following incentives which may be applied to an affordable housing project: 1) Lease or purchase of City owned property at low rates; 2) Provision of off-site improvements.	Housing Authority	Continued Implementation	CDBG funds were used to make capital improvements on D Street, Railway Enhancement Projects Phase 6 (Railroad Tracks to 10 th Street) #S007-S073-P-6. The Project includes new streetscape, paving, street furnishings, and other associated public improvements within the D Street, between railroad tracks and 10 th Street, right-of-way in Perris, CA. These improvements support the newly Verano Apartment affordable housing development
Action 1.4:	Require a mixture of diverse housing types and densities in new developments, guided by specific plans, around the downtown and throughout the City. Focus development activity within the Downtown Specific Plan area where suitably zoned underutilized land and the potential for mixed-use projects exists for the development of affordable housing.	Housing Authority / Planning Department	Continued Implementation	In 2014, building permits were issued and begin construction for the second phase of the Mercado Family Housing Project (Verano Apartments) located in the downtown area of the City. This project was modified to increase the number of residential units from 19 to 40 and reduce the commercial component from 17,000 sq. ft. to 1,000 sq. ft. for retail and to allow a 2,000 sq. ft. day care facility requiring a conditional Use permit.

Action 1.5:	Support the use of innovative building techniques and construction materials for residential development, such as energy efficient buildings that utilize solar panels and sustainable building materials that are recyclable. Work with Habitat for Humanity to identify and acquire vacant infill lots for single-family development to provide housing for lower and moderate-income families and individuals. Utilize the State HOME Investment Partnership Grant Program Funds to assist in rehabilitating lower-income households to correct code violations and make exterior improvements.	Housing Authority / Planning Department	Ongoing Implementation	In 2014, the Building & Safety Division issued 460 permits to homeowners for the installation of solar panels on the roofs of their homes. The City continues to support Habitat for Humanity's effort to develop and provide housing for lower and moderate-income families and individuals The Housing Authority was awarded \$500,000.00 in HOME Investment Partnerships Program funding. This funding will be used to implement First Time Buyer Program and Owner-Occupied Rehabilitation Program
Action 1.6:		Housing Authority / Planning Department	Ongoing Implementation	The City continues to support Habitat for Humanity's effort to develop and provide housing for lower and moderate-income families and individuals The Housing Authority was awarded \$500,000.00 in HOME Investment Partnerships Program funding. This funding will be used to implement First Time Buyer Program and Owner-Occupied Rehabilitation Program
Action 1.7:		Housing Authority	Ongoing Implementation	The Housing Authority was awarded \$500,000.00 in HOME Investment Partnerships Program funding. This funding will be used to implement First Time Buyer Program and Owner-Occupied Rehabilitation Program
Action 1.8:	Continue to track affordable housing units city-wide. This includes monitoring the method by which units remain affordable to lower-income households (i.e. covenants, deed restrictions, loans, etc.).	Housing Authority / Planning Department	Ongoing	CC&Rs-covenant of 45years, 2 nd Deed of Trust, Promissory Note, & Loan Agreement are recorded with the Riverside County Clerk's Office on properties that were rehabbed through the City's Owner-Occupied Rehabilitation Program and First Time Homebuyer Program, funded through the State HOME Program. Staff maintains file of recorded documents for each property, including an affordable housing database, pursuant to AB987, which is available on the City's website.
Action 1.9:	Provide a progress report on the 2014-2021 Housing Element programs and quantified objectives as part of the annual General Plan status reports to the State.	Planning Department	Annual reporting	2014 Annual Progress report was completed and will be submitted to HCD by April 1, 2015.
Action 1.10:	The Planning Division will utilize design, development, impact fee, processing and streamlining incentives, such as reductions in setbacks, parking requirements, and other standards, to encourage residential uses and to promote more intense residential development in the Downtown Specific Plan area. Information on these financial and regulatory incentives will be made available on the City's website and in public places at City Hall.	Housing Authority / Planning Department	Ongoing Implementation	City Municipal Code, General Plans, Specific Plans, development applications and fees are made available to the public at the department counter and City's website. The City will continue to encourage and promote residential development in downtown Perris.
Action 1.11:	Reduce parking standards for senior and affordable housing developments that are located in proximity to transit stops.	Housing Authority / Planning Department	Ongoing Implementation	The City has not received any request.
Action 1.12:	To encourage the development of residential and mixed-use projects within the Downtown Specific Plan area, the City will offer incentives such as a reduction in development standards (i.e. lot size, parking, and open space requirements) and with assistance from the Perris Housing Authority, subsidize a portion of development fees to encourage lot consolidation and to promote more intense residential and mixed-use development on vacant and underutilized sites within the Downtown Specific Plan area. While the City is more than able to accommodate the remaining RHNA allocation for the planning period on sites larger than one acre, this program allows for the City to begin planning for the future by encouraging property owners to consolidate adjacent properties to develop larger projects.	Housing Authority / Planning Department	Ongoing Implementation	City will continue to promote and encourage residential and mixed-use development in the downtown area.

Goal 2: Promote and preserve suitable and affordable housing for persons with special needs, including lower income households, large families, single parent households, the disabled, senior citizens and shelter for the homeless.

Action 2.1:	Utilize resources such as HOME funds, California Housing Finance Agency single-family and multi-family programs, HUD Section 208/811 loans, and HOPE II and III Homeownership programs to stimulate private developer and non-profit entity efforts in the development and financing of housing for lower and moderate-income households.	Housing Authority	Ongoing	The City will continue to host its Housing Expo that promotes City, private, and non-profit information to the public on existing housing programs such as homeownership programs.
Action 2.2:	The Perris Housing Authority should facilitate discussions between developers and local banks to meet their obligations pursuant to the California Community Reinvestment Act (CCRA) providing favorable financing to developers involved in projects designed to provide lower and moderate-income housing opportunities.	Housing Authority	Ongoing	City will continue to provide incentives to encourage affordable housing to meet the City's fair share housing needs.
Action 2.3:	Consider pursuing a program through the Perris Housing Authority, if funding is available, or through interested CHDO's and/or non-profit organizations, to purchase affordability covenants on existing multi-family units, subject to restrictions that the affordability covenants would be in effect for not less than 30 years, and that at least 20 percent of the units would be affordable to extremely low- and very low-income households.	Housing Authority	Ongoing	City will continue to require that multi-family complexes consist of units with affordability covenants ensuring that the units remain affordable.
Action 2.4:	To comply with Senate Bill 2, the City has amended Zoning Code Section 19.44, Industrial Zones, to permit emergency shelters by right in the General Industrial (GI) zone, excluding Specific Plan areas, without a conditional use permit or other discretionary permit. The City will continue to monitor the inventory of sites appropriate to accommodate emergency shelters and will work with appropriate organizations to ensure the needs of the homeless population whenever possible.	Housing Authority	Ongoing Implementation	The City has not received any request for amendment. However, the City continues to work with Path of Life Ministries. Path of Life Ministries is a service agency that provides services such as healthcare services to homeless population within the City's limits.
Action 2.5:	The City will maintain a list of mortgage lenders participating in the California Housing Finance Agency (CHFA) program and refer the program to builders or corporations interested in developing housing in the City.	Housing Authority	Ongoing	City has maintained a list of City of approved lenders approved for the Homeownership Program and Homebuyer Assistance Program. City will continue to promote and support CHFA lenders in assisting families in the purchasing of a home. In addition, a list of CHFA is available as reference to builders or corporations interested in developing housing in the City.
Action 2.6:	Continue cooperation with the Riverside County Housing Authority to provide Section 8 rental assistance and work with property owners to encourage expansion of rental projects participating in the program, as well as provision of at least 20 units of public housing within the City.	Housing Authority and Riverside County Housing Authority	Continued Implementation	City will continue to support the Riverside County Housing Authority to provide rental assistance in Perris. In 2014, 409 families were assisted.
Action 2.7:	Provide incentives for development of lower income housing through the density bonus program. Actively promote its use in conjunction with mixed-use projects in the Downtown, for senior housing, and within Specific Plans.	Planning Department/Housing Authority	Continued Implementation	The City will continue to provide density bonus to projects that meet the requirements for density bonus in accordance with Municipal Development Code, Chapter 19.57.
Action 2.8:	Continue to support the City's effort of encouraging multi-family developments with affordability covenants on units through offering	Housing Authority	Continued Implementation	City will continue to provide development incentives to encourage multi-family developments that include affordability covenants on units.

Action 2.9:	<p>development incentives. These incentives could include reduction in development standards, and expedited permit processing.</p> <p>Pursuant to Government Code Section 65563, the City of Perris is obligated to remove potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels and for persons with disabilities. To address the needs of this population, the City amended the Zoning Code to adopt formal reasonable accommodation procedures. Reasonable accommodation provides a basis for residents with disabilities to request flexibility in the application of land use and zoning regulations or, in some instances, even a waiver of certain restrictions or requirements from the local government to ensure equal access to housing opportunities. The City will provide information regarding the City's reasonable accommodation ordinance and make information on the program more widely available to residents.</p>	Planning Department	Continued Implementation	City will continue to support reasonable accommodation procedures through the Senior Housing Overlay Zone.
Action 2.10:	<p>Prioritize resources such as HOME funds, California Housing Finance Agency single-family and multi-family programs, HUD Section 208/811 loans, and HOPE II and III Homeownership programs for the development of rental projects that provide units with two or three bedrooms.</p>	Planning Department/Housing Authority	Ongoing	<p>The City was awarded \$500,000.00 from the HOME program. These funds will provide down payment assistant to 3 or more first time homebuyers.</p> <p>Construction is underway for Verano Apartment. The apartment complex consist of a maximum of forty (40) units, which includes one (1) resident manager's unit and 27 2-bedrooms units and 12 3-bedroom units. All residential units are restricted units for extremely low tenants, very low, and low income tenants.</p>
Action 2.11:	<p>To facilitate development of affordable housing to accommodate the 1,707 lower-income RHNA, the City adopted the Downtown Specific Plan in 2012 and identified approximately 95 acres of underutilized and vacant land. The Downtown Specific Plan utilizes a form based approach to regulate land uses. This form based Regulating Code focuses attention on the form, placement, and appropriate use of buildings (i.e. mass, height, site lay out) rather than traditional development standards such as minimum and maximum densities. Its design standards and guidelines promote an attractive and pedestrian-oriented environment.</p> <p>To demonstrate adequate sites for the City's 4th cycle housing element update, the City included an adequate sites program (Action 2.11) to rezone sites within the Downtown Specific Plan for higher density residential uses. As these sites were to be rezoned to accommodate the City's lower-income need the rezoned sites were required to be consistent with Sections 65583.2(h) and (i) and 65583(c)(1) (AB 2348) as follows: Require a minimum density of 20 units per acre; Ensure at least 50 percent of the lower-income need accommodated on sites designated for residential use only; and Permit owner-occupied and rental multifamily uses by-right, without a conditional use or other discretionary review or approval.</p>	Planning Department	Continued Implementation	The City will pursue affordable housing projects to provide housing opportunities and meet RHNA fair share of City's housing units.

	<p>While sites were rezoned, not all of statutory requirements of the adequate sites program requirements were addressed. To comply with AB 2348, at least 50 percent of the remaining lower income need (854 units) will be accommodated on sites designated for exclusively residential uses allowing a minimum 20 dwelling units per acre. To address this requirement the City has identified approximately 45 acres within the Urban Village district which can accommodate approximately 1,575 units and will be zoned exclusively for residential uses as identified in Appendix A, Map 4. To address minimum density requirements the City will ensure sites A through L, as identified in Section VII Housing Resources, as well as exclusively residential Urban Village district sites identified in Map 4 of Appendix A, are developed at a minimum density of 20 units per acre. If a parcel is developed at less than 20 units per acre, pursuant to Government Code Section 56863, the City will immediately identify and zone an alternative site with established minimum density requirements consistent with GC Section 65583.2(h) and (i). The City will report on the progress of development in the Downtown Specific Plan area in its annual progress reports required pursuant to Government Code Section 65400 and due on April 1st of each year. The inventory of available sites will also be made available to the development community through various outreach methods.</p>			
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Goal 3: Removal or mitigation of constraints to the maintenance, improvement and development of affordable housing, where appropriate and legally possible.				
Action 3.1:	The City shall expedite and prioritize development processing time of applications for new construction or rehabilitation of housing for lower and moderate-income households and seniors. Expedited permit processing would allow complete development applications to be reviewed at an accelerated rate by City Staff in order to ensure that permit processing times do not create a potential constraint on the development of affordable units by adding to the overall cost of the project.	Planning Department	Continued Implementation	City will expedite and prioritize development processing time of applications for new construction of affordable housing developments.
Action 3.2:	<p>Extremely low-income households and households with special needs have limited housing options. Housing types appropriate for these groups include transitional and supportive housing. To accommodate this population and comply with Senate Bill 2, the City amended Zoning Code Chapters 19.21 through 19.28, R-20,000 through MFR-22 and Section 19.34, R-5 Districts (Mobilehome Subdivisions), to allow transitional and supportive housing as a permitted use without a conditional use permit or other discretionary permit, subject only to those regulations that apply to other residential uses of the same type in the same zone. To ensure consistency with the Perris Valley Airport Land Use Compatibility Plan, areas designated Airport Area I and II and within Compatibility Zones A, B1, B2 and C of the Airport Influence Area as mapped at www.rcaluc.org, will allow transitional and supportive housing subject to all applicable restrictions places on other residential uses permitted within those areas. The City will continue to monitor the</p>	Planning Department	Ongoing Implementation	<p>The City will continue to monitor the inventory of sites appropriate to accommodate transitional and supportive housing and will work with the appropriate organizations to ensure the needs of extremely low-income residents are met.</p>

	inventory of sites appropriate to accommodate transitional and supportive housing and will work with the appropriate organizations to ensure the needs of extremely low-income residents are met. The City is committed to prioritizing funding and other available incentives for projects that provide housing for extremely low-income residents whenever possible.			
Action 3.3:	To accommodate the needs of extremely low-income households and households with special needs and comply with Senate Bill 2, the City amended Zoning Code Section 19.21 through 19.28, R-20,000 through MFR-22 and Section 19.34, R-5 Districts (Mobilehome Subdivisions), all residential zones of the City, to allow Single Room Occupancy (SRO) housing as a permitted use without a conditional use permit or other discretionary permit, except within Airport Area I as mapped at www.rcatuc.org and within Compatibility Zones A, B1, and B2 of the Airport Influence Area of Perris Valley Airport, in effect as of July 1, 2011. The City will continue to monitor the inventory of sites appropriate to accommodate single-room occupancy units and will work with the appropriate organizations to ensure the needs of extremely low-income residents are met.	Planning Department	Ongoing	The City has not received any request.
Action 3.4:	Continue to permit manufactured housing on permanent foundations in residential zones if it meets compatibility criteria.	Planning Department	Continued Implementation	According to building permit activity for 2014, 4 permits have been issued to install permanent foundations to mobile homes.
Action 3.5:	In accordance with Government Code Section 65589.7 as revised in 2005, immediately following City Council adoption, the City must deliver a copy of the 2014-2021 Housing Element to all public agencies or private entities that provide water or sewer services to properties within the City of Perris.	Planning Department	Completed	City delivered a copy of the 2014 Housing Element to water and sewer serving city residents.
Goal 4: Provide increased opportunities for homeownership.				
Action 4.1:	Continue to provide favorable home purchasing options to lower and moderate-income households, when funds are available, through the County of Riverside's First Time Homebuyers Down Payment Assistance Program and homeownership assistance with the County Mortgage Credit Certificate (MCC) program.	Housing Authority/ Planning Department	Ongoing	In December of 2014, the City was awarded \$500,000.00 through the HOME Investment Partnership Program. In which, the First Time Home Buyer Program was funded \$195,000.00 from the above amount. This will assist 3 or more first-time homebuyers. The program will help with down payment assistance or gap financing for low and moderate income persons. The City of Perris supports the Mortgage Credit Certificate (MCC) program offered by Riverside county and in 2014, 2 families were assisted under this program.
Action 4.2:	Continue to work with Habitat for Humanity in the development of single-family homes for lower income families. Continue to work with the Workforce Investment Act (WIA), formerly known as the Jobs Training Partnership Act (JTPA), in the provision of single-family homes for lower income households.	Housing Authority	Continued Implementation	
Action 4.3:	The Perris Housing Authority shall provide support to the California Housing Finance Agency (CHFA) program, which supports construction of new owner-occupied units in conjunction with non-	Housing Authority	Ongoing Implementation	City will continue to support CHFA and encourage construction of residential developments.

Action 4.4:	<p>profit organizations and/or private developers through advertisement and referral to the program.</p> <p>The City shall establish relationships with local lenders, developers and other constituencies such as realtors, and non-profit organizations through community outreach workshops that emphasize specific ideas, issues, and expectations for future development in Perris.</p>	Housing Authority	Ongoing Program	<p>City continues to establish relationships with local lenders, developers, realtors, and nonprofit organizations through affordable housing programs being offered through the City. The City maintains a City approved lists for lenders and contractors, which is made available to the public. The City continues the partnership with Neighborhood Housing Services of the Inland Empire (NHSIE) to provide HUD-approved homebuyer education workshops at no charge to the public at the City Senior Center. In 2014, three homebuyer workshops were offered, with approximately 60 participants at each workshop.</p>
<p>Goal 5: Enhance the quality of existing residential neighborhoods in Perris, through maintenance and preservation, while minimizing displacement impacts.</p>				
Action 5.1:	<p>As a means of further leveraging housing assistance, the City will cooperate with the Riverside County Housing Authority to promote resident awareness and application for County-run housing assistance programs. These programs include: 1) Home Improvement Program; 2) Rental Rehabilitation Program; 3) Enhanced Senior Home Repair Program and; 4) Department of Community Action (DCA) Utilities and Weatherization Program. The County offers a variety of housing assistance programs that can supplement the City's current housing programs. As the City has little control over how the County's programs are administered the City will be responsible for providing program information on the City's website, in the City's newsletter and at City Hall.</p>	Housing Authority/County of Riverside Housing Authority	Completed	<p>The City hosted a Housing Expo that provided information on its existing housing programs. Also, the expo provided information that include the importance of budgeting to make on-time mortgage payments, the home-buying process, how to identify predatory lending, understanding the mortgage-loan process and how a credit score can affect a potential purchase.</p> <p>The Riverside County Housing Authority provided information on their existing homebuyer and rehabilitation programs.</p> <p>The City continues to maintain code compliance by ensuring building safety and integrity of residential neighborhoods.</p>
Action 5.2:	<p>Maintain code compliance to ensure building safety and integrity of residential neighborhoods. Enforce the building code through issuance of a permit prior to construction, repair, addition to, or relocation of any residential structure.</p>	Planning Division and Building Division	Ongoing Implementation	<p>According to the building and safety activity summary, in 2014, 6 dwelling was demolished due to fire damage, abandoned, and unsafe conditions.</p>
Action 5.3:	<p>Monitor the substandard dwellings which cannot be economically repaired and remove when necessary and feasible.</p>	Housing Authority	Continued Implementation	<p>The City hosted a Housing Expo that provide energy savings assistance programs from various company such as Southern California Gas and Grid Alternatives. Southern California Gas provided information on its energy assistance program and Grid Alternatives provide information on its solar installation for low income.</p>
<p>Goal 6: Encourage energy conservation activities in all neighborhoods.</p>				
Action 6.1:	<p>Encourage maximum utilization of Federal, State, and local government programs, such as the County of Riverside Home Weatherization Program and Western Riverside Council of Governments HERO program, and assist homeowners in providing energy conservation measures.</p>	Housing Authority/Riverside County Home Weatherization Program	Ongoing Implementation	<p>The City continues to provide its residents with literature about energy conservation such of solar power. Also, energy conservation are included in its Housing Newsletter.</p>
Action 6.2:	<p>Maintain and distribute literature on energy conservation, including solar power, additional insulation, and subsidies available from utility companies, and encourage homeowners and landlords to</p>	Planning Division	Ongoing Implementation	<p>The City continues to provide its residents with literature about energy conservation such of solar power. Also, energy conservation are included in its Housing Newsletter.</p>

	incorporate these features into construction and remodeling projects.				The city supports and continues to work with a non-profit to help promote its solar panel program. New buildings within the City are required to have a multitude of sustainable measures as required by the CA Building Code (Green Code).
Action 6.3:	Facilitate sustainable development in the City by enforcing the goals, policies, and implementation measures established in the Sustainable Community section in the Conservation Element.	Planning Division/Building Division	Completed		The City's Municipal Energy Action Plan and the Community Energy Action Plan for Perris which were adopted in January 2014.
Action 6.4:	The City shall develop a local action plan for reduction of greenhouse gas emissions.	Planning Division/Development Services Department	Ongoing Implementation		The City is in the participation progress with WRCOG for the sub-regional Climate Action Plan (CAP) The City approved Integra Distribution Center (DPR 14-02-0014) on 12/17/14. This project is located North of Markham Street, south of Nance Street, between Webster and Indian Avenues. The project will incorporate multiple sustainable features and the building will be constructed to LEED Silver certification level.
Goal 7: Equal housing opportunity for all residents of Perris, regardless of race, religion, sex, marital status, ancestry, national origin, color, or handicap.					
Action 7.1:	The City, in conjunction with the Riverside County Fair Housing Council, shall support efforts dedicated to working towards the elimination of the discrimination of housing by actively pursuing any complaints of housing discrimination within the City. Information detailing fair housing practices will be made available at City Hall and on the City's website. Additionally, the City will participate with the Riverside County Fair Housing Council to conduct workshops and seminars about landlord and tenant responsibilities and rights.	Housing Authority/Riverside County Fair Housing Council	Ongoing Implementation		City supports the activities of Fair Housing Council of Riverside County, and activities are contracted through the CDBG program.
Action 7.2:	The housing needs of persons with developmental disabilities are typically not addressed by Title 24 Regulations, and requires in addition to basic affordability, slight modifications to existing units, and in some instances, a varying range of supportive housing facilities. To accommodate residents with developmental disabilities, the City will seek State and Federal monies, as funding becomes available, in support of housing construction and rehabilitation targeted for persons with developmental disabilities. Perris will also provide regulatory incentives, such as expedited permit processing, and fee waivers and deferrals, to projects targeted for persons with developmental disabilities. To further facilitate the development of units to accommodate persons with developmental disabilities, the City shall reach out annually to developers of supportive housing to encourage development of projects targeted for special needs groups. Finally, as housing is developed or identified, Perris will work with the Inland Regional Center to implement an outreach program informing families within the City of housing and services available	Housing Division/Development Services Department	Ongoing Implementation		City has a contract with Fair Housing Council of Riverside County to provide education and training classes, advocacy services, investigate allegations of housing discrimination, and mediate landlord-tenant complaints.

for persons with developmental disabilities. Information will be made available on the City's website.

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ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation (CCR Title 25 §6202)

Jurisdiction: City of Perris
Reporting Period: 1-Jan-14 - 31-Dec-14

Table A
Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

1	2	3	4				5	5A	6		7	8
			Affordability by Household Incomes						Assistance Programs for Each Development	Deed Restrictions		
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Rentier O=Owner	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Total Units per Project	Est. # In-Units*	See Instructions	See Instructions	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
Verano Apartments 904 S. D Street **Perris Station Apartments 24 S. D **Perris Family Apartments 180 E. **Meadowview I 1640 Ruby Dr. **Meadowview II 150 E. Nuevo Rd	MF	R	39	0	0	0	39					
	MF	R	84	0	0	0	84					
	MF	R	74	0	0	0	74					
	MF	R	75	0	0	0	75					
	MF	R	87	0	0	0	87					
(9) Total of Moderate and Above Moderate from Table A3			359	0	0	0	359					
(10) Total by income Table A/A3			359	0	0	0	359					
(11) Total Extremely Low-Income Units*												

* Note: These fields are voluntary

**Note: 2014 total numbers of units is a lump sum of the following: 2011 Meadowview I and I, 2013 Ferris Station Apartments, and Perris Family Apartments which were not included in previous annual progress reporting.

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Perris
Reporting Period 1-Jan-14 - 31-Dec-14

**Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant
to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes			TOTAL UNITS	(4) The Description should adequately document how each unit complies with subsection (c) (7) of Government Code Section 65583.1
	Extremely Low Income*	Very Low Income	Low Income		
(1) Rehabilitation Activity					
(2) Preservation of Units At-Risk					
(3) Acquisition of Units					
(5) Total Units by Income					

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Perris
Reporting Period 1-Jan-14 - 31-Dec-14

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units

	1.	2.	3.	4.	5.	6.	7.
No. of Units Permitted for Moderate	222						
No. of Units Permitted for Above Moderate	0						

* Note: This field is voluntary

**CITY OF PERRIS
CITY COUNCIL
AGENDA SUBMITTAL**

MEETING DATE: March 10, 2015

SUBJECT: Nuevo Road Landscape Improvements BZ-1A (LMD 1-2014-15-BZ-1A)

REQUESTED ACTION: Reject all bids received for the Nuevo Road Landscape Improvements Project (LMD 1-2014-15-BZ-1A).

CONTACT: Michael Morales, Capital Improvements Project Manager

BACKGROUND/DISCUSSION:

The City Clerk sent Notices inviting bids, advertised in a local publication, held a public bid opening on February 9, 2015 and received and read two (2) bids from contractors for the construction of the Nuevo Road Landscape Improvements project (LMD 1-2014-15-BZ-1A). Attached is a summary of the bids received. As stated in the Bid Notice, the City has the right to reject any and all bids received. Staff is recommending that the City Council reject all bids received and authorize staff to seek a more economically feasible apportionment of the new construction versus maintenance components of the project; including value engineering of the roadway grind and overlay maintenance, landscape maintenance, and new signage components of the project.

BUDGET (or FISCAL) IMPACT: None.

Reviewed by:

City Attorney:

Assistant City Manager: 

Attachment(s): Bid Summary

Consent: X

Public Hearing:

Business Item:

Other:

**CITY OF PERRIS
BID OPENING LOG SHEET**

BID OPENING DATE: February 9, 2015 at 2:00 p.m.

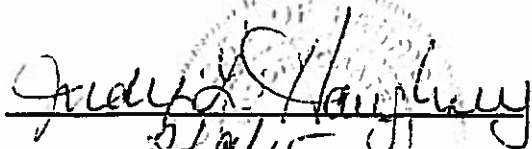
PROJECT DESCRIPTION: Nuevo Rd. Landscaping Improvements LMD 1-2014-15-
BZ-1A

	<u>BIDDER</u>	<u>BID AMOUNT</u>	<u>BID BOND</u>
1	The Richards Group	\$390,900.00	Y
2	Aramexx Construction	\$209,164.00	Y
3			
4			
5			
6			
7			
8			
9			
10			
11			

Bid Officer: Judy Haughney, Records Clerk

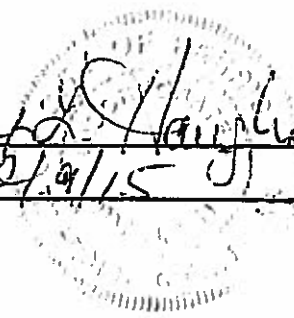
Witnesses: Michael Morales

Signed:



Dated:

2/9/15




CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: Free Indeed Christian Fellowship request for a fee waiver for use of City facilities

REQUESTED ACTION: That the City Council consider a waiver of rental fees for the Easter Youth Concert and Sunday Sunrise Service sponsored by the Free Indeed Christian Fellowship to be held April 4, 2015 through April 5, 2015 at Foss Field.

CONTACT: Sabrina Chavez, Assistant Director 
Community Services and Housing Division

BACKGROUND/DISCUSSION:


Free Indeed Christian Fellowship is a Perris based non-profit organization. They will be hosting an Easter Youth concert and Sunday Sunrise Service at Foss Field on April 4, 2015 through April 5, 2015. The program is an annual tradition for the past nine years.

Free Indeed Christian Fellowship is requesting that the City Council authorize the waiver of rental fees associated with the reservation of the Foss Field for their Easter Youth Concert and Sunday Sunrise Service. A copy of the letter request is attached with this submittal. The total value of the requested fee waiver is \$800.00.


The proposed event is scheduled during the Friday and Saturday of non-operating business hours in which in which light fees and field reservation fees are needed. It is recommended that the City Council consider waiving all fees, as requested by Free Indeed Christian Fellowship.

FISCAL IMPACT: The fees for the Easter Youth concert and Sunday Sunrise Service total \$800.00. This amount includes the rental and light fees for the use of Foss Field for the event.

Prepared By: Spencer Campbell, Recreation Supervisor II

Reviewed by: Darren Madkin, Deputy City Manager 

City Attorney:

Assistant City Manager: Ron Carr 

Attachments: Waiver Request Letter from Free Indeed Christian Fellowship

Consent: X
Public Hearing:
Business Item:

FREE INDEED CHRISTIAN FELLOWSHIP

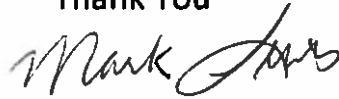
430 S. D Street Perris Ca 92570

Pastor Mark Lewis

Writing in refernece to request a fee waver for using Foss Field Park for Sunrise Service April 4th - 5th 2015. We are a nonprofit Church in Perris Ca

Our 501C (3) non-profit Federal ID# is: 33-0581311

Thank You

A handwritten signature in black ink that reads "Mark Lewis". The signature is written in a cursive style with a large, sweeping "L" and "W".

