CITY OF REDLANDS

CITY COUNCIL

A G E N D A

MARCH 15, 2022

PAUL BARICH
Mayor

EDDIE TEJEDA
Mayor Pro Tempore

DENISE DAVIS
Council Member

JENNA GUZMAN-LOWERY
Council Member

MICK GALLAGHER
Council Member

***

JEANNE DONALDSON
City Clerk

ROBERT DAWES
City Treasurer

CHARLES M. DUGGAN JR.
City Manager

DANIEL J. McHUGH
City Attorney

5:00 p.m. Open Public Meeting, Public Comment (Closed Session)
6:00 p.m. Open Session (Public Meeting)
* * *
City Council Chambers
Civic Center, 35 Cajon Street, Redlands, California

A G E N D A

The following information comprises the agenda for the regular meeting of the City Council of the City of Redlands at the times noted below in the City Council Chambers, Civic Center, 35 Cajon Street, Redlands, California, on:

TUESDAY, MARCH 15, 2022
To join via Zoom on a computer, laptop, or smart device
Please visit www.zoom.us, click on *Join a Meeting*
Enter the **Meeting ID 824 4618 0187**, then run the Zoom launcher

To join via Zoom with audio only (cell phone or landline):
Dial **1-877-853-5247**
Enter the **Meeting ID 824 4618 0187**
Should the City lose connectivity on Zoom, we will halt the meeting until it can be restored. To check on the status of remote connectivity in the event of an outage, go to the City's website at www.cityofredlands.org or to the City's Facebook page at @CityofRedlands or the Instagram page at @CityofRedlands_CityHall.
In the event the City cannot reestablish Zoom connectivity in a reasonable amount of time, the mayor will adjourn the meeting to a future date.

Anyone desiring to speak on an agendized item at this meeting may do so during the consideration of that item. Due to time constraints and the number of persons who may wish to give oral testimony, public comments will be limited to three (3) minutes.

- **To provide comment while participating from Council Chambers:**
  - Although it is not required, speakers are encouraged to submit a "Speaker Sign Up Sheet" before the meeting is convened. Forms are available in the Office of the City Clerk or in Council Chambers.
  - After the meeting has convened, you may place the speaker form in the basket at the table along the north wall of the Chambers. Please do not disturb the City Clerk while the meeting is in progress.
- **To provide comment through Zoom (on a computer, laptop, or smart device)**:
  - Click the "Raise Hand" button and the moderator will unmute you when it is your turn to speak
- **To provide comment via audio only (cell phone or landline)**:
  - Dial *9 to "Raise Hand". The moderator will identify you by your area code and last 3 numbers of your telephone number when it is your turn to speak.



PLEASE SILENCE CELL PHONES, PAGERS AND OTHER ELECTRONIC COMMUNICATION DEVICES UPON ENTERING THE CHAMBERS

5:00 P.M.

A. **Call City Council Meeting to Order.**

B. **Public Comment**
(Any person wishing to provide public comment on a closed session matter may do so at this time.)

C. **Recess City Council Meeting to a Closed Session**

1. Conference with legal counsel: Anticipated Litigation - Government Code §54956.9(d)(2)(e)(3)
(Assistant City Manager Boatman)
One Case:
a. Facts and circumstances: Receipt of threatened litigation against the City by the American Youth Soccer Organization relating to the operation of the Redlands Sports Park.

2. Conference with real property negotiators - Government Code §54956.8
(Assistant City Manager Boatman)

Property:	APN 0292-166-08-0000
Agency Negotiators:	Charles M. Duggan, Jr.; Chris Boatman
Negotiating Party:	Andrew Christopherson, The Grove School
Under Negotiation:	Terms of payment and price of possible lease amendment or purchase of property

3. Conference with labor negotiator - Government Code §54957.6
(Assistant City Manager McConnell)

Agency Negotiator:	Assistant City Manager McConnell
Employee Organizations:	Redlands Association of Department Directors Redlands Association of Management Employees Redlands Association of Mid-Management Employees Redlands Association of Safety Management Employees Redlands Association of Fire Management Employees Redlands Police Officers Association Redlands Professional Firefighters Association Redlands Civilian Safety Employees Teamsters Local 1932 Redlands Chapter

6:00

D. **Reconvene City Council Meeting**

E. ***Invocation by Mayor Pro Tem Tejeda - Pledge of Allegiance***
(In keeping with long-standing traditions of legislative invocations, this City Council meeting may include a brief invocation. Such invocations are not intended to proselytize or advance any one, or to disparage any other, faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.)

F. **Closed Session Report**
(No reportable action taken in closed session unless otherwise announced by the City Attorney at this time.)

G. **Presentations**

1. Presentation of Lifesaving Awards to Redlands Residents Nicholas Miller, and Kacey Reineman for their heroic actions in saving a woman from a house fire (Interim Chief Sessler)

H. **Public Comments - City Council**
(At this time, the City Council will provide an opportunity for the public to address them on any subject, within the jurisdiction of the City Council, which is not already scheduled on this agenda. However, any matter that requires action will be referred to staff for a report and possible action at a subsequent meeting. Comments will be limited to three {3} minutes.)

I. **Consent Calendar**
(The following routine items have been recommended for approval and will be acted upon simultaneously unless separate discussion and/or action is requested by a Councilmember or a member of the audience.)

1. Approve minutes of the regular meeting of March 1, 2022 (City Clerk Donaldson)

2. Authorize issuance of a proclamation declaring March 29, 2022, as Vietnam War Veterans Day (Mayor Barich)

3. Authorize issuance of a proclamation declaring March 31, 2022, as Cesar Chavez Day (Mayor Pro Tem Tejeda)

4. Approve Resolution No. 8312 authorizing remote teleconference meetings by the City Council and all Boards, Commissions, and Committees of the City in accordance with Assembly Bill 361 (2021) for a period of 30 days (Council Member Davis)

5. Approve recommendation for an appointment to the Parks and Recreation Advisory Commission (Mayor Barich and Council Member Guzman-Lowery)

6. Approve adoption of Ordinance No. 2931 - Amending Chapter 2.03.030 of the Redlands Municipal Code relating to the adjustment of current City Council Member Election District Boundaries (Development Services Director Desatnik)

7. Approve Resolution No. 8309 establishing a Statement of Investment Policy and Rescinding Resolution No. 8035 (City Treasurer Dawes)

8. Disclosure of Agreement of Settlement and General Release - Heidi Kirkendoll; San Bernardino County Superior Court Case No. CIVDS1933311 (City Attorney McHugh)

9. Report regarding Emergency Resolution No. 8065 proclaiming the existence of a local emergency in response to COVID-19 (Coronavirus Disease 2019) (Interim Fire Chief Sessler)

10. Approve Resolution No. 8289 Delegating Investment Authority to the City Treasurer Pursuant to Government Code Section 53607 (Management Services / Finance Director Garcia)

11. Approve Resolution No. 8306 approving the destruction of certain public records (Management Services/Finance Director Garcia)

12. Approve a request for the serving and consumption of alcoholic beverages at Sylvan Park for Carol Jones' Retirement Party to be held on June 18, 2022, and determination that approval of the request is exempt from environmental review pursuant to Section 15061(b)(3) of the state's guidelines implementing the California Environmental Quality Act (Assistant City Manager Boatman)

13. Approve a modification to the purchase order with Universal Protection Service, LP, Doing Business As: Allied Universal Security Services to amend the total to an amount not to exceed $81,071.39, and to the purchase order with Executive Facilities Services to amend the total to an amount not to exceed $94,916.70 (Assistant City Manager Boatman)

14. Approve the Planning Commission's Report on its finding of conformance with the City of Redlands General Plan, determination that approval of the proposed Purchase and Sale agreement is exempt from review under the California Environmental Quality Act, approval of a Purchase and Sale Agreement with San Bernardino Valley Municipal Water District for the acquisition of Assessor's Parcel No. 0168-091-07-0000 in the amount of $22,500, and approval of an additional appropriation in the same amount for the purchase (Assistant City Manager Boatman)

15. Approve Amendment No. 1 to the Agreement with Richard Brady & Associates, Inc. to perform a seismic and structural assessment of the City's water infrastructure (Municipal Utilities and Engineering Director Harris)

16. Approve a Fourth Amendment to the Professional Services Agreement with Rincon Consultants, Inc. to continue providing environmental site assessment at the Alabama Street Septage Disposal Ponds, and determine this action is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act (Municipal Utilities and Engineering Director Harris)

17. Approve Amendment No. 1 to the Agreement with RK Engineering Group, Inc. to perform Engineering and Traffic Surveys on various streets within City limits (Municipal Utilities and Engineering Director Harris)

18. Receive and File the Redlands Police Department's Military Equipment Use Policy (Police Chief Catren)

19. Approve Side Letter between the City and the Redlands Association of Department Directors (Assistant City Manager McConnell)

20. Authorize issuance of a Proclamation commending Maestro Frank Paul Fetta for over 40 years of service to the Redlands Bowl (Mayor Barich)

J. **Communications**

1. Video Series: Redlands Making Progress (Public Information Officer Baker)

2. Discussion and possible action relating to the use of State and Local Fiscal Recovery Funds (SLFRF) through the American Rescue Plan Act (ARPA) (Assistant City Manager McConnell)

3. Presentation of the City of Redlands Strategic Plan for FY 22-23 through FY 27-28 and consideration of Resolution No. 8315 (Assistant City Manager McConnell)

4. Receive and file the Annual Report from the Measure T Citizens' Oversight Committee for FY 2020-21 (Management Services/Finance Director Garcia)

K. **Public Hearings**

1. Consideration of Resolution Nos. 8313 and 8314
(Mayor to declare meeting open as a public hearing)

   A. PUBLIC HEARING to consider Resolution No. 8313 - Calling a special election of the question of levying special taxes within the territory to be annexed to Community Facilities District No. 2004-1; and Resolution No. 8314 - Declaring results of special election of Annexation No. 26 to Community Facilities District No. 2004-1 (Municipal Utilities and Engineering Director Harris)

L. **New Business**

1. Consideration of an agreement for professional auditing services with The Pun Group to provide auditing services for fiscal years ending June 30, 2022, 2023 and 2024 with the option to extend to 2025 and 2026 with a total agreement amount not-to-exceed $318,549 (Management Services/Finance Director Garcia)

2. Consideration of a contract with R-Dependable Construction Inc. in the amount of $888,800.00 for the 2021 CDBG Joslyn Center Renovation Project No.FCS10252021ER, designate $164,551.27 from the Parks and Recreation category of the Nevada Palmetto Grove Proceeds, approve an additional appropriation in the amount of $563,695.49, and determine that the project is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act (Assistant City Manager Boatman)

M. **Individual Council Member Announcements and/or Reports on Activities**
(No collective discussion or action.)

N. **Adjournment**
The next regular meeting of the City Council will be held on April 5, 2022

If you challenge any proposed development entitlement listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at or prior to this public hearing.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Goutam Dobey, of the Municipal Utilities and Engineering Department at (909) 798-7584 ext 2. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

(28 CFR 35.102-35.104 ADA Title II)

Any writings or documents distributed to a majority of the City Council regarding an open session agenda

item less than 72 hours before this meeting are available for public inspection at the City Clerk's Office or at the dais of the City Clerk once the open session begins.

Staff reports or other written documentation relating to items referred to on the agenda are available at the A. K. Smiley Public Library, 125 West Vine Street, Redlands, California, and on the City's website referenced below.

Regular meetings are televised live on Redlands TV Channel 3 (Spectrum) and Channel 35 (Frontier) and re-broadcasted at 7:00 P.M. the following Wednesday, Friday and Sunday; and at 9:00 A.M. Thursday, Saturday and Monday. Agendas, staff reports and minutes of the City Council of the City of Redlands are available on the Internet:

http://www.cityofredlands.org

"A City That Works"

City Council Meeting **G. 1.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Presentation of Lifesaving Awards to Redlands Residents Nicholas Miller, and Kacey Reineman for their heroic actions in saving a woman from a house fire (Interim Chief Sessler)

RECOMMENDATION:

For this evening's City Council meeting, Interim Fire Chief Rich Sessler will present two Lifesaving Awards to residents Nicholas Miller and Kacey Reineman for their actions in saving a woman from a house fire.

DISCUSSION:

On January 20, 2022, the Redlands Fire Department was dispatched to a residential fire at 30520 Palo Alto Drive in Redlands. The structure was a 2-story house set back about 200 feet from the street. Prior to the arrival of fire crews, neighbor Kacey Reineman was the first to spot the smoke coming from the home. She stopped to investigate if anyone was in the home or if anyone had called 911 before reporting the fire. Neighbor Nicholas Miller and another gentleman heard a woman calling for help from the 2nd story window. All three jumped into action to find a ladder. Once a ladder was found the second gentleman held the ladder in place while Nicholas Miller climbed up to the window, helped the woman out, and carried her over his shoulder down the ladder to safety. Soon thereafter, units arrived and fully extinguished the fire.

Interim Fire Chief Sessler and the Fire Department would like to present a Lifesaving Award to Nicholas Miller for his selfless and brave act in rescuing a woman from her burning home. Interim Fire Chief Sessler would also like to present a Lifesaving Award to Kacey Reineman for her caring actions in stopping to make sure everyone was safe and assisting with the rescue. If not for their actions, the homeowner might not have made it out in time. Mr. Miller and Ms. Reineman embody the true meaning of heroes and caring neighbors.

"A City That Works"

City Council Meeting **I. 1.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve minutes of the regular meeting of March 1, 2022 (City Clerk Donaldson)

MOTION:

I move to approve the minutes of the regular meeting of March 1, 2022.

Attachments

Regular Meeting Minutes of March 1, 2022

MINUTES

Regular meetings of the City Council and the Board of Directors of the Successor Agency of the former Redevelopment Agency of the City of Redlands held in the Council Chambers, Civic Center, 35 Cajon Street, on March 1, 2022 at 5:00 P.M.

Present: Paul Barich, Mayor
Eddie Tejeda, Mayor Pro Tempore
Denise Davis, Council Member
Jenna Guzman-Lowery, Council Member
Mick Gallagher, Council Member

Staff: Charles M. Duggan, Jr., City Manager; Dan McHugh, City Attorney; Robert Dawes, City Treasurer; Jeanne Donaldson, City Clerk; Janice McConnell, Assistant City Manager; Chris Boatman, Assistant City Manager; Carl Baker, Public Information Officer; Chris Catren, Police Chief; Danielle Garcia, Management Services/Finance Director; Brian Desatnik, Development Services Director; John Harris, Municipal Utilities and Engineering Director; Rich Sessler, Intermin Fire Chief

Mayor Barich called the meeting to order and explained that comments could be presented in-person, via Zoom, via cell phone or landline. He offered the public an opportunity to provide comment on any item on the agenda for the closed session.

PUBLIC COMMENT

None forthcoming

CLOSED SESSION

Conference with legal counsel: Existing Litigation - Government Code §54956.9(d)(1)
(City Attorney McHugh)
One Case:
a. Chase Management, Inc vs. City of Redlands, San Bernardino Superior Court Case No.CIVDS 1907758

Conference with labor negotiator - Government Code §54957.6
(Mayor Barich, and Council Member Gallagher)

Agency Negotiators:	Paul Barich, and Mick Gallagher
Employment Organization:	Redlands Professional Firefighters Association (RPFA)

RECONVENE CITY COUNCIL MEETING

The meeting reconvened at 6:00 P.M.

2021 By-District Council Member Election Boundaries

Mayor Barich opened the public hearing and called on Development Services Director Desatnik who explained the Council must adopt, by April 17, 2022, boundaries for the five City Council Member election districts based on 2020 U.S. Census data. The data within the five districts must be substantially equal in population and comply with Federal and State laws with regard to drawing district election boundaries. This was the 4th public hearing and provided the Council an opportunity to select a preferred map and introduce Ordinance No. 2931 amending Chapter 2.03.030 of the Redlands Municipal Code related to the adjustment of election district boundaries. Todd Tatum, of National Demographics Corporation (NDC), presented a brief recap of the redistricting process, reviewed the eight draft maps and the demographic data associated with each one, including those from NDC and the public (listed as: NDC 101, 102, 102b, 102c and 103, Public 1, Public 1b and Public 2).

As public comment, Dennis Bell did not see marked differences between the maps, and he recommended District 5 should be adjusted to include part of the downtown area. Michael Tamony participated in drawing one of the public maps and appreciated the website's user-friendly tools. He advocated for Public Map 1 but found Public Map 1b to be an acceptable second option. Randall Morris voiced his disappointment that Council Members were not working for the community as a whole, and he suggested the City move back to at-large elections. Brian Seghers wasn't convinced of the need to change the existing boundaries but of all the proposed options, he suggested Public Map 1b was the best choice. S. Garcia and Sawn M, residents of District 1, complained that much of the agricultural land of District 1 was being consumed by warehouses. They thought Map 102 best addressed their concerns by bringing apartment communities into a larger diverse region so as not to be overshadowed by business development. Lorraine Enriquez liked Public Map 1, stating it offered more equity across boundaries, and it didn't favor one voting block over another.

Mayor Pro Tem Tejeda supported Public Map 1, as he thought it did the best job of creating compact, clean lines, and he also saw the advantages of Map 1b, which offered a lower deviation number and provided for equal representation. Council Member Guzman-Lowery supported Public Map 1 because it maintained communities of interest while increasing equity and accessibility to all citizens. Council Member Davis said this was a very difficult choice, and she saw the pros and cons of each one presented, but her preference was for Public Map 1, Map 1b or even the current map. She expressed concerns, as did members of the public, about the growing number of warehouses, but said it was not simply a district issue but an issue facing the whole City. Mayor Barich and Council Member Gallagher were comfortable keeping the current map, appreciated how the existing boundaries cut across the north-south divide and pointed out the public was already familiar with the existing district boundaries.

On motion of Council Member Mick Gallagher, seconded by Mayor Paul Barich, the City Council failed to approve the existing district boundary map as the preferred map, due to lack of a majority.

Vote: 2 -3 Failed
Nay: Mayor Pro Tempore Eddie Tejeda, Council Member Denise Davis, Council Member

Jenna Guzman-Lowery

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously approved the selection of Public Map 1 as the Preferred Map; and on motion of Mayor Pro Tempore Eddie Tejeda, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously introduced Ordinance No. 2931 amending Chapter 2.03.030 of the Redlands Municipal Code relating to the adjustment of current City Council Member Election District Boundaries, with the second reading of the ordinance to occur on March 15, 2022.

Vote: 5 - 0 Passed

Pledge of Allegiance

Mayor Barich provided an invocation which was followed by the pledge of allegiance to the American flag.

CLOSED SESSION REPORT

City Attorney McHugh announced that no reportable action was taken during the closed session.

PUBLIC COMMENT

Public comments were presented either in-person, via Zoom, via cell phone or landline.

Replanting Lugonia Grove - Dennis Bell raised concerns with the recently approved replanting of Lugonia Grove and thought if any of the City's groves were replanted, it should be the grove at Prospect Park.

CONSENT CALENDAR

Minutes

On motion of Mayor Pro Tempore Eddie Tejeda, seconded by Council Member Denise Davis, the City Council unanimously approved the minutes of the regular meeting of February 15, 2022.

Vote: 5 - 0 Passed

Proclamation American Red Cross Month

On motion of Mayor Pro Tempore Eddie Tejeda, seconded by Council Member Denise Davis, the City Council unanimously approved the issuance of a Proclamation declaring the month of March 2022 as American Red Cross Month.

Vote: 5 - 0 Passed

Proclamation Women's History Month

Council Member Davis and Council Member Guzman-Lowery cosponsored the Proclamation declaring the month of March 2022 as Women's History Month and encouraged everyone to read the Proclamation, which coincides with the United Nations' sponsorship of International Women's Day on March 8th as a time to commemorate women's rights and peace.

On motion of Mayor Pro Tempore Eddie Tejeda, seconded by Council Member Denise Davis, the City Council unanimously approved the issuance of a proclamation declaring the month of March 2022 as Women's History Month.

Vote: 5 - 0 Passed

Resolution No. 8310 Remote Teleconference Meetings

Council Member Davis and Mayor Pro Tem Tejeda expressed their support of continuing to hold remote teleconference meetings by the City Council and all Boards, Commissions, and Committees of the City in accordance with Assembly Bill 361 (2021) for a period of 30 days. This resolution provides options and allows people more flexibility while still attending to the business of the City.

On motion of Mayor Pro Tempore Eddie Tejeda, seconded by Council Member Denise Davis, the City Council unanimously approved Resolution No. 8310 authorizing remote teleconference meetings by the City Council and all Boards, Commissions, and Committees of the City in accordance with Assembly Bill 361 (2021) for a period of 30 days.

Vote: 5 - 0 Passed

City-wide Janitorial Services

On motion of Mayor Pro Tempore Eddie Tejeda, seconded by Council Member Denise Davis, the City Council unanimously approved an agreement with Genesis Staffing Firm for City-wide janitorial services in the amount of $21,400.75 per month for a term of six (6) months with a total agreement amount not-to-exceed $128,404.51.