Pastor Mark Lewis

(951)657-2445 --- (951)943-9280

Permit Contract

City of Perris Community Services Department

101 North D St.
 Perris, CA 92570
 Phone: (951) 943-6100
 FAX: --
 Email: --

Permit #9000707, Pending approval

Mar 4, 2014 7:55 AM
 Expires Apr 26, 2014



Company: Free Indeed Fellowship
 436 S. D Street
 Perris, CA 92570

Customer Type: Non-Profit/Non-Resident
Prepared By: Spencer Campbell

Agent: Mark Lewis

Home: (951) 657-2449

Charges	Taxes	Discounts	Total Charges	Deposits	Deposit Taxes	Total Payments	Refunds	Balance
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

▼ **RESERVATIONS**

Event		Resource		Center	Notes
Sunrise Service #9000707 Type: Field Rental Attend/Qty: 0		Foss Field Park - BBall Field		Foss Field Park 138 North Perris Blvd Perris, CA 92570 (951) 943-6603	--
Days Requested		Event Begins	Duration	Event Ends	
Day	Date				
Saturday	Apr 4, 2015	10:00 AM	22 hours	Apr 5, 2015 at 8:00 AM	
Summary					Notes
Total Number of Dates: 1					--
Total Time: 22 hours					

Terms & Conditions: This Agreement, when signed by the applicant and a representative of the City of Perris Community Services, constitutes a contractual agreement binding both parties to certain obligations. The applicant agrees to observe and obey all Rules and Regulations. In addition, it shall be the responsibility of the applicant to pay the required fee at the time of reservation. Balance due must be paid before the scheduled event. The City of Perris Community Services agrees to maintain the facility, to assure that the facility is prepared properly for the agreed-upon event, and to provide adequate sanitation facilities, subject to available equipment, resources, weather conditions and time of year.

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: Resolution Objecting to County Tax Sale of Certain Property and Approving Offer to Purchase Said Property

REQUESTED ACTION: That the City Council adopt Resolution No. ____ [next in order] entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA OBJECTING TO THE SALE OF TAX-DEFAULTED PROPERTY KNOWN AS ASSESSOR'S PARCEL NUMBER 303300027-6 AND APPROVING THE OFFER TO PURCHASE SAID PROPERTY FOR THE MINIMUM PURCHASE PRICE PURSUANT TO SECTION 3698.5(A) OF THE REVENUE AND TAXATION CODE, STATE OF CALIFORNIA

CONTACT: Eric Dunn, City Attorney

Background/Discussion:

The City of Perris has learned that property designated by the County Assessor as Assessor's Parcel Number 303300027-6, consisting of approximately 16.14 acres, will be advertised for tax sale at public auction. The property is the hill south of Ramona Expressway in the Villages of Avalon development.

Under Revenue and Taxation Code section 3695.4, the City may submit a written objection to the sale of tax-defaulted property that is or may be needed for a public use, along with an application to purchase the property and thereby halt the sale of the property at auction.

The minimum purchase price of \$31,932.10 totals the defaulted taxes and assessments, along with associated penalties. Should the City adopt the proposed Resolution, the City's objection and offer to purchase would be reviewed by the County Board of Supervisors for consideration and approval, and an Agreement of Sale will be finalized between the City and County. The Agreement of Sale must ultimately be approved by the State Controller's Office.

The owner(s) of the property may redeem the property by paying back taxes and any associated penalties and fees prior to the consummation of the sale either at public auction or the effective date of the agreement to sell to a public entity such as the City.

The City Council has the opportunity to consider objecting to a tax-default public auction of the subject property and to authorize filing an application to purchase the property from the County for the price of \$31,932.10.

Budget (or Fiscal) Impact:

The cost to purchase the subject property is \$31,932.10. The City will also be required to pay for the legal notices associated with the sale, which are estimated to be \$1,051.75.

Reviewed by:

City Attorney X

Assistant City Manager *PC*

Attachments: Resolution Objecting to Sale of Tax-defaulted Property

Consent: X

Public Hearing:

Business Item:

Other:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA OBJECTING TO THE SALE OF TAX-DEFAULTED PROPERTY KNOWN AS ASSESSOR'S PARCEL NUMBER 303300027-6 AND APPROVING THE OFFER TO PURCHASE SAID PROPERTY FOR THE MINIMUM PURCHASE PRICE PURSUANT TO SECTION 3698.5(A) OF THE REVENUE AND TAXATION CODE, STATE OF CALIFORNIA

WHEREAS, the City of Perris, a municipal corporation, organized and existing under the laws of the State of California, desires to acquire land within its boundaries, to be used for open space, recreation, conservation and other such public uses; and

WHEREAS, the County of Riverside, Office of the Treasurer – Tax Collector, has scheduled for public auction tax sale the parcel herein described by the County as 16.14 ACRES M/L IN POR BLK 3 MB 015/070 FAIRVIEW FARMS 2 TR, parcel number 303300027-6; and

WHEREAS, the subject parcel creates an opportunity for the City to increase and/or enhance the City's open space and protect, preserve and enhance local natural resources and habitats; and

WHEREAS, the County of Riverside is willing to sell the subject parcel to the City of Perris, and take it off the scheduled public auction tax sale, for a minimum purchase price determined in keeping with Section 3698.5(a) of the Revenue and Taxation Code, State of California; and

WHEREAS, said purchase of said parcel by the City of Perris from the County of Riverside must be pursuant to a Chapter 8 Agreement of Sale.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS DOES RESOLVE AS FOLLOWS:

Section 1. The above recitals are all true and correct and incorporated herein by reference.

Section 2. The City Council of the City of Perris hereby objects to the public auction tax sale of this parcel.

Section 3. The City Council hereby offers to purchase said parcel under a Chapter 8 Agreement of Sale for the minimum purchase price as follows:

<u>Assessment Number</u>	<u>Purchase Price</u>
303300027-6	\$31,932.10

Section 4. The City Council finds that the purpose in acquiring the land would be to dedicate it for use for open space, recreation, conservation and other public uses.

Section 5. The City Manager and his designee are hereby authorized and directed to execute and deliver all actions and documents necessary or proper for carrying out the acquisition transaction intended by this Resolution.

Section 6. Pursuant to Section 3800 of the Revenue and Taxation Code, the City shall pay for the legal notice of the Chapter 8 Agreement of Sale, tentatively published in the Press Enterprise.

Section 7. The Mayor shall sign this Resolution and the Clerk shall certify to the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this ____th day of _____, 2015.

Daryl R. Busch, Mayor

ATTEST:

Nancy Salazar, City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, City Clerk of the City of Perris do hereby certify that the foregoing Resolution Number ____ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held on the ____th day of _____2015, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Nancy Salazar, City Clerk

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: One Year Contract Extension for General Fund Landscape Maintenance Services

REQUESTED ACTION: Approve the contract services agreement extension with Adame Landscape, Inc. for General Fund Areas and authorize the City Manager to sign the Contract, subject to non-substantive changes from the City Attorney's Office

CONTACT: Daryl Hartwill, Assistant Director of Public Works

BACKGROUND/DISCUSSION: On December 13, 2011 the City Council awarded a two year contract with Adame Landscape, Inc. to provide landscape maintenance services within General Fund areas. On February 1, 2012 Adame Landscape, Inc. began servicing various residential, commercial, industrial areas located throughout the City. In accordance with Exhibit A Section 3C, the Council could renew the original two year contract annually, for up to a maximum of two (2) additional one year periods, this is the second one year extension.

Adame Landscape, Inc. has continued to demonstrate their effectiveness with landscape maintenance, irrigation monitoring, and ongoing repair services. In addition, Adame Landscape, Inc. has continued to receive good reviews during City Staff service audits; and respond promptly and thoroughly to any deficiencies or areas of concern noted by City Staff. Staff is therefore recommending that the City Council grant a one-year extension to the Contract Services Agreement, under the original terms and conditions of the Agreement as amended.

Therefore, staff is recommending that the City Council authorize the City Manager to execute the Contract, subject to non-substantive changes by the City Attorney.

BUDGET (or FISCAL) IMPACT:

The 2014/2015 budgetary impact of this contract agreement will not have a cost increase from previous contract amendment.

Reviewed by:

City Attorney
Assistant City Manager *Re*

Attachments: Existing Agreement General Fund Areas
Consent:

**CITY COUNCIL/PUBLIC UTILITIES AUTHORITY
AGENDA SUBMITTAL**

Meeting Date: March 10, 2015

SUBJECT: Water/Collections Systems Operations

REQUESTED ACTION: Approve New Service Contract with Severn Trent for Operations of Water and Collections Systems subject to non-substantive changes by the City Attorney.

CONTACT: Daryl Hartwill, Assistant Director of Public Works

BACKGROUND/DISCUSSION: The City of Perris and the Perris Public Utilities Authority contracts their water and collections systems operations to Severn Trent Environmental Services, Inc.

The City of Perris and the Perris Public Utilities Authority have contracted water and collections systems operations with Severn Trent and its predecessor, Southwest Water, since 2003. The term of the proposed contract is for 5 years, through February 24, 2020. A three single three year extension may be awarded after contract date above has expired.

BUDGET (or FISCAL) IMPACT:

The budgetary impact to this agreement will remain the same as the previous contract with no increases in services or maintenance and repairs other than as defined in contract per percentage of Price Index. Annual Service amount for this contract is \$861,928.80. Annual Maintenance and Repairs amount for this contract \$86,416.56.

Reviewed by:

City Attorney
Assistant City Manager *RC*

Attachment: Contract

Consent:

CITY OF PERRIS
CONTRACT SERVICES AGREEMENT FOR
WATER SYSTEM OPERATION AND MAINTENANCE SERVICES

This Contract Services Agreement ("Agreement"), is made and entered into this 1st day of April, 2015, by and between the City of Perris, a municipal corporation ("City"), and Severn Trent Environmental Services, a Texas Corporation with its principal place of business at 16337 Park Row Houston Texas 77084 ("Consultant"). The term Consultant includes professionals performing in a consulting capacity. The parties hereto agree as follows:

The City has requested that two separate agreements be provided for the services that had been provided under the current Professional Services Agreement. This Agreement represents terms and conditions for the City's "South Service Area." A separate agreement has been prepared representing terms and conditions for the City's "North Service Area."

The City and Consultant acknowledge that the base fee provided under this Agreement is based on Consultant providing services to both the North Service Area and South Service Area using shared staffing and other resources, provided that the costs for providing such services shall be allocated appropriately between each Service Area.

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Consultant shall provide the work and services specified in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by this reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

1.2 Compliance with Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the obligation to pay for any fees, assessments, taxes, including applicable penalties and interest, which may be imposed by law to the extent that same arise from any negligence or willful misconduct of Consultant in its performance of the services required by this Agreement; and shall indemnify, defend and hold harmless City against any claim for such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder. Prior to settlement or payment of any such fines, penalties or damages, the Consultant reserves the right to contest government or private actions, suits or proceedings for violations through administrative procedures or otherwise.

1.4 Familiarity with Work. By executing this Agreement, Consultant warrants that Consultant (a) has thoroughly investigated and considered the scope of services to be performed,

(b) has carefully considered how the work and services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

1.5 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000, whichever is less, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Any reduction in the Scope of Services resulting in a decrease in of more than five percent (5%) of the annual contract value shall be subject to mutual agreement of the Parties and may require renegotiation of the annual contract value.

1.6 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as *Exhibit "B"* and incorporated herein by this reference. In the event of a conflict between the provisions of *Exhibit "B"* and any other provisions of this Agreement, the provisions of *Exhibit "B"* shall govern.

1.7 Environmental Laws. Consultant shall comply with all applicable environmental laws, ordinances, codes and regulations of Federal, State, and local governments. Consultant shall also comply with all applicable mandatory standards and policies relating to energy efficiency. In the event of any changes in applicable laws that increase Consultant's cost of performance, the parties shall negotiate in good faith to reach an agreement on any required adjustment in compensation hereunder. If the parties are unable to reach an agreement on any adjustment in price due to changes in applicable law after at least 30 days of attempted negotiation, either party may terminate this agreement with an additional 30 days' notice.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract annual amount of five hundred seventeen thousand one hundred forty eight and 80/100 dollars \$517,147.80 ("Contract Sum"), except as provided in Section 1.5. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City.

Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase the cost of the work or services

Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased cost related thereto.

2.2 Method of Payment. Except as provided in Section 7.2, City shall pay Consultant for all expenses as provided in the schedule of compensation. Invoices are approved by City pursuant to this agreement generally within (30) days and no later than (45) days, from the submission of an invoice in an approved form. Late payments will be subject to a service charge of 1 ½% per month, or the maximum legal rate whichever is greater. Payments will be considered late if not received within (45) calendar days of the submission of an approved invoice. Interest shall accrue from the 46th day following the date of an approved invoice until the payment is received by Consultant.

Should the City dispute any portion of an invoice, City shall (i) pay Consultant all undisputed portions of said invoice within the timeframe and process described above, (ii) notify Consultant in writing within ten (10) business days of receipt of any such invoice of any disputed items and amounts and the reasons therefore. Within thirty (30) days after such notice to Consultant, City and Consultant shall meet and confer to mutually resolve any disputed items.

2.3 Availability of Funds. It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the City Council of the City for the purposes of this Agreement. The availability of funding is affected by matters outside the City's control, including other governmental entities. Accordingly, the City has the option to void the whole Agreement or to amend the Agreement, subject to Consultant's agreement to any such amendment, to reflect unanticipated reduction in funding for any reason, provided that any termination of the Agreement shall be subject to the notice and termination payment provisions of Section 7.4.

3.0 FORCE MAJEURE

3.1 Force Majeure. Consultant shall not be responsible for failures in performance of the services rendered pursuant to this Agreement due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of the delay and extend the time for performing the services for the period of the enforced delay when and if, in the judgment of the Contract Officer, such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

3.2 Term. Unless terminated in accordance with Section 7.4 below, this Agreement shall remain in effect from the date first written above for a five (5) year period, thereafter, subject to the right of either party to terminate as set forth in Section 7.4.

4.0 COORDINATION OF WORK

4.1 Representative of Consultant. Fred Kriess is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work or services specified herein and to make all decisions in connection therewith.

It is expressly understood that the experience, knowledge, capability and reputation of the representative was a substantial inducement for City to enter into this Agreement. Therefore, the representative shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the representative may not be replaced nor may his responsibilities be substantially reduced by Consultant without the express written approval of City.

4.2 Contract Officer. The City's City Manager is hereby designated as the representative of the City authorized to act in its behalf with respect to the work and services and to make all decisions in connection therewith ("Contract Officer"). It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. The City may designate another Contract Officer by providing written notice to Consultant.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred or assigned without the prior written approval of City. A prohibited transfer or assignment shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express written consent of City.

4.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. Consultant shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

5.0 INSURANCE AND INDEMNIFICATION

5.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional

insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000.00 per accident for all covered losses.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000.00 per accident combined single limit. Said policy shall include coverage for Consultant owned, non owned, leased and hired cars.

(d) Professional Liability or Error and Omissions Insurance. A policy of errors and omissions insurance in an amount not less than \$1,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the City.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the City, its officers, employees and agents ("City Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the City and the City's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing ten (10) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverage and said Certificates of Insurance or binders are approved by City.

Consultant agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain suitable and commercially reasonable insurance coverage, taking into account the scope and value of any such work provided by such subcontractor.

5.2 City's Insurance. City shall obtain and ensure that standard fire insurance policies are maintained for the facility equivalent to the insurance maintained by City for City's other public facilities.

5.3 Indemnification and Liability.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless City and the City's Parties from and against any and all third party losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City and City's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including reasonable attorneys' fees, court costs, defense costs and expert witness fees), to the extent that same arise out of, in whole or in part, acts or omissions in the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant. Such liability of Consultant shall include but not be limited to any fines or penalties related to the operation and maintenance of the Facility.

6.0 RECORDS AND REPORTS

6.1 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement.

6.2 Records. Consultant shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have reasonable access to such books and records at all times during normal business hours, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 Ownership of Documents. All drawings, specifications, reports, records, documents and other materials prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of such documents and materials. Consultant may retain copies of such documents for its own use and Consultant shall have an unrestricted right to use

the concepts embodied therein. Any use of such completed documents by City for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant and the City shall indemnify the Consultant for all damages resulting therefrom.

7.0 ENFORCEMENT OF AGREEMENT

7.1 California Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

7.2 Retention of Funds. Consultant hereby authorizes City to withhold for a reasonable time any amount payable to Consultant under this Agreement, (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, City may withhold from any payment due, without liability for interest because of such withholdings, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.3 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.4 Termination Prior to Expiration of Term. Either party may terminate this Agreement at any time, with or without cause, upon sixty (60) days' written notice to the other party. Upon receipt of any notice of termination, Consultant shall cease all work or services hereunder at the time specified in the notice, except as specifically approved by the Contract Officer. Consultant shall be entitled to compensation for the reasonable value of the work product actually produced prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation and City shall be entitled to reimbursement for any compensation paid in excess of the services rendered. Should City terminate this Agreement without cause prior to the expiration of the initial Term, then in addition to paying Consultant for the sixty (60) day period described above, City shall reimburse Consultant in a lump sum for the reasonable costs related to the severance of any new or additional employees who were hired by Consultant specifically to perform the services under this Agreement, provided that City shall not reimburse Consultant

for any costs arising out of any litigation or administrative claims filed by such employees. In addition, if City terminates this Agreement in the first twelve (12) months, City shall reimburse Consultant for the remaining lease payments of any new or additional vehicles that were leased by Consultant specifically to perform the services under this Agreement, unless a vehicle is redeployed by Consultant to another project, plus the unamortized balance of any Capital Improvements financed or paid for by the Consultant as reflected on Consultant's financial statements.

7.5 Completion of Work After Termination for Default of Consultant. If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after providing Consultant with notice and sixty (60) days to cure, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.6 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, including an action or proceeding initiated by either party, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment, and to all other reasonable costs for investigating such action, taking depositions and discovery, including all other necessary costs the court allows which are incurred in such litigation.

7.7 Arbitration. Should any dispute arise out of this Agreement, the Parties agree to first pursue non-binding arbitration prior to instituting any legal action. Such arbitration shall be conducted in Riverside County, California before a single arbitrator jointly selected and mutually approved by the Parties. The arbitration shall be conducted in accordance with the American Arbitration Association's rule of commercial arbitration. The Parties shall share equally the fees and expenses of the arbitration.

8.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

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

8.2 Conflict of Interest; City. No officer or employee of the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is interested, in violation of any State statute or regulation.

8.3 Conflict of Interest; Consultant. Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this

Agreement. Consultant shall comply with all conflict of interest laws and regulations including, without limitation, City's Conflict of Interest Code which is on file in the City Clerk's office. Accordingly, should the City Manager determine that Consultant will be performing a specialized or general service for the City and there is substantial likelihood that the Consultant's work product will be presented, either written or orally, for the purpose of influencing a governmental decision, the Consultant and its officers, agents or employees, as applicable, shall be subject to the City's Conflict of Interest Code.

8.4 Covenant Against Discrimination. Consultant covenants that, by and for itself, its executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

9.0 MISCELLANEOUS PROVISIONS

9.1 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, City of Perris, 101 North "D" Street, Perris, CA 92570, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by an instrument in writing signed by both parties.

9.4 Severability. Should a portion of this Agreement be declared invalid or unenforceable by a judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.5 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly

authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON NEXT PAGE]

DRAFT

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

"CITY"
CITY OF PERRIS

By: _____
Nancy Salazar, City Clerk

By: _____
Daryl R. Busch, Mayor

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

Eric L. Dunn, City Attorney

"CONSULTANT"
SEVERN TRENT ENVIRONMENTAL
SERVICES, a Texas Corporation

By: _____
Signature

Fred Kriess, Western Regional Gen. Manager

By: _____
Signature

Print Name and Title

Address:
Severn Trent Environmental Services
16337 Park Row
Houston, TX 77084

(Corporations require two signatures; *one from each* of the following: A. Chairman of Board, President, any Vice President; *AND B.* Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.)

[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES

General Description and Overview of the Services

Under this Agreement, the Consultant will provide the City with services that encompass fulfilling the duties and responsibilities of a water utility department. The services include: (i) the distribution of treated water as reasonably necessary to meet the demand for water by the City's customers, (ii) routine preventive and predictive maintenance of the Facilities; (iii) corrective maintenance, repair and replacement of the Facilities' equipment; (iv) laboratory testing and analysis; (v) field customer service; and (vi) preparation and prompt delivery of all applicable and required filings, including reports, to City and to regulatory agencies as prescribed by Applicable Law. Consultant will ensure the continued provision of water supply and distribution to the City's customers in a quantity and quality consistent with federal, state and local laws, regulations and all applicable permits.

This Schedule provides a detailed description of the services provided under this Agreement, delineated by the following key tasks.

Water Utility Management, Operations and Maintenance

Consultant will provide management, operations and maintenance of the City's water distribution system and five (5) interconnections with the East Municipal Water District Water System.

Consultant will perform routine checks of the Facilities, perform maintenance for the Facilities, meter reading, repair and replacement of water meters (as required) and perform water quality sampling and testing as required.

Consultant will also perform field customer service duties as further defined in this Schedule; and, coordinate such activities with City's customer service staff.

Consultant will perform all required preventive maintenance for the Facilities. Additionally, Consultant will perform all corrective maintenance and repair/replacement of equipment as required under the terms and conditions of this Agreement.

Consultant will provide licensed and certified operators that meet the California Department of Public Health requirements for the City's water utility system. A full time project manager will be assigned to provide management and oversight of the water utility system operations and field customer service activities.

Consultant shall operate and maintain the Facilities and all equipment and processes contained therein in accordance with relevant operation and maintenance manuals for the Facilities, Applicable Law, and Permits, if any that are issued by regulatory agencies.

Consultant will perform an annual valve and hydrant exercising program that will include flushing all dead ends routinely to prevent taste and odor complaints. Such program will be conducted that is in full compliance with California Department of Public Health regulations and prudent industry practices. Consultant will use best efforts to perform valve, hydrant and flushing activities based on the following schedule:

Routinely exercise valves in the distribution system and prepare and submit a report of recommended repairs.

Flush water mains as required to address customer complaints.

Flush dead end distribution system mains every 3 months (each quarter).

Consultant will perform fire hydrant maintenance and painting on a regular basis and consistent with requirements set forth by the City.

Consultant will perform utility line location and marking services. Such services performed during normal business hours are included as part of the Base Fee.

Emergency Response

Consultant will provide emergency response services for the Facilities and respond to emergency calls twenty four (24) hours per day, seven (7) days per week. Turn-on and Turn-off services are not considered an emergency. City is responsible for notifying Consultant of any emergency calls received directly by City.

Laboratory Analysis

Consultant will perform all required routine water sampling and testing as required by Applicable Law and the Permit and City shall pay for all such required testing.

Regulatory and other Reporting

- (a) Consultant will provide a monthly summary operations report to the City including water utility system operational and performance information, and, data required for monthly reporting to all regulatory agencies. The monthly report will summarize maintenance, repair and replacement activities. The monthly report shall also include copies of all reports and correspondence made by the Consultant to local, State and federal regulatory agencies on behalf of the City. The report will be prepared in a format as approved by the City and shall include the following data
 - (i) Total water volume produced
 - (ii) New meter orders and installations
 - (iii) Summary of maintenance and repair activities
 - (iv) Laboratory test results for the Facilities
 - (v) Copies of all reports and correspondence made by Consultant on behalf of City
 - (iv) Summary of key operational events
- (b) Each quarter, or more often as required by the City, the Consultant shall meet with City staff and make a presentation on services provided and review water utility system operations.
- (c) Consultant shall collect the data for all Permit monitoring and operating reports required by Applicable Law or by this Agreement and shall deliver the required monitoring and operating

reports to the City and to the appropriate regulatory agencies having competent jurisdiction over same. If required pursuant to Applicable Law, the Consultant shall attest as to the accuracy and completeness of the data collected for each report. The City, however, shall at all times be responsible for maintaining all required permits for the ownership and operation of the Facilities. Consultant shall specifically update and submit Water Quality Sampling Plans and Operations and Maintenance Monitoring Plans to the State Water Resources Control Board.

- (d) Consultant may interface with regulatory agencies without City's consent on matters related to compliance with the City's Permits, and/or with respect to matters required under the Consultant's staff certification and licensing requirements and/or as otherwise necessary to comply with Applicable Law, including communication during emergency situations. Consultant shall, as soon as practicable and in reasonable detail, inform the City of the subject matter of such communications with regulatory agencies. All other communications with regulatory agencies, the media, or community groups may occur only upon City's request or with City's prior approval.
- (e) All Facilities' records and data, including but not limited to operation reports, laboratory reports and monitoring documentation, but excluding Consultant's budgetary and financial information, are the property of the City and cannot be destroyed by Consultant without written consent of the City. All site-specific operating procedure guidelines, preventive maintenance and safety programs and plant evaluation reports will, upon termination of this Agreement, become and remain the property of the City.
- (f) Consultant will ensure completion and submission of the annual water system Consumer Confidence Report, in a form approved by the City and the California Department of Public Health. Costs incurred for such shall be included as part of the Annual Maintenance and Repair Limit expenditures.

Field Customer Service

Consultant shall provide water meter readings for all customer accounts in the service area and provide the data to the City by the end of the third (3rd) week of every month. Meter reading data shall be supplied in a format approved by the City. Consultant's scope of services includes reading the meters for up to 2,800 connections on a scheduled monthly basis. Should additional meter readings be required that exceed this amount by five percent (5%), Consultant will receive an additional \$250 per additional meter per year as compensation for such services.

Consultant will provide turn on and turn off services during normal business hours, with such costs included as part of the base fee. The base fee includes up to 268 turn-on/turn-off procedures in any given month. The City will pay Consultant \$250 for each additional residential meter for any turn-on/turn off procedures that exceed this amount in any given month in a specific contract year during the term of this Agreement.

Consultant will perform field customer service tasks and duties during normal business hours based on requests that are received by the City.

Consultant shall respond in a timely manner to all customer inquiries including, by way of example and not limitation, service complaints, reports of water breaks, low water pressure and water quality concerns.

Consultant's customer service personnel shall be prepared to answer commonly asked questions without referral to other personnel. Any customer calls received during off hours will be responded by the

Consultant's on call staff as soon as possible and within forty five (45) minutes of receiving such notification.

Maintenance and Repair

Subject to the limitations set forth herein of this Agreement, the Consultant shall (i) perform routine preventive maintenance in accordance with manufacturers' specifications and approved operating and maintenance procedures developed for equipment and processes of the Facilities; (ii) repair and/or replace equipment; (iii) clean and lubricate equipment; (iv) make equipment inspections and needed adjustments; (v) perform predictive maintenance as appropriate; (vi) maintain Consultant's vehicles and light duty service trucks necessary for daily operations; and (vii) maintain all of the Facilities' instrumentation, including instrumentation provided to the Consultant by the City pursuant to this Agreement. Consultant shall schedule and track all preventive and corrective maintenance in accordance with standard industry practices.

Wastewater Collection System Services

Twenty percent (20%) of approximately thirty-five (35) miles of the entire gravity system shall be cleaned and videoed once every year during the course of the Agreement. Equipment utilized shall include a hydraulic cleaning machine and will include up to four (4) passes (manhole to manhole) and debris removal. Debris remaining in excess of a four (4) pass cleaning shall be deemed Capital Maintenance. City shall provide a site for debris disposal at no cost to Consultant.

Annual video will include an electronic video summary describing actual and/or potential problem sections by video, CD, DVD or other means acceptable. During annual video, in the event of unforeseen complications, such as blockages, any such costs incurred by Consultant shall be included as part of the Annual Maintenance and Repair Limit

Consultant will operate and maintain two (2) sanitary sewer lift stations.

Consultant will promptly respond to all collection system call-outs to assess initial Consultant, City or property owner responsibility. If the problem is a clearable blockage within the City's sanitary sewer lines and not within property owner's line(s), Consultant will (using the City's trailer-mounted jetter) clear the sewer blockage. If the blockage cannot be cleared using available equipment Consultant's on-scene coordinator must exercise best professional judgment to contact a subcontractor or to rent necessary and appropriate equipment for use by Consultant personnel. Costs for non-clearable blockages and associated repairs to the sewer system will be charged to the Annual Maintenance and Repair Limit.

Consultant will operate a routine cleaning program of problem areas of City's sanitary sewer system. Problem areas that require more than quarterly cleaning will be repaired in accordance Corrective Maintenance or Repairs. Video performed outside of annual video in effort to determine necessary repair will be billed and included as part of the Annual Maintenance and Repair Limit.

Consultant's sanitary sewer line cleaning and video are included in the existing scope of services; both parties agree that unforeseen subcontracted video and line blockage cleaning will be charged to the maintenance and repair fund.

Both City and Consultant affirm that the City continues to develop a Sanitary Sewer Management Program (SSMP) in accordance with State regulations and that City will perform any and all required reporting associated with said SSMP.

Any cleanup necessary as a result of a sewer blockage or overflow will be remedied by use of a subcontractor and cost associated will be billed and included as part of the Annual Maintenance and Repair Limit.

Definitions

"Abnormal or Biologically Toxic Materials" may include, but are not limited to, concentrations of heavy metals, phenols, cyanides, pesticides, herbicides, priority pollutants as listed by USEPA, or any substance that violates the local or USEPA standards for finished water after the routine processing of the raw water.

"Adjustment Date" means each anniversary of the Commencement Date.

"Agreement Year" means any consecutive twelve (12) month period during the term of the Agreement (including the renewal options) that begins on the Commencement Date and subsequently ends on each anniversary of that date.

"Annual Maintenance Expenditures" means the total of all expenses incurred annually by the Consultant in connection with the performance of its maintenance responsibilities under this Agreement. The Annual Maintenance Expenditures shall: i) exclude Consultant's direct labor expenses and related benefits for its personnel assigned exclusively to the operations and maintenance of the Facilities and whose cost is included in the Base Fee; ii) include, but not be limited to, all materials, supplies, parts, tools, outside subcontractors, specialized services, rental equipment and all of the Consultant's overtime costs and related benefits, as well as the cost of Consultant's personnel not exclusively assigned to the operation and maintenance of the Facilities at an agreed hourly billing rate.

"Annual Repair and Maintenance Limit" means the total of all Annual Maintenance Expenditures in an amount up to a maximum of the amount in Exhibit "C" for the first Agreement Year. For each Agreement Year thereafter, the Annual Repair and Maintenance Limit shall be increased on each Adjustment Date by the Price Index Increase.

"Applicable Law" means laws, rules, regulations, codes, administrative and judicial orders, directives, guidelines, judgments, rulings, interpretations or similar requirements or actions of any federal, state, local government, agency or executive or administrative body of any of the above, in each case that relate to the (a) parties' respective responsibilities under this Agreement; (b) operation or maintenance of the Facilities; (c) health and welfare of individuals working at or visiting the Facilities; and (d) the collection, delivery and treatment of the City's raw and finished water.

"Baseline Conditions" means the amount of raw water received and/or processed at the Facilities and the maximum pollutant limits contained in such raw water, all as outlined in the most recent Consumer Confidence Report for the City of Perris' South Side Water Distribution System. The Baseline Conditions shall be reset and adjusted on each and every Adjustment Date to reflect the actual raw water amount and pollutants processed at the Facilities during the Agreement Year just ended.

"Capital Improvements" means any modifications, additions or upgrades to the Facilities made by or on behalf of the City or with its prior approval.

“Emergency Event” means an event which threatens the immediate shutdown of (or the substantial reduction in the operational capacity of, any of the Facilities, or the life, health or property of the City and/or the Consultant, their employees and/or agents or others.

“Force Majeure” means an event which is beyond the reasonable control of a party, including without limitation: (a) acts of God; (b) flood, fire, earthquake, hurricane or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order or law; (e) actions, embargoes or blockades in effect on or after the date of this Agreement; (f) action by any governmental authority; (g) national or regional emergency; (h) strikes, labor stoppages or slowdowns or other industrial disturbances, other than those involving the affected parties employees;] (i) shortage of adequate power or transportation facilities.

“City’s Permit(s)” and/or ***“Permit(s)”*** means all permits and licenses issued to City and required for the treatment of potable water from the Facilities.

“Non-Processible Water” is defined as influent raw water (i) which contains Abnormal or Biologically Toxic Materials; or (ii) which is otherwise detrimental to the operation and performance of the Facilities; or (iii) which exceeds the design capabilities of the Facilities as defined by the Operations and Maintenance Manual for the Facilities or as provided in submissions made to regulatory agencies in connection with the construction and/or the permitting of the Facilities.

“Price Index” means the Consumer Price Index for the Los Angeles-Riverside-Anaheim for all Urban Consumers as published monthly by the U.S. Department of Commerce, Bureau of Labor Statistics, or any replacement to that index from time to time.

“Price Index Increase” means the percentage increase between the Price Index in effect as of the month of each and every Adjustment Date over the Price Index in effect as of the month of the Commencement Date. The Price Index Increase shall be calculated as of each and every Adjustment Date for the purpose of adjusting the Base Fee and the Annual Repair and Maintenance Limit.

“Process Residue” means grit, screenings and any sludge generated by or through the operation of the Facilities.

EXHIBIT "B"

SPECIAL REQUIREMENTS

- A. **Easements, Access and Warranties.** City will maintain existing or necessary easements, access, and warranties for the mutual benefit of both parties.
- B. **Permits.** City or its designee shall remain the named permittee on any and all permits that may be required, and shall meet all regulatory requirements not specifically assumed herein by Consultant as its responsibility.
- C. **Utilities.** City will pay for all electricity, natural gas, and utility water cost related to the Facility and collection system cleaning.
- D. **Guarantees.** Consultant shall use generally accepted business practices to procure materials and replacement equipment. Consultant shall not be responsible to City for any guaranty in connection with such materials or replacement equipment. Consultant shall assert reasonable efforts to obtain the normal guarantees applicable in the particular industry manufacturing such materials or replacement equipment, and shall assign same to City.
- E. **Damage to Facility.** Consultant shall not be required to repair any portion of Facility damaged due to flood, fire explosion, riot, revolution, civil disturbance, war or other acts of God or any other cause whatsoever beyond the control of Consultant, its employees, agents, representatives, or sub-contractors. Consultant agrees to notify City of such damage, both orally and in writing, as soon as possible after the occurrence of the above crises or acts.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

Annual Base Fee and Compensation Formula

1) Repair and Maintenance Limits and Baselines for First Agreement Year:

Annual Repair and Maintenance Limit (for first Agreement Year): sixty thousand four hundred ninety one and 64/100 dollars (\$60,491.64)

2) Annual Base Fee:

The Annual Base Fee in the first year of this agreement shall be: five hundred seventeen thousand one hundred forty eight and 80/100 dollars (\$517,147.80).

The Base Fee shall be payable in twelve (12) equal monthly installments of [forty three thousand ninety five and 65/100 dollars (\$43,095.65), in advance, on the first day of each and every month for the duration of the Agreement.

3) Compensation formula

The following formula shall be used to determine the increase in the annual Base Fee on each Adjustment Date. Under no circumstances shall there be a decrease to the annual Base Fee.

$$AAF = AF_0 \times [P_1 / P_0]$$

where:

AAF = Annual Adjusted Fee (new Base Fee) for the upcoming twelve (12) months during an Agreement Year

AF₀ = Annual Fee (Base Fee) for the twelve (12) months in the Agreement Year just ended

P₁ = Price Index in effect as of the month of the current Adjustment Date

P₀ = Price Index in effect as of the month of the prior Adjustment Date. With respect to the first Adjustment Date, P₀ shall be the Price Index in effect on March 1, 2015.

- CPI will be adjusted using the Consumer Price Index (Los Angeles-Riverside-Anaheim for All Urban Consumers).

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

Refer to Exhibit "A" for details.

CITY OF PERRIS
CONTRACT SERVICES AGREEMENT FOR
WATER SYSTEM OPERATION AND MAINTENANCE SERVICES

This Contract Services Agreement ("Agreement"), is made and entered into this 1st day of April, 2015, by and between the City of Perris, a municipal corporation ("City"), and Severn Trent Environmental Services, a Texas Corporation with its principal place of business at 16337 Park Row, Houston, Texas 77084 ("Consultant"). The term Consultant includes professionals performing in a consulting capacity. The parties hereto agree as follows:

The City has requested that two separate agreements be provided for the services that had been provided under the current Professional Services Agreement. This Agreement represents terms and conditions for the City's "North Service Area." A separate agreement has been prepared representing terms and conditions for the City's "South Service Area."

The City and Consultant acknowledge that the base fee provided under this Agreement is based on Consultant providing services to both the North Service Area and South Service Area using shared staffing and other resources, provided that the costs for providing such services shall be allocated appropriately between each Service Area.

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Consultant shall provide the work and services specified in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by this reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

1.2 Compliance with Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the obligation to pay for any fees, assessments, taxes, including applicable penalties and interest, which may be imposed by law to the extent that same arise from any negligence or willful misconduct of Consultant in its performance of the services required by this Agreement; and shall indemnify, defend and hold harmless City against any claim for such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder. Prior to settlement or payment of any such fines, penalties or damages, the Consultant reserves the right to contest government or private actions, suits or proceedings for violations through administrative procedures or otherwise.

1.4 Familiarity with Work. By executing this Agreement, Consultant warrants that Consultant (a) has thoroughly investigated and considered the scope of services to be performed,

(b) has carefully considered how the work and services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

1.5 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000, whichever is less, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Any reduction in the Scope of Services resulting in a decrease in of more than five percent (5%) of the annual contract value shall be subject to mutual agreement of the Parties and may require renegotiation of the annual contract value.

1.6 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as *Exhibit "B"* and incorporated herein by this reference. In the event of a conflict between the provisions of *Exhibit "B"* and any other provisions of this Agreement, the provisions of *Exhibit "B"* shall govern.

1.7 Environmental Laws. Consultant shall comply with all applicable environmental laws, ordinances, codes and regulations of Federal, State, and local governments. Consultant shall also comply with all applicable mandatory standards and policies relating to energy efficiency. In the event of any changes in applicable laws that increase Consultant's cost of performance, the parties shall negotiate in good faith to reach an agreement on any required adjustment in compensation hereunder. If the parties are unable to reach an agreement on any adjustment in price due to changes in applicable law after at least 30 days of attempted negotiation, either party may terminate this agreement with an additional 30 days' notice.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract annual amount of three hundred forty four thousand seven hundred sixty five dollars \$344,765.00 ("Contract Sum"), except as provided in Section 1.5. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City.

Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase the cost of the work or services

Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased cost related thereto.

2.2 Method of Payment. Except as provided in Section 7.2, City shall pay Consultant for all expenses as provided in the schedule of compensation. Invoices are approved by City pursuant to this agreement generally within (30) days and no later than (45) days, from the submission of an invoice in an approved form. Late payments will be subject to a service charge of 1 ½% per month, or the maximum legal rate whichever is greater. Payments will be considered late if not received within (45) calendar days of the submission of an approved invoice. Interest shall accrue from the 46th day following the date of an approved invoice until the payment is received by Consultant.

Should the City dispute any portion of an invoice, City shall (i) pay Consultant all undisputed portions of said invoice within the timeframe and process described above, (ii) notify Consultant in writing within ten (10) business days of receipt of any such invoice of any disputed items and amounts and the reasons therefore. Within thirty (30) days after such notice to Consultant, City and Consultant shall meet and confer to mutually resolve any disputed items.

2.3 Availability of Funds. It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the City Council of the City for the purposes of this Agreement. The availability of funding is affected by matters outside the City's control, including other governmental entities. Accordingly, the City has the option to void the whole Agreement or to amend the Agreement, subject to Consultant's agreement to any such amendment, to reflect unanticipated reduction in funding for any reason, provided that any termination of the Agreement shall be subject to the notice and termination payment provisions of Section 7.4.

3.0 FORCE MAJEURE

3.1 Force Majeure. Consultant shall not be responsible for failures in performance of the services rendered pursuant to this Agreement due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if, in the judgment of the Contract Officer, such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

3.2 Term. Unless terminated in accordance with Section 7.4 below, this Agreement shall remain in effect from the date first written above for a five (5) year period, thereafter, subject to the right of either party to terminate as set forth in Section 7.4.

4.0 COORDINATION OF WORK

4.1 Representative of Consultant. Fred Kriess is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work or services specified herein and to make all decisions in connection therewith.

It is expressly understood that the experience, knowledge, capability and reputation of the representative was a substantial inducement for City to enter into this Agreement. Therefore, the representative shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the representative may not be replaced nor may his responsibilities be substantially reduced by Consultant without the express written approval of City.

4.2 Contract Officer. The City's City Manager is hereby designated as the representative of the City authorized to act in its behalf with respect to the work and services and to make all decisions in connection therewith ("Contract Officer"). It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. The City may designate another Contract Officer by providing written notice to Consultant.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred or assigned without the prior written approval of City. A prohibited transfer or assignment shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express written consent of City.

4.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. Consultant shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

5.0 INSURANCE AND INDEMNIFICATION

5.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional

insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000.00 per accident for all covered losses.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000.00 per accident combined single limit. Said policy shall include coverage for Consultant owned, non owned, leased and hired cars.

(d) Professional Liability or Error and Omissions Insurance. A policy of errors and omissions insurance in an amount not less than \$1,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the City.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the City, its officers, employees and agents ("City Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the City and the City's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing ten (10) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Consultant agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain suitable and commercially reasonable insurance coverage, taking into account the scope and value of any such work provided by such subcontractor.

5.2 City's Insurance. City shall obtain and ensure that standard fire insurance policies are maintained for the facility equivalent to the insurance maintained by City for City's other public facilities.

5.3 Indemnification and Liability.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless City and the City's Parties from and against any and all third party losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City and City's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including reasonable attorneys' fees, court costs, defense costs and expert witness fees), to the extent that same arise out of, in whole or in part, acts or omissions in the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant. Such liability of Consultant shall include but not be limited to any fines or penalties related to the operation and maintenance of the Facility.

6.0 RECORDS AND REPORTS

6.1 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement.

6.2 Records. Consultant shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have reasonable access to such books and records at all times during normal business hours, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 Ownership of Documents. All drawings, specifications, reports, records, documents and other materials prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of such documents and materials. Consultant may retain copies of such documents for its own use and Consultant shall have an unrestricted right to use

the concepts embodied therein. Any use of such completed documents by City for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant and the City shall indemnify the Consultant for all damages resulting therefrom.

7.0 ENFORCEMENT OF AGREEMENT

7.1 California Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

7.2 Retention of Funds. Consultant hereby authorizes City to withhold for a reasonable time any amount payable to Consultant under this Agreement, (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.3 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.4 Termination Prior to Expiration of Term. Either party may terminate this Agreement at any time, with or without cause, upon sixty (60) days' written notice to the other party. Upon receipt of any notice of termination, Consultant shall cease all work or services hereunder at the time specified in the notice, except as specifically approved by the Contract Officer. Consultant shall be entitled to compensation for the reasonable value of the work product actually produced prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation and City shall be entitled to reimbursement for any compensation paid in excess of the services rendered. Should City terminate this Agreement without cause prior to the expiration of the initial Term, then in addition to paying Consultant for the sixty (60) day period described above, City shall reimburse Consultant in a lump sum for the reasonable costs related to the severance of any new or additional employees who were hired by Consultant specifically to perform the services under this Agreement, provided that City shall not reimburse Consultant

for any costs arising out of any litigation or administrative claims filed by such employees. In addition, if City terminates this Agreement in the first twelve (12) months, City shall reimburse Consultant for the remaining lease payments of any new or additional vehicles that were leased by Consultant specifically to perform the services under this Agreement, unless a vehicle is redeployed by Consultant to another project, plus the unamortized balance of any Capital Improvements financed or paid for by the Consultant as reflected on Consultant's financial statements.

7.5 Completion of Work After Termination for Default of Consultant. If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after providing Consultant with notice and sixty (60) days to cure, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.6 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, including an action or proceeding initiated by either party, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment, and to all other reasonable costs for investigating such action, taking depositions and discovery, including all other necessary costs the court allows which are incurred in such litigation.

7.7 Arbitration. Should any dispute arise out of this Agreement, the Parties agree to first pursue non-binding arbitration prior to instituting any legal action. Such arbitration shall be conducted in Riverside County, California before a single arbitrator jointly selected and mutually approved by the Parties. The arbitration shall be conducted in accordance with the American Arbitration Association's rule of commercial arbitration. The Parties shall share equally the fees and expenses of the arbitration.

8.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

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

8.2 Conflict of Interest; City. No officer or employee of the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is interested, in violation of any State statute or regulation.

8.3 Conflict of Interest; Consultant. Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this

Agreement. Consultant shall comply with all conflict of interest laws and regulations including, without limitation, City's Conflict of Interest Code which is on file in the City Clerk's office. Accordingly, should the City Manager determine that Consultant will be performing a specialized or general service for the City and there is substantial likelihood that the Consultant's work product will be presented, either written or orally, for the purpose of influencing a governmental decision, the Consultant and its officers, agents or employees, as applicable, shall be subject to the City's Conflict of Interest Code.

8.4 Covenant Against Discrimination. Consultant covenants that, by and for itself, its executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

9.0 MISCELLANEOUS PROVISIONS

9.1 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, City of Perris, 101 North "D" Street, Perris, CA 92570, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by an instrument in writing signed by both parties.

9.4 Severability. Should a portion of this Agreement be declared invalid or unenforceable by a judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.5 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly

authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON NEXT PAGE]

DRAFT

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

"CITY"
CITY OF PERRIS

By: _____
Nancy Salazar, City Clerk

By: _____
Daryl R. Busch, Mayor

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

Eric L. Dunn, City Attorney

"CONSULTANT"
SEVERN TRENT ENVIRONMENTAL
SERVICES, a Texas Corporation

By: _____
Signature

Fred Kriess, Western Regional Gen. Manager

By: _____
Signature

Print Name and Title

Address:
Severn Trent Environmental Services
16337 Park Row
Houston, TX 77084

(Corporations require two signatures; *one from each* of the following: A. Chairman of Board, President, any Vice President; *AND B.* Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.)

[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES

General Description and Overview of the Services

Under this Agreement, the Consultant will provide the City with services that encompass fulfilling the duties and responsibilities of a water utility department. The services include: (i) the production and distribution of treated water as reasonably necessary to meet the demand for water by the City's customers, (ii) routine preventive and predictive maintenance of the Facilities; (iii) corrective maintenance, repair and replacement of the Facilities' equipment; (iv) laboratory testing and analysis;; (v) field customer service; and (vi) preparation and prompt delivery of all applicable and required filings, including reports, to the City and to regulatory agencies as prescribed by Applicable Law. Consultant will ensure the continued provision of water supply and distribution to the City's customers in a quantity and quality consistent with federal, state and local laws, regulations and all applicable permits.

This Schedule provides a detailed description of the services provided under this Agreement, delineated by the following key tasks.

Water Utility Management, Operations and Maintenance

Consultant will provide management, operations and maintenance of the City's wells, water production and distribution system. These services will include maintenance of the grounds and associated appurtenances.

Consultant will perform routine checks of the Facilities, perform maintenance for the Facilities, meter reading, repair and replacement of water meters (as required) and perform water quality sampling and testing as required.

Consultant will also perform field customer service duties as further defined in this Schedule; and, coordinate such activities with the City's customer service staff.

Consultant will perform all required preventive maintenance for the Facilities. Additionally, Consultant will perform all corrective maintenance and repair/replacement of equipment as required under the terms and conditions of this Agreement.

Consultant will provide licensed and certified operators that meet the California Department of Public Health requirements for the City's water utility system. A full time project manager will be assigned to provide management and oversight of the water utility system operations and field customer service activities.

Consultant shall operate and maintain the Facilities and all equipment and processes contained therein in accordance with relevant operation and maintenance manuals for the Facilities, Applicable Law, the existing raw water supply permit ("Permit") issued by the California State Water Resources Control Board.

Consultant will perform an annual valve and hydrant exercising program that will include flushing all dead ends routinely to prevent taste and odor complaints. Such program will be conducted that is in full compliance with California Department of Public Health regulations and prudent industry practices. Consultant will use best efforts to perform valve, hydrant and flushing activities based on the following schedule:

Routinely Exercise valves in the distribution system and prepare and submit a report of recommended repairs.

Flush water mains as required to address customer complaints.

Flush dead end distribution system mains every 3 months (each quarter).

Consultant will perform fire hydrant maintenance and painting on a regular basis and consistent with requirements set forth by the City.

Consultant will perform utility line location and marking services. Such services performed during normal business hours are included as part of the Base Fee.

Emergency Response

Consultant will provide emergency response services for the Facilities and respond to emergency calls twenty four (24) hours per day, seven (7) days per week. Turn-on and Turn-off services are not considered an emergency. City is responsible for notifying Consultant of any emergency calls received directly by the City.

Laboratory Analysis

Consultant will perform all required routine water sampling and testing as required by Applicable Law and the Permit and the City shall pay for all such required testing.

Regulatory and other Reporting

- (a) Consultant will provide a monthly summary operations report to the City including water utility system operational and performance information, and, data required for monthly reporting to all regulatory agencies. The monthly report will summarize maintenance, repair and replacement activities. The monthly report shall also include copies of all reports and correspondence made by the Consultant to local, State and federal regulatory agencies on behalf of the City. The report will be prepared in a format as approved by the City and shall include the following data
 - (i) Total water volume produced
 - (ii) New meter orders and installations
 - (iii) Summary of maintenance and repair activities
 - (iv) Laboratory test results for the Facilities
 - (v) Copies of all reports and correspondence made by Consultant on behalf of City
 - (vi) Summary of key operational events

- (b) Each quarter, or more often as required by the City, the Consultant shall meet with the City staff and make a presentation on services provided and review water utility system operations.

- (c) Consultant shall collect the data for all Permit monitoring and operating reports required by Applicable Law or by this Agreement and shall deliver the required monitoring and operating reports to the City and to the appropriate regulatory agencies having competent jurisdiction over same. If required pursuant to Applicable Law, the Consultant shall attest as to the accuracy and completeness of the data collected for each report. The City, however, shall at all times be responsible for maintaining all required permits for the ownership and operation of the Facilities. Consultant shall specifically update and submit Water Quality Sampling Plans and Operations and Maintenance Monitoring Plans to the State Water Resources Control Board.
- (d) Consultant may interface with regulatory agencies without City's consent on matters related to compliance with the City's Permits, and/or with respect to matters required under the Consultant's staff certification and licensing requirements and/or as otherwise necessary to comply with Applicable Law, including communication during emergency situations. Consultant shall, as soon as practicable and in reasonable detail, inform the City of the subject matter of such communications with regulatory agencies. All other communications with regulatory agencies, the media, or community groups may occur only upon City's request or with City's prior approval.
- (e) All Facilities' records and data, including but not limited to operation reports, laboratory reports and monitoring documentation, but excluding Consultant's budgetary and financial information, are the property of the City and cannot be destroyed by Consultant without written consent of the City. All site-specific operating procedure guidelines, preventive maintenance and safety programs and plant evaluation reports will, upon termination of this Agreement, become and remain the property of the City.
- (f) Consultant will ensure completion and submission of the annual water system Consumer Confidence Report, in a form approved by the City and the California Department of Public Health. Costs incurred for such shall be included as part of the Annual Maintenance and Repair Limit expenditures.

Field Customer Service

Consultant shall provide water meter readings for all customer accounts in the service area and provide the data to the City by the end of the third (3rd) week of every month. Meter reading data shall be supplied in a format approved by the City. Consultant's scope of services includes reading the meters for up to 1,400 connections on a scheduled monthly basis. Should additional meter readings be required that exceed this amount by five percent (5%), Operator will receive an additional \$250 per additional meter per year as compensation for such services.

Consultant will provide turn on and turn off services during normal business hours, with such costs included as part of the base fee. The base fee includes up to 132 turn-on/turn-off procedures in any given month. The City will pay Consultant \$250 for each additional residential meter for any turn-on/turn off procedures that exceed this amount in any given month in a specific contract year during the term of this Agreement.

Consultant will perform field customer service tasks and duties during normal business hours based on requests that are received by the City.

Consultant shall respond in a timely manner to all customer inquiries including, by way of example and not limitation, service complaints, reports of water breaks, low water pressure and water quality concerns.

Consultant's customer service personnel shall be prepared to answer commonly asked questions without referral to other personnel. Any customer calls received during off hours will be responded by the Consultant's on call staff as soon as possible and within forty five (45) minutes of receiving such notification.

Chemicals

Consultant will purchase and maintain an inventory of sodium hypochlorite routinely used and required in the operations of the Facilities. The sodium hypochlorite will be stored on site in compliance with OSHA regulations and in sufficient quantities for the continuous operations of the Facilities.

Subject to the limitations set forth herein, the Consultant shall (i) perform routine preventive maintenance in accordance with manufacturers' specifications and approved operating and maintenance procedures developed for equipment and processes of the Facilities; (ii) repair and/or replace equipment; (iii) clean and lubricate equipment; (iv) make equipment inspections and needed adjustments; (v) perform predictive maintenance as appropriate; (vi) maintain Consultant's vehicles and light duty service trucks necessary for daily operations; and (vii) maintain all of the Facilities' instrumentation, including instrumentation provided to the Consultant by the City pursuant to this Agreement. Consultant shall schedule and track all preventive and corrective maintenance in accordance with standard industry practice.

Definitions

"Abnormal or Biologically Toxic Materials" may include, but are not limited to, concentrations of heavy metals, phenols, cyanides, pesticides, herbicides, priority pollutants as listed by USEPA, or any substance that violates the local or USEPA standards for finished water after the routine processing of the raw water.

"Adjustment Date" means each anniversary of the Commencement Date.

"Agreement Year" means any consecutive twelve (12) month period during the term of the Agreement (including the renewal options) that begins on the Commencement Date and subsequently ends on each anniversary of that date.

"Annual Maintenance Expenditures" means the total of all expenses incurred annually by the Consultant in connection with the performance of its maintenance responsibilities under this Agreement. The Annual Maintenance Expenditures shall: i) exclude Consultant's direct labor expenses and related benefits for its personnel assigned exclusively to the operations and maintenance of the Facilities and whose cost is included in the Base Fee; ii) include, but not be limited to, all materials, supplies, parts, tools, outside subcontractors, specialized services, rental equipment and all of the Consultant's overtime costs and related benefits, as well as the cost of Consultant's personnel not exclusively assigned to the operation and maintenance of the Facilities at an agreed hourly billing rate.

"Annual Repair and Maintenance Limit" means the total of all Annual Maintenance Expenditures in an amount up to a maximum of the amount in Exhibit "C" for the first Agreement Year. For each Agreement Year thereafter, the Annual Repair and Maintenance Limit shall be increased on each Adjustment Date by the Price Index Increase.

"Applicable Law" means laws, rules, regulations, codes, administrative and judicial orders, directives, guidelines, judgments, rulings, interpretations or similar requirements or actions of any federal, state, local government, agency or executive or administrative body of any of the above, in each case that relate to the (a) parties' respective responsibilities under this Agreement; (b) operation or maintenance of the Facilities; (c) health and welfare of individuals working at or visiting the Facilities; and (d) the collection, delivery and treatment of the City's raw and finished water.

"Baseline Conditions" means the amount of raw water received and/or processed at the Facilities and the maximum pollutant limits contained in such raw water, all as outlined in the most recent Consumer Confidence Report for the North Perris Water Distribution System. The Baseline Conditions shall be reset and adjusted on each and every Adjustment Date to reflect the actual raw water amount and pollutants processed at the Facilities during the Agreement Year just ended.

"Capital Improvements" means any modifications, additions or upgrades to the Facilities made by or on behalf of the City or with its prior approval.

"Emergency Event" means an event which threatens the immediate shutdown of (or the substantial reduction in the operational capacity of, any of the Facilities, or the life, health or property of the City and/or the Consultant, their employees and/or agents or others.

"Force Majeure" means an event which is beyond the reasonable control of a party, including without limitation: (a) acts of God; (b) flood, fire, earthquake, hurricane or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order or law; (e) actions, embargoes or blockades in effect on or after the date of this Agreement; (f) action by any governmental authority; (g) national or regional emergency; (h) strikes, labor stoppages or slowdowns or other industrial disturbances, other than those involving the affected parties employees; (i) shortage of adequate power or transportation facilities.

"City's Permit(s)" and/or **"Permit(s)"** means all permits and licenses issued to City and required for the treatment of potable water from the Facilities.

"Non-Processible Water" is defined as influent raw water (i) which contains Abnormal or Biologically Toxic Materials; or (ii) which is otherwise detrimental to the operation and performance of the Facilities; or (iii) which exceeds the design capabilities of the Facilities as defined by the Operations and Maintenance Manual for the Facilities or as provided in submissions made to regulatory agencies in connection with the construction and/or the permitting of the Facilities.

"Price Index" means the Consumer Price Index for the Los Angeles-Riverside-Anaheim for all Urban Consumers as published monthly by the U.S. Department of Commerce, Bureau of Labor Statistics, or any replacement to that index from time to time.

"Price Index Increase" means the percentage increase between the Price Index in effect as of the month of each and every Adjustment Date over the Price Index in effect as of the month of the Commencement Date. The Price Index Increase shall be calculated as of each and every Adjustment Date for the purpose of adjusting the Base Fee and the Annual Repair and Maintenance Limit.

"Process Residue" means grit, screenings and any sludge generated by or through the operation of the Facilities.

EXHIBIT "B"

SPECIAL REQUIREMENTS

- A. Easements, Access and Warranties. City will maintain existing or necessary easements, access, and warranties for the mutual benefit of both parties.
- B. Permits. City or its designee shall remain the named permittee on any and all permits that may be required, and shall meet all regulatory requirements not specifically assumed herein by Consultant as its responsibility.
- C. Utilities. City will pay for all electricity, natural gas, and utility water cost related to the Facility and collection system cleaning.
- D. Guarantees. Consultant shall use generally accepted business practices to procure materials and replacement equipment. Consultant shall not be responsible to City for any guaranty in connection with such materials or replacement equipment. Consultant shall assert reasonable efforts to obtain the normal guarantees applicable in the particular industry manufacturing such materials or replacement equipment, and shall assign same to City.
- E. Damage to Facility. Consultant shall not be required to repair any portion of Facility damaged due to flood, fire explosion, riot, revolution, civil disturbance, war or other acts of God or any other cause whatsoever beyond the control of Consultant, its employees, agents, representatives, or sub-contractors. Consultant agrees to notify City of such damage, both orally and in writing, as soon as possible after the occurrence of the above crises or acts.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

Annual Base Fee and Compensation Formula

1) Repair and Maintenance Limits and Baselines for First Agreement Year:

Annual Repair and Maintenance Limit (for first Agreement Year): twenty five thousand nine hundred twenty four and 92/100 dollars (\$25,924.92)

2) Annual Base Fee:

The Annual Base Fee in the first year of this agreement shall be: three hundred forty four thousand seven hundred sixty five dollars (\$344,765).

The Base Fee shall be payable in twelve (12) equal monthly installments of twenty eight thousand seven hundred thirty and 42/100 dollars (\$28,730.42), in advance, on the first day of each and every month for the duration of the Agreement.

3) Compensation formula

4) The following formula shall be used to determine the increase in the annual Base Fee on each Adjustment Date. Under no circumstances shall there be a decrease to the annual Base Fee.

$$AAF = AF_0 \times [P_1 / P_0]$$

where:

AAF = Annual Adjusted Fee (new Base Fee) for the upcoming twelve (12) months during an Agreement Year

AF₀ = Annual Fee (Base Fee) for the twelve (12) months in the Agreement Year just ended

P₁ = Price Index in effect as of the month of the current Adjustment Date

P₀ = Price Index in effect as of the month of the prior Adjustment Date. With respect to the first Adjustment Date, P₀ shall be the Price Index in effect on March 1, 2015.

- CPI will be adjusted using the Consumer Price Index (Los Angeles-Riverside-Anaheim for All Urban Consumers).

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

Refer to Exhibit "A" for details.

DRAFT

DRAFT


CITY COUNCIL AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: Amendment to the Lease Agreement with Boys & Girls Club of Perris for 227 North D Street

REQUESTED ACTIONS: That the City Council approve and authorize the first amendment to the Lease Agreement with the Boys & Girls Club of Perris

CONTACT: Darren Madkin, Deputy City Manager



BACKGROUND/DISCUSSION:

In May 2014, the City Council approved a lease with the non-profit Boys & Girls Club of Perris (BGCP) for a portion of the offices in the City owned property at 227 North D Street. The building is currently shared with other tenants (Riverside County Code Enforcement office, the Perris Valley Chamber of Commerce, the Perris Valley Historical Society, and the Southwest Veterans Business Resource Center). Under the attached amended Lease agreement, BGCP will add additional office space to their existing lease. The terms of the lease will remain essentially the same and are listed below:


1. Lease term revised to a 1 (one) year term (2015-2016).
2. Rent of \$1.00 per year. (no change)
3. Non-exclusive use of common areas and parking lot. (no change)
4. Option to purchase City owned lots at Commercial and 10th Street for a future clubhouse location (APN#313271012 and 313271013). (no change)
5. Square footage of leased space (increased per revised floor plan in the attached draft amended lease).
6. Early termination clause with 60 day notice.