Vote: 5 - 0 Passed

Sanitary Sewer Collection System Trunk Line Emergency Procurement

On motion of Mayor Pro Tempore Eddie Tejeda, seconded by Council Member Denise Davis, the City Council unanimously agreed to receive and file a Municipal Utilities and Engineering Department Emergency Procurement for the construction of a Sanitary Sewer Collection System Trunk Line; and approved an additional appropriation of $109,172.

Vote: 5 - 0 Passed

COMMUNICATIONS

American Rescue Plan Act SLFRF

Maira Durazo, Grants Coordinator, provided details of staff's recommendations relating to the use of State and Local Fiscal Recovery Funds (SLFRF) through the American Rescue Plan Act (ARPA). Redlands' total allocation of the $350 Billion SLFRF funding through ARPA is $11,508,106. The City has received the first installment with the second installment expected to be released by midyear 2022. The categories listed to receive funds included: Pandemic Response, Assistance to Households, Small Business Economic Recovery, Services for Unhoused Persons and Community Water Rate Reduction. Staff also offered an overview of various scenarios pertaining to Premium Pay of Eligible Essential Workers and recommended the Council consider the remaining SLFRF fund amount of $4,558,106 for discussion and vote to determine the funding allocation pertaining to Premium Pay and Replacing Lost Public Sector Revenue.

Mayor Pro Tem Tejeda suggested revising certain funding amounts and program timelines as recommended for allocation to the different categories, and it was agreed to have staff rework the allocations and bring the matter back for further examination by Council at the next meeting. City Manager Duggan confirmed that staff will adjust the numbers and incorporate Mayor Pro Tem's suggestions and bring back for Council's review on March 15, 2022. Council Members Davis and Guzman-Lowery raised questions related to the dollar amounts and different options listed under premium pay, and they wondered whether Council could consider a compromise proposal for the Premium Pay allocations. City Manager Duggan clarified the Council can determine the funding amounts they deem are appropriate and are not limited to the suggestions as seen in the staff report. He was pleased to announce the City was in the process of hiring a Homelessness Project Coordinator.

FY 2021-22 Mid-Year General Fund Budget Review

City Manager Duggan painted a broad overview of the Mid-Year budget, indicating the City was in good financial shape, was continuing to monitor that, and he thanked the Department heads for watching their expenditures so closely. Management Services/Finance Director Garcia stated the overall results for fiscal year 2020-21 were favorable. There were higher than anticipated revenues in the amount of roughly $4.75 million and there were savings of approximately $1.4 million due to salary savings and other cost controls. As a result, the ending single year surplus for the year, which was originally projected at $150,177, increased to $6,308,061 due to this roughly $6.15 million favorable variance. Fiscal year 2021-22 saw significant transactions related to property sales and purchases; an unanticipated surge in sales tax revenue; and additional appropriations from the unassigned fund balance for major projects. The passage of Measure T and the state and federal aid the City received added to a favorable economic outlook.

As adopted, the General Fund Budget for FY 2021-22 anticipated a balanced budget, with revenues commensurate with expenditures (or a $0 single year surplus/deficit); and a residual fund balance (unassigned) of $16,635,949. She noted in October 2021, the City negotiated a property sale in the amount of roughly $46 million, with $43.4 million going into the General Fund. This was planned to cover the remaining $11.4 million for the General Fund's obligation in the purchase of 300 East State Street. The remaining $32.2

million was designated for a strategic reserve. In December 2021, the City entered into negotiations to purchase the former Kmart property located at 1625 West Redlands Boulevard to serve as the future site of the Redlands Police Department Safety Hall. The purchase price is $16.1 million and this reduced the strategic reserve to $16.1 million. To this reserve, staff recommend the addition of $6,000,000. As a result of the purchase of 300 East State Street, there were additional appropriations made in November 2021 to both revenues and expenditures in order to properly manage the building and its occupants. The net result of these various adjustments was an increase in revenue to the General Fund of roughly $798,000.

City Manager Duggan and staff recommended the following one-time expenditures (including one inspector position that will be ongoing); Redlands Bowl Improvements of $700,000; Crafton Park Improvement of $376,000; Israel Beal Park Improvements of $90,000; DSD Bldg & Safety Inspector of $22,000 for rest of year; Animal Shelter Parking Lot of $200,000; Donation-Museum of Redlands of $1,000,000. Council Members expressed their appreciation of staff's efforts that went into this very thorough report. Council Member Gallagher added he was continuing to work with staff to make sure the City was in receipt of all Measure T sales tax revenue it was due. As public comment, Dennis Bell opposed the recommendation to donate $1 million to the Redlands Museum, and he thought non-profit groups, in general, should be engaged in more fundraising rather than asking for a hand-out from the City.

On motion of Mayor Pro Tempore Eddie Tejeda, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously agreed to appropriate $2,388,000 of Unassigned Fund Balance, resulting from Fiscal Year 2020-21 surplus according to Schedule 1 provided on Attachment A; directed staff to make the corresponding adjustments to revenue and additions to reserves listed therein; and agreed to receive and file this report.

Vote: 5 - 0 Passed

At-Large Mayoral Election

Mayor Pro Tem Tejeda opened a discussion regarding the position of Mayor being elected at large, and he requested Council consider directing staff to develop two district maps to support an elected Mayor. This would allow the Council and public to discuss new districts, and the possibility of placing the elected Mayor question before the City’s voters on the ballot in November 2022. Council Member offered their perspectives, but all were opposed to the idea at this time. Mayor Pro Tem Tejeda thanked his colleagues for the discussion. As public comment, Dennis Bell raised several questions about how the role of an elected Mayor would be defined, and he suggested the City consider adding term limits for Council Members.

NEW BUSINESS

Alcoholic Consumption Permit Farm to Fork Dinner Fundraiser

Assistant City Manager Boatman introduced a request from the Armantrout Montessori Education Foundation for the serving and consuming of alcoholic beverages at Heritage Park and the Grove School property for the Farm to Fork Dinner Fundraiser supporting the Armantrout Education Foundation to be held on April 30, 2022.

On motion of Council Member Jenna Guzman-Lowery, seconded by Mayor Pro Tempore Eddie Tejeda, the City Council unanimously determined that approval of the request is exempt from environmental review pursuant to Section 15061(b)(3) of the state's guidelines implementing the California Environmental Quality Act; and approved the request for the serving and consumption of alcoholic beverages at Heritage Park and the Grove School property for the Farm to Fork Dinner Fundraiser supporting the Armantrout Education Foundation to be held on April 30, 2022.

Vote: 5 - 0 Passed

COUNCIL MEMBER ANNOUNCEMENTS AND ACTIVITIES

Mayor Barich participated in Read Across America with 2nd graders at Mission School

Mayor Pro Tem Tejeda attended the Airport Advisory Board meeting.

Council Member Davis was pleased to be a part of Read Across America at Kingsbury Elementary School, and she enjoyed the Soul Food Fest, sponsored by StrongerTogetherNow, held at Ed Hales Park last weekend.

Council Member Guzman-Lowery was excited to share her recent conversations with several people participating in programs at the Holy Name of Jesus, Catholic Community of Redlands. She has met with women, in particular, who have been struggling through difficult times, including those facing homelessness, an economic downturn, and even abuse.

Council Member Gallagher and Mayor Barich attended the inauguration of Krista L. Newkirk, the 12th President of the University of Redlands.

ADJOURNMENT

There being no further action required the meeting adjourned at 8:18 P.M. The next regular meeting of the City of Redlands City Council will be held on March 15, 2022.

SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS

Chairman Barich called the meeting to order and offered anyone present the opportunity to address the Board on any subject, not already on the agenda, within the jurisdiction of the Successor Agency.

PUBLIC COMMENT

None forthcoming

CONSENT CALENDAR

Minutes

On motion of Vice Chair Tejeda, seconded by Board Member Davis, the minutes of the regular meeting of February 1, 2022, were unanimously approved.

Vote: 5 - 0 Passed

ROPS Communication Update

On motion of Vice Chair Tejeda, seconded by Board Member Davis, the Board unanimously agreed to receive and file the Successor Agency Board's communication of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for July 1, 2022, through June 30, 2023. The action furthers the Successor Agency to the Redevelopment Agency of the City of Redlands' (Successor Agency) dissolution as an annual ROPS is required by DOF as part of the wind-down of the Successor Agency. The FY 2022-23 ROPS represents the last and final ROPS and will fully defease the two outstanding bonds from the former Redevelopment Agency (2016A & 2016B Tax Allocation Refunding Bonds).

Vote: 5 - 0 Passed

Resolution No. 492 Delegating Investment Authority

On motion of Vice Chair Tejeda, seconded by Board Member Davis, the Board unanimously approved Resolution No. 492 delegating investment authority to the City Treasurer, pursuant to Government Code Section 53607.

Vote: 5 - 0 Passed

ADJOURNMENT

There being no further business, the Successor Agency Board of Directors' meeting was adjourned at 8:19 P.M. The next regular meeting of the Agency will be held on April 5, 2022.

"A City That Works"

City Council Meeting **I. 2.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Authorize issuance of a proclamation declaring March 29, 2022, as Vietnam War Veterans Day (Mayor Barich)

MOTION:

I move to authorize the issuance of a Proclamation declaring March 29, 2022, as Vietnam War Veterans Day.

Attachments

Vietnam War Veteran Day Proclamation

PROCLAMATION

In Recognition of

VIETNAM WAR VETERANS DAY

WHEREAS, the President of the United States signed into law the Vietnam War Veterans Recognition Act of 2017, designating March 29th of each year National Vietnam War Veterans Day; and

WHEREAS, the *Barstow Veterans Home* has 47 Vietnam veterans in residency, proudly represented as the only Veterans Home in San Bernardino County; and

WHEREAS, millions of brave Americans served our country in this conflict with courage, honor and valor; and

WHEREAS, more than 58,000 individuals made the ultimate sacrifice in Vietnam, and many thousands more were wounded in combat; and

WHEREAS, there are 1,677 Americans still missing and unaccounted for from the Vietnam conflict, and their families, friends and fellow veterans still endure uncertainty concerning their fate; and

WHEREAS, on March 29th, 2022, veterans organizations, municipalities, and families across the state will hold "Welcome Home" ceremonies to honor all Vietnam and Vietnam-era veterans who served with honor;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Redlands hereby is proud to recognize and proclaim March 29th, 2022, as Welcome Home Vietnam War Veterans Day.

IN WITNESS WHEREOF, we hereunto affix our signatures and Official Seal of the City of Redlands on this 15th day of March, 2022.

_____

Paul T. Barich, Mayor

Attest:

_____

Jeanne Donaldson, City Clerk

"A City That Works"

City Council Meeting **I. 3.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Authorize issuance of a proclamation declaring March 31, 2022, as Cesar Chavez Day (Mayor Pro Tem Tejeda)

MOTION:

I move to authorize the issuance of a proclamation declaring March 31, 2022, as Cesar Chavez Day.

Attachments

Cesar Chavez Day 2022

PROCLAMATION

Cesar E. Chavez Day

WHEREAS, Cesar Estrada Chavez was born on March 31, 1927, and raised by farmworkers who lost their home and livelihood during the Great Depression. He toiled alongside men, women, and children who performed daily backbreaking labor for meager pay and in deplorable conditions, and who were denied the most basic protections, including minimum wages, health care, and access to drinking water; and

WHEREAS, having witnessed such conditions, Cesar Chavez resolved himself to bettering the plight of the farmworker, thus encouraging the organization of the National Farm Workers Association (NFWA) in 1962, later known as the United Farm Workers of America, wholeheartedly championing the cause of the farmworker, organizing multiple hunger strikes, marches, and non-violent resistance; and

WHEREAS, as a result of his extraordinary accomplishments, on August 8, 1994, Cesar Chavez posthumously became the second Mexican-American to receive the Presidential Medal of Freedom , the highest civilian honor in the United States, and was honored by the State of California by the declaration of Cesar Chavez Day on the date of his birth; and

WHEREAS, Cesar Chavez served as a major voice in American History, acting as an alarm bell to the cause of workers' rights while also striving to bring dignity and humanity to working populations who had no voice; and

WHEREAS, Cesar Chavez has left a legacy as an educator, environmentalist, and a civil rights leader, reminding us that every job has dignity, every life has value, and that everyone, no matter who they are, what they look like, or where they come from should have the chance to flourish; and

WHEREAS, for almost three-quarters of a century, the City of Redlands was at the heart of the largest navel orange producing regions in the world, attracting people globally from the late 1800's to the late 1950's. In 1890, one thousand railroad cars of navels were marketed. By 1904, more than one million boxes were sent out in more than nine thousand railroad cars from more than 30 packing houses; and

WHEREAS, the City of Redlands has historically benefited as a community from the rich diversity of agricultural laborers who would become an integral part of its social and economic fabric, continuing its farming tradition via its heritage groves, many members of which are still actively involved within the agricultural community; and

WHEREAS, furthermore, we recognize, honor, and celebrate one of America's greatest champions for agricultural laborer rights and social justice, an individual who has made us a stronger, more just, and more prosperous country and community;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Redlands does hereby proclaim March 31, 2022, as Cesar E. Chavez Day in Redlands, and encourages all residents to promote service to the community in honor of Cesar E. Chavez's life and work.

IN WITNESS WHEREOF, we hereunto affix our signatures and Official Seal of the City of Redlands on this 15th day of March, 2022.

_____

Paul T. Barich, Mayor

Attest:

_____

Jeanne Donaldson, City Clerk

"A City That Works"

City Council Meeting **I. 4.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve Resolution No. 8312 authorizing remote teleconference meetings by the City Council and all Boards, Commissions, and Committees of the City in accordance with Assembly Bill 361 (2021) for a period of 30 days (Council Member Davis)

MOTION:

I move to approve Resolution No. 8312.

DISCUSSION:

On March 1, the City Council adopted Resolution No. 8310 authorizing remote teleconference meetings by the City Council and all Boards, Commissions, and Committees of the City in accordance with Assembly Bill 361 (2021) for a period of 30 days ending March 31, 2022. AB 361, signed into law on September 16, 2021, amends Government Code Section 54953 to provide the authority and specific requirements for public agencies to hold virtual meetings during a proclaimed state of emergency and remain in compliance with the Brown Act.

In accordance with Government Code Section 54953 (e)(3), the City Council must review the need and make findings for continuing the teleconferencing as authorized by AB 361 at least once every thirty days until the Governor terminates the state of emergency. With the adoption of Resolution No. 8312, the City Council is reaffirming its findings and compliance to AB 361 for an additional 30 days ending April 14, 2022.

SUBMITTED BY:
Council Member Denise Davis

Attachments

Reso. 8312 Teleconference Meeting

RESOLUTION NO. 8312

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS AUTHORIZING REMOTE TELECONFERENCE MEETINGS BY THE CITY COUNCIL AND ALL BOARDS, COMMISSIONS, AND COMMITTEES OF THE CITY IN ACCORDANCE WITH ASSEMBLY BILL 361 (2021) FOR A PERIOD OF THIRTY DAYS

WHEREAS, COVID-19 (also known as the "Coronavirus Disease") is a respiratory disease that has spread across the globe, with thousands of confirmed cases in California, including within the City of Redlands ("City"); and

WHEREAS, on January 31, 2020, the United States Secretary of Health and Human Services declared a public health emergency based on the threat caused by COVID-19, and the President of the United States issued a proclamation declaring a national emergency concerning COVID-19 beginning March 1, 2020; and

WHEREAS, in response to COVID-19, the Governor of the State of California issued a proclamation of a state of emergency on March 4, 2020; and

WHEREAS, the City Council of the City adopted a proclamation of a local emergency related to the COVID-19 virus on March 17, 2020; and

WHEREAS, the City is committed to preserving and fostering public access, transparency, observation, and participation in meetings of the City Council and City boards, commissions, and committees (hereafter collectively referred to as "legislative bodies;") and

WHEREAS, all meetings of the City Council and legislative bodies are open and public as required by the Ralph M. Brown Act ("Brown Act") (Government Code section 54950 *et seq*.), so that any member of the public may attend, observe, and participate in a meaningful way; and

WHEREAS, Government Code section 54953(b)(3) of the Brown Act allows a local legislative body to hold public meetings by teleconference and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to attend and to address the local legislative body, as long as the following requirements are met:

1. Each teleconference location from which a member is participating is noticed on the agenda;
2. Each teleconference location is accessible to the public;
3. Members of the public must be able to address the body at each teleconference location;
4. At least one member of the legislative body must be physically present at the location specified in the meeting agenda; and
5. During teleconference meetings, at least a quorum of the members of the local body must participate from locations within the local body's territorial jurisdiction; and

WHEREAS, the Brown Act, as amended by AB 361 (2021), at Government Code section 54953(e), allows for remote observation and participation in meetings by members of a legislative body and members of the public without compliance with the requirements of Government Code section 54953(b)(3), subject to certain conditions; and

WHEREAS, the initial required condition of Government Code section 54953(b)(3) is a declaration of a state of emergency by the Governor pursuant to the California Emergency Services Act at Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state and within the boundaries of the City, caused by conditions as described in Government Code section 8558; and

WHEREAS, the Governor's proclamation of a state of emergency includes area within the jurisdictional boundaries of the City; and

WHEREAS, Government Code section 54953(e)(3)(A-B), added by AB 361, provides an alternative to having public meetings in accordance with Government Code Section 54953(b)(3) when the City Council has reconsidered the circumstances of the COVID-19 state of emergency and that the following circumstances exist:

1. The state of emergency as a result of COVID-19 continues to directly impact the ability of the members of City Council and the members of the City's boards, commissions, and committees to meet safely in person; and

2. The State of California and the County of San Bernardino continue to recommend measures to promote social distancing; and

WHEREAS, Government Code Section 54953(e) further requires that state or local officials have imposed, or recommended, measures to promote social distancing, or the legislative body finds that meeting in person would present an imminent risk to the health or safety of attendees; and

WHEREAS, such conditions now exist in the City in that (i) state and local officials do recommend social distancing measures, and (ii) emergency conditions evidenced by COVID-19 and its variants create ongoing COVID-19 cases, hospitalizations, and deaths, such that meeting in person would present imminent risk to health or safety of attendees; and

WHEREAS, the City Council affirms that it will allow for observation and participation by City Council members as well as board, commission, and committee members and the public, via Zoom, or other appropriate technology, in an effort to protect the constitutional and statutory rights of all attendees; and

WHEREAS, Government Code Section 54953 (e)(3) further requires that the City Council review the need and make findings for continuing the teleconferencing as authorized by AB 361 at least once every thirty days until the Governor terminates the state of emergency;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDLANDS HEREBY RESOLVES AS FOLLOWS:

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

Section 2. The City Council finds that the state of emergency conditions related to COVID-19 as set forth in the Governor's and City's proclamations of emergency are on-going.

Section 3. The City Council further finds that State and county officials recommend social distancing conditions causing imminent risk to attendees as described above exist.

Section 4. The City Council hereby recognizes and affirms the existence and conditions of a state of emergency as proclaimed by the Governor, and the City, and affirms, authorizes, and proclaims the existence of a local emergency throughout the City.

Section 5. The City Council finds that the state of emergency as a result of COVID-19 continues to directly impact the ability of members of the City Council and the members of the City's boards, commissions, and committees to meet safely in person and such fact creates an imminent health risk to such members.

Section 6. The City Council hereby authorizes the City Council, and all of the boards, commissions, and committees of the City, to conduct their meetings without compliance with Government Code section 54953(b)(3), and to instead comply with the remote meeting requirements as authorized by Government Code section 54953(e).

Section 7. The City Manager and City Clerk are authorized and directed to take all actions reasonably necessary to carry out the intent and purpose of this Resolution, including, conducting open and public meetings remotely in accordance with Government Code section 54953(e), and other applicable provisions of the Brown Act, for all City Council meetings, and all boards, commissions, and committee meetings of the City.

Section 8. This Resolution shall take effect immediately upon its adoption and shall be effective until either (i) April 14, 2022 or (ii) such time as the City Council adopts a Subsequent Resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the City Council and all City legislative bodies may continue to meet remotely, without compliance with Government Code section 54953(b)(3), but otherwise as permitted by Government Code section 54953(e).

ADOPTED, SIGNED AND APPROVED this 15th day of March, 2022.

ATTEST: Paul T. Barich, Mayor

Jeanne Donaldson, City Clerk

"A City That Works"

City Council Meeting **I. 5.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve recommendation for an appointment to the Parks and Recreation Advisory Commission (Mayor Barich and Council Member Guzman-Lowery)

MOTION:

I move to appoint Justin Weekley to serve the remainder of a four-year term on the Parks and Recreation Advisory Commission ending January 6, 2026.

RECOMMENDATION:

It is recommended by Mayor Barich and Council Member Davis that the City Council consider this appointment to the Parks and Recreation Advisory Commission. Pursuant to the Redlands Municipal Code, appointments to this commission are made by the Mayor and approved by the City Council. However, Mayor Barich has expressed his desire to rotate recommendations for commission/board appointments among the City Council Members; therefore, Council Member Guzman-Lowery has been delegated authority by Mayor Barich to make the recommendation for this appointment.