The amended Lease is attached in substantially final form. If approved, the City Attorney's office will finalize the amendments and incorporate any necessary revisions to finalize the lease for execution. If there are substantive changes the Lease will be brought back for further consideration by the City Council.

BUDGET IMPACT: There is no impact with this action. The City will receive a nominal rent from the lease of the property to BGCP.

Reviewed by:

City Attorney _____

Assistant City Manager 

Attachment: Lease Agreement

Consent: X

Public Hearing:

Business Item:

AMENDED AND RESTATED

LEASE AGREEMENT

By and Between

THE CITY OF PERRIS and

THE BOYS AND GIRLS CLUB OF PERRIS

[227 North D Street, Perris, California 92370]

AMENDED AND RESTATED LEASE AGREEMENT

THIS AMENDED AND RESTATED LEASE AGREEMENT (the "Lease" herein) is executed this _____ day of February, 2015, by and between the CITY OF PERRIS, a municipal corporation ("Lessor"), and Boys and Girls Club of Perris, a non-profit organization duly organized under the laws of the State of California ("Lessee").

RECITALS

A. This Lease involves certain improved real property (the "Property") in the City of Perris, County of Riverside, California, commonly known as 227 North D Street, Perris.

B. Lessor and Lessee entered into a Lease Agreement for the lease of a portion of the Property on May 28, 2014 ("Original Lease"). Lessor and Lessee desire to amend the Original Lease to expand the Premises and clarify certain issues. This Lease shall replace the Original Lease in its entirety.

C. The Property is comprised of one building consisting of offices, storage areas, restrooms, hallways and classrooms, as shown on the floor plan attached hereto as Exhibit "A" ("Floor Plan"). Lessee desires to lease a portion of the Property specifically known as (the "Premises"), which is generally shown on Floor Plan (Exhibit A) as the "Health Dept." The Premises are approximately 2,250 square feet. Lessee acknowledges that Lessor leases the remaining rooms of the Property to other lessees.

D. This Lease is entered into for the purpose of allowing the Lessee to locate its Boys and Girls Club programs on the Premises.

LEASE PROVISIONS

In consideration of the covenants and agreements contained herein, and incorporating the foregoing recitals and all exhibits hereto, Lessor and Lessee hereby agree as follows:

1.00 LEASE OF PREMISES.

1.01 Premises.

Lessor hereby grants, demises and lets unto Lessee the Premises, and Lessee hereby leases the Premises from Lessor. Lessee agrees that it accepts the Premises "As-Is" and "Where-is" without any representations or warranties of any nature or kind whatsoever from Lessor.

1.02 Term.

The term of this Lease is for one (1) year ("Lease Term") commencing on March 30, 2015 ("Commencement Date"), and terminating on March 30, 2016 ("Termination Date"). Lessee may, at Lessor's sole and exclusive option, renew this Lease for one additional year. Lessee shall provide Lessor sixty (60) days written notice of its intent to exercise the option prior

to the end of the Term. Any holding over by Lessee after the expiration of the Lease Term shall be deemed a month-to-month tenancy upon the same terms and conditions of this Lease.

Notwithstanding the foregoing, either party may terminate this Lease with or without cause, upon sixty (60) days' written notice to the other party.

1.03 Quiet Possession.

Lessor covenants and agrees with Lessee that Lessee may occupy and enjoy the Premises for the full Lease Term, subject to the provisions of this Lease.

1.04 Rent.

During the Lease Term, Lessee shall pay to Lessor and Lessor shall accept from Lessee rent in the amount of One Dollar (\$1.00) per year ("Rent"). By execution of this Lease, Lessor hereby acknowledges receipt of the rent for the entire Lease Term.

1.05 Payment.

Rent shall be payable in advance in lawful currency of the United States on the Payment Date, which shall be on or before the first working day of the Lease Term beginning with the Commencement Date. By execution hereof, the Lessor acknowledges receipt of the Rent. Rent shall be paid at the address designated for notices or such other place as may be designated in writing by Lessor, without prior demand therefor, and without any deduction or offset whatsoever.

1.06 Utilities, Assessments, Taxes.

It is the intent of the parties that the Rent paid hereunder shall be absolutely net to the Lessor, and Lessee shall pay all costs, charges, assessments, taxes and obligations of every kind or nature against or relating to the Premises or the use, occupancy, operation, management, maintenance, ownership, or repair thereof which may arise or become due during the term. Without limiting the generality of the foregoing, Lessee shall pay all charges for utilities and services furnished to the Premises during the term, including but not limited to gas, electricity, heat, power, sewer, water, telephone, refuse collection, internet, all associated connection charges, and all similar utility bills taxed, levied, or charged upon the Premises. To the extent another Lessee operates on the Property, utilities to the Property shall be prorated based on hours of operation by the lessee's use of the Property. Lessee's initial hours of operation shall be Monday through Saturday from 8:00 am – 8:00 pm. Lessee shall notify Lessor immediately with respect to any change in hours of operation. Lessor hereby notifies Lessee that Lessee may be required to pay property taxes with respect to the Premises.

2.00 DEVELOPMENT OF THE PREMISES.

2.01 Construction of Improvements.

Lessor is not obligated to, and shall not, provide any additional improvements to the Premises. Lessee shall not construct any improvements on the Premises without Lessor's written consent, in Lessor's sole and absolute discretion.

2.02 Ownership of Improvements.

During the term of this Lease, title to all improvements constructed or placed on the Premises by Lessee, including buildings, structures, and other tenant improvements are and shall be vested in Lessee, but shall automatically become the property of Lessor upon the expiration or sooner termination of this Lease. Lessee shall have the right to retain any furniture or equipment or any personal property of Lessee not affixed to the buildings constructed on the Premises, all of which property (whether classified as real or personal property) shall be the property of Lessee.

2.03 Mechanics' Liens.

Lessee shall not permit any mechanic's, materialman's, contractor's, subcontractor's or other lien arising from any work or improvement, for any labor done, services performed, or materials, appliances, transportation, or power used or furnished, however it may arise, to stand against the Premises or any improvement thereon.

3.00 USE OF THE PREMISES.

3.01 Uses.

Lessee shall have the exclusive use of the Premises labeled "Health Dept." as shown on the attached Exhibit A (Floor Plan). Lessee shall also have non-exclusive use of the hallways and restrooms as shown on the Floor Plan, and the parking lot adjacent to the Property (collectively, "Common Areas"). The Common Area shall include the rear of the building. The foregoing use shall be for Boys and Girls Club of Perris operations only and for no other purposes without Lessor's written consent, in Lessor's sole and absolute discretion. Lessee shall not have any right to reserve or otherwise designate parking spaces for the use of its agents, employees, members or patrons. Lessee shall coordinate use of the Common Areas with other tenants of the Property and Lessor. Lessee shall have no right to subdivide, separate, or partition the Premises. Breach of the provisions of the City's Municipal Code or any conditions imposed on a particular use pursuant thereto shall be a material breach of this Lease and shall be valid and sufficient grounds for Lessor's termination of this Lease.

The Premises shall be accessed on a sub-master key system. Lessee shall be issued a sub-master key to secure the Premises. Common Areas shall be accessible on a sub-master key. The Property is a public facility and is also used for the storage of city equipment.

3.02 Compliance with Law.

Lessee agrees that all operations and activities by or under Lessee on the Premises shall be conducted in compliance with all applicable statutes, ordinances, orders, laws, rules and regulations, and the requirements of all federal, state and municipal governments and appropriate departments, commissions, boards and offices thereof, which may be applicable to the Premises or to the use or manner of use of the Premises. Lessee shall indemnify and hold the Lessor

harmless against all actions, claims and damages by reason of (i) Lessee's failure to perform the terms hereof; or (ii) Lessee's non-observance or non-performance of any statute, ordinance, order, law, rule, regulation and/or governmental requirement related to Lessee's use and occupancy of the Premises or the condition thereof.

3.03 Miscellaneous Restrictions.

Lessee agrees in using the Premises:

(a) Not to commit any waste or suffer any waste to be committed upon the Premises.

(b) Not to perform any acts or carry on any practices that may injure adjoining buildings or property or be a nuisance or menace to other persons or businesses in the area or disturb the quiet enjoyment of any person, nor to conduct or permit to be conducted any public or private nuisance on the Premises.

(c) Not to engage in any activity on or about the Premises that violates any "Environmental Law" (as defined below), and to promptly, at Lessee's sole cost and expense, take all investigatory and/or remedial action required or ordered by any governmental agency or Environmental Law for clean-up and removal of any contamination involving any "Hazardous Material" (as defined below) created or caused by or under Lessee. The term "Environmental Law" shall mean any federal, state or local law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environmental conditions on, under or about the Premises including, without limitation, (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. Sections 9601 et seq.; (ii) the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Sections 6901 et seq.; (iii) California Health and Safety Code Sections 25100 et seq.; (iv) the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5 et seq.; (v) the Federal Water Pollution Control Act, 33 U.S.C. Sections 1317 et seq.; (vi) California Water Code Section 1300 et seq.; and (vii) California Civil Code Section 3479 et seq., as such laws are amended and the regulations and administrative codes applicable thereto. The term "Hazardous Material" includes, without limitation, any material or substance which is (i) defined or listed as a "hazardous waste", "extremely hazardous waste", "restrictive hazardous waste" or "hazardous substance" or considered a waste, condition or pollution or nuisance under the Environmental Laws; (ii) petroleum or a petroleum product or fraction thereof; (iii) asbestos; and/or (iv) substances known by the State of California to cause cancer and/or reproductive toxicity. It is the intent of the parties hereto to construe the terms "Hazardous Materials" and "Environmental Laws" in their broadest sense. Lessee shall provide all notices required pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5 et seq. Lessee shall provide prompt written notice to Agency of the existence of Hazardous Substances on the Site and all notices of violation of the Environmental Laws received by Lessee. Lessee's obligations pursuant to this Section shall be referred to in this Lease as "Environmental Compliance".

3.04 Maintenance of Property.

(a) Duty of Lessee to Maintain.

Lessee covenants and agrees for itself, its successors and assigns, and every successor in interest to the Premises or any part thereof, that Lessee shall be responsible for the maintenance of all interior improvements in a neat, clean, and sanitary condition, free from any accumulation of debris or waste materials. Lessee shall place all rubbish in authorized containers. Lessee shall also, together with other tenants of the Property, maintain the Common Areas in a neat, clean, and sanitary condition, free from any accumulation of debris or waste materials.

(b) Right of Lessor to Maintain and Repair.

If Lessee refuses, neglects, or fails to maintain and repair the Premises or Common Areas as required hereunder and to the reasonable satisfaction of Lessor as soon as reasonably possible after written demand, Lessor may enter the Premises and Common Areas at all reasonable times during normal business hours and perform said maintenance or make such repairs or perform any other act required to be performed by Lessee hereunder, without liability to Lessee for any loss or damage that may accrue to Lessee's merchandise, fixtures, or other property or to Lessee's business by reason thereof. In the event Lessor makes any repair or maintenance which Lessee has failed to do, then, within ten (10) days following Lessor's written demand therefor, Lessee shall pay Lessor's costs in performing such maintenance and making such repairs plus an amount equal to twenty percent (20%) of such cost for Lessor's overhead. If Lessee fails to make such payment when due, the same shall accrue interest as provided in Section 6.03 and shall be a material breach of this Lease, subject to all rights and remedies herein.

(c) Duty of Lessor to Maintain.

Lessor covenants that Lessor shall be responsible for the maintenance of all exterior improvements on the Property. Lessor shall make all necessary replacements, repairs, and alterations to the Property, except Lessee shall be responsible for any damage arising out of Lessee's use of the Premises.

3.05 Rights of Access.

(a) Generally.

Lessor or the authorized representatives of Lessor may, without prior written or oral notice to Lessee, enter the Premises at all reasonable times during usual business hours for the purposes of inspecting the same. In addition, as provided in Section 3.04, Lessor or its representatives may enter the Premises to make such repairs or reconstruction required or permitted pursuant to this Lease or to perform any work therein that may be necessary by reason of Lessee's default under the terms of this Lease.

(b) Public Improvements.

Lessor, for itself and for the City of Perris and other public agencies, at their sole risk and expense, reserves the right to enter the Premises or any part thereof at all reasonable times during normal business hours with as little interference as possible for the purpose of construction, reconstruction, relocation, maintenance, repair or service of any public improvements or public

facilities located on the Premises. Any damage or injury to the Premises or to the improvements constructed thereon resulting from such entry shall be promptly repaired at the sole expense of the public agency responsible for the entry.

4.00 INDEMNIFICATION AND INSURANCE.

4.01 Insurance.

(a) Casualty.

If during the Lease Term, any improvement that may be constructed or placed on the Premises by Lessee or any trade fixtures shall be damaged or destroyed by fire or other insured casualty, Lessee shall, with all reasonable diligence, repair, reconstruct or replace such improvement. Any such repair, reconstruction or replacement shall be at the sole cost and expense of Lessee and, upon the completion thereof, shall be free and clear of all liens and encumbrances of any nature whatsoever, including mechanics' and material men's liens. If Lessee fails to commence such repair, reconstruction or replacement with all due speed and diligence, but in no event later than six (6) months following such casualty, Lessor shall have the right, without limitation, to collect all insurance proceeds subject to the rights of any leasehold mortgagee.

(b) Fire and Extended Coverage Insurance.

Throughout the Lease Term, Lessor shall, at its sole cost and expense, keep or cause to be kept insured for the mutual benefit of Lessor and Lessee all improvements located on or appurtenant to the Premises against loss or damage by fire and such other risks as are now or hereafter included. The amount of the insurance shall be sufficient to prevent either Lessee or Lessor from becoming a coinsurer under the provisions of the policy, but in no event shall the amount be less than eighty percent (80%) of the then actual replacement cost, excluding costs of replacing excavations and foundations, but without deduction for depreciation.

(c) Public Liability Insurance.

(d) Beginning on the Effective Date hereof and throughout the Lease Term, Lessee shall at its sole cost and expense keep or cause to be kept in force for the mutual benefit of Lessor and Lessee comprehensive broad form general public liability insurance against claims and liability for personal injury or death arising from the use, occupancy, disuse or condition of the Premises, improvements or adjoining areas or ways, or for property damage, in an amount not less than no less than \$1,000,00.00 per occurrence for all covered losses, including bodily injury, death and property damage, and no less than \$2,000,000.00 general aggregate. Defense costs must be paid in addition to limits.

(e) Other Insurance.

Lessee may procure and maintain any insurance not required by this Lease, but all such insurance shall be subject to all of the provisions hereof pertaining to insurance and shall be for the benefit of Lessor and Lessee.

(f) Insurance Policy Form, Content and Insurer.

All insurance required to be provided by Lessee by the express provisions hereof shall be carried only by responsible insurance companies licensed to do business by California, and with a minimum policy holder rating of "A" or "A+" and of financial category Class XI status or better in the most recent edition of Best's Insurance Guide or similar rating system acceptable to Lessor. All such policies shall contain language, to the extent obtainable, to the effect that (i) any loss shall be payable notwithstanding any act of negligence of Lessor that might otherwise result in the forfeiture of the insurance, (ii) the insurer waives the right of subrogation against Lessor and against Lessor's agents and representatives; (iii) the policies are primary and noncontributing with any insurance that may be carried by Lessor; and (iv) the policies cannot be cancelled or materially changed except after thirty (30) days notice in writing by the insurer to Lessor or Lessor's designated representative. The general liability policy shall name Lessor, its officers, employees and agents ("City Parties") as additional insureds. Lessee shall furnish Lessor with copies of all such policies promptly on receipt of them, or with certificates evidencing the insurance. Lessor shall be named as an additional insured on all policies of insurance required to be procured by the terms of this Lease.

(g) Failure to Maintain Insurance and Proof of Compliance.

Lessee shall deliver to Lessor, in the manner required for notices, copies of certificates of all insurance policies required hereunder together with evidence satisfactory to Lessor of payment required for procurement and maintenance of each policy within the following time limits:

1. For insurance required at the commencement of this Lease, within thirty (30) days after commencement; and
2. For any renewal or replacement of a policy already in existence, at least ten (10) days before expiration or termination of the existing policy.

If Lessee fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish Lessor with required proof that the insurance, has been procured and is in force and paid for, Lessor shall have the right, at Lessor's election and on five (5) days notice to Lessee, to procure and maintain such insurance. The premiums paid by Lessor shall be treated as added rent due from Lessee, with interest at the rate specified in Section 6.03, to be paid within ten (10) days after demand therefore by Lessor. Lessor shall give Lessee prompt notice of the payment of premiums, stating the amount paid and the names of the insurer or insurers.

(h) [The City Manager, by written consent, may waive or adjust the Lessee's insurance requirements herein following consultation with the City's Risk Manager.]

4.02 Indemnification.

(a) General.

Lessee shall indemnify Lessor, its officers, employees, and agents against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Lessee, its agents, employees, subcontractors, or invitees, hereunder, upon the Premises, whether or not there is current passive, or active negligence on the part of Lessor, its officers, agents, or employees and in connection therewith:

1. Lessee will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

2. Lessee will promptly pay any judgment rendered against Lessor, its officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Lessee hereunder; and Lessee agrees to save and hold Lessor, its officers, agents, and employees harmless therefrom;

3. In the event Lessor, its officers, agents, or employees is made a party to any action or proceeding filed or prosecuted against Lessee for such damages or other claims arising out of or in connection with the work operation or activities of Lessee hereunder, Lessee agrees to pay to Lessor, its officers, agents, or employees, any and all costs and expenses incurred by Lessor, its officers, agents, or employees in such action or proceeding, including but not limited to legal costs and attorneys' fees.

(b) Exceptions.

The foregoing indemnity shall not include the following claims or liabilities:

1. Those arising from the sole or gross negligence or willful misconduct of the Lessor, its officers, agents, or employees, who are directly responsible to Lessor.

2. Any arising from acts or omissions of the City, or those of its officers, agents or employees when acting in their governmental or public capacity or under color of such authority in fulfilling the duties of such offices, as distinct from their duties as Lessor hereunder, whether said acts or omissions occur on the Premises or within the public right of way or on public property.

(c) Additional Coverage.

Without limiting the generality of the foregoing, said indemnity shall include any liability arising by reason of:

1. Any claim made by any occupant, subtenant, assignee, employee, agent, visitor, invitee, or user of any portion of the Premises.

2. Any accident or other occurrence in or on the Premises or on any adjoining sidewalk causing injury to any person or property whatsoever;

3. Any failure of Lessee to comply with performance of all of the provisions of this Lease;

4. Lessee's failure to prevent any employee or any invitee or any other person from entering upon or remaining in any place upon the Premises which is not safe and does not comply with all laws pertaining thereto as they may now or hereafter exist.

(d) Loss and Damage.

All property of Lessee kept or stored on the Premises shall be so kept or stored at the risk of Lessee. In the event that any subsurface soils condition, including environmental or soil contamination or hazard, results in loss or damage to Lessee, Lessor may subrogate to Lessee any rights which it may have to recover such losses or damages against any third parties who may have legal liability, but only to the extent of the actual losses or damages of Lessee.

(e) Waiver of Subrogation.

Lessee agrees that Lessee shall not make any claim against, or seek to recover from Lessor or its agents, servants, or employees, for any loss or damage to Lessee, or to any person or property, including without limitation, the property of others under the control of Lessee, and Lessee shall give notice to any insurance carrier of the foregoing waiver of subrogation, and obtain from such carrier, a waiver of right to recovery against Lessor, its agents and employees. In furtherance of the foregoing, Lessee agrees that in the event of a sale of the Premises by Lessor, the hereinabove waiver of subrogation shall continue in favor of the original Lessor hereunder, and any subsequent Lessor, and their respective successors and assigns.

5.00 REMOVAL OF PREMISES.

5.01 Destruction of Premises.

Should any of the buildings on the Premises be totally or substantially destroyed by an uninsured peril, so that all or a substantial portion of the Premises are unfit for the conduct of Lessee's business, Lessee and Lessor each shall have the right, giving thirty (30) days' prior notice to Lessor, to terminate this Lease with respect to the portion of the Premises so affected, and all rent and other charges with respect to such portion of the Premises shall be adjusted to the date of such destruction. This Lease shall remain in full force and effect with respect to the unaffected portion of the Premises. If Lessee and/or Lessor elects not to terminate this Lease as to any portion of the Premises affected by such destruction, the Lessor shall, within six (6) months, commence and diligently prosecute to completion the restoration of the destroyed buildings or improvements to a condition which will continue to fulfill the conditions, covenants, and requirements contained herein and Lessee shall continue operations in accordance with the terms hereof. Should the Premises, any part thereof, or any improvement thereon be totally or partially destroyed by an insured peril, the Lessor shall promptly cause the restoration of the destroyed improvements to their original condition and shall continue operations in accordance with the terms hereof if Lessor elects not to terminate the Lease.

6.00 ENFORCEMENT.

6.01 Default and Grounds For Termination Prior to Expiration of Term.

Lessor shall be entitled to declare a default of this Lease and terminate the Lease prior to the expiration of the term where Lessee fails to:

- (a) Pay rent to Lessor, as rent is defined in Section 1.04;
- (b) Procure or maintain insurance pursuant to Section 4.01 hereof;
- (c) Discharge any mechanic's, materialman's, contractor's, subcontractor's or other lien as required by Section 2.03;
- (d) Reimburse Lessor for any other loss, fee or charge which is responsibility of Lessee pursuant to this Lease;
- (e) Pay charges for utilities and services as provided in Section 1.06;
- (f) Comply with all applicable governmental statutes, ordinances, rules, regulations, orders and prior covenants and restrictions of record; provided that failure to so comply shall not be a default so long as Lessee is exercising any legal rights to protest or appeal such statute, rule, regulation, order or covenant and restriction, or so long as no official enforcement action has been commenced by the appropriate agency; or
- (g) Perform any other material obligation of Lessee contained in this Lease.

Lessor shall also be entitled to declare a default of this Lease and terminate this Lease prior to the expiration of the Term where Lessee:

- (1) Makes an unauthorized transfer of this Lease without the consent of Lessor; or
- (2) Vacates or abandons the Premises.

6.02 Procedure For Termination and Opportunity to Cure.

Lessor may terminate the Lease by reason of the foregoing defaults where Lessor has given notice in writing to Lessee specifying the nature of the default and the corrective action required to be taken, and Lessee has not cured such default within thirty (30) days after receipt by Lessee of such notice, or, where the nature of the default is such that it cannot reasonably be cured within such thirty (30) days, then Lessee shall not be in default so long as Lessee commences the actions necessary for cure within such thirty (30) days and diligently prosecutes the same to completion.

Lessor may waive any default hereunder, but such waiver shall not be construed as a waiver of any other default. No acceptance of rent by Lessor or delay in enforcing any obligation shall be construed as a waiver of any default by Lessee. Except as required to protect against further damages, the injured party may not institute legal proceedings against the party in default until after giving the notice required in this Section.

6.03 Interest.

Lessee acknowledges that late payment by Lessee of rent or any sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Any rent or sums due hereunder paid after the due date shall accrue interest commencing ten (10) days following the due date at the rate of one percent (1%) per month or the legal rate, whichever is more, compounded monthly. The parties agree that the foregoing amounts represent a reasonable interest rate, and a fair and reasonable estimate of the cost that Lessor will incur by reason of such late payment. Acceptance of any late payment charge shall not constitute a waiver of any default nor prevent Lessor from exercising any other rights or remedies granted hereunder.

6.04 Surrender of Premises.

(a) General.

In the event of any termination of the Lease, whether by lapse of time, cancellation, forfeiture, default, or otherwise, Lessee shall immediately surrender and deliver the Premises to Lessor, and all rights and claims of Lessee in and to use and enjoyment of such Premises shall cease. Such termination shall not release the Lessee from any liability which accrued under this Lease to Lessor prior to such termination.

(b) Condition of Premises.

Except as otherwise provided in Section 5.01, upon said termination, Lessee shall surrender the Premises neat and clean, in good and tenantable condition, reasonable wear and tear excepted. Lessee shall do all work and make all repairs necessary to place the Premises in said condition at Lessee's sole expense, and should Lessee fail to do such work and make such repairs after receipt of Lessor's demand to do so, Lessor may perform such work, and Lessee shall reimburse Lessor for the expense thereof within ten (10) days after being invoiced therefor by Lessor.

(c) Removal of Property.

Upon termination, and provided Lessee is not in default hereunder, Lessee shall have the right to remove from the Premises all furniture, furnishings, fixtures, and equipment placed in the Premises, provided that Lessee shall make all repairs to the Premises required because of such removal. If any of such property shall remain in the Premises after the end of the term hereof, such property shall be and become, at the option of Lessor, the property of Lessor without any claim therein of Lessee; provided that Lessor may direct Lessee to remove such property and if Lessee fails to remove such when directed to do so by Lessor, then Lessor may remove such property and Lessee shall reimburse Lessor for the expense thereof within ten (10) days after being invoiced therefor by Lessor.

(d) Quitclaim Deed.

Upon termination, Lessee shall execute a quitclaim deed quitclaiming all of its right, title, and interest in and to the Premises to Lessor.

(e) Holding Over.

This Lease shall terminate and become null and void without further notice upon expiration of the term herein specified, and any holding over by Lessee after such expiration shall not constitute a renewal hereof or give Lessee any rights under this Lease. If Lessee fails to surrender the Premises, Lessee shall indemnify and hold Lessor harmless from all loss or liability, including any claims made by any succeeding tenant.

6.05 Legal Actions.

(a) Institution of Legal Actions.

In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Lease. Legal actions must be instituted and maintained in the Superior Court of the County of Riverside, State of California.

(b) Applicable Law and Forum.

The laws of the State of California shall govern the interpretation and enforcement of this Lease.

6.06 Rights and Remedies are Cumulative.

Except as otherwise expressly stated in this Lease, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

6.07 Waiver.

Except as otherwise provided in this Lease, waiver by either party of the performance of any covenant, condition, or promise, shall not invalidate this Lease, nor shall it be considered a waiver of any other covenant, condition, or promise. Waiver by either party of the time for performing any act shall not constitute a waiver of time for performing any other act or an identical act required to be performed at a later time. The delay or forbearance by either party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

6.08 Attorney's Fees.

If either party to this Lease is required to initiate or defend any action or proceeding in any way connected with this Lease, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to receive reasonable attorney's fees from the other party. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

7.00 GENERAL PROVISIONS.

7.01 Time of Essence.

Time is of the essence of each and every covenant, term, condition, and provision of this Lease.

7.02 Nonliability of City Officials and Employees; Conflicts of Interest; Commissions.

(a) **Personal Liability.**

No member, official, employee, agent or contractor of Lessor shall be personally liable to Lessee in the event of any default or breach by Lessor or for any amount which may become due to Lessee or on any obligations under the terms of the Lease; provided, it is understood that nothing in this Section 7.02 is intended to limit Lessor's liability.

(b) **Financial Interest.**

No member, official, employee or agent of Lessor shall have any financial interest, direct or indirect, in this Lease, nor participate in any decision relating to this Lease which is prohibited by law.

(c) **Commissions.**

Neither the Lessor nor the Lessee has retained any broker or finder or has paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Lease. Neither party shall be liable for any real estate commissions, brokerage fees or finders' fees which may arise from this Lease, and each party agrees to hold the other harmless from any claim by any broker, agent, or finder retained by such party.

7.03 Assignment.

Lessee shall not assign or transfer this Lease or any of Lessee's rights hereunder, or any interest in the Premises or in the improvements thereon, directly or indirectly, voluntarily or by operation of law, except as provided below, without the prior written approval of Lessor, and if so purported to be transferred, the same shall be null and void.

7.04 No Partnership.

Notwithstanding any other express or implied provision of this Lease, Lessor shall not in any way or for any purpose become or be deemed to be a partner of Lessee in its business or otherwise or a joint venturer, or a member of any joint enterprise with Lessee.

7.05 Severability.

If any covenant, term, condition, or provision of this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease shall be valid and enforceable to the fullest extent permitted by law unless that covenant, term, condition, or provision declared to be invalid is so material that its invalidity deprives either party of the basic benefit of their bargain or renders the remainder of this Lease meaningless.

7.06 Interpretation.

The terms of this Lease shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Lease or any other rule of construction which might otherwise apply. The Section headings are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Lease. As used in this Lease and whenever required by the context thereof, each number, both singular or plural, shall include all numbers, and each gender shall include all genders. Lessor and Lessee, as, used in this Lease or in any other instrument referred to in or made a part of this Lease shall likewise include both the singular and the plural, a corporation, co-partnership, individual, or person acting in any fiduciary capacity as executor, administrator, trustee, or in any other representative capacity, and all successors and assigns. All covenants herein contained on the part of Lessee shall be joint and several.

7.07 Integration Clause.

It is understood that there are no oral agreements between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements, and understandings, if any, between the parties hereto or displayed by

Lessor to Lessee with respect to the subject matter thereof, and none shall be used to interpret or construe this Lease. This Lease includes all exhibits attached hereto, which by this reference are incorporated herein, and also includes any other documents incorporated herein by reference as though fully set forth herein. Said documents shall be interpreted insofar as possible to prevent any inconsistency and to effectuate the terms thereof, without one prevailing over the other.