DISCUSSION:

One vacant seat exists on the Parks and Recreation Advisory Commission due to Commissioner Maryn Wells' resignation. A public notice requesting interested residents to submit an application for the Parks and Recreation Advisory Commission was issued in January of this year. In addition, the public notice was concurrently aired on Redlands TV and posted at the community bulletin board at the A. K. Smiley Public Library. The local newspapers also received distribution of the public notice. Five applications were received in response.

The Parks and Recreation Advisory Commission consists of seven members as follows:

- Edward Ferrari
- Douglas Gonzales
- Adam Hebden
- Earl Ryan Johnson
- Joanne Lessard
- Mu Choi (student)
- Vacant

ALTERNATIVE:

The City Council may choose not to support the recommendation and direct staff to seek further applications for consideration.

SUBMITTED BY:

Jennifer Macias, Management Analyst

REVIEWED BY:

Charles M. Duggan, Jr., City Manager
Janice McConnell, Assistant City Manager

Attachments

Parks and Recreation Public Notice

Parks and Recreation Applications Redacted

City of
REDLANDS
Incorporated 1888
35 Cajon Street, Redlands, CA 92373
909-798-7510
www.ci.redlands.ca.us

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that the City Council of the City of Redlands encourages residents to apply for a position on the following commission:

> **PARKS AND RECREATION COMMISSION** - The Parks and Recreation Advisory Commission recommends to the City Council policies for the acquisition, development, maintenance and improvement of parks, public trails and open space areas, and for the planting, care and removal of landscaping and amenities in all parks, public trails and open space areas. In addition, this commission's duties relating to recreation include; using the Commissioners' skills, knowledge and experience to assist and advise the City Recreation Division staff; keeping the public informed about the city's recreation program; serving as a forum for the promotion of activities for the Recreation Division and the City's community center; and serving as a forum for resident's suggestions, reactions, opinions, interests and needs regarding the City's Recreation Division and its programs.

The Parks and Recreation Advisory Commission meets on the second Thursday of each month at 4:00 p.m.

Residents interested in applying for the non-salaried position on this commission may request application forms from the Office of the City Manager, City Hall, 35 Cajon Street, Suite 200 or by phone at 798-7510, or on the City's website www.cityofredlands.org

Deadline for filing applications is January 25, 2022.

Jennifer Macias, Management Analyst
Office of the City Manager
City of Redlands, California

1/10/2022

JAN 2022

CITY OF REDLANDS
COMMISSION APPLICATION FORM

(Please note that this form is a public record that may be subject to disclosure upon request.)

RECEIVED
JAN 27 2022
Redlands City Clerk

COMMISSION/BOARD APPLIED FOR

Parks and Recreation

Name John Justin Weekley

Address _____

Telephone (Work) _____ (Cell / Home) _____

Email _____

Occupation life coach

Reasons for desiring to serve – relevant experience and qualifications:

As a 30 year resident of Redlands, I know the importance of children having a positive place to engage in outdoor and extracurricular activities while building healthy community relationships. I am the co-founder of the Friends of Redlands Skate Park, and have built relationships with city leaders and residents, and I believe I have the necessary skills to serve our city ethically and effectively.

Signature _____ **Date** 01-24-2022

**** If appointed, please be advised that all City commissioners and committee/board members must complete mandatory harassment prevention training consistent with the requirements of Assembly Bill No. 1825. (Resolution No. 7206 adopted July 26, 2012)***

Two References: (Please do not include Councilmembers or City Staff)

(1) Bree Benson, President

(2) Neal Waner

Telephone _____

Telephone _____

Return Application to: Office of the City Council, C/O Office of the City Manager, Suite 200, 35 Cajon Street, PO Box 3005, Redlands, CA 92373, OR by email to RedlandsOCM@cityofredlands.org

You will be notified of appointments by the City Council. Your application will be retained for one year. PLEASE NOTE: Planning Commissioners and Historic & Scenic Preservation Commissioners are required to file Statements of Economic Interest in accordance with California State Law.

✓ address verified

Doc ID: ea729726411931f145db9b1482b5887ba9cd2251



CITY OF REDLANDS
COMMISSION APPLICATION FORM

(Please note that this form is a public record that may be subject to disclosure upon request.)

COMMISSION\BOARD APPLIED FOR

Parks and Recreation Commission

Name Todd Gutjahr

Address _____

Telephone (Work) _____ (Cell / Home) _____

Email _____

Occupation Public Works Analyst

Reasons for desiring to serve – relevant experience and qualifications:

I have worked in municipal Recreation/Community Services for over 22 (currently with the City of Yucaipa as a Public Works Analyst) and I recently served on the City of Redlands Parks and Recreation Advisory Commission from 11/2010 to 7/2011.

With my experience, I know what it takes to manage Recreation/Community Services programs and feel that the City of Redlands can do better. My experience will allow me to provide educated and experienced guidance to City staff and help develop and grow the City's recreation and community services programs.

Signature Todd Gutjahr **Date** 1/11/2022

**** If appointed, please be advised that all City commissioners and committee/board members must complete mandatory harassment prevention training consistent with the requirements of Assembly Bill No. 1825. (Resolution No. 7206 adopted July 26, 2012)***

Two References: (Please do not include Councilmembers or City Staff)

(1) Chrissy Freeman

(2) Tim Dawson

Telephone _____ Telephone _____

Return Application to: Office of the City Council, C/O Office of the City Manager, Suite 200, 35 Cajon Street, PO Box 3005, Redlands, CA 92373, OR by email to RedlandsOCM@cityofredlands.org

✓ Address verified

You will be notified of appointments by the City Council. Your application will be retained for one year. PLEASE NOTE: Planning Commissioners and Historic & Scenic Preservation Commissioners are required to file Statements of Economic Interest in accordance with California State Law.

Todd Gutjahr

Career Summary

A career in Municipal Recreation with over 20 years' experience. Job responsibilities include: recruit, interview, hire, train, and evaluate up to 3 full-time staff, up to approximately 70 part-time staff, and up to approximately 60 seasonal and contractual staff; prepare and maintain department budgets, including year-round budgeting; supervision, maintenance and preparation of facilities (including community centers, gymnasiums, baseball/soccer/softball complexes); maintain and introduce computer systems and programs. Process Department personnel documents, write Council/Commission reports, and represent Department/Agency on committees.

Core Competencies

- Recommend, develop, & implement departmental goals, objectives & policies.
- Coordinate departmental activities with other departments and business, civic, and governmental organizations.
- Direct, oversee, and participate in development and implementation of departmental work plan.
- Select, train, motivate, and evaluate personnel, volunteers, and contractors.
- Facility Management Experience
- Direct and participate in organizational and operational studies.
- Seek, prepare, and administer federal, state, and local grants.
- Oversee planning and staging of community special events, programs, and festivals.
- Build & maintain a working environment of trust and teamwork; build & maintain positive working relationships with co-workers & others.
- Develop, present, & administer budgets, administrative and technical reports, presentations, & assigned work plans.
- Select, train, supervise, & evaluate assigned personnel, volunteers, & contractors.

Professional experience

8/2018-Current

Public Works Analyst

City of Yucaipa (Yucaipa, CA).

A Community Services Agency that services over 52,000 people in San Bernardino County with a Department Budget of 6.3 million.

- Monitors and coordinates Federal/State grant requirements as they relate to Public Works infrastructure projects and programs.
- Collect, compile, and analyze information from various sources on a variety of specialized topics related to assigned programs; prepare reports which present and interpret data, and identify alternatives; make and justify recommendations.
- Participates in special projects including research of new programs and services, technical surveys, budget analysis and preparation, and feasibility analyses; prepare and present reports; participate in variety of City operations, as assigned by the Director of Public Works/City Engineer.
- Assist with the selection and management of consultants and contractors; negotiate and administer contracts; ensure compliance with department procedures, City policies, and pertinent laws, regulations and ordinances.
- Review, research, summarize and track a variety of fiscal, statistical and administrative information, plans or projects; prepare or direct the preparation of annual, quarterly or administrative reports.

Professional experience

4/2005-8/2018
Community Services Supervisor
City of Yucaipa (Yucaipa, CA).
A Community Services Agency that services over 52,000 people in San Bernardino County with a Department Budget of 2.6 million.

- Administrator for Parks and Recreation Commission, Healthy Yucaipa Committee, Yucaipa Homeless Coalition, and Youth Sports Council.
- Administer update to Parks and Recreation Master Plan.
- Researched, developed, and implemented open space, recreation, and leisure programs direct mail activity guide.
- Developed and staff liaison to Yucaipa Community Foundation.
- Managed CIP projects, including $800,000 pool renovation and equestrian center renovation.
- Coordinate department activities with other City departments and outside agencies (such as Special Event Permit Applications).
- Develop, plan, organize, recommend, implement, & evaluate recreation & community services programs.
- Supervise 2 full-time, 70 part-time staff and over 15 contract instructors.
- Edited, revised, & updated Department policies and procedures.
- Oversaw funding and reporting of grant programs.
- Served as administrator for ActiveNet reservations and registrations software application.

3/2004 – 5/2004
Recreation Supervisor
City of Riverside (Riverside, CA)
A Recreation Agency that services over 300,000 people in Riverside County.

- Plan organize, direct, and supervise staff and a variety of recreation programs and services (aquatics, contract classes, community center, mobile recreation program, and special events).

5/2001 – 3/2004
Recreation Supervisor
Saddleback Valley Unified School District (Mission Viejo, CA).
A Recreation Agency that services over 500,000 people in South Orange County with a Department budget of 12 million.

- CLASS registration program, System Administrator.
- Plan, organize, direct and supervise a variety of recreation program and services (adult sports, aquatics, facilities, special interest classes, and collaborative programs).

4/1999 – 5/2001
Community Services Coordinator
City of Placentia (Placentia, CA)
A city of 45,000 people with a Department budget of 1.2 million.

- Plan, organize, direct and supervise a variety of recreation program and services (adult sports, facilities, special interest classes, collaborative programs, day camps, and special events);
- Supervise quarterly class instructor coordination, including recruitment, interviewing, and processing of instructors and evaluation of classes.

Education

2017	CPRS Maintenance Management School (Year 1)
1996 – 1998	California State University, Long Beach **Master of Arts, Kinesiology (Sports Management)**
1990 – 1995	California State University, Fullerton **Bachelor of Arts, Psychology; Minor, Kinesiology**

Professional Affiliations

Member, Rotary Club of Yucaipa: 2017-Present
Member & Clinician, Southern California Municipal Athletic Federation: 1993-Present
Member, California Parks and Recreation Society, District X & XI: 1998- Present



CITY OF REDLANDS
COMMISSION APPLICATION FORM

(Please note that this form is a public record that may be subject to disclosure upon request.)

COMMISSION\BOARD APPLIED FOR

Parks and Recreation Advisory Commission

Name Jerry Green

Address _____

Telephone (Work) _____ (Cell / Home) _____

Email _____

Occupation Educational Consultant / Retired Teacher

Reasons for desiring to serve – relevant experience and qualifications:

I would like to serve on the Redlands Parks and Recreation Advisory Commission because I have a great interest in having recreation options for all Redland's residents, both young and old. I have volunteered many years with the Redlands Bicycle Classic and I have spent the past 2 years on the Redlands Community Pickleball Advisory Group. I am a retired elementary teacher and a life long athlete who enjoys seeing others outside enjoying themselves and staying physically fit.

Signature ea04fd01-f9da-4464-a110-3910663381cc Digitally signed by ea04fd01-f9da-4464-a110-3910663381cc Date: 2021.09.21 14:33:49 -07'00' **Date** 1/13/2022

** If appointed, please be advised that all City commissioners and committee/board members must complete mandatory harassment prevention training consistent with the requirements of Assembly Bill No. 1825. (Resolution No. 7206 adopted July 26, 2012)*

Two References: (Please do not include Councilmembers or City Staff)

(1) Kathleen Albrektson

_____

_____

Telephone _____

(2) Lisa Purcell-Rorick

_____

_____

Telephone _____

Return Application to: **Office of the City Council, C/O Office of the City Manager, Suite 200, 35 Cajon Street, PO Box 3005, Redlands, CA 92373, OR by email to RedlandsOCM@cityofredlands.org**

✓ Address verified

You will be notified of appointments by the City Council. Your application will be retained for one year. PLEASE NOTE: Planning Commissioners and Historic & Scenic Preservation Commissioners are required to file Statements of Economic Interest in accordance with California State Law.



CITY OF REDLANDS
COMMISSION APPLICATION FORM

(Please note that this form is a public record that may be subject to disclosure upon request.)

COMMISSION\BOARD APPLIED FOR

The Parks and Recreation Advisory Commission

Name Scott Carlson

Address _____

Telephone (Work) _____ (Cell / Home) _____

Email _____

Occupation Donor Relations Director for THe Salvation Army

Reasons for desiring to serve – relevant experience and qualifications:

Please see attached document

Signature _____ **Date** 1.20.2022

**** If appointed, please be advised that all City commissioners and committee/board members must complete mandatory harassment prevention training consistent with the requirements of Assembly Bill No. 1825. (Resolution No. 7206 adopted July 26, 2012)***

Two References: (Please do not include Councilmembers or City Staff)

(1) Kyle Trimmer

_____

_____

Telephone _____

(2) Jesse Felix

_____

_____

Telephone _____

Return Application to: **Office of the City Council, C/O Office of the City Manager, Suite 200, 35 Cajon Street, PO Box 3005, Redlands, CA 92373, OR by email to RedlandsOCM@cityofredlands.org**

✓ Address Verified

You will be notified of appointments by the City Council. Your application will be retained for one year. PLEASE NOTE: Planning Commissioners and Historic & Scenic Preservation Commissioners are required to file Statements of Economic Interest in accordance with California State Law.

As a local Redlands resident with a strong passion and love for this fine city, I am entering my name as a potential candidate for the Advisory Commission position. This is the city I have decided to raise my children in, as I truly believe Redlands is the gem of the Inland Empire. Although a gem, there is much work needed in updating and keeping up with the current era with our parks, public fields, enhancements, etc. I'm very involved in community and hear this same message from so many other families. I would be honored to be the voice of our residents and families that love Redlands as well and strive for a better tomorrow for our children and all residents of our fine community.

I hold an MBA from CSUSB and I'm also a certified grant writer. With over 7 years of Major Gift Fundraising experience within the Inland Empire community, I feel I'm well positioned to best serve our community in assisting with the Advisory Commission role. Making a lasting and positive impact on families and our community for generations to come would be my biggest honor

Thank you for your consideration.

Scott Carlson

Scott M. Carlson

Summary of Qualifications

Experienced philanthropic professional with a strong commitment to donor relations and a proven track record of fundraising, corporate partnerships, relationship building, stewardship, external relations, and strong prospect research skills. Uniquely qualified with proven interpersonal, organizational, and communication skills.

Work Experience

Donor Relations Director
The Salvation Army
San Bernardino, CA **August-2020-Present**

- Developed annual fundraising plan for Inland Empire and Coachella Valley Territories.
- Increased major gifts 100% on a revenue goal of $1,000,000.
- Manage a caseload of 150 donors.
- Lead development of team solicitation strategies and team planning process for major gift asks.
- Developed strategic communication plans, plans for annual giving, foundation and corporate support, and individual major and planned gifts.
- Developed annual fundraising event plans for 7 Corp locations.

Assistant Director, Resource Development
Inland Futures Foundation
San Bernardino Community College District
San Bernardino, CA **June 2019-July 2020**

- Increased major gift donors 125% as chief fundraiser of the foundation.
- Handled all corporate relations for the foundation.
- Developed fiscal policies and procedures, organizational analysis, and strategic planning for the foundation and Empire KVCR.
- Primary grant writer for the Foundation.
- Increase corporate support donation 200% for the foundation.
- Managed a portfolio of 75-100 donors.
- Increase vehicle donation program 300% with revamped marketing plan and focus.
- Orchestrated first ever Giving Tuesday initiative with revenue of $45,000 of new donations.
- Incorporated Planned Giving donor giving platform.
- Increased corporate underwriting agreements by 100% revenue YTD.

- Oversaw operating budget while managing 6 staff.
- Work with Board members on fundraising objectives and organizational objectives.
- Incorporated full-service CRM for donor tracking, cultivation, and stewardship.

Development Associate
Department of Intercollegiate Athletics
California State University, San Bernardino, CA **December 2015-June 2019**

- Assisted Director of Development and increased major gifts for Athletics by $400,000.
- Handled all external relations for the department.
- Developed comprehensive fundraising plan for Department of Intercollegiate Athletics
- Identify, cultivate, and solicit new prospective donors and funding for the Department of Intercollegiate Athletics.
- Supported Associate Athletic Director of Compliance on eligibility responsibilities
- Coordinate External Relation initiatives for the Department of Intercollegiate Athletics for with a focus on student counseling.
- Formulated and executed short-term and long-term strategic plans to increase Coyote Athletic Annual Fund for 10 varsity sports.
- Work with Alumni Relations on fundraising alumni games for all 10 varsity sports.
- Solicit and fulfill corporate partnership program over 400% for CSUSB Athletic venues.
- Assist in increasing annual Title IX Fundraising Dinner revenue by $40,000.
- Key component in the largest netting Dave Stockton Golf Classic in history of athletics with event revenue surpassing $100,000.

Sales and Marketing Manager
L & R Group of Companies, Los Angeles, CA **November 2014-November 2015**

- Developed successful marketing campaign and vertical sales strategies for Joe's Airport Parking and WallyPark at LAX.
- Increased overall revenue $1.4M YTD 2015 vs. 2014.
- Increased corporate accounts from 0 to 60 within first 3 months.
- Increased corporate occupancy levels at Joe's LAX by an average of 20% each month.
- Managed a team of 6 Sales Managers.

Senior Sales Manager/Acting Director of Group Sales **March 2013-November 2014**
Westin Hotel, Long Beach, CA

- Developed marketing, revenue and sales strategy while selling each business prospect to exceed revenue goal by 129% in 2013.
- Developed and implemented strategic account plans which resulted in 100% account retention for Southern California market.
- Coordinated the completion of the Sales and Marketing Plan, advertising and promotional material for the sales team.
- Managed a team of 8 Sales and Catering Managers.

Business Development Account Manager **January 2012-February 2013**
T-Mobile, Santa Ana, CA

- Achieved 125% of sales quota for 2012 earning Heavy Hitter Award.
- Developed and executed a Vertical Sales Strategy which yielded an incremental 15% increase in sales and a 50% churn reduction in the targeted industries.
- Developed target account strategy, implemented account plan for proper account penetration.

Senior Sales and Event Manager/Market Research Analyst July 2003-December 2011
Ritz Carlton Hotel, Marina del Rey, CA

- Achieved 196% of $1.8 million quota in 2010 resulting in Golden Circle Chairman's Award Top 5% honor with national recognition.
- Achieved 165% and 155% of $1.6 million quota in 2008 & 2009 resulting in Golden Circle President's Award top 10% honor.
- Increased Incentive Market by over 100% year over year.
- Increased NBA & NHL business by 20% annually resulting in being awarded The Ritz Carlton NBA All-Star three straight years.

Education

California State University, San Bernardino, CA **Graduation Date: June 2020**
Master of Business Administration, 3.93 GPA

Temple University, Philadelphia, PA **Graduation Date: May 2000**
Bachelor of Business Administration. Major: Marketing

- Member of Division I Men's Soccer Team
- Winner of Temple University Fox School of Business and Management Stock Market Game
- Secretary of the Economics Society

Continuing Education & Training

- Academy for Grassroots Organizations Grant Writing
- PBS Corporate Sales Performance Initiative Training
- San Bernardino Community College District Chancellor's Leadership Academy
- Member of the California State University Enterprise Corporation Committee
- San Bernardino Chamber of Commerce Leadership Development Committee
- Sales and Service Foundation, The Ritz-Carlton Hotel Company, Miami, FL
- Dynamic Selling, The Ritz-Carlton Hotel Company, Los Angeles, CA
- Detailing Events, The Ritz-Carlton Hotel Company, St. Louis, MO
- Executive Sales Leadership Training, The Ritz-Carlton Hotel Company, Lake Tahoe, CA
- Negotiation & Presentation Skills Training, T-Mobile, Santa Ana, CA

Technical Skills

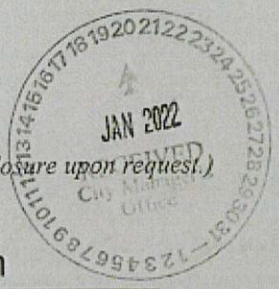
- Experience in both Microsoft Office Suite and Apple platforms
- Extensive knowledge of donor database programs: Advance, Reeher, and HubSpot
- Advanced knowledge of Donor Search

Community Outreach

- Member of the San Bernardino County Museum
- Member of the San Bernardino Chamber of Commerce
- Volunteer at Loma Linda University Children's Hospital
- Volunteer at The Let It Be Foundation

CITY OF REDLANDS
COMMISSION APPLICATION FORM

(Please note that this form is a public record that may be subject to disclosure upon request.)