7.08 Notices, Demands and Communications Between the Parties.

Except as expressly provided to the contrary herein, any notice, consent, report, demand, document or other such item to be given, delivered, furnished or received hereunder shall be deemed given, delivered, furnished, and received when given in writing and personally delivered to an authorized agent of the applicable party, or upon delivery by the United States Postal Service, first-class registered or certified mail, postage prepaid, return receipt requested, or by a national "overnight courier" such as Federal Express, at the time of delivery shown upon such receipt; in either case, delivered to the address, addresses and persons as each party may from time to time by written notice designate to the other and who initially are:

If to Lessee: Boys and Girls Club of Perris
 P.O. Box 711
 Perris, California 92572
 Attn: Chairman, Board of Directors
 Tel:

If to Lessor: CITY OF PERRIS
 101 North "D" Street
 Perris, California 92570
 Attention: City Manager
 Tel: (951) 943-6100
 Fax: (951) 943-4246

A copy to: ALESHIRE & WYNDER, LLP
 3880 Lemon Street, Suite 520
 Riverside, California 92501
 Attention: Eric L. Dunn, City Attorney
 Tel: (951) 241-7338
 Fax: (951) 300-0985

7.09 Amendments; Replacement of Original Lease.

This Lease replaces the Original Lease in its entirety and the Original Lease has no further force or effect. Any amendment of, or supplement to, this Lease must be in writing and signed by Lessor and Lessee or their respective successors.

7.10 No Warranties.

Lessor makes no warranty, representation, contract, agreement, or statement concerning the use, occupancy, or suitability of the Premises for the use of the Premises as set forth in this Lease, or with respect to the condition of title with respect thereto, or the means, mode, or manner or construction of any buildings or improvements, or the adequacy or fitness thereof for any use or occupancy, or the accuracy or validity of any statement, representation, warranty, agreement, or document by any other person, party, or entity, unless expressly set forth herein as an agreement of Lessor.

7.11 Execution.

(a) This Lease may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

(b) Lessor represents and warrants that: (i) it is duly organized and existing under the laws of the State of California; (ii) by proper action of Lessor, Lessor has been duly authorized to execute and deliver this Lease, acting by and through its duly authorized officers; and (iii) the entering into this Lease by Lessor does not violate any provision of any other agreement to which Lessor is a party.

(c) Lessee represents and warrants that: (i) it is duly organized and existing under the laws of the State of California; (ii) by proper action of Lessee, Lessee has been duly authorized to execute and deliver this Lease, acting by and through its duly authorized officers; and (iii) the entering into this Lease by Lessee does not violate any provision of any other agreement to which Lessee is a party.

[End – Signatures on Next Page]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease as of the date first written above.

“LESSOR”

CITY OF PERRIS

Dated: _____

By: _____
Richard Belmudez, City Manger

ATTEST:

By: _____
Nancy Salazar, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Eric L. Dunn, City Attorney

“LESSEE”

Boys and Girls Club of Perris
P.O. Box 711
Perris, California 92572

Dated: _____

By: _____
Name:
Title:

Attest:

By: _____
Name: _____
Title: _____

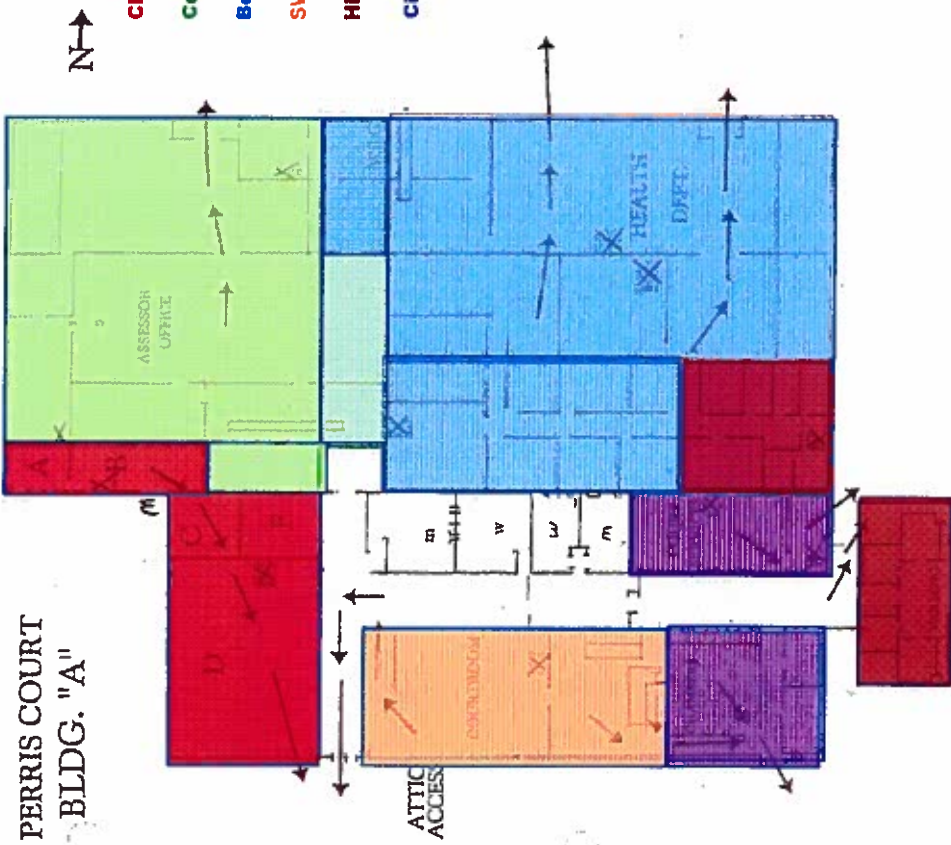
Exhibit "A"

LEASE AGREEMENT

FLOOR PLAN

[ATTACHED]

PERRIS COURT
BLDG. "A"



Chamber of Commerce
Code
Boys and Girls Club
SWVBR
Historical Society
City

CITY COUNCIL AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: Termination of the existing Lease Agreement and restating and entering into a new lease with Southwest Veterans Resource Center (SWVBRC) for 227 North D Street

REQUESTED ACTIONS: That the City Council approve and authorize the termination of the existing lease agreement and restating and entering into a new lease with SWVBRC.

CONTACT: Michael McDermott, Redevelopment & Economic Development Manager

BACKGROUND/DISCUSSION:

In May 2010, a lease was executed with SWVBRC and the Perris Redevelopment Agency for a portion of the offices in the City owned property at 227 North D Street. The building is currently shared with other tenants (Riverside County Code Enforcement office, the Perris Valley Chamber of Commerce, the Perris Valley Historical Society, and the Boys and Girls Club of Perris).

The attached new lease provides for different office space and other changes.

BUDGET IMPACT: There is no impact with this action. The City will receive a nominal rent from the lease of the property to SWVBRC.

Reviewed by:

City Attorney _____

Assistant City Manager 

Attachment: New Lease Agreement, floorplan

Consent: X X

Public Hearing:

Business Item:

AMENDED AND RESTATED

LEASE AGREEMENT

By and Between

THE CITY OF PERRIS and

SOUTHWEST VETERANS BUSINESS RESOURCE CENTER

[227 North D Street, Perris, California 92570]

AMENDED AND RESTATED LEASE AGREEMENT

THIS AMENDED AND RESTATED LEASE AGREEMENT (the "Lease" herein) is executed this _____ day of March, 2015, by and between the CITY OF PERRIS, a municipal corporation ("Lessor"), and SOUTHWEST VETERANS BUSINESS RESOURCE CENTER, a non-profit organization duly organized under the laws of the State of California ("Lessee").

RECITALS

A. This Lease involves certain improved real property (the "Property") in the City of Perris, County of Riverside, California, commonly known as 227 North D Street, Perris.

B. Lessor and Lessee entered into a Lease Agreement for the lease of a portion of the Property on or about May 11, 2010 ("Original Lease"). Lessor and Lessee desire to amend the Original Lease to relocate the Premises and clarify certain issues. This Lease shall replace the Original Lease in its entirety.

C. The Property is comprised of one building consisting of offices, storage areas, restrooms, hallways and classrooms, as shown on the floor plan attached hereto as Exhibit "A" ("Floor Plan"). Lessee desires to lease a portion of the Property specifically known as (the "Premises"), which is generally shown on the Floor Plan as the "Courtroom." The Premises are approximately _____ square feet. Lessee acknowledges that Lessor leases the remaining rooms of the Property to other lessees.

D. This Lease is entered into for the purpose of allowing the Lessee to locate its Veterans Resource Center programs on the Premises.

LEASE PROVISIONS

In consideration of the covenants and agreements contained herein, and incorporating the foregoing recitals and all exhibits hereto, Lessor and Lessee hereby agree as follows:

1.00 LEASE OF PREMISES.

1.01 Premises.

Lessor hereby grants, demises and lets unto Lessee the Premises, and Lessee hereby leases the Premises from Lessor. Lessee agrees that it accepts the Premises "As-Is" and "Where-is" without any representations or warranties of any nature or kind whatsoever from Lessor.

1.02 Term.

The term of this Lease is for one (1) year ("Lease Term") commencing on March 30, 2015 ("Commencement Date"), and terminating on March 30, 2016 ("Termination Date"). Lessee may, at Lessee's sole and exclusive option, renew this Lease for one additional year. Lessee shall provide sixty (60) days written notice of its intent to exercise the option prior to the

end of the Term. Any holding over by Lessee after the expiration of the Lease Term shall be deemed a month-to-month tenancy upon the same terms and conditions of this Lease.

Notwithstanding the foregoing, either party may terminate this Lease with or without cause, upon sixty (60) days written notice to the other party.

1.03 Quiet Possession.

Lessor covenants and agrees with Lessee that Lessee may occupy and enjoy the Premises for the full Lease Term, subject to the provisions of this Lease.

1.04 Rent.

During the Lease Term, Lessee shall pay to Lessor and Lessor shall accept from Lessee rent in the amount of One Dollar (\$1.00) per year ("Rent"). By execution of this Lease, Lessor hereby acknowledges receipt of the rent for the entire Lease Term.

1.05 Payment.

Rent shall be payable in advance in lawful currency of the United States on the Payment Date, which shall be on or before the first working day of the Lease Term beginning with the Commencement Date. By execution hereof, the Lessor acknowledges receipt of the Rent. Rent shall be paid at the address designated for notices or such other place as may be designated in writing by Lessor, without prior demand therefor, and without any deduction or offset whatsoever.

1.06 Utilities, Assessments, Taxes.

It is the intent of the parties that the Rent paid hereunder shall be absolutely net to the Lessor, and Lessee shall pay all costs, charges, assessments, taxes and obligations of every kind or nature against or relating to the Premises or the use, occupancy, operation, management, maintenance, ownership, or repair thereof which may arise or become due during the term. Without limiting the generality of the foregoing, Lessee shall pay all charges for utilities and services furnished to the Premises during the term, including but not limited to gas, electricity, heat, power, sewer, water, telephone, refuse collection, internet, all associated connection charges, and all similar utility bills taxed, levied, or charged upon the Premises. To the extent another Lessee operates on the Property, utilities to the Property shall be prorated based on hours of operation by the lessee's use of the Property. Lessee's initial hours of operation shall be [_____]. Lessee shall notify Lessor immediately with respect to any change in hours of operation. Lessor hereby notifies Lessee that Lessee may be required to pay property taxes with respect to the Premises.

2.00 DEVELOPMENT OF THE PREMISES.

2.01 Construction of Improvements.

Lessor is not obligated to, and shall not, provide any additional improvements to the Premises. Lessee shall not construct any improvements on the Premises without Lessor's written consent, in Lessor's sole and absolute discretion.

2.02 Ownership of Improvements.

During the term of this Lease, title to all improvements constructed or placed on the Premises by Lessee, including buildings, structures, and other tenant improvements are and shall be vested in Lessee, but shall automatically become the property of Lessor upon the expiration or sooner termination of this Lease. Lessee shall have the right to retain any furniture or equipment or any personal property of Lessee not affixed to the buildings constructed on the Premises, all of which property (whether classified as real or personal property) shall be the property of Lessee.

2.03 Mechanics' Liens.

Lessee shall not permit any mechanic's, materialman's, contractor's, subcontractor's or other lien arising from any work or improvement, for any labor done, services performed, or materials, appliances, transportation, or power used or furnished, however it may arise, to stand against the Premises or any improvement thereon.

3.00 USE OF THE PREMISES.

3.01 Uses.

Lessee shall have the exclusive use of the Premises (the area labeled "Courtroom" as shown on the attached Exhibit A (Floor Plan)). Lessee shall also have non-exclusive use of the hallways and restrooms as shown on the Floor Plan, and the parking lot adjacent to the Property (collectively, "Common Areas"). The foregoing use shall be for Veterans Resource Center operations only and for no other purposes without Lessor's written consent, in Lessor's sole and absolute discretion. Lessee shall not have any right to reserve or otherwise designate parking spaces for the use of its agents, employees, members or patrons. Lessee shall coordinate use of the Common Areas with other tenants of the Property and Lessor. Lessee shall have no right to subdivide, separate, or partition the Premises or to expand or change the location of Premises. Breach of the provisions of the City's Municipal Code or any conditions imposed on a particular use pursuant thereto shall be a material breach of this Lease and shall be valid and sufficient grounds for Lessor's termination of this Lease.

The Premises shall be accessed on a sub-master key system. Lessee shall be issued a sub-master key to secure the Premises. Common Areas shall be accessible on a sub-master key. The Property is a public facility and is also used for the storage of city equipment.

3.02 Compliance with Law.

Lessee agrees that all operations and activities by or under Lessee on the Premises shall be conducted in compliance with all applicable statutes, ordinances, orders, laws, rules and regulations, and the requirements of all federal, state and municipal governments and appropriate departments, commissions, boards and offices thereof, which may be applicable to the Premises or to the use or manner of use of the Premises. Lessee shall indemnify and hold the Lessor

harmless against all actions, claims and damages by reason of (i) Lessee's failure to perform the terms hereof; or (ii) Lessee's non-observance or non-performance of any statute, ordinance, order, law, rule, regulation and/or governmental requirement related to Lessee's use and occupancy of the Premises or the condition thereof.

3.03 Miscellaneous Restrictions.

Lessee agrees in using the Premises:

(a) Not to commit any waste or suffer any waste to be committed upon the Premises.

(b) Not to perform any acts or carry on any practices that may injure adjoining buildings or property or be a nuisance or menace to other persons or businesses in the area or disturb the quiet enjoyment of any person, nor to conduct or permit to be conducted any public or private nuisance on the Premises.

(c) Not to engage in any activity on or about the Premises that violates any "Environmental Law" (as defined below), and to promptly, at Lessee's sole cost and expense, take all investigatory and/or remedial action required or ordered by any governmental agency or Environmental Law for clean-up and removal of any contamination involving any "Hazardous Material" (as defined below) created or caused by or under Lessee. The term "Environmental Law" shall mean any federal, state or local law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environmental conditions on, under or about the Premises including, without limitation, (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. Sections 9601 et seq.; (ii) the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Sections 6901 et seq.; (iii) California Health and Safety Code Sections 25100 et seq.; (iv) the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5 et seq.; (v) the Federal Water Pollution Control Act, 33 U.S.C. Sections 1317 et seq.; (vi) California Water Code Section 1300 et seq.; and (vii) California Civil Code Section 3479 et seq., as such laws are amended and the regulations and administrative codes applicable thereto. The term "Hazardous Material" includes, without limitation, any material or substance which is (i) defined or listed as a "hazardous waste", "extremely hazardous waste", "restrictive hazardous waste" or "hazardous substance" or considered a waste, condition or pollution or nuisance under the Environmental Laws; (ii) petroleum or a petroleum product or fraction thereof; (iii) asbestos; and/or (iv) substances known by the State of California to cause cancer and/or reproductive toxicity. It is the intent of the parties hereto to construe the terms "Hazardous Materials" and "Environmental Laws" in their broadest sense. Lessee shall provide all notices required pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5 et seq. Lessee shall provide prompt written notice to Agency of the existence of Hazardous Substances on the Site and all notices of violation of the Environmental Laws received by Lessee. Lessee's obligations pursuant to this Section shall be referred to in this Lease as "Environmental Compliance".

3.04 Maintenance of Property.

(a) Duty of Lessee to Maintain.

Lessee covenants and agrees for itself, its successors and assigns, and every successor in interest to the Premises or any part thereof, that Lessee shall be responsible for the maintenance of all interior improvements in a neat, clean, and sanitary condition, free from any accumulation of debris or waste materials. Lessee shall place all rubbish in authorized containers. Lessee shall also, together with other tenants of the Property, maintain the Common Areas in a neat, clean, and sanitary condition, free from any accumulation of debris or waste materials.

(b) Right of Lessor to Maintain and Repair.

If Lessee refuses, neglects, or fails to maintain and repair the Premises or Common Areas as required hereunder and to the reasonable satisfaction of Lessor as soon as reasonably possible after written demand, Lessor may enter the Premises and Common Areas at all reasonable times during normal business hours and perform said maintenance or make such repairs or perform any other act required to be performed by Lessee hereunder, without liability to Lessee for any loss or damage that may accrue to Lessee's merchandise, fixtures, or other property or to Lessee's business by reason thereof. In the event Lessor makes any repair or maintenance which Lessee has failed to do, then, within ten (10) days following Lessor's written demand therefor, Lessee shall pay Lessor's costs in performing such maintenance and making such repairs plus an amount equal to twenty percent (20%) of such cost for Lessor's overhead. If Lessee fails to make such payment when due, the same shall accrue interest as provided in Section 6.03 and shall be a material breach of this Lease, subject to all rights and remedies herein.

(c) Duty of Lessor to Maintain.

Lessor covenants that Lessor shall be responsible for the maintenance of all exterior improvements on the Property. Lessor shall make all necessary replacements, repairs, and alterations to the Property, except Lessee shall be responsible for any damage arising out of Lessee's use of the Premises.

3.05 Rights of Access.

(a) Generally.

Lessor or the authorized representatives of Lessor may, without prior written or oral notice to Lessee, enter the Premises at all reasonable times during usual business hours for the purposes of inspecting the same. In addition, as provided in Section 3.04, Lessor or its representatives may enter the Premises to make such repairs or reconstruction required or permitted pursuant to this Lease or to perform any work therein that may be necessary by reason of Lessee's default under the terms of this Lease.

(b) Public Improvements.

Lessor, for itself and for the City of Perris and other public agencies, at their sole risk and expense, reserves the right to enter the Premises or any part thereof at all reasonable times during normal business hours with as little interference as possible for the purpose of construction, reconstruction, relocation, maintenance, repair or service of any public improvements or public

facilities located on the Premises. Any damage or injury to the Premises or to the improvements constructed thereon resulting from such entry shall be promptly repaired at the sole expense of the public agency responsible for the entry.

4.00 INDEMNIFICATION AND INSURANCE.

4.01 Insurance.

(a) Casualty.

If during the Lease Term, any improvement that may be constructed or placed on the Premises by Lessee or any trade fixtures shall be damaged or destroyed by fire or other insured casualty, Lessee shall, with all reasonable diligence, repair, reconstruct or replace such improvement. Any such repair, reconstruction or replacement shall be at the sole cost and expense of Lessee and, upon the completion thereof, shall be free and clear of all liens and encumbrances of any nature whatsoever, including mechanics' and material men's liens. If Lessee fails to commence such repair, reconstruction or replacement with all due speed and diligence, but in no event later than six (6) months following such casualty, Lessor shall have the right, without limitation, to collect all insurance proceeds subject to the rights of any leasehold mortgagee.

(b) Fire and Extended Coverage Insurance.

Throughout the Lease Term, Lessor shall, at its sole cost and expense, keep or cause to be kept insured for the mutual benefit of Lessor and Lessee all improvements located on or appurtenant to the Premises against loss or damage by fire and such other risks as are now or hereafter included. The amount of the insurance shall be sufficient to prevent either Lessee or Lessor from becoming a coinsurer under the provisions of the policy, but in no event shall the amount be less than eighty percent (80%) of the then actual replacement cost, excluding costs of replacing excavations and foundations, but without deduction for depreciation.

(c) Public Liability Insurance.

(d) Beginning on the Effective Date hereof and throughout the Lease Term, Lessee shall at its sole cost and expense keep or cause to be kept in force for the mutual benefit of Lessor and Lessee comprehensive broad form general public liability insurance against claims and liability for personal injury or death arising from the use, occupancy, disuse or condition of the Premises, improvements or adjoining areas or ways, or for property damage, in an amount not less than no less than \$1,000,00.00 per occurrence for all covered losses, including bodily injury, death and property damage, and no less than \$2,000,000.00 general aggregate. Defense costs must be paid in addition to limits.

(e) Other Insurance.

Lessee may procure and maintain any insurance not required by this Lease, but all such insurance shall be subject to all of the provisions hereof pertaining to insurance and shall be for the benefit of Lessor and Lessee.

(f) Insurance Policy Form, Content and Insurer.

All insurance required to be provided by Lessee by the express provisions hereof shall be carried only by responsible insurance companies licensed to do business by California, and with a minimum policy holder rating of "A" or "A+" and of financial category Class XI status or better in the most recent edition of Best's Insurance Guide or similar rating system acceptable to Lessor. All such policies shall contain language, to the extent obtainable, to the effect that (i) any loss shall be payable notwithstanding any act of negligence of Lessor that might otherwise result in the forfeiture of the insurance, (ii) the insurer waives the right of subrogation against Lessor and against Lessor's agents and representatives; (iii) the policies are primary and noncontributing with any insurance that may be carried by Lessor; and (iv) the policies cannot be cancelled or materially changed except after thirty (30) days notice in writing by the insurer to Lessor or Lessor's designated representative. The general liability policy shall name Lessor, its officers, employees and agents ("City Parties") as additional insureds. Lessee shall furnish Lessor with copies of all such policies promptly on receipt of them, or with certificates evidencing the insurance. Lessor shall be named as an additional insured on all policies of insurance required to be procured by the terms of this Lease.

(g) Failure to Maintain Insurance and Proof of Compliance.

Lessee shall deliver to Lessor, in the manner required for notices, copies of certificates of all insurance policies required hereunder together with evidence satisfactory to Lessor of payment required for procurement and maintenance of each policy within the following time limits:

1. For insurance required at the commencement of this Lease, within thirty (30) days after commencement; and
2. For any renewal or replacement of a policy already in existence, at least ten (10) days before expiration or termination of the existing policy.

If Lessee fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish Lessor with required proof that the insurance, has been procured and is in force and paid for, Lessor shall have the right, at Lessor's election and on five (5) days notice to Lessee, to procure and maintain such insurance. The premiums paid by Lessor shall be treated as added rent due from Lessee, with interest at the rate specified in Section 6.03, to be paid within ten (10) days after demand therefore by Lessor. Lessor shall give Lessee prompt notice of the payment of premiums, stating the amount paid and the names of the insurer or insurers.

(h) [The City Manager, by written consent, may waive or adjust the Lessee's insurance requirements herein following consultation with the City's Risk Manager.]

4.02 Indemnification.

(a) General.

Lessee shall indemnify Lessor, its officers, employees, and agents against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Lessee, its agents, employees, subcontractors, or invitees, hereunder, upon the Premises, whether or not there is current passive, or active negligence on the part of Lessor, its officers, agents, or employees and in connection therewith:

1. Lessee will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

2. Lessee will promptly pay any judgment rendered against Lessor, its officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Lessee hereunder; and Lessee agrees to save and hold Lessor, its officers, agents, and employees harmless therefrom;

3. In the event Lessor, its officers, agents, or employees is made a party to any action or proceeding filed or prosecuted against Lessee for such damages or other claims arising out of or in connection with the work operation or activities of Lessee hereunder, Lessee agrees to pay to Lessor, its officers, agents, or employees, any and all costs and expenses incurred by Lessor, its officers, agents, or employees in such action or proceeding, including but not limited to legal costs and attorneys' fees.

(b) Exceptions.

The foregoing indemnity shall not include the following claims or liabilities:

1. Those arising from the sole or gross negligence or willful misconduct of the Lessor, its officers, agents, or employees, who are directly responsible to Lessor.

2. Any arising from acts or omissions of the City, or those of its officers, agents or employees when acting in their governmental or public capacity or under color of such authority in fulfilling the duties of such offices, as distinct from their duties as Lessor hereunder, whether said acts or omissions occur on the Premises or within the public right of way or on public property.

(c) Additional Coverage.

Without limiting the generality of the foregoing, said indemnity shall include any liability arising by reason of:

1. Any claim made by any occupant, subtenant, assignee, employee, agent, visitor, invitee, or user of any portion of the Premises.

2. Any accident or other occurrence in or on the Premises or on any adjoining sidewalk causing injury to any person or property whatsoever;

3. Any failure of Lessee to comply with performance of all of the provisions of this Lease;

4. Lessee's failure to prevent any employee or any invitee or any other person from entering upon or remaining in any place upon the Premises which is not safe and does not comply with all laws pertaining thereto as they may now or hereafter exist.

(d) Loss and Damage.

All property of Lessee kept or stored on the Premises shall be so kept or stored at the risk of Lessee. In the event that any subsurface soils condition, including environmental or soil contamination or hazard, results in loss or damage to Lessee, Lessor may subrogate to Lessee any rights which it may have to recover such losses or damages against any third parties who may have legal liability, but only to the extent of the actual losses or damages of Lessee.

(e) Waiver of Subrogation.

Lessee agrees that Lessee shall not make any claim against, or seek to recover from Lessor or its agents, servants, or employees, for any loss or damage to Lessee, or to any person or property, including without limitation, the property of others under the control of Lessee, and Lessee shall give notice to any insurance carrier of the foregoing waiver of subrogation, and obtain from such carrier, a waiver of right to recovery against Lessor, its agents and employees. In furtherance of the foregoing, Lessee agrees that in the event of a sale of the Premises by Lessor, the hereinabove waiver of subrogation shall continue in favor of the original Lessor hereunder, and any subsequent Lessor, and their respective successors and assigns.

5.00 REMOVAL OF PREMISES.

5.01 Destruction of Premises.

Should any of the buildings on the Premises be totally or substantially destroyed by an uninsured peril, so that all or a substantial portion of the Premises are unfit for the conduct of Lessee's business, Lessee and Lessor each shall have the right, giving thirty (30) days' prior notice to Lessor, to terminate this Lease with respect to the portion of the Premises so affected, and all rent and other charges with respect to such portion of the Premises shall be adjusted to the date of such destruction. This Lease shall remain in full force and effect with respect to the unaffected portion of the Premises. If Lessee and/or Lessor elects not to terminate this Lease as to any portion of the Premises affected by such destruction, the Lessor shall, within six (6) months, commence and diligently prosecute to completion the restoration of the destroyed buildings or improvements to a condition which will continue to fulfill the conditions, covenants, and requirements contained herein and Lessee shall continue operations in accordance with the terms hereof. Should the Premises, any part thereof, or any improvement thereon be totally or partially destroyed by an insured peril, the Lessor shall promptly cause the restoration of the destroyed improvements to their original condition and shall continue operations in accordance with the terms hereof if Lessor elects not to terminate the Lease.

6.00 ENFORCEMENT.

6.01 Default and Grounds For Termination Prior to Expiration of Term.

Lessor shall be entitled to declare a default of this Lease and terminate the Lease prior to the expiration of the term where Lessee fails to:

- (a) Pay rent to Lessor, as rent is defined in Section 1.04;
- (b) Procure or maintain insurance pursuant to Section 4.01 hereof;
- (c) Discharge any mechanic's, materialman's, contractor's, subcontractor's or other lien as required by Section 2.03;
- (d) Reimburse Lessor for any other loss, fee or charge which is responsibility of Lessee pursuant to this Lease;
- (e) Pay charges for utilities and services as provided in Section 1.06;
- (f) Comply with all applicable governmental statutes, ordinances, rules, regulations, orders and prior covenants and restrictions of record; provided that failure to so comply shall not be a default so long as Lessee is exercising any legal rights to protest or appeal such statute, rule, regulation, order or covenant and restriction, or so long as no official enforcement action has been commenced by the appropriate agency; or
- (g) Perform any other material obligation of Lessee contained in this Lease.

Lessor shall also be entitled to declare a default of this Lease and terminate this Lease prior to the expiration of the Term where Lessee:

- (1) Makes an unauthorized transfer of this Lease without the consent of Lessor; or
- (2) Vacates or abandons the Premises.

6.02 Procedure For Termination and Opportunity to Cure.

Lessor may terminate the Lease by reason of the foregoing defaults where Lessor has given notice in writing to Lessee specifying the nature of the default and the corrective action required to be taken, and Lessee has not cured such default within thirty (30) days after receipt by Lessee of such notice, or, where the nature of the default is such that it cannot reasonably be cured within such thirty (30) days, then Lessee shall not be in default so long as Lessee commences the actions necessary for cure within such thirty (30) days and diligently prosecutes the same to completion.

Lessor may waive any default hereunder, but such waiver shall not be construed as a waiver of any other default. No acceptance of rent by Lessor or delay in enforcing any obligation shall be construed as a waiver of any default by Lessee. Except as required to protect against further damages, the injured party may not institute legal proceedings against the party in default until after giving the notice required in this Section.

6.03 Interest.

Lessee acknowledges that late payment by Lessee of rent or any sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Any rent or sums due hereunder paid after the due date shall accrue interest commencing ten (10) days following the due date at the rate of one percent (1%) per month or the legal rate, whichever is more, compounded monthly. The parties agree that the foregoing amounts represent a reasonable interest rate, and a fair and reasonable estimate of the cost that Lessor will incur by reason of such late payment. Acceptance of any late payment charge shall not constitute a waiver of any default nor prevent Lessor from exercising any other rights or remedies granted hereunder.

6.04 Surrender of Premises.

(a) General.

In the event of any termination of the Lease, whether by lapse of time, cancellation, forfeiture, default, or otherwise, Lessee shall immediately surrender and deliver the Premises to Lessor, and all rights and claims of Lessee in and to use and enjoyment of such Premises shall cease. Such termination shall not release the Lessee from any liability which accrued under this Lease to Lessor prior to such termination.

(b) Condition of Premises.

Except as otherwise provided in Section 5.01, upon said termination, Lessee shall surrender the Premises neat and clean, in good and tenantable condition, reasonable wear and tear excepted. Lessee shall do all work and make all repairs necessary to place the Premises in said condition at Lessee's sole expense, and should Lessee fail to do such work and make such repairs after receipt of Lessor's demand to do so, Lessor may perform such work, and Lessee shall reimburse Lessor for the expense thereof within ten (10) days after being invoiced therefor by Lessor.

(c) Removal of Property.