COMMISSION\BOARD APPLIED FOR

Parks and Recreation Advisory Commission

Name Michael Heal

Address [redacted]

Telephone (Work) [redacted] (Cell / Home) [redacted]

Email [redacted]

Occupation Teacher at Redlands USD

Reasons for desiring to serve – relevant experience and qualifications:

As someone who rides a lot on multiple surface roads and trails, I am constantly looking for ways to avoid traffic and increase using the trail system in Redlands. Getting people out to use these trails and reducing traffic is something I am interested in learning about. I would also like to see the chances there are to increase our trail and network system for tyrail users

Signature _____ **Date** 1/20/22

** If appointed, please be advised that all City commissioners and committee/board members must complete mandatory harassment prevention training consistent with the requirements of Assembly Bill No. 1825. (Resolution No. 7206 adopted July 26, 2012)*

Two References: (Please do not include Councilmembers or City Staff)

(1) Charles Dykes

Telephone [redacted]

(2) Matt Freeman

Telephone [redacted]

Return Application to: **Office of the City Council, C/O Office of the City Manager, Suite 200, 35 Cajon Street, PO Box 3005, Redlands, CA 92373, OR by email to RedlandsOCM@cityofredlands.org**

You will be notified of appointments by the City Council. Your application will be retained for one year. PLEASE NOTE: Planning Commissioners and Historic & Scenic Preservation Commissioners are required to file Statements of Economic Interest in accordance with California State Law.

✓ Address verified

"A City That Works"

City Council Meeting **I. 6.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve adoption of Ordinance No. 2931 - Amending Chapter 2.03.030 of the Redlands Municipal Code relating to the adjustment of current City Council Member Election District Boundaries (Development Services Director Desatnik)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motion is provided:

I move to adopt Ordinance No. 2931.

RECOMMENDATION:

It is recommended that the City Council adopt Ordinance No. 2931, amending Chapter 2.03.030 of the Redlands Municipal Code relating to the adjustment of current City Council Member Election District Boundaries.

DISCUSSION:

The proposed ordinance and staff report prepared for the introduction of this ordinance are available in the City Clerk's office.

ALTERNATIVES:

The City Council may elect to postpone adoption of this ordinance until April 5, 2022. The deadline to adopt the boundaries for the five City Council Member election districts, based on 2020 U.S. Census data, is April 17, 2022,

STRATEGIC PLAN:

Not Applicable

SUBMITTED BY:
Jeanne Donaldson, City Clerk

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director

PREPARED BY:
Jeanne Donaldson, City Clerk

Fiscal Impact

Discussion:

Codification: $22/per page affected by the change
Legal Publication: $3,500

Attachments

Ordinance No. 2931

Council Member Electoral District Boundaries Map

ORDINANCE NO. 2931

AN ORDINANCE OF THE CITY OF REDLANDS AMENDING CHAPTER 2.03 OF THE REDLANDS MUNICIPAL CODE ADJUSTING THE COUNCIL MEMBER ELECTORAL DISTRICT BOUNDARIES

WHEREAS, Ordinance No. 2931 would amend Chapter 2.03 of the Redlands Municipal Code adjusting Council Member electoral district boundaries; and

WHEREAS, the U.S. Census Bureau ("Bureau") is required by Article I, Section 2, of the U.S. Constitution to conduct an accurate count of the population every ten years; and

WHEREAS, California Elections Code Section 21600 et seq. requires that "following each federal decennial census for a city whose council is already elected using district-based elections, the council shall, by ordinance or resolution, adopt boundaries for all of the council districts of the city so that the council districts shall be substantially equal in population as required by the United States Constitution;" and

WHEREAS, the City Council held public hearings on September 27, 2021, January 18, 2022, February 15, 2022, and March 1, 2022 with a community forum held on September 29, 2021, to present information from the City's demographic consultant relating to the redistricting process and state and federal redistricting criteria and communities of interest, including the California Elections Code, the Voting Rights Act and the United States Constitution, heard public testimony, and directed staff and the City's demographic consultant to prepare draft district plans for consideration; and

WHEREAS, pursuant to the provisions of the Fair Maps Act of 2019, as amended in 2020 and codified at California Elections Code section 21600 to 21609, after giving consideration to those provisions and applicable decisions of the courts, the City Council hereby adjusts, changes, and establishes the boundaries of the City Council electoral districts as set forth on the Preferred Map considered by the City Council at its public hearing on March 1, 2022, and reflected in Exhibit "A" hereto, and they shall constitute and are hereby established as the boundaries of the City Council districts of the City of Redlands for subsequent elections until further readjustment is required by law; and

WHEREAS, notwithstanding any other provision of this Ordinance, and pursuant to California Elections Code section 21606, subdivisions (a) and (b), each of the City Council Members in office at the time this Ordinance takes effect shall continue in office until the expiration of the full term to which he or she was elected and until his or her successor is qualified, and any vacancy in a term currently underway shall be filled based on the districts in effect at the time the current Council Members were elected; and

WHEREAS, all information in the staff reports, maps, presentations, City Council discussion and public testimony referenced above is hereby incorporated into this decision and serves as evidentiary basis for these findings and legislative decision; and

WHEREAS, at the public hearing of March 1, 2022, after considering the verbal and written testimony and comments of the members of the public, the City staff, and the City's consultant who was retained in connection with the establishment of the districts, among the reasons articulated for the selection of the Preferred Map to be identified as the City Council's selected map for purposes of this Ordinance were the following:

1. Compliance with the federal requirements of equal population and the Voting Rights Act
2. Geographically contiguous
3. Undivided neighborhoods and "communities of interest" (socio-economic geographic areas that should be kept together)
4. Easily identifiable boundaries
5. Compact (do not bypass one group of people to get to a more distant group of people)
6. Shall not favor or discriminate against a political party
7. Minimize the number of voters delayed from voting in 2022 to 2024 due to redistricting
8. Respect voters' choices / continuity in office
9. Future population growth

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDLANDS DOES ORDAIN AS FOLLOWS:

Section 1. Section 2.03.030 of the Redlands Municipal Code, titled "Establishment of City Council Electoral Districts," is hereby amended to read as follows:

"2.03.030: ESTABLISHMENT OF CITY COUNCIL ELECTORAL DISTRICTS:

A. Members of the City Council shall be elected on a by-district basis from the five Council districts as hereby established in the City of Redlands. The boundaries and identifying number of each district shall be as described on the Council district map attached to the ordinance codified in this chapter as Exhibit "A" and incorporated herein by this reference.

B. The Council districts specified in subsection A of this section shall continue in effect until they are amended or repealed in accordance with law."

Section 2. The adoption of this Ordinance is exempt from environmental review under the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State Guidelines implementing CEQA, which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This Ordinance relates exclusively to the organizational or administrative activities of the City and will not result in direct or indirect changes in the environment. Therefore, there is no possibility that adopting this Ordinance will have a significant effect on the environment. Further, and additionally, the City Council finds this Ordinance to be categorically exempt pursuant to Section 15320 of the CEQA Guidelines (Class 20, changes in

organization of local government agencies) because the changes do not change the geographical area in which previously existing powers of the City are exercised. Therefore, no environmental analysis is required.

Section 3. This Ordinance is adopted following four noticed public hearings as required by Election Code section 61607.1.

Section 4. The Mayor shall sign this Ordinance and the City Clerk shall certify to the adoption of this Ordinance and shall cause it, or a summary of it, to be published once in the Redlands Daily Facts, a newspaper of general circulation within the City, and thereafter, this Ordinance shall take effect as provided by law.

_____
Paul T. Barich, Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

I, Jeanne Donaldson, City Clerk, City of Redlands, hereby certify that the foregoing Ordinance was duly adopted by the City Council at the regular meeting thereof, held on the _____ day of _____ 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

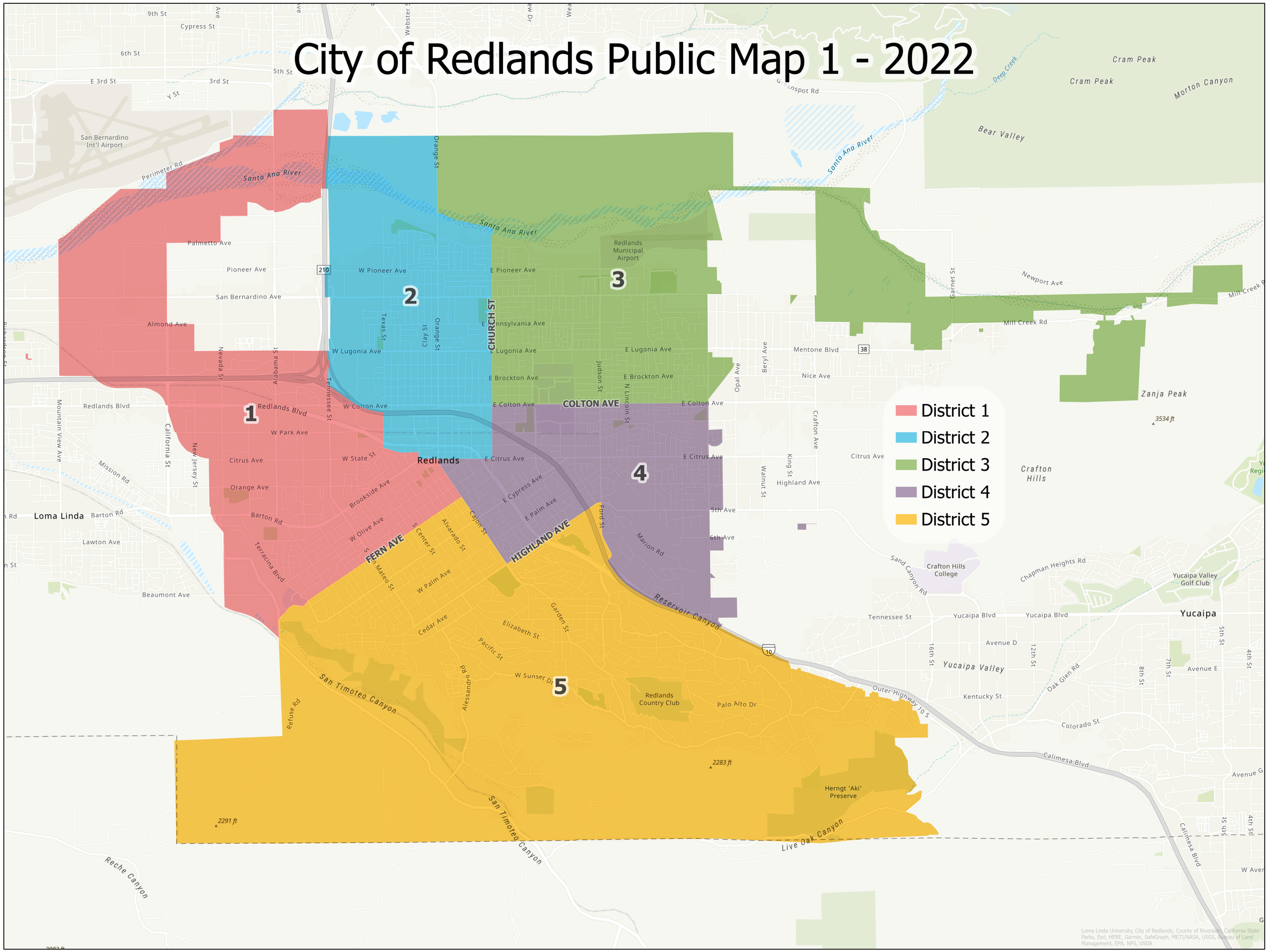
_____
Jeanne Donaldson, City Clerk

EXHIBIT “A”

MAP OF PROPOSED ELECTORAL DISTRICT

[ATTACHED]

City of Redlands Public Map 1 - 2022



"A City That Works"

City Council Meeting **I. 7.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve Resolution No. 8309 establishing a Statement of Investment Policy and Rescinding Resolution No. 8035 (City Treasurer Dawes)

MOTION(S):

I move that the City Council approve Resolution No. 8309 establishing the City's Statement of Investment Policy and Rescinding Resolution No. 8035 as recommended by the City Treasurer.

RECOMMENDATION:

The City Treasurer recommends that the City Council approve Resolution No. 8309 establishing the City's Statement of Investment Policy and Rescinding Resolution No. 8035.

DISCUSSION:

The investment of City funds is governed by Government Code sections 53600-53610. The purpose of the City's investment policy is to provide guidance for the prudent investment of the City's idle liquidity, to maintain compliance with applicable codes and statutes and to observe investment portfolio guidelines that reflect the City's investment strategies and goals. Accordingly, Government Code Section 53646 provides that the City's investment policy may be reviewed on an annual basis to ensure that it reflects current state law, internal controls, and overall portfolio management approach.

Staff is currently recommending that, in the event of a prolonged absence or vacancy in the Treasurer's position, the City Council have the option to engage the services of one or more external investment managers to assist in the management of the City's investment portfolio. Staff and the Treasurer discussed this option, and, while realizing this is not the most cost effective means of supporting the Treasurer's investment function, do believe this is the best

solution until such time that staff resources can be developed to adequately make investment decisions in place of the Treasurer, should the situation require it.

Investment Policy changes are referenced in red and italicized font in the attachment.

ALTERNATIVES:

The City Council may make alternative suggestions to the City Treasurer in respect to percentages, allowable investments, and/or changes to the policy, but any change would be governed by the corresponding Government Code Section.

STRATEGIC PLAN:

Not Applicable

SUBMITTED BY:
Danielle Garcia, Management Services/Finance Director

RECOMMENDED BY:
Robert Dawes, City Treasurer

REVIEWED BY:
Charles M. Duggan, Jr., City Manager
Janice McConnell, Assistant City Manager
Daniel J. McHugh, City Attorney

PREPARED BY:
Aimee Hoover, Revenue Supervisor

Fiscal Impact

Discussion:

There is no direct fiscal impact associated with approval of Resolution No. 8035 establishing the City's Investment Policy.

Attachments

Resolution 8309

Investment Policy with Revisions

RESOLUTION NO. 8309

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS ESTABLISHING A STATEMENT OF INVESTMENT POLICY AND RESCINDING RESOLUTION NO. 8035

WHEREAS, pursuant to Government Code sections 41001 through 41007, the City Treasurer shall comply with all laws governing the deposit and securing of public funds; and

WHEREAS, investment guidelines and procedures are required to administer the daily investing of the City's surplus cash; and

WHEREAS, an investment policy serves as the foundation of a local agency's investment goals and priorities; and

WHEREAS, AB 2853 (2004) amended Government Code section 53646, making the annual review and approval of investment policies of local agencies optional, which was previously compulsory; and

WHEREAS, from time to time the policies related to investing need to be revised to reflect investment instrument changes, economic conditions, and financial market considerations;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDLANDS AS FOLLOWS:

Section 1. The City Council herby adopts the Statement of Investment Policy ("Policy") attached hereto as Exhibit "A".

Section 2. This Resolution and the Policy established by this Resolution, shall become effective, March 15, 2022.

Section 3. That Resolution No. 8035 is hereby rescinded.

ADOPTED, SIGNED AND APPROVED this 15th day of March, 2022.

_____
Paul T. Barich, Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

I, Jeanne Donaldson, City Clerk of the City of Redlands, hereby certify that the foregoing resolution was duly adopted by the City Council at a regular meeting thereof held on the 15th day of March, 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Jeanne Donaldson, City Clerk

EXHIBIT “A”

STATEMENT OF INVESTMENT POLICY

STATEMENT OF INVESTMENT POLICY
FOR THE CITY OF REDLANDS, CALIFORNIA

1.0 INTRODUCTION

This Investment Policy ("Policy") provides formalized framework for the prudent investment of unexpended cash of the City of Redlands ("the City") and its related authorities and agencies. The City's policy is to invest public funds in a manner which seeks to provide high investment return consistent with the public trust and the prioritized objectives of safety, liquidity and yield, while meeting the City's daily cash flow requirements and conforming to all state and local statutes governing the investment of public funds.

2.0 SCOPE

This Policy applies to all monies under the direct oversight of the City Treasurer, including those of the City, the Successor Agency to the former Redevelopment Agency of the City of Redlands, the Redlands Public Improvement Corporation and the Redlands Financing Authority. This Policy is generally applicable to bond proceeds with consideration given to specific provisions of each issuance. Reports of the investment of bond proceeds are summarized quarterly by the City Treasurer and are attached to the Treasurer's quarterly report of the pooled investment fund. The employees' retirement and deferred compensation funds are not included in this Policy.

3.0 PRUDENCE

Investments shall be made with judgment and care -- under circumstances then prevailing -- which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

3.1 The standard of prudence to be used by investment officials shall be the "prudent investor standard" as defined in Government Code Section 53600.3 and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

The City's cash management system is designed to accurately monitor and forecast revenues and expenditures thus enabling the City Treasurer to invest funds to the fullest extent possible. The City Treasurer maintains a diversified portfolio to accomplish the primary objectives of safety, liquidity, and yield (in that order of priority).

4.1 Safety: The safety/risk associated with an investment refers to the potential loss of principal, accrued interest or a combination of these. The City seeks to mitigate credit risk by prequalifying and continual monitoring of financial institutions with which it will do business, and by careful scrutiny of the credit worthiness of the investment instruments as well as the institutions. The City seeks to mitigate rate risk through diversification of instruments as well as maturities.

4.2 Liquidity: The portfolio will be structured with sufficient liquidity to allow the City to meet anticipated cash requirements. This will be accomplished through diversity of instruments to include those with active secondary markets, those which can match maturities to expected cash needs, and the State Local Agency Investment Fund ("LAIF") with immediate withdrawal provision.

4.3 Yield: A competitive market rate of return is the third objective of the City's investment portfolio after the fundamental requirements of safety and liquidity have been met.

5.0 DELEGATION OF AUTHORITY

California Government Code Section 53607 provides the authority for the City Council to invest the funds of the City or to delegate the full responsibility to the treasurer of the City.

5.1 City Council: By resolution, the City Council delegates authority to the City Treasurer for investing City funds in accordance with California Government Code Section 53600, et. seq.

5.2 City Treasurer: The execution of investment transactions on a daily basis will be conducted by the City Treasurer. In the event of a prolonged absence or vacancy in the Treasurers position, the City Council may direct staff to engage the services of one or more external investment managers to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such external investment managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940. The City Treasurer has established a system of controls and a segregation of responsibilities of investment functions to assure maintenance of internal control over the investment functions. At the direction of the City Treasurer, the Revenue Supervisor or Designee will keep a complete record of all investment transactions.

5.3 The City Treasurer has the authority to recommend changes in this Policy at any time in order to carry out the duties as chief investment officer for the City. All such recommended amendments to this Policy shall be approved by the City Council to be effective.

5.4 Government Code Section 36501 states that there must be an office of City Treasurer. The City Treasurer of the City of Redlands is an elected position.

6.0 ETHICS AND CONFLICTS OF INTEREST

The City Treasurer and employees of the City involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair the ability to make impartial investment decisions. The City Treasurer is governed by The Political Reform Act of 1974 regarding disclosure of material financial interests.

7.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The City Treasurer shall transact business only with banks, savings and loans, and securities dealers.

7.1 Authorization: The City may conduct business with major registered broker/dealers and with dealers designated Primary by the Federal Reserve provided all the following criteria are met. Broker/Dealers must: 1) have offices located in the State of California, 2) be adequately capitalized, 3) make markets in securities appropriate to the City's needs, and 4) agree to abide by the conditions set forth in this Policy. The City Treasurer shall investigate all institutions that wish to do business with the City and will annually review the financial condition and registrations of qualified institutions.

7.2 Rating: With the exception of the LAIF and U.S. Treasury and Government Agency issues, investments shall be placed only in those instruments and institutions rated favorably as determined by the City Treasurer.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

California Government Code Section 53601 defines eligible securities for the investment of surplus funds by local agencies. Surplus funds of the City are invested in compliance with this statute and as further limited in this Policy.

The City's investments are permitted as listed below and defined in the subsections following.

Summary of Authorized Investments					
#	Type of Investment	CA Gov. Code % of Funds Permitted	City of Redlands% Funds Authorized	CA Gov. Code Max Final Maturity	Redlands Maximum Final Maturity
8.1	United States Treasury notes, bonds, bills or certificates of indebtedness	100%	100%	5 Years	5 Years
8.2	Federal Agency or U.S. government sponsored enterprise (GSE) obligations	100%	100%	5 years	5 years
8.3	Banker's Acceptances	40%; 30% of a single issuer	40%; 30% of a single issuer	180 days	180 days
8.4	Commercial Paper of "Prime" quality	25%; 10% of a single issuer	15%; 10% of a single issuer	270 days	270 days
8.5	Negotiable Certificates of Deposits	30%	30%	5 years	5 years
8.6	Time Certificates of Deposit (TCD)	100%	30%; 15% of a single institution	5 years	5 Years
8.7	Repurchase Agreements	100%	100%	1 year	1 year
8.8	Medium Term Corporate Notes	30%; 10% of a single issuer	20%; 10% of a single issuer	5 years	5 years
8.9	Other State of California Local Agency bonds, notes, warrants or other evidence of indebtedness	100%	100%	5 years	5 years
8.10	Shares of beneficial interest, Mutual Funds	20%; 10% of a single fund	10%	N/A	N/A
8.11	Investment Funds: LAIF & CAMP	$75 million per account	$75 million per account	N/A	N/A
8.12	Bonds issued by the City or agency of the City	100%	100%	5 Years	5 Years
8.13	City of Redlands Specific Program Short-term Loans	N/A	With Council Approval	N/A	N/A

8.1 U.S. Government: United States Treasury Bills, Notes, and Bonds are backed by the full faith and credit of the United States Government. There shall be no limitation as to the percentage of the portfolio invested in this category. Maturities are limited to a maximum of five years.

8.2 U.S. Agencies: The purchase of instruments of, or issued by, a federal agency or a United States government-sponsored enterprise will be limited to a maximum maturity of five years. Such agencies include, but are not limited to, the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Student Loan Marketing Association, Tennessee Valley Authority, and the Federal National Mortgage Association.

8.3 Bankers' Acceptances: Bills of exchange or time drafts drawn on and accepted by commercial banks which are eligible for purchase by the Federal Reserve System are known as bankers' acceptances. Purchases of these instruments shall not exceed 180 days to maturity or 40 percent of an agency's surplus funds. A maximum of 30 percent may be invested in the bankers' acceptances of any one commercial bank.

8.4 Commercial Paper: This short-term unsecured promissory note is issued to finance short-term credit needs. Eligible paper is that which is ranked "P1" by Moody's Investor Services or "A1" by Standard & Poor's, issued by a domestic corporation having assets in excess of $500,000,000, and having an "A" or better rating on issuer's debt. Purchases of commercial paper may not exceed 270 days or represent more than 10 percent of the outstanding paper of an issuing corporation. Commercial paper purchases will be limited to 15 percent of the City's portfolio.

8.5 Negotiable Certificates of Deposit (NCDs): Allowable NCDs are issued by a nationally or state-chartered bank or a state or federal association or by a federally licensed or state-licensed branch of a foreign bank. Purchases of these investments shall not exceed 30 percent of surplus funds in NCDs limited to institutions rated "Aa" or better by Moody's or "AA-" or better by Standard & Poor's CD Rating Services. A rating equivalent of A or better is required for those institutions not rated by Moody's or Standard & Poor's. NCDs are considered liquid, trading actively in the secondary market.

8.6 Certificates of Deposit (CDs): Certificates of deposit or "time deposits" of up to $250,000 are federally insured. Beyond that amount, these CDs must be collateralized with the collateral held separately from the issuing institution. The value of the investment must have collateral of at least 110 percent if government securities, or collateral of at least 150 percent if mortgage-backed securities. CDs shall be limited to a maximum of 30 percent of the portfolio and to a maximum of 15 percent deposited in any one institution. In addition, time deposits shall be placed in institutions meeting all capital requirements and which maintain a rating of superior, excellent, or sound according to at least two bank rating services.

8.7 Repurchase Agreements: The city may invest in repurchase agreements with banks and dealers of primary dealer status recognized by the Federal Reserve with which the city has entered into a master repurchase contract which specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed one year. The market value of securities used as collateral for repurchase agreements shall be monitored by the City Treasurer's office and will not be allowed to fall below 102 percent of the value of the repurchase agreement. In order to conform with provisions of the Federal Bankruptcy Code, which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be eligible negotiable certificates of deposit, bankers' acceptances,

commercial paper, or securities that are direct obligations of or that are fully guaranteed by the United States or any agency of the United States. These eligible securities are further defined by California Government Code Section 53651.

8.8 Medium Term Notes: These promissory notes are issued by corporations, for a term not to exceed five years, to finance their medium term credit needs. Eligible notes are those which are rated "A" or better by a nationally recognized rating service. These notes are limited to 20% of the City's portfolio.

8.9 Local Agencies within California: The City may invest in bonds, notes, warrants, or other indebtedness of other local agencies within California.

8.10 Mutual Funds: Shares of beneficial interest (mutual funds) issued by diversified management companies investing in securities/obligations authorized by California Government Code Section 53600, et. seq., and complying with Section 53630, et. seq., are permitted investments. Section 53601(l) further defines requirements. A maximum of 10 percent of the portfolio may be so invested.

8.11 Investment Funds: The LAIF has been established by the State Treasurer for the benefit of local agencies. The California Asset Management Program (CAMP) is a California Joint Powers Authority established to provide California Public Agencies with professional investment services similar to the LAIF. The city may invest in both the LAIF and the CAMP up to the maximum permitted by the funds.

8.12 Bond Funds Permitted Investments: The City or the Successor Agency to the former Redevelopment Agency of the City of Redlands, as appropriate, may, with the written approval of the City Treasurer, invest bond proceeds and other monies related to Agency and City bonds in investments permitted by the authorizing documents (including, but not limited to, a resolution of issuance, fiscal agent agreement, trust agreement or bond indenture).

8.13 With the approval of the City Council and concurrence of the City Treasurer, funds may be invested in short- term loans to provide specific funding to City programs.

Ineligible Investments: Government Code Section 53601.6 prohibits the City from investing in inverse floaters, range notes, or mortgage-derived, interest-only strips. It further prohibits investing in securities that would result in zero interest accrual if held to maturity. Investments not described herein, including but not limited to common stocks, financial futures contracts and options, and reverse repurchase agreements are prohibited in this fund.

Downgrade Evaluation: In the event that a security's rating is downgraded below allowable levels, the City Treasurer will evaluate if continuing to hold the security or selling the security is in the best interest of the City.

9.0 COLLATERAL

The issue of collateral requirements is addressed in California Government Code Section 53652. All active and inactive deposits must be secured at all times with eligible securities in securities pools pursuant to Government Code Sections 53656 and 53657. Eligible securities held as collateral shall have a market value in excess of the total amount of all deposits of a depository as follows:

--Government securities, at least 10 percent in excess
--Mortgage backed securities, at least 50 percent in excess
--Letters of credit, at least 5 percent in excess

10.0 SAFEKEEPING AND CUSTODY

Security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities exceeding 30 days to maturity shall be held by a third party custodian designated by the City Treasurer. Evidence of account for each time deposit will be held in the City Treasurer's office.

11.0 DIVERSIFICATION

In an effort to reduce portfolio risk while attaining market average rates, the City's portfolio will be suitably diversified by type, institution and maturity.

11.1 Security Type and Institution: With the exception of U.S. Treasury securities and authorized pools, investments are further limited by specific language relating to each investment type as stated in Section 8 of this Policy.

11.2 Maximum Maturities: To the extent possible, the City Treasurer will attempt to match investments with anticipated cash flow requirements. The City's portfolio will not be directly invested in securities which mature more than five years from the date of purchase, except for reserve funds which may be invested in securities exceeding five years (maturity of such investments should coincide as nearly as practicable with expected use of funds).

12.0 INTERNAL CONTROLS

A system of internal controls will be maintained to assure compliance with Federal and State regulations, City Council direction, and prudent cash management procedures.

12.1 Investment Portfolio Guidelines: Guidelines (Appendix No. 2) have been established for procedures within the City Treasurer's Office to assure internal investment controls and a segregation of responsibilities of investment functions.

12.2 Annual Audit: The City's portfolio is included in the annual review of the City's financial management performed by an outside audit firm.

13.0 PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market-average rate of return during budgetary and economic cycles, taking into account the city's investment risk constraints and cash flow needs. The market-average rate of return is defined as the average return on three-month Treasury bills. In addition, the city portfolio will be compared with LAIF and expected to maintain an annual yield within 0.50 basis points (1/2 of 1 percent) of LAIF's annual yield.

14.0 REPORTING

14.1 Quarterly Report: The City Treasurer will provide quarterly detailed reports of pooled investments and invested bond proceeds held by our Trustees to the City Council and City Manager.

14.2 Annual Report: This Investment Policy may be presented annually to the City Council for approval. Any change in the policy shall be considered by the City Council for approval.

Revised February 2022

APPENDIX NO. 1
GLOSSARY

AGENCIES: Federal agency securities.

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

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP): A California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies.

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

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

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

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

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

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

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

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

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

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

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to $250,000 per deposit.

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

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

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

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

LOCAL AGENCY INVESTMENT FUND (LAIF): Funds from local governmental units may be remitted to the California State Treasurer for deposit in this special fund for the purpose of investment.

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

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

Revised February 2022

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

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

PORTFOLIO: Collection of securities held by an investor.

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

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

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

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

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

SEC RULE 15C3-1: See uniform net capital rule.

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

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

TREASURY BONDS: Long-term U.S. Treasury securities having initial maturities of more than ten years.

TREASURY NOTES: Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one to ten years.

Revised February 2022

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

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a)INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Revised February 2022

APPENDIX NO. 2
INVESTMENT PORTFOLIO GUIDELINES

A. INTRODUCTION. These guidelines are established to direct and control investment activities in such a manner to assure that the goals established in this Policy are attained.

B. GENERAL FACTORS. Several factors must be considered in preparation for effective portfolio management.

1. Cash Forecast. The cash flow of the City shall be updated daily with an analysis of cash receipts and expenditures. A close working relationship with city programs having a significant impact on cash flow is maintained to maximize the efficiency of the city's cash management system.

2. Pooled Cash. Whenever practical, the City's cash should be consolidated into one bank account and invested on a pooled concept basis. Interest earnings are allocated according to specific fund ledger balances. No city bank account may be opened without the knowledge and consent of the City Treasurer.

3. Authorized Institutions. A list of institutions, which meet the criteria of the Investment Policy and have been authorized by the City Treasurer to do business with the City, will be maintained and regularly updated. Investment transactions will be executed only with approved broker/dealers, banks, and savings and loans.

4. Preservation of Portfolio Value. Yield standards are in place in an effort to maintain earnings consistent with the market average rate of return.

C. STRATEGY: Strategy refers to the plan of action for managing financial resources in the most advantageous manner. The City Treasurer uses the following elements in developing strategy.

1. Economic Forecasts. Economic forecast information developed by economists and financial experts, obtained through bankers and brokers, is used to assist the City Treasurer with the formulation of an investment strategy for the city.

2. Investment Implementation. Investment transactions will be executed in conformance with anticipated cash flow requirements, economic conditions, and interest rate trends and must be consistent with the established Investment Policy.

3. Yield Enhancement. Investment techniques will be utilized which increase yield and maintain a fully invested position (i.e., investment in repurchase agreements for overnight and weekend surplus funds).

D. INVESTMENT PROCEDURES. The City Treasurer has developed internal investment procedures to provide for effective cash management. Segregation of responsibilities is maintained to assure an adequate system of internal control over the investment function.

Revised February 2022

1. Diversification. The fund should consist of a mix of various types of securities, issuers, and maturities.

2. Investment Transactions. All investment transactions will be executed by the City Treasure. Daily administrative record keeping functions are delegated to the Revenue Supervisor or Designee. In the event of a prolonged absence or vacancy in the Treasurers position, the City Council may direct staff to engage the services of one or more external investment managers.

3. Wire Transfers. Whenever possible, the city will use repetitive wire transfers to restrict the transfer of funds to preauthorized accounts only. All wire transfers require an initiator plus an approval by an authorized employee as well as verification by two bank employees.

4. Safekeeping. Securities purchased from broker/dealers (on which maturity is greater than 30 days) shall be held in third party safekeeping with the Trust Department of Bank of New York acting as third party trustee. All purchases will be on a delivery-versus-payment basis. Evidences of accounts for certificates of deposit will be issued in the city's name and held in City Treasurer's vault.

E. INVESTMENT CRITERIA. All investments will be made in compliance with Federal, State, and Local laws governing the investment of city funds, and in accordance with this Policy.

1. Maturity of Investment. Investments longer than one year may be made if consistent with the city's cash flow needs and related intent of holding until maturity. Securities may be sold prior to maturity for cash flow purposes or to otherwise enhance the portfolio. If the rating of any depository declines to an unacceptable level prior to the maturity of an investment of city funds, the investment will be sold at the earliest possible convenience. If the rating drops below the allowable level of any one of the rating services, the investment will be sold if no significant loss of principal is involved. Such sales will be determined by the City Treasurer.

2. Certificate of Deposit Evaluation.

(a) Time Certificates of Deposit shall be evaluated in terms of FDIC coverage. For deposits in excess of the insured maximum of $250,000, approved collateral shall be required at the percentage above market value as specified by California Government Code Section 53652 and/or 53651.

(b) Negotiable Certificates of Deposit shall be evaluated in terms of the credit worthiness of the issuer as these deposits are uninsured and uncollateralized promissory notes.

F. PRIMARY GOALS. As set forth in the Investment Policy, the primary goals for the safety, liquidity, and yield, in that priority order.

1. Safety. The safety/risk associated with an investment refers to the potential loss of principal, accrued interest, or a combination of these. The City employs investment instruments which are considered safe. The primary duty of the City Treasurer is to protect the cash and investments placed in his trust on behalf of the residents of the community.

2. Liquidity. Liquidity refers to the ability to convert investment holdings to cash immediately with a minimal loss of principal or accrued interest. This quality of an investment is important should an unexpected need for funds occur.

3. Yield. Yield is the dollar earnings the investment provides. Yield becomes important only after the fundamental requirements of safety and liquidity have been met.

Revised February 2022

APPENDIX NO. 3

CITY OF REDLANDS

OFFICE OF THE CITY TREASURER

BANK/SAVINGS & LOAN QUESTIONNAIRE AND CERTIFICATION

1. Name of Firm _____

2. Address _____

3. Telephone No. _____ _____
(Local) (National Headquarters)

4. Primary Representative: Manager:

Name: _____ Name_____

Title _____ Title _____

Telephone No. _____ Telephone No. _____

5. What is the total of assets of the Bank/Savings & Loan? _____

6. What are the current ratios? Prior Year?

Net Worth	_____	_____
Tangible Capital	_____	_____
Core-based Capital	_____	_____
Risk-based Capital	_____	_____

7. Has there been a year during the past three years in which the Bank/Savings & Loan did not make a profit?

8. What is the education level of the Primary Contact(s)? _____

9. How many years of related experience does the Primary Contact(s) have? _____

10. Where is the collateral for Time Deposits of the Bank/Savings & Loan held?_____

_____

11. Has there been a period during the past five years when Time Deposits of the Bank/Savings & Loan have not been fully collateralized? If Yes, explain.

_____

Revised February 2022

12. Describe the precautions taken by your Bank/Savings & Loan to protect the interest of the public when dealing with government agencies as depositors or investors.

    _____

    _____

13. What other banking services would you be interested in providing the City of Redlands?

    _____

    _____

14. What transaction documents and reports would we receive? _____

    _____

15. What information would you provide to our Investment Officer? _____

    _____

16. Please provide your entity's most recent certified financial statement.

17. Please provide your Contract of Deposit of Moneys pre-signed and sealed by your institution as well as any signature cards that you may require.

18. Please provide your wiring instructions. _____

    _____

-- CERTIFICATION --

I hereby certify that I have personally read the City of Redlands' Investment Policy and the California Government Codes pertaining to the investments of the City of Redlands, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the City of Redlands. All sales personnel will be routinely informed of City of Redlands' investment objectives, strategies and risk constraints whenever we are so advised. We pledge to exercise due diligence in informing the City Treasurer of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

NOTE: Completion of Questionnaire is only part of the City of Redlands' Certification process and DOES NOT guarantee that the applicant will be approved to do business with the City.

SIGNED _____
DATE _____

(countersigned by company president or person in charge of government security operations)

_____

Revised February 2022

APPENDIX NO. 4

CITY OF REDLANDS

OFFICE OF THE CITY TREASURER

BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

1. Name of Firm _____

2. Address _____

3. Telephone No. _____ _____
(Local) (National Headquarters)

4. Primary Representative: Manager:

Name _____ Name _____

Title _____ Title _____

Telephone No. _____ Telephone No._____

5. Are you a recognized primary dealer in Government Securities?
[ ] YES [ ] NO

6. If yes, how many years has your firm been a primary dealer? _____

7. What was your firm's total volume in U.S. Government and agency securities trading last year?

Firm-wide $_____

Your office $_____

Number of transactions from your office _____

8. Which of the following instruments are offered regularly by your trading desk?

[ ] T-Bills	[ ] BA's (Domestic)
[ ] T-Notes/Bonds	[ ] BA's (Foreign)
[ ] Agencies (specify)	[ ] Commercial Paper
_____	[ ] C D's
_____	
_____	[ ] Medium Term Notes

Revised February 2022

[ ] Repurchase Agreements [ ] Mutual Funds (eligible for public investment)

9. Identify all personnel who will be trading with or quoting securities to the City Treasurer.

Name	Title	# of Years in Institutional Sales	# of Years with Firm	Telephone

10. Please identify your most directly comparable City Local Agency clients in our geographical area.

Entity	Contact Person	Telephone	Client since

11. Is there anything in your background in the government security business that makes you stand out above the rest? Why should the City of Redlands deal with you?

12. Have any of your public sector clients ever sustained a loss on a securities transaction arising from a misunderstanding or misrepresentation of the risk characteristics of a particular instrument? If so, please explain.

13. Has any public-sector client ever claimed in writing that your firm was responsible for investment losses? Explain.

14. Has your firm consistently complied with the Federal Reserve Bank's capital adequacy guidelines? Include certified documentation of your current capital adequacy as measured by Federal Reserve Standards.

15. Please provide certified financial statements and other statements regarding your firm's capitalization.

Revised February 2022

16. Please provide samples of research reports that your firm regularly supplies to public sector clients.

17. Are you a Broker instead of a Dealer (i.e., you DO NOT own positions of securities)?

    [ ] Yes [ ] No

18. What reports, transactions, confirmations and paper trail would the city receive? _____

_____

_____

19. What training information would you provide to our employees and investment officers?

_____

_____

20. How many and what percentage of your transactions failed last month?_____
    Last year?_____

21. What portfolio information do you require from clients?_____

_____

-- CERTIFICATION --

I hereby certify that I have personally read the City of Redlands' Investment Policy and the California Government Codes pertaining to the investments of the City of Redlands, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the City of Redlands. All sales personnel will be routinely informed of City of Redlands' investment objectives, strategies and risk constraints whenever we are so advised. We pledge to exercise due diligence in informing the City Treasurer of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

NOTE: Completion of Questionnaire is only part of the City of Redlands' Certification process and DOES NOT guarantee that the applicant will be approved to do business with the City.

SIGNED _____
DATE _____

(countersigned by company president or person in charge of government security operations)

_____

Revised February 2022

STATEMENT OF INVESTMENT POLICY
FOR THE CITY OF REDLANDS, CALIFORNIA

1.0 INTRODUCTION

This Investment Policy ("Policy") provides ~~guidelines~~ *formalized framework* for the prudent investment of ~~surplus funds~~ *unexpended cash* of the City of Redlands *("the City")* and its related authorities and agencies ~~for maximizing the efficiency of the City's cash management system~~. ~~It is the policy of the City of Redlands~~ *The City's Policy is* to invest public funds in a manner which seeks to provide high investment return~~, after first providing for maximum security and preservation of principal,~~ *consistent with the public trust and the prioritized objectives of safety, liquidity and yield,* while meeting the ~~daily cash flow demands of the city~~ *City's daily cash flow requirements* and conforming to all state and local statutes governing the investment of public funds.

2.0 SCOPE

This Policy applies to all monies under the direct oversight of the City Treasurer, including those of the City, the Successor Agency to the former Redevelopment Agency of the City of Redlands, the Redlands Public Improvement Corporation and the Redlands Financing Authority. This Policy is generally applicable to bond proceeds with consideration given to specific provisions of each issuance. Reports of the investment of bond proceeds are summarized quarterly by the ~~Finance Director~~ *City Treasurer* and are attached to the ~~City~~ Treasurer's quarterly report of the pooled investment fund. The employees' retirement and deferred compensation funds are not included in this Policy.

3.0 PRUDENCE

Investments shall be made with judgment and care -- under circumstances then prevailing -- which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

3.1 The standard of prudence to be used by investment officials shall be the "prudent investor standard" as defined in Government Code Section 53600.3 and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 OBJECTIVES

The City's cash management system is designed to accurately monitor and forecast revenues and expenditures thus enabling the City Treasurer to invest funds to the fullest extent possible. The City Treasurer maintains a diversified portfolio to accomplish the primary objectives of safety, liquidity, and yield (in that order of priority).

4.1 Safety: The safety/risk associated with an investment refers to the potential loss of principal, accrued interest or a combination of these. The City seeks to mitigate credit risk by prequalifying and continual monitoring of financial institutions with which it will do business, and by careful scrutiny of the credit worthiness of the investment instruments as well as the institutions. The City seeks to mitigate rate risk through diversification of instruments as well as maturities.