Upon termination, and provided Lessee is not in default hereunder, Lessee shall have the right to remove from the Premises all furniture, furnishings, fixtures, and equipment placed in the Premises, provided that Lessee shall make all repairs to the Premises required because of such removal. If any of such property shall remain in the Premises after the end of the term hereof, such property shall be and become, at the option of Lessor, the property of Lessor without any claim therein of Lessee; provided that Lessor may direct Lessee to remove such property and if Lessee fails to remove such when directed to do so by Lessor, then Lessor may remove such property and Lessee shall reimburse Lessor for the expense thereof within ten (10) days after being invoiced therefor by Lessor.

(d) Quitclaim Deed.

Upon termination, Lessee shall execute a quitclaim deed quitclaiming all of its right, title, and interest in and to the Premises to Lessor.

(e) Holding Over.

This Lease shall terminate and become null and void without further notice upon expiration of the term herein specified, and any holding over by Lessee after such expiration shall not constitute a renewal hereof or give Lessee any rights under this Lease. If Lessee fails to surrender the Premises, Lessee shall indemnify and hold Lessor harmless from all loss or liability, including any claims made by any succeeding tenant.

6.05 Legal Actions.

(a) Institution of Legal Actions.

In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Lease. Legal actions must be instituted and maintained in the Superior Court of the County of Riverside, State of California.

(b) Applicable Law and Forum.

The laws of the State of California shall govern the interpretation and enforcement of this Lease.

6.06 Rights and Remedies are Cumulative.

Except as otherwise expressly stated in this Lease, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

6.07 Waiver.

Except as otherwise provided in this Lease, waiver by either party of the performance of any covenant, condition, or promise, shall not invalidate this Lease, nor shall it be considered a waiver of any other covenant, condition, or promise. Waiver by either party of the time for performing any act shall not constitute a waiver of time for performing any other act or an identical act required to be performed at a later time. The delay or forbearance by either party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

6.08 Attorney's Fees.

If either party to this Lease is required to initiate or defend any action or proceeding in any way connected with this Lease, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to receive reasonable attorney's fees from the other party. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

7.00 GENERAL PROVISIONS.

7.01 Time of Essence.

Time is of the essence of each and every covenant, term, condition, and provision of this Lease.

7.02 Nonliability of City Officials and Employees; Conflicts of Interest; Commissions.

(a) Personal Liability.

No member, official, employee, agent or contractor of Lessor shall be personally liable to Lessee in the event of any default or breach by Lessor or for any amount which may become due to Lessee or on any obligations under the terms of the Lease; provided, it is understood that nothing in this Section 7.02 is intended to limit Lessor's liability.

(b) Financial Interest.

No member, official, employee or agent of Lessor shall have any financial interest, direct or indirect, in this Lease, nor participate in any decision relating to this Lease which is prohibited by law.

(c) Commissions.

Neither the Lessor nor the Lessee has retained any broker or finder or has paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Lease. Neither party shall be liable for any real estate commissions, brokerage fees or finders' fees which may arise from this Lease, and each party agrees to hold the other harmless from any claim by any broker, agent, or finder retained by such party.

7.03 Assignment.

Lessee shall not assign or transfer this Lease or any of Lessee's rights hereunder, or any interest in the Premises or in the improvements thereon, directly or indirectly, voluntarily or by operation of law, except as provided below, without the prior written approval of Lessor, and if so purported to be transferred, the same shall be null and void.

7.04 No Partnership.

Notwithstanding any other express or implied provision of this Lease, Lessor shall not in any way or for any purpose become or be deemed to be a partner of Lessee in its business or otherwise or a joint venturer, or a member of any joint enterprise with Lessee.

7.05 Severability.

If any covenant, term, condition, or provision of this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease shall be valid and enforceable to the fullest extent permitted by law unless that covenant, term, condition, or provision declared to be invalid is so material that its invalidity deprives either party of the basic benefit of their bargain or renders the remainder of this Lease meaningless.

7.06 Interpretation.

The terms of this Lease shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Lease or any other rule of construction which might otherwise apply. The Section headings are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Lease. As used in this Lease and whenever required by the context thereof, each number, both singular or plural, shall include all numbers, and each gender shall include all genders. Lessor and Lessee, as, used in this Lease or in any other instrument referred to in or made a part of this Lease shall likewise include both the singular and the plural, a corporation, co-partnership, individual, or person acting in any fiduciary capacity as executor, administrator, trustee, or in any other representative capacity, and all successors and assigns. All covenants herein contained on the part of Lessee shall be joint and several.

7.07 Integration Clause.

It is understood that there are no oral agreements between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements, and understandings, if any, between the parties hereto or displayed by

Lessor to Lessee with respect to the subject matter thereof, and none shall be used to interpret or construe this Lease. This Lease includes all exhibits attached hereto, which by this reference are incorporated herein, and also includes any other documents incorporated herein by reference as though fully set forth herein. Said documents shall be interpreted insofar as possible to prevent any inconsistency and to effectuate the terms thereof, without one prevailing over the other.

7.08 Notices, Demands and Communications Between the Parties.

Except as expressly provided to the contrary herein, any notice, consent, report, demand, document or other such item to be given, delivered, furnished or received hereunder shall be deemed given, delivered, furnished, and received when given in writing and personally delivered to an authorized agent of the applicable party, or upon delivery by the United States Postal Service, first-class registered or certified mail, postage prepaid, return receipt requested, or by a national "overnight courier" such as Federal Express, at the time of delivery shown upon such receipt; in either case, delivered to the address, addresses and persons as each party may from time to time by written notice designate to the other and who initially are:

If to Lessee: Southwest Veterans Business Resource Center
227 North D Street
Perris, California 92570
Attn: Albert R. Renteria

If to Lessor: CITY OF PERRIS
101 North "D" Street
Perris, California 92570
Attention: City Manager
Tel: (951) 943-6100
Fax: (951) 943-4246

A copy to: ALESHIRE & WYNDER, LLP
3880 Lemon Street, Suite 520
Riverside, California 92501
Attention: Eric L. Dunn, City Attorney
Tel: (951) 241-7338
Fax: (951) 300-0985

7.09 Amendments; Replacement of Original Lease.

This Lease replaces the Original Lease in its entirety and the Original Lease has no further force or effect. Any amendment of, or supplement to, this Lease must be in writing and signed by Lessor and Lessee or their respective successors.

7.10 No Warranties.

Lessor makes no warranty, representation, contract, agreement, or statement concerning the use, occupancy, or suitability of the Premises for the use of the Premises as set forth in this

Lease, or with respect to the condition of title with respect thereto, or the means, mode, or manner or construction of any buildings or improvements, or the adequacy or fitness thereof for any use or occupancy, or the accuracy or validity of any statement, representation, warranty, agreement, or document by any other person, party, or entity, unless expressly set forth herein as an agreement of Lessor.

7.11 Execution.

(a) This Lease may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

(b) Lessor represents and warrants that: (i) it is duly organized and existing under the laws of the State of California; (ii) by proper action of Lessor, Lessor has been duly authorized to execute and deliver this Lease, acting by and through its duly authorized officers; and (iii) the entering into this Lease by Lessor does not violate any provision of any other agreement to which Lessor is a party.

(c) Lessee represents and warrants that: (i) it is duly organized and existing under the laws of the State of California; (ii) by proper action of Lessee, Lessee has been duly authorized to execute and deliver this Lease, acting by and through its duly authorized officers; and (iii) the entering into this Lease by Lessee does not violate any provision of any other agreement to which Lessee is a party.

[End – Signatures on Next Page]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease as of the date first written above.

“LESSOR”

CITY OF PERRIS

Dated: _____

By: _____
Richard Belmudez, City Manger

ATTEST:

By: _____
Nancy Salazar, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Eric L. Dunn, City Attorney

“LESSEE”

Southwest Veterans Business Resource Center
227 North D Street
Perris, California 925702

Dated: _____

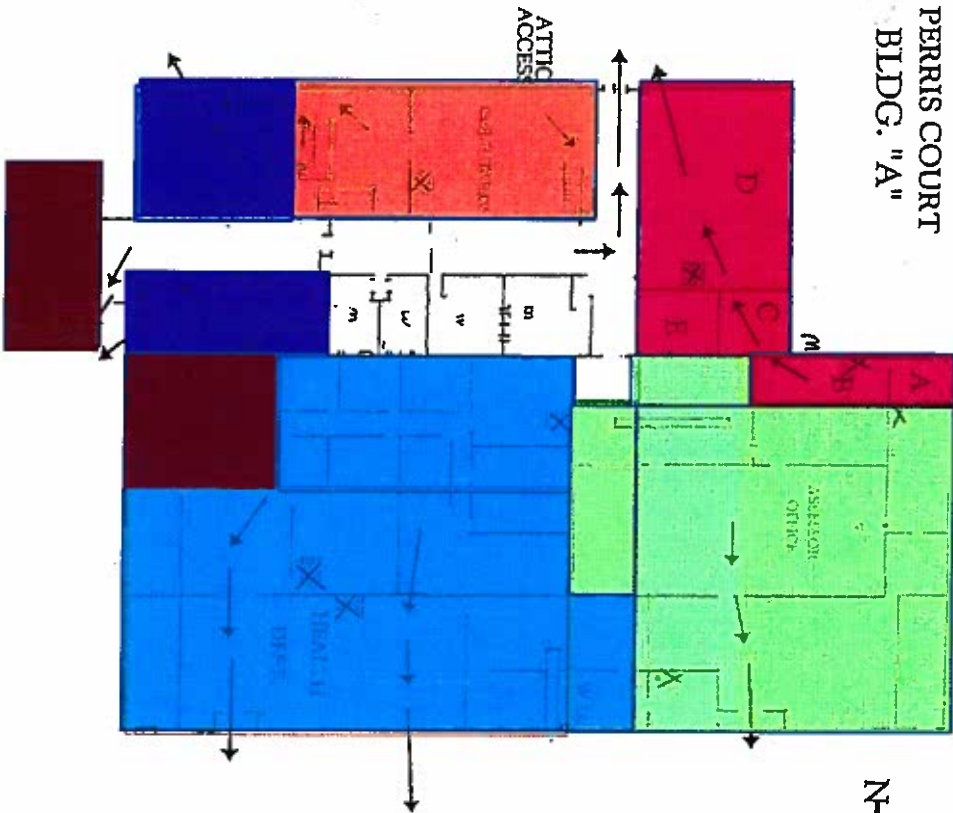
By: _____
Name:
Title:

Exhibit "A"
LEASE AGREEMENT

FLOOR PLAN

[ATTACHED]

PERRIS COURT
BLDG. "A"



Chamber of Commerce

Code

Boys and Girls Club

SWV/BRC

Historical Society

City

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: **Annexation of Parcel into CFD 1-S (South Perris Public Services District) – Annexation No. 5 (Grove Lumber)**
Applicant: JAR Commercial Investments, LLC

REQUESTED ACTION:

- 1.) Open a public hearing on Annexation No. 5 to CFD 1-S and determine if there are any protests to the Annexation.
- 2.) Adopt a Resolution of the City Council of the City of Perris, acting as the Legislative Body, of Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Calling a Special Election, to submit to Qualified Electors, within Proposed Annexation No. 5 the question of annexing such territory and levying of a Special Tax within the area of Proposed Annexation No. 5.
- 3.) Conduct the Special Election relating to Annexation No. 5.
- 4.) Adopt a Resolution of the City Council of the City of Perris, acting as the Legislative Body of the Community Facilities Districts No. 1-S (South Perris Public Services) of the City of Perris, Declaring the results of the Special Election relating to Annexation No. 5, and Ordering the Annexation of such territory, and directing the Recording of a Notice of Special Tax Lien.

CONTACT: Eric Dunn, City Attorney

BACKGROUND/DISCUSSION:

At its meeting on January 27, 2015, the City Council of the City of Perris (the "City Council"), acting as Legislative Body of Community Facilities District No. 1-S (South Perris Public Services) (the "District"), adopted Resolution No. 4809 ("Resolution of Intention"), Declaring its Intention to Annex Certain Territory to the District and setting the date of the public hearing to March 10, 2015 as the date for conducting the hearing in connection with the annexation of territory to the District.

These actions were taken, as required by law, pursuant to a petition submitted to the sole property owner (the "Owner") of the territory proposed for annexation to the District. The Owner, pursuant to the petition submitted concurrently with the Resolution of Intention, submitted a waiver concurrently herewith, waiving certain time periods and noticing requirements required by the Mello-Roos Community Facilities Act of 1982 ("the Act") and the Elections Code of the State of California.

The holding of the Public Hearing and adopting of the resolutions submitted with this report and the conduct of this election will complete the annexation of territory to the District. The property owner has waived notice and the time period for conducting the election pursuant to the Act. The Clerk has not received any written protests prior to the hearing.

BUDGET / FISCAL IMPACT:

The Annexation of territory into the District increases the tax base to fund the public services to be provided to the residents and businesses within the District. The levy of the Special Tax will begin in the fiscal year for which a building permit was issued prior to March 1st of the previous fiscal year.

Prepared by: Daniel Louie, Willdan Financial Services

City Attorney:

Asst. City Manager: *RL*

Public Hearing: March 10, 2015

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS, CALLING A SPECIAL ELECTION TO SUBMIT TO THE QUALIFIED ELECTORS WITHIN PROPOSED ANNEXATION NO. 5 THE QUESTION OF ANNEXING SUCH TERRITORY AND LEVYING OF A SPECIAL TAX WITHIN THE AREA OF PROPOSED ANNEXATION NO. 5

WHEREAS, the City Council (the "Council") of the City of Perris, California (the "City"), acting in its capacity as the legislative body (the "Legislative Body") of the Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris (the "District"), on January 27, 2015, has heretofore adopted its Resolution No. 4809 (the "Resolution of Intention") stating its intention to annex certain territory (the "Property") as described therein to the District pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the "Act") being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, and specifically Article 3.5 thereof, and calling a public hearing on the question of the proposed annexation of the Property to the District, including the levying of a special tax on the Property and all other matters as set forth in the Resolution of Intention; and

WHEREAS, a copy of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the territory proposed for annexation to the District, stating the public services to be provided in and for the Property and a plan setting forth sharing of such services provided in common with the existing District, and specifying the special taxes to be levied within the Property and any alteration in the Rate and Method of Apportionment (as defined therein and incorporated herein by this reference) is on file with the City Clerk of the City; and

WHEREAS, the Resolution of Intention set March 10, 2015 as the date of the public hearing and to consider the question of the proposed annexation of the Property to the District, including the levying of a special tax on the Property and all other matters set forth in the Resolution of Intention and this Council held said public hearing as required by law; and

WHEREAS, notice of the public hearing was duly given as required by Section 53339.4 of the Act or has been duly waived by the property owner; and

WHEREAS, the public hearing was held on March 10, 2015; and

WHEREAS, at said hearing all persons not exempt from the special tax desiring to be heard on all matters pertaining to the annexation of the Property to the District, the levy of the special tax on the Property, and all other matters as set forth in the Resolution of Intention were heard and a full and fair hearing was held; and

WHEREAS, at the public hearing evidence was presented to the Legislative Body on the matters before it, and the Legislative Body at the conclusion of the hearing is fully advised as to all matters relating to the proposed annexation of the Property to the District, including the levy of the special tax on the Property; and

WHEREAS, it has now been determined that written protests have not been received by registered voters and/or property owners representing more than one-half (1/2) of the area of land proposed to be annexed to the District or within the original District; and

WHEREAS, there were not at least twelve (12) registered voters residing within the territory proposed to be annexed to the District during each of the ninety (90) days preceding the closing of the March 10, 2015 public hearing; and

WHEREAS, on the basis of the foregoing, the Legislative Body has determined at this time to proceed with the annexation of the Property to the District, and to call an election therein to authorize such annexation, including the levy of the special tax therein (as such tax is more particularly described in the Resolution of Intention) to pay for the public services proposed to be financed by the District;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, acting in its capacity as the Legislative Body of Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, California, as follows:

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

Section 2. Written protests against the annexation of the Property to the District, or against the furnishing of specified services or the levying of a specified special tax within the District, have not been filed by fifty percent (50%) or more of the registered voters, or six (6) registered voters, whichever is greater, residing within the boundaries of the proposed annexation or within the existing District, nor by owners representing one-half (1/2) or more of the area of land proposed to be annexed to the District or of the existing District. All protests and objections, if any, are hereby overruled.

Section 3. The Legislative Body does declare the annexation of the Property to the existing District, to be known and designated as "Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 5." The Legislative Body hereby finds and determines that all prior proceedings taken with respect to the annexation of the Property to the District were valid and in conformity with the requirements of law, including the Act. This finding is made in accordance with the provisions of Section 53325.1 of the Act.

Section 4. The boundaries and parcels of land to be annexed and in which the public services are to be provided and on which the special taxes will be levied in order to pay the costs and expenses for said public services are generally described as all

that territory proposed to be annexed to the existing District is shown on a map as previously approved by the Legislative Body, said map designated "Annexation Map No. 5 to Community Facilities District No. 1-S, (South Perris Public Services)," a copy of which is on file in the office of the City Clerk and shall remain open for public inspection. The map of the proposed boundaries of Annexation No. 5 to the District has been recorded in the Office of the County Recorder of Riverside County, California in Book 77, Page 91 of the Book of Maps of Assessments and Community Facilities Districts (Document Number 2015-0045660).

Section 5. The Council finds that the Services, generally described as fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto, as set forth in Exhibit "B" hereto, are necessary to meet the increased demand put upon the City as a result of the development within the District.

Section 6. Except where funds are otherwise available, a special tax is hereby authorized, subject to the approval of the landowners as the eligible electors of the District, to levy annually in accordance with procedures contained in the Act, a special tax within the District, secured by recordation of a continuing lien against all nonexempt real property in the District, sufficient to pay for the Services and Incidental Expenses. The rate and method of apportionment and manner of collection of the special tax within the District is described in detail in Exhibit "A" attached hereto and incorporated herein by this reference. Exhibit "A" allows each landowner within the District to estimate the maximum amount that may be levied against each parcel.

Section 7. The Rate and Method of Apportionment of the special tax is based on the expected demand that each parcel of real property within the District will place on the Services, on the cost of making the Services available to each parcel within the Property, and on other factors. The Council hereby determines the rate and method of apportionment of the special tax set forth in Exhibit "A" to be reasonable. The special tax is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and such special tax is not based upon the value or ownership of real property. In the event that a portion of the property within Community Facilities District No. 1-S shall become for any reason exempt, wholly or partially, from the levy of the special tax specified on Exhibit "A," the Council shall, on behalf of Community Facilities District No. 1-S, cause the levy to be increased, subject to the limitation of the maximum special tax for a parcel as set forth in Exhibit "A," to the extent necessary upon the remaining property within the District which is not delinquent or exempt in order to yield the special tax revenues required for the purposes described herein. The obligation to pay special taxes may be prepaid as set forth in Exhibit "A." Upon recordation of a notice of special tax lien pursuant to Streets and Highways Code Section 3114.5, continuing lien to secure each levy of the special tax will attach to all nonexempt parcels within the Property and the lien shall continue in force and effect until the special tax obligation is

permanently satisfied and the lien canceled in accordance with the law or until collection of the special tax by the Legislative Body ceases.

Section 8. Pursuant to Section 53325.7 and 53326 of the Act, a special election is hereby called on behalf of the District on the proposition of levying the special tax on the territory within Annexation No. 5 to the District and establishing an appropriations limit therein. The proposition relating to the District authorizing the levy of the special tax on the Property and establishing an appropriations limit shall be substantially in the form attached hereto as Exhibit "C."

Section 9. The special election for the District on the proposition of authorizing the levy of the special tax on the Property and establishing an appropriations limit shall be held on March 10, 2015.

Section 10. It is hereby found that there were not at least twelve (12) registered voters that resided within the territory of the proposed Annexation No. 5 during each of the ninety (90) days preceding the closing of the March 10, 2015 public hearing regarding the levy of the special tax on the territory within Annexation No. 5 and establishing an appropriations limit therein and, pursuant to Section 53326 of the Act, the ballots for the special election shall be distributed by personal service, or by mail, with return postage prepaid, by the Election Official, to the landowners of record within the District as of the close of the public hearing. Each landowner shall have one (1) vote for each acre or portion thereof that he or she owns within the District, as provided in Section 53326 of the Act and may return the ballot by mail or in person to the Election Official not later than 6:00 p.m. on March 10, 2015, or 6:00 p.m. on another election day mutually agreed to by the Election Official and the landowners. In accordance with Section 53326(d) of the Act, the election shall be closed and the results certified by the Election Official as soon as all qualified electors have voted.

Section 11. If two-thirds (2/3) of the votes cast upon the question of levying such special tax and establishing such appropriations limit are cast in favor of levying such special tax within the District as determined by the Legislative Body after the canvass of the returns of such election, the Legislative Body may levy such special tax within the District under the Act in the amount and for the purposes as specified in this Resolution. Such special tax may be levied only at the rate and may be apportioned only in the manner specified in this Resolution, subject to the Act, except that the special tax may be levied at a rate lower than that specified herein and the maximum annual tax rate may be lowered. Such special tax may be levied so long as it is needed to pay for the financing of the services.

Section 12. If special taxes of the District are levied against any parcel used for private residential purposes, (i) the maximum special tax rate shall not be increased over time except that it may be increased by an amount not to exceed two percent (2.00%) per year to the extent permitted in the rate and method of apportionment; (ii) such tax shall be levied in perpetuity, as further described in Exhibit "A" hereto; and (iii) under no circumstances will such special tax be increased more than ten percent (10%)

as a consequence of delinquency or default by the owner of any other parcels within the District by more than ten percent.

Section 13. In the event that a portion of the property in the District shall become for any reason exempt, wholly or partially, from the levy of the special tax specified in Exhibit "A" the Council shall, on behalf of the District, increase the levy to the extent necessary upon the remaining property within the District which is not delinquent or exempt in order to yield the required payments, subject to the maximum tax.

Section 14. The Council finds that there is not an ad valorem property tax currently being levied on property within the proposed District for the exclusive purpose of financing the provision of the same services to the territory of the District as provided by the Services.

Section 15. An appropriations limit for the District is hereby established as an amount equal to all the proceeds of the special tax collected annually and as defined by Article XIII B of the California Constitution, as adjusted for changes in the cost of living and changes in population.

Section 16. The Elections Official shall cause to be published once in a newspaper of general circulation the text of Proposition A, along with a description of the election proceedings. The publication shall also state that only the qualified electors in the District may vote on the proposition and that the canvass of the election will take place in the office of the City Clerk following the close of the election. Pursuant to the petition and request, the publication of such notice has been waived by the property owner.

Section 17. The District shall constitute a single election pursuant for the purpose of holding said election. Following the close of the election, the election shall be canvassed at the office of the City Clerk, 101 North "D" Street, Perris, California 92570.

Section 18. The Office of the City Manager, 101 North "D" Street, Perris, California 92570, (909) 943-6100, or its designee, is designated to be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and for estimating future special tax levies pursuant to Section 53340.2 of the Government Code.

Section 19. Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the Legislative Body hereby establishes the following accountability measures pertaining to the levy by the District of the Special Tax described in Section 6 above:

- A. Such Special Tax with respect to the District shall be levied for the specific purposes set forth in and Section 5 hereof and Proposition A referred to herein.
- B. The proceeds of the levy of such Special Tax shall be applied only to the specific purposes set forth in Section 5 hereof and Proposition A referred to herein.
- C. The District shall establish an account or accounts into which the proceeds of such Special Tax shall be deposited.
- D. The City Manager or Finance Director, or his or her designee, acting for and on behalf of the District, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

Section 20. The City Clerk is directed to certify and attest to this Resolution, and to take any and all necessary acts to call, hold, canvass and certify an election or elections on the levy of the special tax, and the establishment of the appropriation limit.

Section 21. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

Mayor, _____

ATTEST:

City Clerk, NANCY SALAZAR

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, NANCY SALAZAR, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number ____ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 10th day of March, 2015, by the following called vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

City Clerk, Nancy Salazar

Exhibit A

CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 1-S SOUTH PERRIS PUBLIC SERVICES

SPECIAL TAX RATE AND METHOD OF APPORTIONMENT

A Special Tax shall be levied on all Taxable Property within the boundaries of the City of Perris Community Facilities District No. 1-S (South Perris Public Services) (the "District") and collected each Fiscal Year commencing in Fiscal Year 2006/07 according to the tax liability determined by the Council, through the application of the rate and method of apportionment of the Special Tax set forth below. All Taxable Property shall be taxed to the extent and in the manner herein provided.

A. DEFINITIONS

Acreage means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map. An Acre means 43,560 square feet of land.

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

Administrative Expenses means the costs incurred by the City to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the District as determined by the City.

Annual Cost(s) means for each Fiscal Year, the total of 1) the estimated cost of Services as determined by the City; 2) Administrative Expenses, and 3) any amounts needed to cure actual or projected delinquencies in Special Taxes for the current or previous Fiscal Year.

Annual Tax Escalation Factor means an increase in the Maximum Special Tax Rate each year following the Base Year in an amount not to exceed 2% annually.

Assessor means the Assessor of the County of Riverside.

Assessor's Parcel means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

Assessor's Parcel Map means an official map of the Assessor designating parcel(s) by Assessor's Parcel Number(s).

Assessor's Parcel Number means the number assigned to an Assessor's Parcel by the County for purposes of identification.

Base Year means Fiscal Year ending June 30, 2006.

CFD No. 1-S means the City of Perris Community Facilities District No. 1-S (South Perris Public Services).

CFD Administrator means an official of the City, or designee thereof, responsible for determining the Annual Costs and for levying and collecting the Special Taxes.

Council means the City Council of the City of Perris which acts for the District under the Act.

County means the County of Riverside, California.

Developed Property means for each Fiscal Year, commencing with Fiscal Year 2006/07, each Assessor's Parcel, for which a building permit for new construction was issued prior to May 1 of the previous Fiscal Year.

Exempt Property means an Assessor's Parcel that is not classified as Taxable Property. Exempt Property is not subject to the Special Tax.

Fiscal Year means the period starting on July 1 and ending the following June 30.

Land Use Class means any of the classes listed in Table 1 under Section C below.

Maximum Annual Special Tax means the greatest amount of Special Tax, determined in accordance with Section C below, which may be levied in any Fiscal Year on any Assessor's Parcel.

Multi-Family Unit means all Developed Property for which building permits have been issued for attached residential units.

Non-Residential Property means all Developed Property for which a building permit(s) was issued for a non-residential use.

Public Property means any property within the boundaries of the District, the ownership of which is transferred to a public agency of the District, and is used for rights-of-way or any other purpose and is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency where the public agency has officially agreed to accept the offer of dedication; provided however that any property owned by a public agency and leased to a private entity and subject to

taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

Residential Property means all Assessor's Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

Services means services, including 1) police protection services, 2) fire protection services and 3) park maintenance services that are in addition to those services that were provided within the boundaries of CFD 1-S at the time of formation of CFD 1-S.

Single-Family Unit means all Developed Property for which a building permit has been issued for single family detached residential development. Single Family Unit also includes mobile homes within a mobile home park or on other property.

Special Tax means any tax levied within the District pursuant to the Act and this rate and method of apportionment of Special Tax.

State means the State of California.

Taxable Property means all of the Assessor's Parcels within the boundaries of CFD 1-S that are classified as Residential Property or Non-Residential Property.

B. LAND USE CLASSIFICATION

Each Fiscal Year, each Assessor's Parcel within the boundaries of the District shall be classified as Taxable Property, Public Property or Exempt Property. Each Assessor's Parcel of Taxable Property shall be classified as Residential Property or Non-Residential Property. Each Assessor's Parcel of Residential Property shall be further classified as either a Single-Family Unit or the number of Multi-Family Units located on such Assessor's Parcel.

C. MAXIMUM SPECIAL TAX RATES

Table 1
Base Year
Maximum Special Tax Rates

Land Use Class	Description	Maximum Special Tax	Special Tax Levy Basis
1	Residential Property Single-Family Unit	\$313.00	per Unit
2	Residential Property Multi-Family Unit	\$156.50	per Unit
3	Non-Residential Property	\$1,252.00	per Acre

1. ESCALATION OF MAXIMUM SPECIAL TAX

Each Fiscal Year following the Base Year, the Maximum Special Tax Rate shall be increased in accordance with the Annual Tax Escalation Factor and otherwise adjusted as provided in this rate and method of apportionment.

2. MULTIPLE LAND USE CLASSES

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes for all Land Use Classes located on that Assessor's Parcel. For an Assessor's Parcel that contains both Residential Property and Non-Residential Property, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each Land Use Class as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

D. METHOD OF APPORTIONMENT

For each Fiscal Year the Council shall determine the Annual Costs and levy the Special Tax, until the amount of Special Taxes equals the Annual Costs. The Special Tax shall be levied each Fiscal Year as follows:

First: Calculate the available Special Tax revenues by taxing each Assessor's Parcel of Taxable Property at 100% of its Maximum Special Tax. If revenues are greater than the Annual Costs, then reduce the Special Tax proportionately against all Assessor's Parcels until the tax levy is set at an amount sufficient to cover the Annual Costs.

Second: Levy on each Assessor's Parcel of Taxable Property the amount calculated above. No Special Tax shall be levied on Exempt Property.

The City shall make every effort to correctly assign the number of taxable units and calculate the Special Tax for each Assessor's Parcel. It shall be the burden of the landowner to correct any errors in the determination of the Assessor's Parcels subject to the tax and their Special Tax assignments.

E. COLLECTION OF SPECIAL TAXES

Collection of the Special Tax shall be by the County in the same manner as *ad valorem* property taxes and the Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as ad valorem taxes; provided, however, that the Council may provide other means of collecting the Special Tax if necessary to meet its financial obligations, including direct billings to the property owners.

F. ADMINISTRATIVE CHANGES AND APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than twelve months after first having paid the first installment of the Special Tax that is disputed. If following such consultation, the CFD Administrator determines that an error has occurred, the CFD Administrator may amend the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action, if any by the CFD Administrator, the landowner believes such error still exists, such person may file a written notice with the City Manager or designee of the City appealing the amount of the Special Tax levied on such Assessor's Parcel. Upon the receipt of such notice, the City Manager or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. The City Manager or designee thereof shall interpret this Rate and Method of

Apportionment and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Manager or designee shall be final and binding as to all persons.

Interpretations may be made by Resolution of the Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to the District.