4.2 Liquidity: The portfolio will be structured with sufficient liquidity to allow the City to meet anticipated cash requirements. This will be accomplished through diversity of instruments to include those with active secondary markets, those which can match maturities to expected cash needs, and the State Local Agency Investment Fund ("LAIF") with immediate withdrawal provision.

4.3 Yield: A competitive market rate of return is the third objective of the *City's* investment ~~program~~ *portfolio* after the fundamental requirements of safety and liquidity have been met.

5.0 DELEGATION OF AUTHORITY

California Government Code Section 53607 provides the authority for the City Council to invest the funds of the City or to delegate the full responsibility to the treasurer of the City.

5.1 City Council: By resolution, the City Council ~~has authorized~~ *delegates authority to* the City Treasurer for investing City funds in accordance with California Government Code Section 53600, et. seq.

5.2 City Treasurer: The execution of investment transactions on a daily basis will be conducted by the City Treasurer ~~or the City Clerk in the Treasurer's absence~~. *In the event of a prolonged absence or vacancy in the Treasurers position, the City Council may direct staff to engage the services of one or more external investment managers to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such external investment managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.* The City Treasurer has established a system of controls and a segregation of responsibilities of investment functions to assure maintenance of internal control over the investment function. At the direction of the City Treasurer, the Revenue ~~Manager~~ *Supervisor or Designee* will ~~implement the daily administration of the record keeping~~ *keep a complete record* of ~~the~~ *all* investment transactions.

5.3 The City Treasurer has the authority to recommend changes in this Policy at any time in order to carry out the duties as chief investment officer for the City. All such recommended amendments to this Policy shall be approved by the City Council to be effective.

5.4 Government Code Section 36501 states that there must be an office of City Treasurer. The City Treasurer of the City of Redlands is an elected position.

6.0 ETHICS AND CONFLICTS OF INTEREST

The City Treasurer *and employees of the City involved in the investment process* shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair the ability to make impartial investment decisions. The City Treasurer is governed by The Political Reform Act of 1974 regarding disclosure of material financial interests.

7.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The City Treasurer shall transact business only with banks, savings and loans, and securities dealers.

7.1 Authorization: The city may conduct business with major registered broker/dealers and with dealers designated Primary by the Federal Reserve provided all the following criteria are met. Broker/Dealers must: 1) have offices located in the State of California, 2) be adequately capitalized, 3) make markets in securities appropriate to the City's needs, 4) agree to abide by the conditions set forth in this Policy. The City Treasurer shall investigate all institutions that wish to do business with the City and will annually review the financial condition and registrations of qualified institutions.

7.2 Rating: With the exception of the LAIF and U.S. Treasury and Government Agency issues, investments shall be placed only in those instruments and institutions rated favorably as determined by the City Treasurer.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

California Government Code Section 53601 defines eligible securities for the investment of surplus funds by local agencies. Surplus funds of the City are invested in compliance with this statute and as further limited in this Policy.

The City's investments are permitted as listed below and defined in the subsections following.
<Insert table>

Summary of Authorized Investments					
#	Type of Investment	CA Gov. Code % of Funds Permitted	City of Redlands% Funds Authorized	CA Gov. Code Max Final Maturity	Redlands Maximum Final Maturity
8.1	United States Treasury notes, bonds, bills or certificates of indebtedness	100%	100%	5 Years	5 Years
8.2	Federal Agency or U.S. government sponsored enterprise (GSE) obligations	100%	100%	5 years	5 years
8.3	Banker's Acceptances	40%; 30% of a single issuer	40%; 30% of a single issuer	180 days	180 days
8.4	Commercial Paper of "Prime" quality	25%; 10% of a single issuer	15%; 10% of a single issuer	270 days	270 days
8.5	Negotiable Certificates of Deposits	30%	30%	5 years	5 years
8.6	Time Certificates of Deposit (TCD)	100%	30%; 15% of a single institution	5 years	5 Years
8.7	Repurchase Agreements	100%	100%	1 year	1 year
8.8	Medium Term Corporate Notes	30%; 10% of a single issuer	20%; 10% of a single issuer	5 years	5 years
8.9	Other State of California Local Agency bonds, notes, warrants or other evidence of indebtedness	100%	100%	5 years	5 years
8.10	Shares of beneficial interest, Mutual Funds	20%; 10% of a single fund	10%	N/A	N/A
8.11	Investment Funds: LAIF & CAMP	$75 million per account	$75 million per account	N/A	N/A
8.12	Bonds issued by the City or agency of the City	100%	100%	5 Years	5 Years
8.13	City of Redlands Specific Program Short-term Loans	N/A	With Council Approval	N/A	N/A

8.1 U.S. Government: United States Treasury Bills, Notes, and Bonds are backed by the full faith and credit of the United States Government. There shall be no limitation as to the percentage of the portfolio invested in this category. Maturities are limited to a maximum of five years.

8.2 U.S. Agencies: The purchase of instruments of, or issued by, a federal agency or a United States government-sponsored enterprise will be limited to a maximum maturity of five years. Such agencies include, but are not limited to, the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Student Loan Marketing Association, Tennessee Valley Authority, and the Federal National Mortgage Association.

8.3 Bankers' Acceptances: Bills of exchange or time drafts drawn on and accepted by commercial banks which are eligible for purchase by the Federal Reserve System are known as bankers' acceptances. Purchases of these instruments shall not exceed 180 days to maturity or 40 percent of an agency's surplus funds. A maximum of 30 percent may be invested in the bankers' acceptances of any one commercial bank.

8.4 Commercial Paper: This short-term unsecured promissory note is issued to finance short-term credit needs. Eligible paper is that which is ranked "P1" by Moody's Investor Services or "A1" by Standard & Poor's, issued by a domestic corporation having assets in excess of $500,000,000, and having an "A" or better rating on issuer's debt. Purchases of commercial paper may not exceed 270 days or represent more than 10 percent of the outstanding paper of an issuing corporation. Commercial paper purchases will be limited to 15 percent of the City's portfolio.

8.5 Negotiable Certificates of Deposit (NCDs): Allowable NCDs are issued by a nationally or state-chartered bank or a state or federal association or by a federally licensed or state-licensed branch of a foreign bank. Purchases of these investments shall not exceed 30 percent of surplus funds in NCDs limited to institutions rated "Aa" or better by Moody's or "AA-" or better by Standard & Poor's CD Rating Services. A rating equivalent of A or better is required for those institutions not rated by Moody's or Standard & Poor's. NCDs are considered liquid, trading actively in the secondary market.

8.6 Certificates of Deposit (CDs): Certificates of deposit or "time deposits" of up to $250,000 are federally insured. Beyond that amount, these CDs must be collateralized with the collateral held separately from the issuing institution. The value of the investment must have collateral of at least 110 percent if government securities, or collateral of at least 150 percent if mortgage-backed securities. CDs shall be limited to a maximum of 30 percent of the portfolio and to a maximum of 15 percent deposited in any one institution. In addition, time deposits shall be placed in institutions meeting all capital requirements and which maintain a rating of superior, excellent, or sound according to at least two bank rating services.

8.7 Repurchase Agreements: The city may invest in repurchase agreements with banks and dealers of primary dealer status recognized by the Federal Reserve with which the city has entered into a master repurchase contract which specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed one year. The market value of securities used as collateral for repurchase agreements shall be monitored by the City

Treasurer's office and will not be allowed to fall below 102 percent of the value of the repurchase agreement. In order to conform with provisions of the Federal Bankruptcy Code, which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be eligible negotiable certificates of deposit, bankers' acceptances, commercial paper, or securities that are direct obligations of or that are fully guaranteed by the United States or any agency of the United States. These eligible securities are further defined by California Government Code Section 53651.

8.8 Medium Term Notes: These promissory notes are issued by corporations, for a term not to exceed five years, to finance their medium term credit needs. Eligible notes are those which are rated "A" or better by a nationally recognized rating service. These notes are limited to 20% of the City's portfolio.

8.9 Local Agencies within California: The City may invest in bonds, notes, warrants, or other indebtedness of other local agencies within California.

8.10 Mutual Funds: Shares of beneficial interest (mutual funds) issued by diversified management companies investing in securities/obligations authorized by California Government Code Section 53600, et. seq., and complying with Section 53630, et. seq., are permitted investments. Section 53601(l) further defines requirements. A maximum of 10 percent of the portfolio may be so invested.

8.11 Investment Funds: The LAIF has been established by the State Treasurer for the benefit of local agencies. The California Asset Management Program (CAMP) is a California Joint Powers Authority established to provide California Public Agencies with professional investment services similar to the LAIF. The city may invest in both the LAIF and the CAMP up to the maximum permitted by the funds.

8.12 Bond Funds Permitted Investments: The City or the Successor Agency to the former Redevelopment Agency of the City of Redlands, as appropriate, may, with the written approval of the City Treasurer, invest bond proceeds and other monies related to Agency and City bonds in investments permitted by the authorizing documents (including, but not limited to, a resolution of issuance, fiscal agent agreement, trust agreement or bond indenture).

~~8.13 Ineligible Investments: Government Code Section 53601.6 prohibits the City from investing in inverse floaters, range notes, or mortgage-derived, interest-only strips. It further prohibits investing in securities that would result in zero interest accrual if held to maturity. Investments not described herein, including but not limited to common stocks, financial futures contracts and options, and reverse repurchase agreements are prohibited in this fund.~~

~~8.14~~*8.13* With the approval of the City Council and concurrence of the City Treasurer, funds may be invested in short- term loans to provide specific funding to City programs.

Ineligible Investments*: Government Code Section 53601.6 prohibits the City from investing in inverse floaters, range notes, or mortgage-derived, interest-only strips. It further prohibits investing in securities that would result in zero interest accrual if held to maturity. Investments*

not described herein, including but not limited to common stocks, financial futures contracts and options, and reverse repurchase agreements are prohibited in this fund.

Downgrade Evaluation: *In the event that a security's rating is downgraded below allowable levels, the City Treasurer will evaluate if continuing to hold the security or selling the security is in the best interest of the City.*

9.0 COLLATERAL

The issue of collateral requirements is addressed in California Government Code Section 53652. All active and inactive deposits must be secured at all times with eligible securities in securities pools pursuant to Government Code Sections 53656 and 53657. Eligible securities held as collateral shall have a market value in excess of the total amount of all deposits of a depository as follows:

-- government securities, at least 10 percent in excess
-- mortgage backed securities, at least 50 percent in excess
-- letters of credit, at least 5 percent in excess

10.0 SAFEKEEPING AND CUSTODY

Security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities exceeding 30 days to maturity shall be held by a third party custodian designated by the City Treasurer. Evidence of account for each time deposit will be held in the City Treasurer's office.

11.0 DIVERSIFICATION

In an effort to reduce portfolio risk while attaining market average rates, the City's portfolio will be suitably diversified by type, institution and maturity.

11.1 Security Type and Institution: With the exception of U.S. Treasury securities and authorized pools, ~~no more than 50 percent of the total portfolio will be invested in a single security type and no more than 15 percent with a single financial institution.~~ investments are further limited by specific language relating to each investment type as stated in Section 8 of this Policy.

11.2 Maximum Maturities: To the extent possible, the City Treasurer will attempt to match investments with anticipated cash flow requirements. The City's portfolio will not be directly invested in securities which mature more than five years from the date of purchase, except for reserve funds which may be invested in securities exceeding five years (maturity of such investments should coincide as nearly as practicable with expected use of funds).

12.0 INTERNAL CONTROLS

A system of internal controls will be maintained to assure compliance with Federal and State regulations, City Council direction, and prudent cash management procedures.

12.1 Investment Portfolio Guidelines: Guidelines (Appendix No. 2) have been established for procedures within the City Treasurer's Office to assure internal investment controls and a segregation of responsibilities of investment functions.

12.2 Annual Audit: The City's portfolio is included in the annual review of the City's financial management performed by an outside audit firm.

13.0 PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market-average rate of return during budgetary and economic cycles, taking into account the city's investment risk constraints and cash flow needs. The market-average rate of return is defined as the average return on three-month Treasury bills. In addition, the city portfolio will be compared with LAIF and expected to maintain an annual yield within 0.50 basis points (1/2 of 1 percent) of LAIF's annual yield.

14.0 REPORTING

14.1 Quarterly Report: The City Treasurer will provide quarterly detailed reports of pooled investments and invested bond proceeds held by our Trustees to the City Council and City Manager.

14.2 Annual Report: This Investment Policy may be presented annually to the City Council for approval. Any change in the policy shall be considered by the City Council for approval.

APPENDIX NO. 1
GLOSSARY

AGENCIES: Federal agency securities.

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

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP): A California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies.

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

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

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

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

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

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

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

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

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

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

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to $250,000 per deposit.

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

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

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

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

LOCAL AGENCY INVESTMENT FUND (LAIF): Funds from local governmental units may be remitted to the California State Treasurer for deposit in this special fund for the purpose of investment.

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

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

~~October 2019~~
Revised February 2022

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

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

PORTFOLIO: Collection of securities held by an investor.

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

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

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

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

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

SEC RULE 15C3-1: See uniform net capital rule.

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

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

TREASURY BONDS: Long-term U.S. Treasury securities having initial maturities of more than ten years.

TREASURY NOTES: Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one to ten years.

~~October 2019~~
Revised February 2022

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

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a)INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

~~October 2019~~
Revised February 2022

APPENDIX NO. 2
INVESTMENT PORTFOLIO GUIDELINES

A. INTRODUCTION. These guidelines are established to direct and control investment activities in such a manner to assure that the goals established in this Policy are attained.

B. GENERAL FACTORS. Several factors must be considered in preparation for effective portfolio management.

1. Cash Forecast. The cash flow of the City shall be updated daily with an analysis of cash receipts and expenditures. A close working relationship with city programs having a significant impact on cash flow is maintained to maximize the efficiency of the city's cash management system.

2. Pooled Cash. Whenever practical, the City's cash should be consolidated into one bank account and invested on a pooled concept basis. Interest earnings are allocated according to specific fund ledger balances. No city bank account may be opened without the knowledge and consent of the City Treasurer.

3. Authorized Institutions. A list of institutions, which meet the criteria of the Investment Policy and have been authorized by the City Treasurer to do business with the City, will be maintained and regularly updated. Investment transactions will be executed only with approved broker/dealers, banks, and savings and loans.

4. Preservation of Portfolio Value. Yield standards are in place in an effort to maintain earnings consistent with the market average rate of return.

C. STRATEGY: Strategy refers to the plan of action for managing financial resources in the most advantageous manner. The City Treasurer uses the following elements in developing strategy.

1. Economic Forecasts. Economic forecast information developed by economists and financial experts, obtained through bankers and brokers, is used to assist the City Treasurer with the formulation of an investment strategy for the city.

2. Investment Implementation. Investment transactions will be executed in conformance with anticipated cash flow requirements, economic conditions, and interest rate trends and must be consistent with the established Investment Policy.

3. Yield Enhancement. Investment techniques will be utilized which increase yield and maintain a fully invested position (i.e., investment in repurchase agreements for overnight and weekend surplus funds).

D. INVESTMENT PROCEDURES. The City Treasurer has developed internal investment procedures to provide for effective cash management. Segregation of responsibilities is maintained to assure an adequate system of internal control over the investment function.

~~October 2019~~
Revised February 2022

1. Diversification. The fund should consist of a mix of various types of securities, issuers, and maturities.

2. Investment Transactions. All investment transactions will be executed by the City Treasurer ~~or the City Clerk in the Treasurer's absence~~. Daily administrative record keeping functions are delegated to the Revenue ~~Manager~~ *Supervisor or Designee. In the event of a prolonged absence or vacancy in the Treasurers position, the City Council may direct staff to engage the services of one or more external investment managers.*

3. Wire Transfers. Whenever possible, the city will use repetitive wire transfers to restrict the transfer of funds to preauthorized accounts only. All wire transfers require an initiator plus an approval by an authorized employee as well as verification by two bank employees.

4. Safekeeping. Securities purchased from broker/dealers (on which maturity is greater than 30 days) shall be held in third party safekeeping with the Trust Department of Bank of New York acting as third party trustee. All purchases will be on a delivery-versus-payment basis. Evidences of accounts for certificates of deposit will be issued in the city's name and held in City Treasurer's vault.

E. INVESTMENT CRITERIA. All investments will be made in compliance with Federal, State, and Local laws governing the investment of city funds, and in accordance with this Policy.

1. Maturity of Investment. Investments longer than one year may be made if consistent with the city's cash flow needs and related intent of holding until maturity. Securities may be sold prior to maturity for cash flow purposes or to otherwise enhance the portfolio. If the rating of any depository declines to an unacceptable level prior to the maturity of an investment of city funds, the investment will be sold at the earliest possible convenience. If the rating drops below the allowable level of any one of the rating services, the investment will be sold if no significant loss of principal is involved. Such sales will be determined by the City Treasurer.

2. Certificate of Deposit Evaluation.

(a) Time Certificates of Deposit shall be evaluated in terms of FDIC coverage. For deposits in excess of the insured maximum of $250,000, approved collateral shall be required at the percentage above market value as specified by California Government Code Section 53652 and/or 53651.

(b) Negotiable Certificates of Deposit shall be evaluated in terms of the credit worthiness of the issuer as these deposits are uninsured and uncollateralized promissory notes.

F. PRIMARY GOALS. As set forth in the Investment Policy, the primary goals for the safety, liquidity, and yield, in that priority order.

1. Safety. The safety/risk associated with an investment refers to the potential loss of principal, accrued interest, or a combination of these. The City employs investment instruments which are considered safe. The primary duty of the City Treasurer is to protect the cash and investments placed in his trust on behalf of the residents of the community.

2. Liquidity. Liquidity refers to the ability to convert investment holdings to cash immediately with a minimal loss of principal or accrued interest. This quality of an investment is important should an unexpected need for funds occur.

3. Yield. Yield is the dollar earnings the investment provides. Yield becomes important only after the fundamental requirements of safety and liquidity have been met.

APPENDIX NO. 3

CITY OF REDLANDS

OFFICE OF THE CITY TREASURER

BANK/SAVINGS & LOAN QUESTIONNAIRE AND CERTIFICATION

1. Name of Firm _____

2. Address _____

3. Telephone No. _____ _____
(Local) (National Headquarters)

4. Primary Representative: Manager:

Name: _____ Name_____

Title _____ Title _____

Telephone No. _____ Telephone No. _____

5. What is the total of assets of the Bank/Savings & Loan? _____

6. What are the current ratios? Prior Year?

Net Worth	_____	_____
Tangible Capital	_____	_____
Core-based Capital	_____	_____
Risk-based Capital	_____	_____

7. Has there been a year during the past three years in which the Bank/Savings & Loan did not make a profit?

8. What is the education level of the Primary Contact(s)? _____

9. How many years of related experience does the Primary Contact(s) have? _____

10. Where is the collateral for Time Deposits of the Bank/Savings & Loan held?_____

_____

11. Has there been a period during the past five years when Time Deposits of the Bank/Savings & Loan have not been fully collateralized? If Yes, explain.

_____

~~October 2019~~
Revised February 2022

12. Describe the precautions taken by your Bank/Savings & Loan to protect the interest of the public when dealing with government agencies as depositors or investors.

    _____

    _____

13. What other banking services would you be interested in providing the City of Redlands?

    _____

    _____

14. What transaction documents and reports would we receive? _____

    _____

15. What information would you provide to our Investment Officer? _____

    _____

16. Please provide your entity's most recent certified financial statement.

17. Please provide your Contract of Deposit of Moneys pre-signed and sealed by your institution as well as any signature cards that you may require.

18. Please provide your wiring instructions. _____

    _____

-- CERTIFICATION --

I hereby certify that I have personally read the City of Redlands' Investment Policy and the California Government Codes pertaining to the investments of the City of Redlands, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the City of Redlands. All sales personnel will be routinely informed of City of Redlands' investment objectives, strategies and risk constraints whenever we are so advised. We pledge to exercise due diligence in informing the City Treasurer of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

NOTE: Completion of Questionnaire is only part of the City of Redlands' Certification process and DOES NOT guarantee that the applicant will be approved to do business with the City.

SIGNED _____
DATE _____

(countersigned by company president or person in charge of government security operations)

_____

~~October 2019~~
Revised February 2022

APPENDIX NO. 4

CITY OF REDLANDS

OFFICE OF THE CITY TREASURER

BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

1. Name of Firm _____

2. Address _____

3. Telephone No. _____ _____
(Local) (National Headquarters)

4. Primary Representative: Manager:

Name _____ Name _____

Title _____ Title _____

Telephone No. _____ Telephone No._____

5. Are you a recognized primary dealer in Government Securities?
[ ] YES [ ] NO

6. If yes, how many years has your firm been a primary dealer? _____

7. What was your firm's total volume in U.S. Government and agency securities trading last year?

Firm-wide $_____

Your office $_____

Number of transactions from your office _____

8. Which of the following instruments are offered regularly by your trading desk?

[ ] T-Bills [ ] BA's (Domestic)

[ ] T-Notes/Bonds [ ] BA's (Foreign)

[ ] Agencies (specify) [ ] Commercial Paper
_____ [ ] C D's
_____
_____ [ ] Medium Term Notes

~~October 2019~~
Revised February 2022

[ ] Repurchase Agreements [ ] Mutual Funds (eligible for public investment)

9. Identify all personnel who will be trading with or quoting securities to the City Treasurer.

Name	Title	# of Years in Institutional Sales	# of Years with Firm	Telephone

10. Please identify your most directly comparable City Local Agency clients in our geographical area.

Entity	Contact Person	Telephone	Client since

11. Is there anything in your background in the government security business that makes you stand out above the rest? Why should the City of Redlands deal with you?

12. Have any of your public sector clients ever sustained a loss on a securities transaction arising from a misunderstanding or misrepresentation of the risk characteristics of a particular instrument? If so, please explain.

13. Has any public-sector client ever claimed in writing that your firm was responsible for investment losses? Explain.

14. Has your firm consistently complied with the Federal Reserve Bank's capital adequacy guidelines? Include certified documentation of your current capital adequacy as measured by Federal Reserve Standards.

~~October 2019~~
Revised February 2022

15. Please provide certified financial statements and other statements regarding your firm's capitalization.

16. Please provide samples of research reports that your firm regularly supplies to public sector clients.

17. Are you a Broker instead of a Dealer (i.e., you DO NOT own positions of securities)?

    [ ] Yes [ ] No

18. What reports, transactions, confirmations and paper trail would the city receive? _____

_____

_____

19. What training information would you provide to our employees and investment officers?

_____

_____

20. How many and what percentage of your transactions failed last month?_____
    Last year?_____

21. What portfolio information do you require from clients?_____

_____

-- CERTIFICATION --

I hereby certify that I have personally read the City of Redlands' Investment Policy and the California Government Codes pertaining to the investments of the City of Redlands, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the City of Redlands. All sales personnel will be routinely informed of City of Redlands' investment objectives, strategies and risk constraints whenever we are so advised. We pledge to exercise due diligence in informing the City Treasurer of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

NOTE: Completion of Questionnaire is only part of the City of Redlands' Certification process and DOES NOT guarantee that the applicant will be approved to do business with the City.

SIGNED _____
DATE _____

(countersigned by company president or person in charge of government security operations)

_____

~~October 2019~~
Revised February 2022

"A City That Works"

City Council Meeting **I. 8.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Disclosure of Agreement of Settlement and General Release - Heidi Kirkendoll; San Bernardino County Superior Court Case No. CIVDS1933311 (City Attorney McHugh)

DISCUSSION:

Attached is a copy of the "Agreement of Settlement and General Release," which reflects the terms and conditions for settlement of the above mentioned litigation as authorized by the City Council. In accordance with the City's Municipal Code, and following the spirit of the Brown Act, this matter is on your agenda to notify the public of the settlement negotiated by the City. The litigation involved an injury from a broken and uneven street curb and was settled for the amount of $20,000.

SUBMITTED BY:
Jimmy Nguyen, Administrative Analyst

REVIEWED BY:
Charles M. Duggan, Jr., City Manager
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Christopher Boatman, Assistant City Manager

Attachments

Agreement of Settlement and General Release

AGREEMENT OF SETTLEMENT AND GENERAL RELEASE

1. *PARTIES*: The parties to this Agreement of Settlement and General Release ("Agreement") are Heidi Kirkendoll("Plaintiff"), and City of Redlands ("Defendants").

2. *RECITALS*: This Agreement is made with reference to the following facts:

2.1 Certain disputes and controversies have arisen between the parties hereto.

2.2 Such disputes and controversies include, but are not limited to, the claims, demands and case or causes of action set forth by the parties hereto in a civil action pending in the San Bernardino County Superior Court and entitled Heidi Kirkendoll, et al., Case No. CIVDS1933311.

2.3 It is the intention of the parties hereto to settle and dispose of, fully and completely, any and all claims, demands and cause or causes of action existing as of the effective date of this agreement and arising out of, connected with, or incidental to the dealings between parties hereto to the effective date hereof including, without limitation on the generality of the foregoing, any and all claims, demands and cause or causes of action reflected in the civil action and appeals referenced in Paragraph 2.2 above.

3. *DISMISSAL*: Concurrently with the execution of this Agreement, Plaintiff shall dismiss, with prejudice, the civil action referenced in Paragraph 2.2 above, in exchange for the promises, covenants, conditions and payments set forth in Paragraph Four.

4. *PAYMENT*: Concurrently with the execution of this Agreement, Defendants shall pay to Plaintiff, the aggregate sum of Twenty Thousand Dollars ($20,000.00).

5. *GENERAL RELEASE*: In consideration of the mutual general releases contained herein, and for other good and valuable consideration, the receipt of which is acknowledged by each party hereto, the parties promise, agree and generally release as follows:

5.1 Except as to such rights or claims as may be created by this Agreement, each party hereto hereby releases, remises and forever discharges each other party hereto from any and all claims, demands and cause or causes of action existing as of the effective date and arising out of, connected with or incidental to the dealings between the parties hereto prior to the effective date hereof including, without limitation on the generality of the foregoing, any and all claims, demands and cause or causes of action reflected in the civil action and appeals referenced in Paragraph 2.2 above.

5.2 Each party to this Agreement specifically waives the benefit of provisions of Section 1542 of the Civil Code of the State of California, as follows:

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

6. *REPRESENTATIONS AND WARRANTIES*: Each of the parties to this Agreement represents and warrants to, and agrees with, each party hereto, as follows:

6.1 Each party has received independent legal advice from its attorneys with respect to the advisability of making the settlement provided for herein, with respect to the advisability of executing this Agreement, and with respect to the meaning of California Civil Code Section 1542.

6.2 No party (nor any officer, agent, employee, representative, or attorney of or for any party), has made any statement or representation or failed to make any statement or representation to any other party regarding any fact relied upon in entering into this Agreement, and each party does not rely upon any statement, representation, omission or promise of any other party (or of any officer, agent, employee, representative, or attorney of or for any party), in executing this Agreement, or in making the settlement provided for herein, except as expressly stated in this Agreement.

6.3 Each party to this Agreement has made such investigation of the facts pertaining to this settlement and this Agreement, and all the matters pertaining thereto, as it deems necessary.

6.4 Each party or responsible officer thereof has read this Agreement and understands the contents hereof. Each of the officers executing this Agreement on behalf of their respective corporations is empowered to do so and thereby binds such respective corporation.

6.5 In entering into this Agreement and the settlement provided for herein, each party assumes the risk of any misrepresentation, concealment or mistake. If any party should subsequently discover that any fact relied upon by it in entering into this Agreement was untrue, or that any fact was concealed from it, or that its understanding of the facts or of the law was incorrect, such party shall not be entitled to any relief in connection therewith including, without limitation on the generality of the foregoing, any alleged right or claim to set aside or rescind this Agreement. This Agreement is intended to be and is final and binding between the parties hereto, regardless of any claims of misrepresentation, promise made without the intention to perform, concealment of fact, mistake of fact or law, or of any other circumstance whatsoever.

6.6 Each party has not heretofore assigned, transferred, or granted, or purported to assign, transfer, or grant, any of the claims, demands, and cause or causes of action disposed of

by this Agreement.

6.7 Each term of this Agreement is contractual and not merely a recital.

6.8 Each party is aware that it may hereafter discover claims or facts in addition to or different from those it now knows or believes to be true with respect to the matters related herein. Nevertheless, it is the intention of the parties to fully, finally and forever to settle and release all such matters, and all claims relative thereto, which do now exist, may exist, or heretofore have existed between them. In furtherance of such intention, the releases given herein shall be and remain in effect as full and complete mutual releases of all such matters, notwithstanding the discovery of existence of any additional or different claims of facts relative thereto.

6.9 The parties will execute all such further and additional documents as shall be reasonable, convenient, necessary or desirable to carry out the provisions of this Agreement.

6.10 Plaintiffs agree to hold Defendant harmless from, and defend and indemnify Defendant from, the claims of any and all medical care providers and/or lienholders, including but not limited to Medicare or MediCal, providing medical services to Plaintiffs as a result of the subject accident.

7. *SETTLEMENT*: This Agreement effects the settlement of claims which are denied and contested, and nothing contained herein shall be construed as an admission by any party hereto of any liability of any kind to any other party. Each of the parties hereto denies any liability in connection with any claim and intends hereby solely to avoid litigation and buy its peace.

8. *MISCELLANEOUS*:

8.1 This Agreement shall be deemed to have been executed and delivered within the State of California and the rights and obligations of the parties hereto shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

8.2 This Agreement is the entire Agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This Agreement may be amended only by an agreement in writing, signed by the parties thereto.

8.3 This Agreement is binding upon and shall inure to the benefit of the parties hereto, their respective agents, employees, representatives, officers, directors, divisions, subsidiaries, affiliates, assigns, heirs, successors in interest and shareholders.

8.4 Each party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against

any party.

8.5 In the event of litigation relating to this Agreement, the prevailing party shall be entitled to attorney's fees and costs.

8.6 This Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding upon and effective as to all parties.

8.7 This Agreement, consisting of four pages, is made and entered into on and as of March 3, 2022, in Redlands, California, and is effective as of this date.

BY: _____
HEIDI KIRKENDOLL, Plaintiff

CITY OF REDLANDS

BY: _____
PAUL T. BARICH, Mayor

CITY OF REDLANDS

BY: _____
JEANNE DONALDSON, City Clerk

APPROVED AS TO FORM AND CONTENT:

_____
Lewis W. Duong, Law Office of Lewis W. Duong
Attorney for Plaintiffs Heidi Kirkendoll

_____
Bruce E. Disenhouse, Disenhouse Law APC
Attorney for Defendant City of Redlands

"A City That Works"

City Council Meeting **I. 9.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Report regarding Emergency Resolution No. 8065 proclaiming the existence of a local emergency in response to COVID-19 (Coronavirus Disease 2019) (Interim Fire Chief Sessler)

DISCUSSION:

On March 17, 2020, the City Council adopted Resolution No. 8065 proclaiming the existence of a "local emergency" in accordance with Chapter 2.52 of the Redlands Municipal Code and determined that there was substantial evidence to proclaim a local emergency due to COVID-19 Pandemic. This proclamation was done after the declaration of a public emergency by the United States Department of Public Health and Human Services, the State of California, and the County of San Bernardino County Health Officer and the Board of Supervisors.

Since the declaration of the local emergency, the City's Emergency Operations Center was activated and remains at a Level III activation. Additionally, several measures were put in place to adhere to California Department of Public Health and to keep employees and residents safe. As of this time, all City facilities and services listed below are being provided to the public while adhering to state guidelines pertaining to the use of masks and physical distancing:

- The City facilities reopened on May 3, 2021, adhering to public health orders that remain in effect.
- The Library and the Lincoln Shrine remain open to the public with limited hours of operation.
- The gymnasium/community center and Senior Center facilities remain open with no max capacity.
- Dance and fitness classes, as well as court rentals remain open between the hours of 10:00am to 7:00pm, Monday through Friday.
- Sports fields remain open for recreational activities such as tennis, pickleball, and golf programs, as well as for individual fitness opportunities.
- The Household Hazardous Waste facility remains open on Saturdays from 9:00 a.m. to 2:00 p.m.

- Regular City Council, Planning Commission, as well as city board and commission meetings are being held in person.
- Updated protocols for the use of Personal Protective Equipment for all Fire Department Operations personnel.
- Updated protocols for in-person contact with persons reporting crimes.

Updates for San Bernardino County

San Bernardino County, along with the rest of the state, fully reopened its economy on June 15, 2021, eliminating various restrictions and discontinuing the color-coded county tier system.

- Restaurants, bars, retail stores, theaters, hotels and entertainment centers have returned to usual operations with no capacity limitations and no requirements for social distancing.
- Fully vaccinated individuals can resume activities without wearing a mask or physically distancing, except where required by federal, state, local, tribal, or territorial laws, rules, and regulations, including local business and workplace guidance.
- The County’s primary objective now is to continue expanding vaccinations of residents, and it has made obtaining a vaccine simple, easy and cost free.

Emergency Operations Planning and Response

The Emergency Operations Center (EOC) remains activated at a Level III since it was originally activated on March 16, 2020. A team of Responders was put together consisting of several City Department staff including Fire, Police, Information Technology, Human Resources Risk & Safety Division, Finance, and the City Manager's Office. The objective of the EOC Team, and the City as a whole, is to provide and maintain the safety for all City employees and the community, to keep essential services open and available to the community, provide a consistent message, and reduce the risk of the exposure and spread of COVID-19. Responders met regularly for status briefings and to ensure proper preparation, planning, prevention, and response to the COVID-19 pandemic.

With a focus on preparation, planning, prevention, and response, the EOC Team included specific roles for a PIO (primary and alternate), for the dissemination of consistent and critical information, a Safety Officer, and a Community Liaison. Additional categories were also added for Operations, Logistics, and Finance & Recovery. The focus of Finance & Recovery is to track personnel and non-personnel expenditures related to COVID-19 in order to seek reimbursement from the state.

The Latest COVID-19 Statistics:

As of Wednesday, March 2, 2022, COVID-19 numbers in the city of Redlands are as follows:

Total Cases: 18,077
Community Cases: 17,576
Deaths: 306
Total Tests: 251,371

Vaccinations and Testing
Vaccinations are in good supply and readily available to any resident aged 12 and over, and there are vaccination sites located throughout the County. For more information on COVID-19 vaccinations please visit sbcovid19.com/vaccine/.

Testing appointments can be made through the San Bernardino County COVID-19 Response website as follows: https://sbcovid19.com/testing-sites/.

SUBMITTED BY:
Rich Sessler, Interim Fire Chief

RECOMMENDED BY:
Charles M. Duggan, Jr., City Manager
Janice McConnell, Assistant City Manager

Fiscal Impact

Discussion:
The fiscal impact to the City due to COVID-19 as of March 2, 2022 is as follows:
Personnel: $2,009,669.73 (Fully Burdened)
Non-Personnel: $485,970.45 (Equipment and Supplies)

Total: $2,495,640.18

"A City That Works"

City Council Meeting **I. 10.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve Resolution No. 8289 Delegating Investment Authority to the City Treasurer Pursuant to Government Code Section 53607 (Management Services / Finance Director Garcia)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motion is provided:

I move to adopt Resolution No. 8289.

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 8289 to authorize the annual delegation of duties of investing funds of the City to the City Treasurer in accordance with Government Code Section 53607.

DISCUSSION:

Government Code Section 53607 allows the City Council to delegate the authority of investing funds of the City to the City Treasurer for a one-year period.

ALTERNATIVES:

Not Applicable

STRATEGIC PLAN:

Not Applicable

SUBMITTED BY:
Danielle Garcia, Management Services/Finance Director

RECOMMENDED BY:
Robert Dawes, City Treasurer

REVIEWED BY:
Charles M. Duggan, Jr. City Manager
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager

Fiscal Impact

Discussion:
There is no fiscal impact associated with approval of this resolution.

Attachments

Resolution No. 8289

RESOLUTION NO. 8289

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS DELEGATING INVESTMENT AUTHORITY TO THE CITY TREASURER PURSUANT TO GOVERNMENT CODE SECTION 53607

WHEREAS, Government Code section 53607 authorizes the City Council to delegate the duties of investing or reinvesting funds of the City, or to sell or exchange securities so purchased, to the City Treasurer for a period not exceeding one year; and

WHEREAS, it is the desire of the City Council to delegate investment authority of City funds to the City Treasurer;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDLANDS AS FOLLOWS:

Section 1. That the City Treasurer is hereby delegated the authority to invest, or reinvest funds of the City, or to sell or exchange securities so purchased, for the period commencing on March 16, 2022, through March 15, 2023, pursuant to Government Code Section 53607.

Section 2. That the City Treasurer shall prepare a monthly report to the City Council of all transactions subject to this Resolution, as required by Government Code Section 53607.

ADOPTED, SIGNED AND APPROVED this 15th day of March, 2022.

_____
Paul T. Barich, Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

I, Jeanne Donaldson, City Clerk of the City of Redlands, hereby certify that the foregoing Resolution was duly adopted by the City Council at a regular meeting thereof held on the 15th day of March 2022, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Jeanne Donaldson, City Clerk

"A City That Works"

City Council Meeting **I. 11.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve Resolution No. 8306 approving the destruction of certain public records (Management Services/Finance Director Garcia)

MOTION(S):

I move approval of Resolution No 8306.

RECOMMENDATION:

Staff recommends that Council approve Resolution No. 8306, approving the destruction of certain public records.

DISCUSSION:

Resolution No. 6576, a resolution of the City Council of the City of Redlands Adopting Regulations Governing the Retention and Disposition of Records, was adopted by the City Council on February 20, 2007. The resolution establishes a records retention and destruction policy to meet the City's requirements under the law and to provide staff with a thorough and useful tool to manage, retain and dispose of public records.

In accordance with Resolution No. 6576, Exhibit A Section 6.02 approval by City Council and City Attorney is required when public records are destroyed without making a duplicate record, an application by the Finance/ Revenue department requesting the destruction of public records was submitted to the City Attorney for review and has been approved by him for presentation to the City Council. A description of the records is included as Exhibit "A" to Resolution No. 8306.

ALTERNATIVES:

Do not approve destruction of certain public records.

STRATEGIC PLAN:

Not Applicable.

SUBMITTED BY:
Danielle Garcia, Management Services/Finance Director

RECOMMENDED BY:
Charles M. Duggan, Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney

PREPARED BY:
Farrah Jenner, Assistant Finance Director

Fiscal Impact

Fiscal Year:	2021-2022
Revenue Generating:	No
Appropriation Required Y/N:	No
Amount:	1500
Budgeted Y/N:	Y
Account No.:	101502

Discussion:

The cost for shredding services to destroy the documents is included in the Revenue division's budget.

Attachments

Resolution 8306 Destruction of Public Records

RESOLUTION NO. 8306

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS APPROVING THE DESTRUCTION OF CERTAIN PUBLIC RECORDS

WHEREAS, the City Council of the City of Redlands adopted Resolution No. 6576 on February 20, 2007, which established regulations governing the retention and disposition of records; and

WHEREAS, in accordance with the requirements of Resolution No. 6576, the Management Services/Finance Department Revenue and Customer Service Divisions have submitted an application for the destruction of certain public records which are described in Exhibit "A" to this Resolution;

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

Section 1. That the application for the destruction of public records as described in Exhibit "A" is hereby approved.

ADOPTED, SIGNED AND APPROVED this 15th day of March, 2022.

_____
Paul T. Barich, Mayor

Attest:

_____
Jeanne Donaldson, City Clerk

I, Jeanne Donaldson, City Clerk of the City of Redlands, hereby certify that the foregoing resolution was adopted by the City Council at a regular meeting thereof held on the 15th day of March, 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Jeanne Donaldson, City Clerk

EXHIBIT "A"
REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: MANAGEMENT SERVICES/FINANCE-REVENUE	Request Date: 02/01/2022
Requesters Name and Job Title: AIMEE HOOVER, REVENUE SUPERVISOR	
Requesters Signature: Aimee Hoover	
Department Head Signature: x☑ Approved, by:	
Description of Records: 2009-2016 DAILY DEPOSIT REPORTS 2007-2009 BANK OF AMERICA DEPOSITS SLIPS 2008-2015 P/R TAXES AND INTEREST ALLOCATION 2011-2016 SPEEDPAY/ GOVPAY/ ACTIVE/GASBOY/TURBO/DHARMA/SNAP RECONS 2012-2015 NATIONWIDE/BANKING/LCNG/PAYPRO/A/P AND PAYROLL TAXES WIRES 2004-2015 EXPENDITURES AND BUDGET PREPARATION 2013-2015 POSITIVE PAY 1995-1997 HDL SALES TAX REPORTS 2007-2017 PETTY CASH REIMBURSEMENTS	
Location of Records: REVENUE DIVISION STORAGE ROOM	
Number or Quantity of Records to be destroyed: 62 BOXES	
This request is to destroy the: x☐ORIGINALS ☐ DUPLICATES ☒ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From 2010-2017	
This request is approved by City Council on: _____ Paul Barich Mayor of the City of Redlands ATTEST: _____ Jeanne Donaldson, City Clerk and approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

Certification to be attached to "Request to Destroy Public Records"

The undersigned hereby certifies as follows:

1. That the record(s) to be destroyed is/are under the management or control of the department head;
2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.