G. TERM OF SPECIAL TAX

The Special Tax shall be levied annually in perpetuity, unless terminated earlier by the Council.

Exhibit B

**COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES)
OF THE CITY OF PERRIS, ANNEXATION NO. 5**

TYPES OF SERVICES TO BE FINANCED

Fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto (collectively, the "Services).

Exhibit C

**OFFICIAL BALLOT
TO BE OPENED ONLY BY THE CANVASSING BOARD**

**COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES)
OF THE CITY OF PERRIS, ANNEXATION NO. 5**

SPECIAL TAX AND APPROPRIATIONS LIMIT ELECTION

March 10, 2015

To vote, mark a cross (+) or (X) in the voting square after the word "YES" or after the word "NO." The voter should then sign the ballot. All distinguishing marks otherwise made are forbidden and will void the ballot.

This ballot is provided to **Raymond Croll**, as owner or authorized representative of such sole owner of 9.04 acres of the land within Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 5 (the "Property") and represents **ten (10)** of the votes required for annexation.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Perris at 101 North "D" Street, Perris, California 92570 and obtain another.

<p>PROPOSITION A: Shall the Property be annexed and shall a Special Tax be levied within Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 5 to pay for the provision of fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto, as authorized in the Resolution calling election adopted on MARCH 10, 2015 and the Resolution of Intention referred to therein; and shall an appropriations limit be established for Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 5 pursuant to Article XIII B of the California Constitution, said appropriations limit to be equal to the amount of all proceeds of the special tax collected annually, as adjusted for changes in the cost of living and changes in population, where said Maximum Special Tax Rate for Fiscal Year 2014-2015 is \$366.72 per Single-Family Residential Unit, \$183.36 per Multi-Family Residential Unit and \$1,466.90 per acre for Non-residential Parcels and is subject to an Annual Tax Escalation Factor not to exceed 2.00% annually?</p>	<p>YES <input type="checkbox"/></p> <p>NO <input type="checkbox"/></p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------

Number of votes: **10**

Property Owner: **JAR Commercial Investments, LLC**

By: _____

Resolution No. _____

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS, DECLARING THE RESULTS OF A SPECIAL ELECTION RELATING TO ANNEXATION NO. 5 AND ORDERING THE ANNEXATION OF SUCH TERRITORY, THE LEVYING OF A SPECIAL TAX WITHIN THE AREA OF ANNEXATION NO. 5 AND DIRECTING THE RECORDING OF A NOTICE OF SPECIAL TAX LIEN

The City Council (the "Council") of the City of Perris, California (the "City"), acting in its capacity as the legislative body (the "Legislative Body") of the Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris (the "District"), does hereby resolve as follows:

WHEREAS, the Legislative Body called and duly held an election in the District pursuant to Resolution No. ____ adopted on March 10, 2015 for the purpose of presenting to the qualified electors within the certain territory proposed to be annexed to the District known and designated as "Annexation No. 5" (the "Property"), a proposition for the levy of a special tax and the establishment of an appropriations limit ("Proposition A") in accordance with the method set forth in Exhibit "A" to Resolution No. 4809 adopted on January 27, 2015 (the "Resolution of Intention"); and

WHEREAS, the notice of election was published in the _____ on the _____ day of _____, 20__ including the full text of Resolution No. 4809; and

WHEREAS, the landowners of record within the Property as of the close of the public hearing held on March 10, 2015 unanimously consented to a waiver of the time limits for setting the election and a waiver of any written analysis, arguments or rebuttals as set forth in California Government Code sections 53326 and 53327. Such waivers are set forth in written certificates executed by the landowners which are on file with the City Clerk as election official (the "Election Official") concurring therein; and

WHEREAS, pursuant to the terms of the Resolution Calling Election and the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"), the special election was held on March 10, 2015; and

WHEREAS, there has been presented to this Legislative Body a Certificate of the Election Official as to the Results of the Canvass of the Election Returns (the "Certificate of the Election Official"), a copy of which is attached hereto as Exhibit "A;"

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, acting in its capacity as the Legislative Body of Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, California, as follows:

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

Section 2. The canvass of the votes cast in the Property to be annexed to the District at the special election held on March 10, 2015, as shown in the Certificate of the Election Official, is hereby approved and confirmed.

Section 3. Proposition A presented to the qualified electors of the Property for receipt by the Election Official on March 10, 2015, has received a unanimous vote of the qualified electors voting at said election, and Proposition A has carried. The Legislative Body is hereby authorized to take the necessary steps to levy the special tax authorized by Proposition A on the Property, which shall be used for the purposes of fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto, as also set forth in Proposition A.

Section 4. The City Clerk is hereby directed to enter the title of this Resolution on the minutes of the Legislative Body and to indicate the official declaration of the result of such special election.

Section 5. The Legislative Body hereby determines that the Property is added to and part of the existing District with full legal effect, and hereby authorizes the levy of a special tax at the Rate and Method of Apportionment set forth in Exhibit A to the Resolution of Intention. The whole of the territory within the Property shall be subject to the special tax consistent with the provisions of the Act.

Section 6. Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the Legislative Body hereby establishes the following accountability measures pertaining to the levy by the District of the Special Tax described in Section 3 above:

- A. Such Special Tax with respect to the District shall be levied for the specific purposes set forth in Proposition A and Section 3 hereof.
- B. The proceeds of the levy of such Special Tax with respect to each Improvement Area shall be applied only to the specific purposes set forth in Section 3 hereof and Proposition A referred to therein.
- C. The District shall establish an account or accounts into which the proceeds of such Special Tax with respect to each Improvement Area shall be deposited.
- D. The City Manager, Assistant City Manager and Finance Director, or his or her designee, acting for and on behalf of the District, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

Section 7. The City Clerk is hereby directed to execute and cause to be recorded in the office of the County Recorder of the County of Riverside a notice of special tax lien in the form required by the Act, said recording to occur no later than fifteen days following adoption by the City Council of this Resolution.

Section 8. This Resolution shall take effect immediately upon its adoption.

Section 9. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED, SIGNED and **APPROVED** this 10th day of March, 2015.

Mayor, _____

ATTEST:

City Clerk, _____

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, _____, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO
HEREBY CERTIFY that the foregoing Resolution Number ____ was duly and regularly
adopted by the City Council of the City of Perris at a regular meeting held the 10th day of
March, 2015, by the following called vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

City Clerk, _____

Exhibit A

**COMMUNITY FACILITIES DISTRICT NO. 1-S
(SOUTH PERRIS PUBLIC SERVICES)
OF THE CITY OF PERRIS, ANNEXATION NO. 5**

**CERTIFICATE OF THE ELECTION OFFICIAL
AS TO THE RESULTS OF THE CANVASS OF THE ELECTION RETURNS**

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, _____, City Clerk in my capacity as Elections Official in the City of Perris, California, in its capacity as the legislative body of the Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, DO HEREBY CERTIFY, that pursuant to the provisions of Section 53325.4 of the Government Code and Division 15, commencing with Section 15000 of the Elections Code of the State of California, I did canvass the return of the votes cast at the Special Tax Election on March 10, 2015, held in

**COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES)
OF THE CITY OF PERRIS, ANNEXATION NO. 5**

I FURTHER CERTIFY that the Statement of All Votes Cast, to which this certificate is attached, shows the total number of ballots case within the Property to be annexed to the District for the Proposition, and the totals of the respective columns and the totals as shown for the Proposition are full, true and correct.

WITNESS my hand and Official Seal this 10th day of March, 2015.

CITY OF PERRIS, CALIFORNIA, acting as the
LEGISLATIVE BODY OF THE COMMUNITY
FACILITIES DISTRICT NO. 1-S (SOUTH
PERRIS PUBLIC SERVICES) OF THE CITY OF
PERRIS

By: _____

City Clerk, _____

**COMMUNITY FACILITIES DISTRICT NO. 1-S
(SOUTH PERRIS PUBLIC SERVICES)
OF THE CITY OF PERRIS, ANNEXATION NO. 5**

**STATEMENT OF ALL VOTES CAST
SPECIAL TAX ELECTION**

	Qualified Landowner Votes	Total Votes Cast	YES	NO
City of Perris, Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 5, Special Election, March 10, 2015	10	_____	_____	_____

PROPOSITION A SUBMITTED TO VOTE OF VOTERS: Shall the Property be annexed and shall a Special Tax be levied within Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 5 to pay for the provision of fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto, as authorized in the Resolution calling election adopted on March 10, 2015 and the Resolution of Intention referred to therein; and shall an appropriations limit be established for Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 5 pursuant to Article XIII B of the California Constitution, said appropriations limit to be equal to the amount of all proceeds of the special tax collected annually, as adjusted for changes in the cost of living and changes in population, where said Maximum Special Tax Rate for Fiscal Year 2014-2015 is \$366.72 per Single-Family Residential Unit, \$183.36 per Multi-Family Residential Unit and \$1,466.90 per acre for Non-residential Parcels and is subject to an Annual Tax Escalation Factor not to exceed 2.00% annually?

CITY COUNCIL / PERRIS JOINT POWERS AUTHORITY
AGENDA SUBMITTAL

Meeting Date March 10, 2015

SUBJECT: Refinance of prior bonds associated with CFD No. 2005-2
(Harmony Grove)

The District is comprised of approximately 65.5 net acres of residentially zoned land in the City. The District is divided into two noncontiguous zones ("Zone A" and "Zone B") divided by Nuevo Road. Zone A is bordered by Nuevo Road to the South, Citrus Avenue to the North, El Nido Road to the West and Dunlap Road to the East. Zone B is located South of Nuevo Road and West of Dunlap Road

REQUESTED ACTION: That the City of Perris and the Perris Joint Powers Authority adopt the following resolutions, respectively:

1. ***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING FOR THE CITY AND IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-2 (HARMONY GROVE) OF THE CITY OF PERRIS, AUTHORIZING THE ISSUANCE OF BONDED INDEBTEDNESS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$14,000,000 TO REFINANCE PRIOR BONDS OF THE DISTRICT, PERMITTING THE PURCHASE OF SUCH BONDS BY THE PERRIS JOINT POWERS AUTHORITY, AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH***
2. ***A RESOLUTION OF THE PERRIS JOINT POWERS AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$14,000,000 OF ITS PERRIS JOINT POWERS AUTHORITY LOCAL AGENCY REVENUE BONDS (CFD NO. 2005-2 REFUNDING), 2015 SERIES A, THE PURCHASE OF BONDS ISSUED BY COMMUNITY FACILITIES DISTRICT NO. 2005-2 (HARMONY GROVE) OF THE CITY OF PERRIS WITH THE PROCEEDS OF THE AUTHORITY'S BONDS UPON CERTAIN TERMS AND CONDITIONS, AND APPROVING CERTAIN DOCUMENTS AND OTHER ITEMS RELATING THERETO***

CONTACT: Ron Carr, Assistant City Manager

BACKGROUND/DISCUSSION:

1. Formation of the District and Issuance of the Prior District Bonds

Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris (the "District") was formed on May 31, 2005, pursuant to Resolution No. 3412, after an election held pursuant to the Mello-Roos Community Facilities Act of 1982. The City also approved the levy of a special tax pursuant to a rate and method of apportionment (the "RMA") and Resolution No. 3414 and Ordinance No. 1165.

The District is authorized to issue \$16,500,000 in bonds. On November 17, 2005, the City Council, acting as legislative body of the District, issued special tax bonds (the "Prior District Bonds"), designated as Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris Special Tax Revenue Bonds, 2005 Series A, in the principal amount of \$14,740,000, of which \$13,290,000 remain outstanding. The Prior District Bonds are secured by special tax revenue generated within the District.

2. The Refunding Bonds

In order to refund and/or cancel the Prior District Bonds, the City Council, acting as the legislative body of the District, will approve the delivery of its Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris Special Tax Refunding Bonds, 2015 Series (the "District Bonds") in a principal amount not to exceed \$14,000,000.

The District Bonds will be secured by special taxes levied within the District, pursuant to the RMA. The District Bonds will be sold to the Perris Joint Powers Authority (the "Authority"), and the proceeds of that sale will be used to refund and discharge the Prior District Bonds.

The Authority proposes to issue its Local Agency Revenue Bonds (CFD No. 2005-2 Refunding), 2015 Series A, in an aggregate principal amount not to exceed \$14,000,000 (the "Authority Bonds"). The Authority will use the proceeds of the Authority Bonds to purchase the District Bonds, pay certain costs of issuance and fund reserve funds in connection with the issuance. The Prior District Bonds will then be cancelled. The costs of issuance will be around \$242,000 for the Authority Bonds and approximately \$67,600 for the District Bonds.

Adoption of the attached resolutions will authorize (a) the issuance of the District Bonds in a principal amount not to exceed \$14,000,000, (b) the issuance of the Authority Bonds in a principal amount not to exceed \$14,000,000, and (c) the discharge, pay-off, and/or cancellation of the Prior District Bonds. The resolutions will also authorize the execution and delivery of the documents described below.

3. Savings from the Refunding

Staff has examined the Prior District Bonds and determined that this refunding is advantageous to effect savings on special taxes. The financial advisor expects a total savings of \$3,374,474, or approximately (on average) \$8,927 per property owner will be achieved. This comes out to an average savings of \$435 per property owner per year. This represents an overall savings of 12.026%.

These amounts are calculated by the Financial Advisor based on market conditions at the time of calculation, and are subject to change depending on the market prior to issuance. However, the attached resolutions contain a maximum interest rate of 5.25% to insure sufficient savings are generated.

4. The Documents for the Refunding

Each document required for the refunding will be executed or entered into pursuant to the resolutions. The attached resolutions authorize the officers of the City and the Authority to execute or enter into these documents and other agreements needed to accomplish the purposes set forth herein. All of the documents are or will be on file with the City Clerk and Secretary of the Authority.

The following documents must be executed in order to complete the refunding:

Fiscal Agent Agreement: The District Bonds will be issued pursuant to a Fiscal Agent Agreement between the District and U.S. Bank National Association as fiscal agent. The Fiscal Agent Agreement describes the terms of the District Bonds, as well as provisions relating to the redemption, prepayment, defeasance, default and amendment of or to the District Bonds, including conditions under which delinquent property owners will be subject to foreclosure.

Escrow Agreement: The Prior District Bonds will be refunded pursuant to an Escrow Deposit and Trust Agreement (the "Escrow Agreement") between the Authority, the District, and U.S. Bank National Association as Escrow Agent. The Escrow Agreement describes the deposit of money and requirements to pay off or cancel the Prior District Bonds.

Commitment Agreement: The District Bonds will be sold to the Authority pursuant to the terms of the Commitment Agreement for the Purchase and Sale of Local Obligation Bonds by and between the District and the Authority.

Indenture: The Authority Bonds will be issued pursuant to an Indenture of Trust, by and between the Authority and U.S. Bank National Association, as trustee. The Indenture will describe the terms of the Authority Bonds, redemption provisions, defeasance provisions and security provisions. The security for the Authority Bonds will be the District Bond payments and certain funds and moneys described in the Indenture.

Purchase Contract: The Authority bonds will be sold to O'Connor & Company Securities, Inc. (the "Underwriter") pursuant to the terms of a Purchase Contract among the Authority, the District and the Underwriter. The parameters set forth in the Resolution for the Sale included a not-to-exceed interest rate of 5.25% and a not-to-exceed Underwriter's discount of 2%.

The Purchase Contract includes representations of the District, including:

- The District was duly organized, is validly existing, has full legal rights to carry out the refinancing, and is not currently in violation of any law or other obligation that may have an adverse effect on the District's ability to issue or otherwise meet its obligations for the District Bonds, including creation of any lien or encumbrance on the property of the District;
- The District does not knowingly lack any authorizations, approvals, licenses, permits consents, and orders required to fully meet its obligations for the issuance of the District Bonds;
- As of the date the District enters into the Purchase Contract, there is no outstanding litigation, inquiry, or investigation at law or in equity pending or threatened that will affect the ability to issue or deliver the District Bonds, or otherwise affecting the ability to levy the special taxes securing the Bonds, nor is there any basis for litigation, inquiry, or investigation;
- As of the date thereof, the Preliminary Official Statement (described below) does not contain any false statements or omissions of material fact that are otherwise misleading to bond purchasers; and
- To the extent some event occurs that renders some material statement in the Official Statement false, or if a fact comes to light that is material and not present in the Official Statement, the District will prepare and pay for a supplement or amendment addressing this fact.

The Purchase Contract contains similar representations of the Authority.

Official Statement: The Authority Bonds will also be sold through distribution of the Preliminary Official Statement and the Official Statement to investors. The Official Statement describes the bonds, the relative risks associated with the purchase and other necessary information pertinent to investors. This includes representations related to the security and finances of the City.

The Authority and the District are required to review the Official Statement and make sure it provides to bondholders all material information relevant to the Bonds. The Preliminary Official Statement is included with this report. Material found within the official statement is subject to Rule 15c2-12 of the Securities Exchange Act of 1934 and other laws regulating material misstatements and omissions.

Continuing Disclosure Agreement: The District will enter into a continuing disclosure agreement for the purpose of complying with continuing disclosure obligations under Rule 15c2-12 of the Securities Exchange Act of 1934. Willdan Financial Services will serve as Dissemination-Agent thereunder.

The closing date will be on or around April 9, 2015 with the defeasance occurring at closing and pay-off approximately 30 days later. The refunding will constitute a current refunding for the purposes of the federal tax law. Staff recommends the adoption of the two resolutions related to the transaction.

BUDGET (or FISCAL) IMPACT:

None. Costs will be paid from special taxes or from the proceeds of the bonds.

Reviewed by:

City Attorney _____

Finance Director 

Attachments: Two Resolutions; Preliminary Official Statement, Binder Containing all Documents on File with City Clerk and Made Part of the Record, including:

1. Commitment Agreement and Purchase Contract for the Purchase and Sale of Local Obligation Bonds by and between the District and the Authority
2. Fiscal Agent Agreement by and between the Fiscal Agent and the District
3. Escrow Agreement by and between the Authority, the District, and the Escrow Agent
4. Indenture by and between the Authority and Trustee
5. Purchase Contract, by and between the Authority, the District, and the Underwriter
6. Preliminary Official Statement
7. Continuing Disclosure Agreement

Consent:

Public Hearing:

Business Item:

Other:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING FOR THE CITY AND IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2005-2 (HARMONY GROVE) OF THE CITY OF PERRIS, AUTHORIZING THE ISSUANCE OF BONDED INDEBTEDNESS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$14,000,000 TO REFINANCE PRIOR BONDS OF THE DISTRICT, PERMITTING THE PURCHASE OF SUCH BONDS BY THE PERRIS JOINT POWERS AUTHORITY, AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City Council (the "City Council") of the City of Perris (the "City"), located in Riverside County, California (hereinafter sometimes referred to as the "legislative body of the District") has, pursuant to its Resolution No. 3378 (the "Resolution of Intention") adopted on March 29, 2005, and Resolution No. 3412 (the "Resolution of Formation") adopted on May 31, 2005, heretofore undertaken proceedings and declared the necessity of Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris (the "District") to issue bonds pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

WHEREAS, pursuant to its Resolution of Formation, Resolution No. 3413, and Resolution No. 3414 (collectively the "Resolutions"), adopted by the legislative body of the District on May 31, 2005, a certain bond proposition was submitted to the qualified electors within the District, and was approved by more than two-thirds of the votes cast at the election held on May 31, 2005, in addition to the levy of a special tax (the "Special Tax") in accordance with a rate and method of apportionment (the "RMA"); and

WHEREAS, based upon Resolutions adopted by the legislative body of the District and the election, the District is authorized to issue bonds, pursuant to the Act, in an aggregate principal amount not to exceed \$16,500,000; and

WHEREAS, on August 30, 2005 pursuant to Resolution No. 3492 of the City, the District authorized the issuance of Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris Special Tax Revenue Bonds, 2005 Series A" (the "Prior District Bonds"), and on November 17, 2005 the District issued the Prior District Bonds in the principal amount of \$14,740,000 secured by the levy of the Special Taxes pursuant to the RMA; and

WHEREAS, there is currently \$13,290,000 outstanding of the Prior District Bonds; and

WHEREAS, the City and the Housing Authority of the City of Perris, entered into a Joint Exercise of Powers Agreement, created under the Joint Exercise of Powers Act (Sections 6500 *et seq.* of the California Government Code) (the "Bond Law"), dated as of March 26, 2013, thereby forming the Perris Joint Powers Authority (the "Authority") to assist the City and the Housing Authority of the City in their respective financings; and

WHEREAS, the City Council has heretofore undertaken proceedings and declared the necessity of the District to issue bonds pursuant to the terms and provisions of the Act, and desires to issue bonds at this time under the Act, with the assistance of the Authority, to refund, cancel or defease the District's outstanding Prior District Bonds, which financed certain costs of facilities provided to the District, including public capital improvements which the District is authorized to finance; and

WHEREAS, the District desires to accomplish the refinancing of certain public capital improvements through the issuance of bonds in an aggregate principal amount not to exceed \$14,000,000 designated as the "Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris Special Tax Refunding Bonds, 2015 Series" (the "District Bonds"); and

WHEREAS, in order to raise the funds to purchase the District Bonds, the Authority will issue its Perris Joint Powers Authority Local Agency Revenue Bonds (CFD No. 2005-2 Refunding), 2015 Series A (the "Authority Bonds") pursuant to the Bond Law, and use the proceeds thereof to purchase the District Bonds from the District, to pay certain costs of issuance and fund certain reserve funds and other funds in connection therewith; and

WHEREAS, the legislative body of the District has determined in accordance with Government Code Sections 53360.4, 53363.5 and other applicable laws that a negotiated sale of the District Bonds to the Authority in accordance with the terms of the Commitment Agreement and Purchase Contract for Purchase and Sale of Local Obligation Bonds to be entered into by the District and the Authority (the "Local Obligation Bond Purchase Contract"), a form of which is on file with the City Clerk, will result in a lower overall cost to the District; and

WHEREAS, the Authority will sell the Authority Bonds to O'Connor & Company Securities, Inc. (the "Underwriter") pursuant to the terms of the Purchase Contract, by and among the Authority, the District and the Underwriter (the "Authority Purchase Contract"), a form of which is on file with the City Clerk; and

WHEREAS, in order to effect the issuance of the District Bonds by the District and the Authority Bonds, and the refunding, cancellation or defeasance of the Prior District Bonds, the legislative body of the District desires to approve the form of a Preliminary Official Statement for the Authority Bonds related to the District Bonds and to approve the form of and authorize the execution and delivery of a fiscal agent agreement, by and between the District and U.S. Bank National Association, as Fiscal Agent (the "Fiscal Agent Agreement"), with respect to the issuance of the District Bonds, forms of which are on file with the City Clerk; and

WHEREAS, the District further desires to approve the forms and authorize the execution and delivery of the Local Obligation Purchase Contract, the Authority Purchase

Contract, a Continuing Disclosure Agreement (as hereinafter defined), the Escrow Agreement (as hereinafter defined), and certain other agreements related thereto, the forms of which are on file with the City Clerk; and

WHEREAS, the legislative body of the District has determined that it is prudent in the management of its fiscal affairs to issue the District Bonds, that it will accomplish a public purpose, and that refunding, cancelling or defeasing of the Prior District Bonds will effect savings; and

WHEREAS, the value of the real property in the District subject to the special tax to pay debt service on the District Bonds is more than three times the principal amount of the District Bonds (based on assessed values at the County) and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within the District, which fact is required as a precondition to the issuance of the District Bonds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris, acting for itself and as the legislative body of Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris, does hereby resolve, determine and order as follows:

Section 1. Each of the above recitals is true and correct and is adopted by the legislative body of the District.

Section 2. The District is authorized pursuant to the Act to issue the District Bonds for the purpose of refinancing capital improvements and public facilities in the District and effectuate the refunding, cancellation or defeasance of the Prior District Bonds.

Section 3. The issuance of the District Bonds in a principal amount not to exceed \$14,000,000 is hereby authorized with the exact principal amount to be determined by the official signing of the Local Obligation Purchase Contract for the District Bonds in accordance with Section 7 below. The legislative body of the District hereby determines that it is prudent in the management of its fiscal affairs and a public purpose to issue the District Bonds. The District Bonds shall mature on the dates and pay interest at the rates set forth in the Local Obligation Purchase Contract to be executed on behalf of the District in accordance with Section 7 hereof.

Section 4. The form of the Fiscal Agent Agreement, a copy of which is on file with the City Clerk, be and is hereby approved in substantially the form thereof or with such changes as may be approved by the Mayor, City Manager, Assistant City Manager or Finance Director (each, an "Authorized Officer"), said Authorized Officer's execution thereof to constitute conclusive evidence of said Authorized Officer's approval of all such changes, and each of said Authorized Officers be and is hereby authorized, together or alone to execute and deliver said Fiscal Agent Agreement. The City Clerk or a duly authorized Deputy or Assistant City Clerk (the "City Clerk") is hereby authorized to attest to said Authorized Officer's signature.

Section 5. The District Bonds shall be executed on behalf of the District by the manual or facsimile signature of an Authorized Officer, and attested with the manual or facsimile signature of the City Clerk. U.S. Bank National Association is hereby appointed to act as fiscal agent for the District Bonds.

Section 6. The covenants set forth in the Fiscal Agent Agreement to be executed in accordance with Section 4 above are hereby approved, shall be deemed to be covenants of the legislative body of the District, and shall be complied with by the District and its officers.

Section 7. The form of the Local Obligation Bond Purchase Contract and the Authority Purchase Contract relating to the purchase of the District Bonds by the Authority and relating to the purchase of the Authority Bonds by the Underwriter, respectively, copies of which are on file with the City Clerk, be and are hereby approved in the forms thereof, or with such changes as may be approved by an Authorized Officer, said Authorized Officer's execution thereof to constitute conclusive evidence of said officer's approval of all such changes, and each Authorized Officer be and is hereby authorized, together or alone, to execute and deliver said agreements and to insert in each of the aforesaid Agreements the dollar amount which reflects the provisions of said purchase contracts; provided, however, that the true interest cost with respect to the Authority Bonds shall not exceed 5.25% and the Underwriter's discount shall not exceed 2% of the principal amount of the Authority Bonds thereof, excluding any original issue discount on the Authority Bonds and the purchase price of the District Bonds shall not exceed any amount prohibited by the Bond Law.

Section 8. The form of the Continuing Disclosure Agreement executed and delivered by the District and Willdan Financial Services, as Dissemination Agent thereunder, a copy of which is on file with the City Clerk (the "Continuing Disclosure Agreement"), be and is hereby approved in substantially the form thereof or with such changes as may be approved by an Authorized Officer, said Authorized Officer's execution thereof to constitute conclusive evidence of said Authorized Officer's approval of all such changes, and each Authorized Officer be and is hereby authorized, together or alone, to execute and deliver said Agreement.

Section 9. The form of the Preliminary Official Statement presented at this meeting and on file with the City Clerk is hereby approved, and the Underwriter is hereby authorized to distribute the Preliminary Official Statement to municipal bond broker-dealers, to banking institutions, and to members of the general public who may be interested in purchasing the Authority Bonds. Each Authorized Officer is authorized to approve the amendment of the Preliminary Official Statement, from time to time, pending distribution of the Preliminary Official Statement as shall be required to cause such Preliminary Official Statement to contain any further information necessary to accurately describe the District Bonds and the Authorized Officer is authorized to deem final the Preliminary Official Statement as of its date for the purpose of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The final Official Statement relating to the District Bonds shall be submitted to an Authorized Officer for approval.

Section 10. The form of the Escrow Deposit and Trust Agreement, by and among the Authority, the District, and U.S. Bank National Association, as Escrow Agent (the "Escrow Agreement"), a form of which is on file with the City Clerk, be and is hereby approved in substantially the form thereof or with such changes as may be approved by an Authorized Officer, said Authorized Officer's execution thereof to constitute conclusive evidence of said Authorized Officer's approval of all such changes, and each of said Authorized Officers be and is hereby authorized, together or alone to execute and deliver said Escrow Agreement.

Section 11. In accordance with the requirements of Section 53345.8 of the Act, the legislative body of the District hereby determines that the value of the real property within the District subject to the respective special taxes to pay debt service on the District Bonds is not less than three times the principal amount of the respective District Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within the District. This determination is based on the assessed value of the real property within the District as shown in the records of the County. The District has not prepared an appraisal in connection with the refinancing of the District because the District has already been developed, and therefore, the City waives any requirement in the City's policies related to an appraisal.

Section 12. The City Council approves of the financing and hereby finds that significant public benefits exist in undertaking the financing in accordance with the criteria set forth in Government Code Section 6586, including demonstrable savings in effective interest rate.

Section 13. All conditions precedent to the financing pursuant to the City's policies relating to Mello-Roos Districts have been met or are hereby waived.

Section 14. The law firm of Aleshire & Wynder, LLP, Irvine, California, is hereby appointed as bond counsel to the District with respect to the District Bonds.

Section 15. The financing consultant firm of Rod Gunn Associates, Inc., a California corporation, is hereby appointed as financial advisor to the District with respect to the District Bonds.

Section 16. The law firm of Norton Rose Fulbright US, LLP, Los Angeles, California, is hereby appointed as Disclosure Counsel with respect to the District Bonds.

Section 17. Each Authorized Officer and the other officers and staff of the City and the District responsible for the fiscal affairs of the District are hereby authorized and directed to take any actions and execute and deliver any and all documents and certificates as are necessary to accomplish the issuance, sale and delivery of the District Bonds and to consummate the transactions contemplated by each aforesaid Agreement. In the event that the Mayor is unavailable to sign any document authorized for execution herein, any Authorized Officer may sign such document. Any document authorized herein to be signed by the City Clerk may be signed by a duly appointed deputy or assistant city clerk.

Section 18. This resolution shall take effect and be enforceable immediately upon its adoption.

ADOPTED, SIGNED and APPROVED this 10th day of March, 2015.

MAYOR OF THE CITY OF PERRIS

Attest:

CITY CLERK OF THE CITY OF PERRIS

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, City Clerk of the City of Perris, do hereby certify that the foregoing Resolution Number _____ was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 10th day of March, 2015, and that it was so adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

By: _____
CITY CLERK

RESOLUTION NO. _____

A RESOLUTION OF THE PERRIS JOINT POWERS AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$14,000,000 OF ITS PERRIS JOINT POWERS AUTHORITY LOCAL AGENCY REVENUE BONDS (CFD NO. 2005-2 REFUNDING), 2015 SERIES A, THE PURCHASE OF BONDS ISSUED BY COMMUNITY FACILITIES DISTRICT NO. 2005-2 (HARMONY GROVE) OF THE CITY OF PERRIS WITH THE PROCEEDS OF THE AUTHORITY'S BONDS UPON CERTAIN TERMS AND CONDITIONS, AND APPROVING CERTAIN DOCUMENTS AND OTHER ITEMS RELATING THERETO

WHEREAS, the City of Perris (the "City"), located in Riverside County, California, and the Housing Authority of the City of Perris (the "Housing Authority"), have entered into a Joint Exercise of Powers Agreement, dated March 26, 2013 (the "Agreement"), creating the Perris Joint Powers Authority (the "Authority"), pursuant to Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Bond Law"); and

WHEREAS, pursuant to Article 4 of the Bond Law and the Agreement, the Authority is authorized to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, the City, the Housing Authority, and any associate member, and such other powers as may be provided under the Bond Law; and

WHEREAS, pursuant to Article 4 of the Bond Law and the Agreement, the Authority finds that it is necessary, appropriate, in the public interest, and in furtherance of the purposes of Article 4 of the Bond Law, to issue bonds and use the proceeds of the bonds to purchase bonds issued by the City on behalf of the District, as defined herein; and

WHEREAS, pursuant to the Bond Law and the Agreement, the Authority is further authorized to sell its bonds to public or private purchasers at public or negotiated sales; and

WHEREAS, the City Council (the "City Council") of the City, located in Riverside County, California (hereinafter sometimes referred to as the "legislative body of the District") has, pursuant to its Resolution No. 3378 (the "Resolution of Intention") adopted on March 29, 2005, and Resolution No. 3412 (the "Resolution of Formation") adopted on May 31, 2005, heretofore undertaken proceedings and declared the necessity of Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris (the "District") to issue bonds pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

WHEREAS, pursuant to its Resolution of Formation, Resolution No. 3413, and Resolution No. 3414 (collectively the “Resolutions”), adopted by the legislative body of the District on May 31, 2005, a certain bond proposition was submitted to the qualified electors within the District, and was approved by more than two-thirds of the votes cast at the election held on May 31, 2005, in addition to the levy of a special tax (the “Special Tax”) in accordance with a rate and method of apportionment (the “RMA”); and

WHEREAS, based upon the Resolutions adopted by the legislative body of the District and the election, the District is authorized to issue bonds, pursuant to the Act, in an aggregate principal amount not to exceed \$16,500,000; and

WHEREAS, on August 30, 2005 pursuant to Resolution No. 3492 of the City, the District authorized the issuance of Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris Special Tax Revenue Bonds, 2005 Series A” (the “Prior District Bonds”), and on November 17, 2005 the District issued the Prior District Bonds in the principal amount of \$14,740,000 secured by the levy of the Special Taxes pursuant to the RMA; and

WHEREAS, there is currently \$13,290,000 outstanding of the Prior District Bonds; and

WHEREAS, the City Council has heretofore undertaken proceedings and declared the necessity of the District to issue bonds pursuant to the terms and provisions of the Act, and desires to issue bonds at this time under the Act, with the assistance of the Authority, to refund, cancel or defease the District’s outstanding Prior District Bonds, which financed certain costs of facilities provided to the District, including public capital improvements which the District is authorized to finance; and

WHEREAS, the District desires to accomplish the refinancing of certain public capital improvements through the issuance of bonds in an aggregate principal amount not to exceed \$14,000,000 designated as the “Community Facilities District No. 2005-2 (Harmony Grove) of the City of Perris Special Tax Refunding Bonds, 2015 Series” (the “District Bonds”); and

WHEREAS, the legislative body of the District has determined in accordance with Government Code Sections 53360.4, 53363.5 and other applicable laws that a negotiated sale of the District Bonds to the Authority in accordance with the terms of a Commitment Agreement and Purchase Contract for Purchase and Sale of Local Obligation Bonds to be entered into by the District and the Authority (the “Local Obligation Bond Purchase Contract”), a form of which is on file with the City Clerk, will result in a lower overall cost to the District than a public sale of the District Bonds; and

WHEREAS, in order to raise the funds to purchase the District Bonds, the Authority will issue its Perris Joint Powers Authority Local Agency Revenue Bonds (CFD No. 2005-2, Refunding), 2015 Series A (the “Authority Bonds”) pursuant to the Bond Law, and use the proceeds thereof to purchase the District Bonds from the District, to pay certain costs of issuance and fund certain reserve funds and other funds in connection therewith; and

WHEREAS, the Authority desires to enter into an Indenture of Trust (the “Indenture”), by and between the Authority and U.S. Bank National Association, as Trustee (the “Trustee”), with respect to the issuance of the Authority Bonds and for the purpose of describing the terms, redemption provisions, defeasance provisions and security provisions of the Authority Bonds; and

WHEREAS, the Authority desires to purchase the District Bonds with the proceeds received from the Authority's concurrent sale of the Authority Bonds to O'Connor & Company Securities, Inc. (the “Underwriter”) pursuant to the Purchase Contract to be entered into by and among the Authority, the District and the Underwriter (the “Authority Purchase Contract”), and to refund, cancel, or defease the Prior District Bonds pursuant to an Escrow Deposit and Trust Agreement, by and among the Authority, the District, and U.S. Bank National Association, as escrow bank (the “Escrow Agreement”); and

WHEREAS, the District has caused a Preliminary Official Statement relating to the Authority Bonds (the “Preliminary Official Statement”) to be submitted to the Authority for approval for distribution to purchasers of the Authority Bonds.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Perris Joint Powers Authority, as follows:

Section 1. Each of the above recitals is true and correct and is adopted by the Authority.

Section 2. The Authority is authorized pursuant to Article 4 of the Bond Law to issue the Authority Bonds for the purpose of purchasing the District Bonds and effectuating the refunding or cancellation of the Prior District Bonds.

Section 3. The issuance of the Authority Bonds in a principal amount not to exceed \$14,000,000 is hereby authorized, with the exact principal amount to be determined by the official signing of the Authority Purchase Contract for the Authority Bonds in accordance with Section 7 below. The Authority hereby determines that it is prudent in the management of its fiscal affairs to issue the Authority Bonds and hereby finds significant public benefits will result in accordance with the criteria set forth in Government Code Section 6586. The Authority Bonds shall mature on the dates and pay interest at the rates set forth in the Indenture (as hereinafter defined) and the Authority Purchase Contract to be executed on behalf of the Authority in accordance with Section 7 hereof. The Authority Bonds shall be sold at the time and in the manner provided in the Authority Purchase Contract.

Section 4. The proposed form of the Indenture, between the Authority and the Trustee, on file with the Secretary of the Authority is hereby approved. The Chairperson, the Executive Director, the Assistant Executive Director, and Treasurer of the Authority (each an “Authorized Officer”) are hereby each authorized and directed, for and in the name and on behalf of the Authority, to issue the Authority Bonds, subject to the terms and conditions of the Indenture, and to execute and deliver the Indenture in substantially the form hereof or with such changes as may be approved by the Authorized Officer, said Authorized Officer's execution

thereof to constitute conclusive evidence of said Authorized Officer's approval of all such changes.

Section 5. The Authority Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of an Authorized Officer and the manual or facsimile signature of the Secretary or a duly authorized Deputy or Assistant Secretary of the Authority. U.S. Bank National Association is hereby appointed to act as Trustee for the Authority Bonds.

Section 6. The proposed form of the Local Obligation Bond Purchase Contract on file with the Secretary of the Authority is hereby approved. Each Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to purchase the District Bonds from the District with the proceeds of the Authority Bonds, subject to the terms and conditions of the Local Obligation Bond Purchase Contract, and to execute and deliver the Local Obligation Bond Purchase Contract to the District. Approval of any additions or changes in such form shall be conclusively evidenced by such execution and delivery of the Local Obligation Bond Purchase Contract. The Authority shall purchase the District Bonds simultaneously with the issuance of the Authority Bonds.

Section 7. The proposed form of the Authority Purchase Contract on file with the Secretary of the Authority is hereby approved. Each Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to purchase the District Bonds from the District with the proceeds of the Authority Bonds and to accept the offer of the Underwriter to purchase the Authority Bonds from the Authority, subject to the terms and conditions of the Authority Purchase Contract, and to execute and deliver the Authority Purchase Contract to the District and the Underwriter; provided, however, that the true interest cost with respect to the Authority Bonds shall not exceed 5.25% and the Underwriter's Discount shall not exceed 2% of the principal amount of the Authority Bonds thereof, excluding any original issue discount on the Authority Bonds. Approval of any additions or changes in such form shall be conclusively evidenced by such execution and delivery of the Authority Purchase Contract.

Section 8. The proposed form of the Escrow Agreement on file with the Secretary of the Authority is hereby approved, the form of which will be used in connection with the refunding, cancellation, and/or defeasance of the Prior District Bonds. Each Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute the Escrow Agreement. Approval of any additions or changes in such form shall be conclusively evidenced by such execution and delivery of the Escrow Agreement.

Section 9. The Preliminary Official Statement relating to the Authority Bonds, together with such amendments and supplements as shall be necessary or convenient to accurately describe the Authority Bonds in accordance with the Authority Purchase Contract, this Resolution and the other related proceedings and documents, is hereby approved for distribution to the purchasers of the Authority Bonds. Each Authorized Officer is authorized pursuant to a resolution adopted by the District to approve the amendment of the Preliminary Official Statement, from time to time, pending distribution of the Preliminary Official Statement as shall be required to cause such Preliminary Official Statement to contain any further information necessary to accurately describe the Authority Bonds and the Authorized Officer is authorized to deem final the Preliminary Official Statement as of its date for the purpose of Rule

15c2-12 under the Securities Exchange Act of 1934, as amended. The final Official Statement relating to the Authority Bonds shall be submitted to the Chairperson or Executive Director for approval.

Section 10. The Chairperson, Vice Chairperson, Treasurer and Executive Director of the Authority and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, certificates related to tax exemption, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance of the Authority Bonds and the sale, issuance and delivery of the District Bonds to the Authority and Underwriter pursuant to the Authority Purchase Contract approved herein.

Section 11. The Authority appoints the following consultants to serve in connection with the refunding authorized herein: the law firm of Aleshire & Wynder, LLP, Irvine, California, is hereby appointed as bond counsel to the Authority with respect to the Authority Bonds ("Bond Counsel"); the financing consultant firm of Rod Gunn Associates, Inc., a California corporation, is hereby appointed as financial advisor to the Authority with respect to the Authority Bonds ("Financial Advisor"); the law firm of Norton Rose Fulbright US, LLP, Los Angeles, California, is hereby appointed as disclosure counsel with respect to the Authority Bonds ("Disclosure Counsel").

Section 12. This resolution shall take effect from and after the date of approval and adoption thereof.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Perris Joint Powers Authority on this 10th day of March, 2015, by the following vote:

CHAIRPERSON OF THE PERRIS JOINT
POWERS AUTHORITY

ATTEST:

SECRETARY OF THE PERRIS
JOINT POWERS AUTHORITY

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
PERRIS JOINT POWERS AUTHORITY)

I, Nancy Salazar, Secretary of the Perris Joint Powers Authority, hereby certify that Resolution No. _____ was adopted by the Perris Joint Powers Authority at a regular meeting held on the 10th day of March, 2015, and that the same was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:


By: _____
SECRETARY

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: March 10, 2015

SUBJECT: **Street Vacation 13-09-0010** – A proposal to vacate a 100'-foot section of 6th Street, between "C" Street and "D" Street, to facilitate construction to the future Downtown Perris Metrolink Station. Applicant: Riverside County Transportation Commission.

REQUESTED ACTION: **ADOPT a Resolution (next in order) approving** a street vacation of a 100-foot section of 6th Street, between "C" Street and the "D" Street to facilitate construction of the Downtown Metrolink Station.

CONTACT: Clara Miramontes, Director of Development Services 

BACKGROUND/DISCUSSION:


RCTC (Riverside County Transportation Commission) is requesting a Street Vacation to vacate a 100-foot section of 6th Street, between "C" Street and "D" Street within the Downtown area to match the width of the existing Railway right-of-way to the south. The portion of 6th Street to be vacated is currently a 60' foot wide improved street that provides east west access from "C" Street and "D" street with no utility easements. Also, the Street Vacation will not include the proposed future 6th street cul-de-sac right-of-way to east of the vacation. Overall, the Street Vacation is required to facilitate construction and provide pedestrian and vehicular access to the future Downtown Perris *Metrolink Station*. This application is a Planning Condition of Approval (COA#23 of Major Modification 11-12-0002) for Phase II of the Downtown Perris *Metrolink Station*.

On February 18, 2015, the Planning Commission recommended that the City Council approve vacating a 100' foot section of 6th Street. A public hearing notice was sent to all affected agencies and property owners within 300-feet of the subject project and no comments or letters in opposition were received by staff as of writing this report. Also, there is substantial evidence to support the conclusion that the right-of-way is no longer needed for vehicular and pedestrian traffic and is unnecessary for present or future public use.

The project is exempt from CEQA under Section 15061 (b) (3) in that the project has no possibility of having a significant effect on the environment. Therefore, no further CEQA review is required.

BUDGET (or FISCAL) IMPACT: Cost for staff preparation of this item, cost of construction and payment of impact fees are covered by the applicant.

PREPARED BY: Nathan Perez, Associate Planner

City Attorney: N/A
Assistant City Manager: Ron Carr 

Public Hearing: March 10, 2015

Attachments: Resolution
Exhibit A – Legal Description
Exhibit B – Vacation Exhibit
Exhibit C – Aerial
Exhibit D – APN Map

RESOLUTION NUMBER _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, TO APPROVE VACATING A 100'-FOOT SECTION OF 6TH STREET, BETWEEN "C" STREET AND "D" STREET, TO FACILITATE CONSTRUCTION TO THE FUTURE DOWNTOWN PERRIS METROLINK STATION WITHIN THE DOWNTOWN SPECIFIC PLAN AREA, SUBJECT TO THE FINDINGS NOTED HEREIN.

WHEREAS, on September 17, 2013 the applicant submitted and initiated a Street Vacation (*Street Vacation 13-09-0010*) to vacate a 100'-foot section of 6th Street, between "C" Street and "D" Street, to facilitate construction to the future Downtown Perris *Metrolink Station* parking lot herein referred to as Exhibits "A" and "B" (see attached Exhibits "A – Legal Description" and "B – Road Vacation"); and

WHEREAS, on February 18, 2015 the Planning Commission unanimously recommended the City Council approve the proposal to vacate a 100' foot section of 6th street; and

WHEREAS, the City Council has determined that the Street Vacation would be exempt from CEQA under Section 15061 (b) (3) in that it can be seen with certainty that there is no possibility that the vacation can have an impact on the environment for the reasons noted above; and

WHEREAS, Section 66451 of the California Government Code (*Subdivision Map Act*) vests in the legislative bodies of local agencies the regulation and control of the design of the Street Vacation; and

WHEREAS, Title 18 of the City of Perris Municipal Code (*Subdivisions*) implements the state Subdivision Map Act and authorizes the City Council to take action on a Street Vacation; and

WHEREAS, Chapter 19.54 of the City of Perris Municipal Code (*Zoning Code, Authority and Review Procedures*) authorizes the City to approve, conditionally approve, or deny requests for Summary Vacation; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris, as follows:

Section 1. The above recitals are all true and correct and are incorporated herein by reference as if set forth in full.

Section 2. The City Council finds and determines that the City has complied with the California Environmental Quality Act and that City Council determinations reflect the independent judgment of the City Council.

Section 3. Based upon the information contained within the City Council submittal and the accompanying attachments, with respect to the Summary Vacation, the City Council hereby finds the following:

1. Affected agencies and nearby property owners have been notified of this vacation request, and, as of this writing, no opposition has been received.
2. There is substantial evidence to support the conclusion that the right-of-way is no longer needed for vehicular or pedestrian traffic and is unnecessary for present or future public use.
3. The Summary Vacation will not affect health, safety, and welfare.
4. The proposed Summary Vacation is in compliance with the Subdivision Map Act.
5. The proposed Summary Vacation is exempt from CEQA under Section 15061 (b) (3).
6. The Summary Vacation is in compliance with the applicable zoning ordinances.
7. The proposed Summary Vacation is consistent with the existing land uses, and zoning designations in the area.
8. The proposed Summary Vacation has been found to be consistent with city standards, ordinances, and policies.
9. The proposed Summary Vacation is consistent with the Downtown Specific Plan.
10. The Summary Vacation plan is safe, functional, and environmentally sensitive to surrounding properties.
11. The Summary Vacation will not prohibit access to adjoining properties
12. This Summary Vacation is required to ensure protecting passenger rail operations and safety.

Section 4. The City Council hereby directs that a Notice of Exemption be filed with the County Clerk pursuant to Section 15062 of CEQA.

Section 5. All actions heretofore taken by the officers of the City with respect to such street vacations are hereby approved, confirmed and ratified, and the Mayor and City staff are hereby authorized and directed to take any and all actions which they or the City Attorney may deem necessary or advisable in order to effectuate the purpose and intent of this Resolution

(including, without limitation, confirmation of satisfaction of any of the conditions to the effectiveness of the street vacation).

Section 6. The City Council declares that should any provision, section, paragraph, sentence, or word of this Resolution be rendered or declared invalid by any court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this Resolution shall remain in full force and effect.

Section 7. The Mayor shall sign this Resolution and the City Clerk shall certify to the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this 10th day of March 2015.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, **Nancy Salazar**, duly elected CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number _____ was duly adopted by the City Council of the City of Perris at a regular meeting thereof held on the 10th day of March 2015, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Nancy Salazar, City Clerk

Attachments: Planning Division Conditions of Approval

CITY COUNCIL

CONDITIONS OF APPROVAL

Street Vacation Number 13-09-0010

March 10, 2015

PROJECT: Street Vacation 13-09-0010 – A proposal to vacate a 100'-foot section of 6th Street, between "C" Street and "D" Street, to facilitate construction to the future Downtown Perris Metrolink Station. Applicant: Riverside County Transportation Commission.

General Requirements

1. This Street Vacation shall conform to approved Planning and Engineering Conditions of Approval for Development Plan Review #05-0425 and Major Modification 11-12-0002. All conditions placed upon this case must be fulfilled prior to the recording of the summary vacation resolution by the City Clerk. The case is not finalized until the City Clerk records the Vacation Resolution.
2. If the disposition of land is other than by operation of law the applicant shall have quitclaim deeds exchanging the property prepared to the satisfaction of Planning, City Attorney, and the Public Works Department. All necessary parcel descriptions and plats shall be prepared, signed, and sealed by a licensed Land Surveyor or Civil Engineer authorized to practice Land Surveying in the State of California.
3. The Perris City Council authorizes the City Manager to execute quitclaims documents on behalf of the City of Perris to extinguish the desired public right within the vacated easement that does revert by operation of law.
4. **Indemnification.** The developer/applicant shall indemnify, protect, defend, and hold harmless, the City and any agency or instrumentality thereof, and/or any of its officers, employees and agents from any and all claims, actions, or proceedings against the City, or any agency or instrumentality thereof, or any of its officers, employees and agents, to attack, set aside, void, annul, or seek monetary damages resulting from an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board or legislative body including actions approved by the voters of the City, concerning **Street Vacation 13-09-0010**. The City shall promptly notify the developer/applicant of any claim, action, or proceeding for which indemnification is sought and shall further cooperate fully in the defense of the action.

**EXHIBIT A
6TH STREET VACATION
LEGAL DESCRIPTION**

Real property situated in the City of Perris, County of Riverside, State of California, being a portion of that 100-foot Riverside County Transportation Commission ("RCTC") right-of-way, being described as Parcel 34, in that certain Grant Deed and Grant of Easement recorded March 30, 1993, as Instrument No. 116807, in the Office of the County Recorder, Riverside County, being more particularly described as follows;

BEGINNING at the northwest corner of said Parcel 34, said corner being the intersection of the west line of said 100-foot RCTC right-of-way with the north line of the existing West 6th Street (60.00 feet wide) as shown on those certain maps entitled, "Map of the Town of Perris", dated January 1886, filed in Book 5, at Page 270 of Maps, and on that map entitled, "Map of Nances Addition to Perris", filed in Book 15 of Maps, at Page 708, both in the Records of San Diego County;

Thence southerly along the west line of said Parcel 34, South 04°57'28" West, 60.19 feet to the south line of said 6th Street;

Thence leaving said west line and along the south line of said 6th Street, South 89°38'30" East, 100.32 feet to a point on the east line of said Parcel 34;

Thence leaving said south line and along the east line of said Parcel 34, North 04°57'28" East, 17.17 feet to the beginning of a non-tangent curve concave northeasterly having a radius of 38.00 feet, to which point a radial line bears South 38°30'20" West;

Thence leaving said east line and proceeding northwesterly and northerly along said curve through a central angle of 71°51'28", an arc distance of 47.66 feet, to a point on the north line of said 6th Street, and to which point a radial line bears North 69°38'12" West;

Thence along the north line of said 6th Street, North 89°38'30" West, 84.64 feet to the **POINT OF BEGINNING**.

Containing an area of 5,464 square feet, or 0.13 acres, more or less, measured in ground distances, as shown on Exhibit "B", Plat to Accompany Legal Description, attached and made a part hereof.

Bearings used in this description and its accompanying plat are based upon the California Coordinate System, Zone 6, North American Datum of 1983, epoch 2007.00. Distances are in ground. To obtain grid distances, multiply distances by the scale factor of 0.99992002.

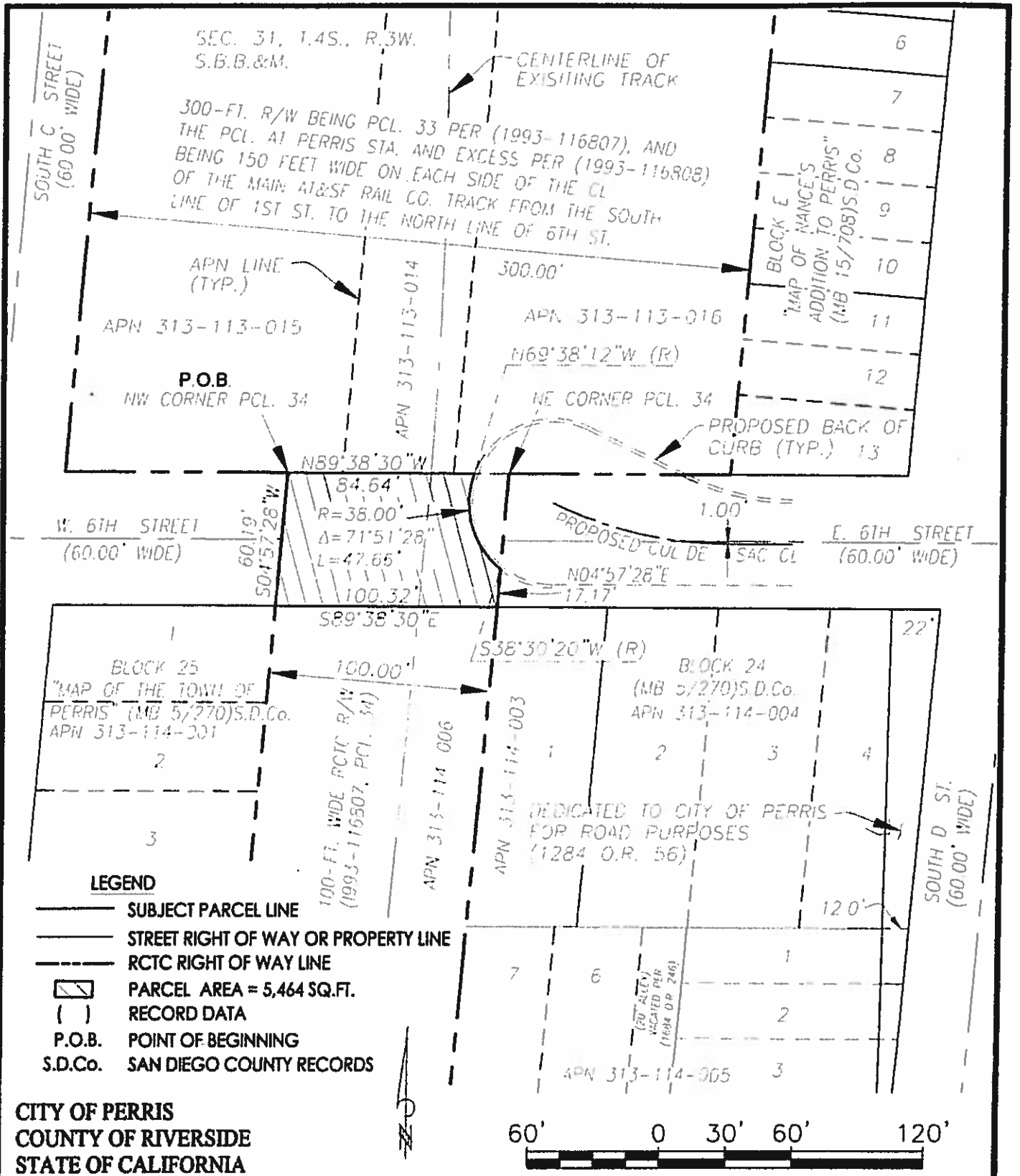
END OF DESCRIPTION

RESERVING THEREFROM the rights of existing utilities within that portion described above of Sixth Street as it presently exists.

It is the intent of this deed to describe that portion of 6th Street lying completely within Parcel 34 of said Instrument No. 116807, excluding that portion lying easterly of the proposed back of curb of the proposed 6th Street cul de sac, regardless if a license or right-of-way agreement exists for a 6th Street railroad crossing or not.


Prepared by: Michael A. Cusick, PLS No. 7885





RAIL SURVEYORS & ENGINEERS, INC.
1076 Old County Road
Belmont, CA 94002

EXHIBIT B
PLAT TO ACCOMPANY LEGAL DESCRIPTION
6TH STREET VACATION

Date:	11/04/13
Scale:	1"=60'
By:	MC
Sheet No.:	1 OF 1
Rev:	



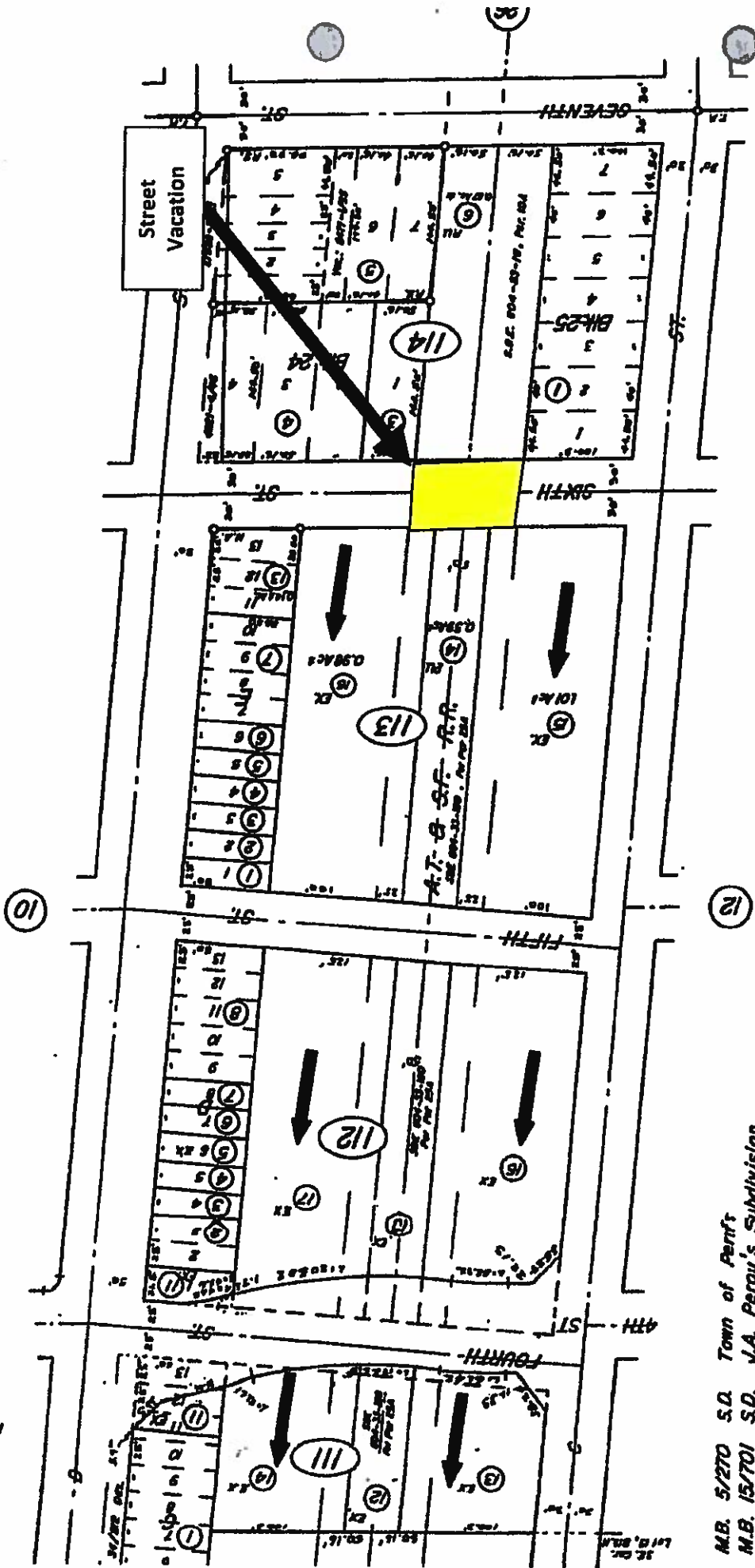
Project Site

W 6th St



AERIAL

EXHIBIT C



Street Vacation

M.B. 5/270 S.D. Town of Perth
M.B. 15/701 S.D. J.A. Perou's Subdivision

EXHIBIT D

APN MAP

Verbal Presentation