(Department head or authorized designee)

February 8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Water & Solidwaste work orders 2013	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 7 Boxes	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2013 to Dec 2013	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

The undersigned hereby certifies as follows:

1. That the record(s) to be destroyed is/are under the management or control of the department head;
2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Water, wastewater, Solid waste Rate increases 2007-2013	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 1 Box	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2007 to Dec 2013	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

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1. That the record(s) to be destroyed is/are under the management or control of the department head;
2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Meter test Results 2015	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 1 Box	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2015 to Dec 2015	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

The undersigned hereby certifies as follows:

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2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dadd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: 2010 City Bills & Sewage Dumps 2013-2015	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 1 Box	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2010 to Dec 2010, Jan 2013 - Dec 2015	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

The undersigned hereby certifies as follows:

1. That the record(s) to be destroyed is/are under the management or control of the department head;
2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Utility Billing Credit refunds / transfers, ACH, trial Balance, Penalties, Credit vouchers 2013-2016	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 6 Boxes	
This request is to destroy the: ☑ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2013 to Dec 2016	
This request is approved by City Council on:	
_____ Mayor of the City of Redlands	
ATTEST:	
_____ City Clerk	
And approved by the City Attorney on:	
_____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

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2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.

(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

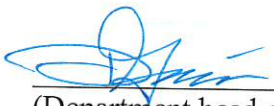
Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dedd Customer Acct Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Credit Usage Adjustments 2015-2016	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 1 Box	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2015 to Dec 2016	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

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2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Utility Billing Customer Correspondence 2008-2015	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 1 Box	
This request is to destroy the: ☑ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2008 to Dec 2015	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

The undersigned hereby certifies as follows:

1. That the record(s) to be destroyed is/are under the management or control of the department head;
2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.

(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: 2016 Solid Waste Work orders NC Charge	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 2 Boxes	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2016 to Dec 2016	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

The undersigned hereby certifies as follows:

1. That the record(s) to be destroyed is/are under the management or control of the department head;
2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Solid Waste Manifests 2016	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 1 Box	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2016 to July 2016	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

Certification to be attached to "Request to Destroy Public Records"

The undersigned hereby certifies as follows:

1. That the record(s) to be destroyed is/are under the management or control of the department head;
2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.

(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Roll Off Billing 2012-2017	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 6 Boxes	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2012 to Dec 2017	
This request is approved by City Council on:	
_____ Mayor of the City of Redlands	
ATTEST:	
_____ City Clerk	
And approved by the City Attorney on:	
_____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

J:\Forms\Destroy Public Records\Form - Request to Destroy Public Record

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4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022

Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services / Customer Service	Request Date: 12-30-21
Requester's Name and Job Title: Jessica Dodd Customer Account Specialist	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Utility Billing Stubs 2014-2016	
Location of Records: Storage	
Number or Quantity of Records to be destroyed: 35 Boxes	
This request is to destroy the: ☒ ORIGINALS ☐ DUPLICATES ☐ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From Jan 2014 to Dec 2016	
This request is approved by City Council on:	
_____ Mayor of the City of Redlands	
ATTEST:	
_____ City Clerk	
And approved by the City Attorney on:	
_____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

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2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
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4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Management Services Department/Finance Division	Request Date: 02/03/22
Requester's Name and Job Title: Elizabeth Ramirez, Accountant	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Accounts payable fiscal year 2014/2015 payment copies, registers, purchase order copies, check sign out sheets, signature authorization forms. AP Open Hold registers, Journal entries 2011-2015, AR invoices 2013-2016, Budget Documents 2010-2017	
Location of Records: Finance Department 35 Cajon Street, Suite 30 Redlands, Ca 92373	
Number or Quantity of Records to be destroyed: 5 full file cabinets of AP documents and 28 boxes.	
This request is to destroy the: ☐ ORIGINALS ☐ DUPLICATES x☒ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From 07/01/2011 to 06/30/2017	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

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Certification to be attached to "Request to Destroy Public Records"

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3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.



(Department head or authorized designee)

2/8/2022
Date

REQUEST TO DESTROY
PUBLIC RECORDS

Requesting Department/Division: Revenue	Request Date: 07/15/2021
Requester's Name and Job Title: Julie Neitzel, Accounting Technician II	
Requesters Signature:	
Department Head Signature: ☑ Approved, by:	
Description of Records: Dog license renewals fiscal year 2017-2018 and fiscal year 2018-2019, includes renewals, rabies certificates, and alteration documentation.	
Location of Records: Revenue division, 35 Cajon Street, Suite 15B (back room storage) Redlands, CA 92373	
Number or Quantity of Records to be destroyed: 3 file cabinet drawers	
This request is to destroy the: ☐ ORIGINALS ☐ DUPLICATES ☒ BOTH (Originals & Duplicates)	
Dates of each record or inclusive dates of each record series: From 07/01/2017 to 06/30/2019	
This request is approved by City Council on: _____ Mayor of the City of Redlands ATTEST: _____ City Clerk And approved by the City Attorney on: _____ City Attorney	
NOTE: Attach the department head Certification to this request when submitting for approval.	

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Certification to be attached to "Request to Destroy Public Records"

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2. That to the best of his/her knowledge, the descriptive titles, information and classifications contained in the attached request form are true and accurate;
3. That the minimum retention time periods required by the regulations contained in Resolution No. 6576 have been satisfied for all records included in the attached request form;
4. That retention of the record is no longer required for the operation of the department, or to satisfy a City Council policy adopted by resolution, or a City Council request, or by the city for administrative, historical, research, fiscal, legal or cultural purposes;
5. That the destruction or other disposition of the record will not violate state law, city regulations, or other applicable law; and
6. That it is a recommendation by the head of the applicable city department that the record(s) should be destroyed.

(Department head or authorized designee)

February 8/2022
Date

"A City That Works"

City Council Meeting **I. 12.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve a request for the serving and consumption of alcoholic beverages at Sylvan Park for Carol Jones' Retirement Party to be held on June 18, 2022, and determination that approval of the request is exempt from environmental review pursuant to Section 15061(b)(3) of the state's guidelines implementing the California Environmental Quality Act (Assistant City Manager Boatman)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motions are provided:

1. I move that the City Council determine that approval of the request for the consumption of alcoholic beverages within a City park during Carol Jones' Retirement Party is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act; and

2. I move to approve the request for the consumption of alcoholic beverages at Carol Jones' Retirement Party to be held on June 18, 2022.

RECOMMENDATION:

Staff recommends City Council determine that approval of the request for the serving and consumption of alcoholic beverages at Sylvan Park is exempt from further environmental review pursuant to Section 15061(b)(3) of the state's guidelines implementing the California Environmental Quality Act; and provide staff with direction regarding the request for the consumption of alcoholic beverages at Sylvan Park for Carol Jones' Retirement Party to be held on June 18, 2022.

DISCUSSION:

Carol Jones (Applicant) is hosting a party to celebrate her retirement on June 18, 2022. The Applicant has reserved Sylvan park and is requesting permission to serve beer and wine as a courtesy to her party guests. Serving alcohol at the event is scheduled to end no later than 6:00 p.m. The Redlands Municipal Code includes provisions that allow for the reservation of public areas by private parties. Staff's approval authority for the consumption of alcoholic beverages is limited to only enclosed public spaces in public parks as defined by Resolution No. 7559. Therefore, City Council approval is required for the request for the sale and consumption of alcohol.

The Applicant has provided the City with certificates of insurance for public liability insurance to protect against loss from liability for damages on account of bodily injury and property damage arising from the applicant's activity. Such insurance shall include not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate of comprehensive general liability insurance, including bodily injury and property damage coverage, together with such other additional coverage as the City's Risk Manager may determine to be prudent. Insurance coverage shall be obtained prior to the event and maintained for the duration of the applicant's activity.

The proposed project is exempt from the requirements of the California Environmental Quality Act's guidelines pursuant to Section 15061(b)(3). Section 15061(b)(3), referred to as the "general rule," applies to those activities where it is seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Approval of the project authorizes the consumption of alcoholic beverages within an existing park and City property and will not result in any physical change to the environment.

ALTERNATIVES:

The City Council may deny the request.

STRATEGIC PLAN:

Not applicable.

SUBMITTED BY:
Chris Boatman, Assistant City Manager

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director
Christopher R. Catren, Police Chief

PREPARED BY:
Larry Alms, Administrative Assistant II

Fiscal Impact

Fiscal Year: FY 2021-22

Amount: $251

Discussion:

There is no fiscal impact related to the approval of the request to serve alcohol. The park reservation fee revenue of $251.00 will be applied to the Parks Division Fund (101303).

Attachments

A. Authorization to Serve Alcohol

CITY OF REDLANDS
APPLICATION REQUESTING AUTHORIZATION TO SERVE ALCOHOL

TYPE/NAME OF EVENT: Retirement Party/Picnic

DATE OF EVENT: June 18, 2022 HOURS: 12 PM - 6 PM

LOCATION: Sylvan Park

APPLICANT'S INFORMATION:

INDIVIDUAL/ORGANIZATION NAME: Carol Jones

CONTACT PERSON: Carol Jones PHONE: 951-897-3161

EMAIL: puddr@aol.com ADDRESS: 1523 Henrietta St.

EVENT INFORMATION:

ARE FEES BEING CHARGED FOR EVENT? YES ☐ NO ☑ PRICE: _____

ARE FEES BEING CHARGED FOR ALCOHOL? YES ☐ NO ☑ PRICE: _____

TYPE OF ALCOHOL BEING SERVED: BEER ☑ WINE ☑ DISTILLED SPIRITS ☐

RELEASE, HOLD HARMLESS AND AGREEMENT NOT TO SUE

I, the undersigned, representing Carol Jones and in consideration of being permitted to conduct the Event, agree that the members/participants of Carol Jones Party shall defend, indemnify and hold harmless the City of Redlands, its elected officials, officers, boards, commissions, agents and employees from and against any and all claims, demands, actions, suits, damages, liabilities and judgments of every kind and nature and regardless of the merit of the same, arising out of the use of City of Redlands' facilities.

The members/participants of Carol Jones Retirement Party hereby release, discharge and agree not to sue the City of Redlands for any injury, death or damages to or loss of property arising out of or in connection with this event from whatever cause.

I HAVE CAREFULLY READ THIS RELEASE, HOLD HARMLESS AND AGREEMENT NOT TO USE AND FULLY UNDERSTAND ITS CONTENTS. I REPRESENT I HAVE THE FULL AUTHORITY TO EXECUTE THIS FULL RELEASE OF LIABILITY ON BEHALF OF THE MEMBERS/PARTICIPANTS OF Carol Jones Party AND THAT I HAVE SIGNED THIS AGREEMENT ON:

Date: 01/10/2022 Signature: Carol Lynn Jones

AUTHORIZATION

Pursuant to the use of alcohol within the City property noted above, the City of Redlands grants you permission to do so with the following conditions set forth by the City Council:

ALCOHOL RELATED TO PARKS:

Redlands Municipal; Code, Section 12.44.270 does allow, pursuant to a written permit from the Quality of Life Director, a person or persons to drink or consume alcoholic beverages in public parks, only in enclosed public areas as defined by resolution of the City Council. Any other locations within the City's property requires the City Council approval and designation of the place for the sale and consumption thereof.

Tape or fencing of some kind shall be used for setting off the area for which the alcoholic beverages are served and consumed. Alcohol sales and distribution shall cease one hour prior to end of the event unless otherwise directed by RPD or ABC office.

ALCOHOL RELATED TO AIRPORT:

12.56.090: USE OF INTOXICATING LIQUOR OR DRUGS: No person shall operate or assist in the operation of any aircraft while under the influence of, or using, any intoxicating liquor or habit forming or hallucinatory or narcotic drug. No alcoholic beverage may be consumed or sold on the airport unless the city council shall have approved and designated the place for the sale and consumption thereof.

APPROVED: _____ DATE: _____ DENIED: _____ DATE: _____

CITY COUNCIL DATE (if applicable): _____

CITY OF REDLANDS – Facilities & Community Services Department
FORMAL PARK RESERVATION REQUEST

35 Cajon Street, Suite 222, P.O. Box 3005, Redlands CA 92373 (909) 798-7655 FAX (909) 335-6098
(Reservations taken year-round. No reservations made without fees/deposit paid and completion of form.)

Date/Time of Activity June 18, 2022 Date/Time of Set-up 06/18/2022 12 pm Estimated Attendance 100

Requested Park: Brookside Community Crafton Brookside Ed Hales Ford
Jennie Davis Prospect Smiley Sylvan Texonia Other

Name of Organization/Individual Carol Jones

Address 1523 Henrietta St. City Redlands State CA Zip 92373

Phone (W/H) 951-897-3161 (C) 951-897-3161 (Email) puddr@aol.com

Nature of activity (describe in detail): Retirement PartyPicnic for Carol Jones

☐ **City Department** ☒ **Redlands Citizen** ☐ **Non-Citizen**

Type of Equipment Set-up by Event Coordinator(s)

__Tables Chairs EZ Ups Decorations Flowers____Food X Stereo X Porta Potty____Temporary Trash Bins____Electricity
____Other_____

Type of Vendor/Service
__Jumper __Caterer ___Clown___Face painter_____Police_____Fire_____Other_____

Per Municipal Code 12.44.050 Outside sales are not allowed without express permission by the Quality of Life Director.
Per Municipal Code 12.44.190 No person shall cook or prepare on areas except for those specifically designated.
Per Municipal Code 5.04.090 All vendors are required to have a current business license with the City of Redlands.

Sylvan Park Picnic Areas

X **Section "A"** (select tables desired)
1 2 3 4 5 6 7 8 9
10 11 12 13 14 15 16 17

X **Gazebo** Times: 12 PM am/pm to 6 PM6 am/pm Total Hours 6

_____ **Section "C"** (select tables desired)
1 2 3 4 5 6 7

_____ **Covered Picnic Area** Times: _ am/pm to _____ am/pm Total Hours ___

Application for Amplified Sound/Other Equipment

Type of amplification/other equipment Speakers/Music/Microphone

Nature of Use Speakers/Music Time of day to be used 1 PM am/pm to 5 PM

Chapter 12, Redlands Municipal Code

Applicant shall comply with all City laws governing use of Redlands parks. Applicant shall defend, indemnify and hold harmless the City and its respective officials, officers and employees from and against any and all claims, lawsuits, damages, losses, injuries, costs and liabilities for injury (including death) to persons or property arising from or associated with applicant's and applicant's officers', employees', agents' and invitees', negligent or intentionally wrongful acts or omissions in conducting applicant's activity allowed by the approved reservation request (Permit). Applicant Initial CLJ

NOTE: This permit is subject to immediate cancellation by any Police Officer or agent of the City who determines that any provision(s) of the City's Municipal Code have been violated.

Applicant may be required to provide the City, for review and approval, certificates of insurance for public liability insurance to protect against loss from liability for damages on account of bodily injury and property damage arising from applicant's activity. Such insurance shall name on the policy or endorsement, as additional insureds, the City of Redlands and its respective elected officials, officers, employees and agents. Such insurance shall include not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate of comprehensive general liability insurance, including bodily injury and property damage coverage, together with such other additional coverage as the City's Risk Manager may determine to be prudent. Insurance coverage shall be maintained for the duration of applicant's activity. Proof of Insurance Policy No. _____ Insurance Company _____

Signature of Applicant Carol L Jones Date 01/10/2022

OFFICE USE ONLY

_ ____ Approved ____ Not Approved Authorized Signature _____ Date _____

Requirements: _____

"A City That Works"

City Council Meeting **I. 13.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve a modification to the purchase order with Universal Protection Service, LP, Doing Business As: Allied Universal Security Services to amend the total to an amount not to exceed $81,071.39, and to the purchase order with Executive Facilities Services to amend the total to an amount not to exceed $94,916.70 (Assistant City Manager Boatman)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motions are provided:

1. I move to approve the modification of the Purchase Order with Universal Protection Service, LP, Doing Business As: Allied Universal Security Services to amend the total to an amount not to exceed $81,071.39; and

2. I move to approve the modification of the Purchase Order with Executive Facilities Services, Inc. to amend the total to an amount not to exceed $94,916.70.

RECOMMENDATION:

Staff recommends that the City Council approve the modification of the purchase orders with Universal Protection Service, LP, Doing Business As: Allied Universal Security Services to amend the total to an amount not to exceed $81,071.39, and Executive Facilities Services, Inc. to amend the total to an amount not to exceed $94,916.70.

DISCUSSION:

In September 2021, the City Council approved an Assignment and Assumption Agreement (Agreement) with Redlands Community Investment Corporation which allowed the City to assume the existing service contracts and tenant agreements for the newly acquired facility located at 300 E. State Street. Included within the Agreement was the services of Universal Protection Service, LP, Doing Business As: Allied Universal Security Services for security services at the facility and Executive Facilities Services, Inc., for janitorial services at the facility. Pursuant to the approval of the Agreement, staff prepared a sole source purchase order in the amount of $50,860.08 with Allied Universal Security Services and a sole source purchase order in the amount of $47,361.28 with Executive Facilities Services, Inc.

After the acquisition of the new facility, staff determined that additional hours were required to provide adequate security coverage to the tenants of the building. The original schedule included 56 weekly hours with one security officer scheduled on the weekends. The updated schedule includes 72 hours with two security officers opening and closing the building on the weekends. In addition, as of January 1, 2022, the State of California raised the minimum wage, requiring a higher per hour rate for security services. Based on these changes, a modification to the purchase order is required to provide for expenses that will be incurred through June 30, 2022.

Due to the Covid-19 pandemic, additional janitorial services were contracted for the facility. The initial purchase order created included charges for the basic janitorial services. Based on the need to continue the increased cleaning protocols, a modification to the purchase order is required to provide for expenses that will be incurred through June 30, 2022.

ALTERNATIVES:

City Council may elect not to approve the modification to the purchase orders and direct staff accordingly.

STRATEGIC PLAN:

Not Applicable

SUBMITTED BY:
Chris Boatman, Assistant City Manager

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director
Dana Abramovitz-Daniel, Procurement Manager

PREPARED BY:
Tricia Swope, Manager, Facilities & Community Services

Fiscal Impact

Fiscal Year: 2021-22
Amount: 77,766.73
Budgeted Y/N: Y
Account No.: 101310
Discussion:

Sufficient funding for these services are included in the City Hall State Street (101310) budget for Fiscal Year 2021-22 as approved by City Council. Costs associated with any future renewal terms of the agreement will be included in subsequent budget requests prepared by the Department.

Attachments

A. Purchase Order - Allied Universal Services
B. Purchase Order - Executive Facilities Services

PURCHASE ORDER

Fiscal Year 2022

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, AND SHIPPING PAPERS.

Purchase Order Number **22210846**

Purchase Order Date **09/30/2021**

Department **FACILITIES & COMMUNITY SERVICE**

Required By **10/01/2021**

Bill To FINBIL

CITY OF REDLANDS
PO BOX 3005
REDLANDS, CA 92373
EMAIL: accountspayable@cityofredlands.org
Emailing invoice and referencing PO No. is required and will expedite payment

.

Ship To FCSHLL

FCSD City Hall
35 Cajon St
Suite 222
Redlands, CA 92373

Vendor 200779

UNIVERSAL PROTECTION SERVICE LP
DBA: ALLIED UNIVERSAL SECURITY SERVICES
PO BOX 31001-2374
PASADENA, CA 91110-2374

VENDOR PHONE NUMBER	VENDOR FAX NUMBER	VENDOR NUMBER	REQUISITION NUMBER	BUYER NAME	DELIVERY REFERENCE
		200779	12211123	Tricia Swope	Citrus Center - 300 E State St

NOTES

SECURITY SERVICE-CITRUS CENTER 300 E STATE ST

PURCHAES ORDER TERM:
OCTOBER 1, 2021 - JUNE 30, 2022.

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PURCHASE ORDER AS PER CITY COUNCIL APPROVAL AND ASSIGNMENT AND ASSUMPTION AGREEMENT DATED SEPTEMBER 21, 2021

.

PURCHASE ORDER WILL BE VALID ONLY WITH A CURRENT APPROVED MINIMUM LIABILITY COVERAGE ON FILE WITH RISK MANAGEMENT.

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NOT TO EXCEED DOLLAR AMOUNT PER PO TERM. THIS PO WILL BE CLOSED WHEN THE TOTAL AMOUNT IS EXHAUSTED.

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ITEM #	DESCRIPTION	QUANTITY	UOM	UNIT PRICE	EXTENDED PRICE
1	PROVIDE UNARMED, UNIFORMED PROFESSIONAL SECURITY OFFICERS FOR THE CITY OF REDLANDS LOCATED AT CITRUS CENTER - 300 E STATE ST.	1.0000	EA	$50,860.0800	$50,860.08

PURCHASING DIVISION - 1270 W. PARK AVE. REDLANDS, CA 92373 - Email: Purchasing@cityofredlands.org

Deana Abramovich-Daniel
PROCUREMENT MANAGER

Total Ext. Price $50,860.08

Purchase Order Total $50,860.08

PLEASE SEE ATTACHED PURCHASE ORDER TERMS AND CONDITIONS

CITY OF REDLANDS
PURCHASE ORDER TERMS AND CONDITIONS
unless otherwise specified in an executed agreement, the following shall apply

1. INVOICES: Each purchase order is to be invoiced separately and all invoices shall be submitted to the billing address as shown on the front of the Purchase Order. All invoices, shipping documents, correspondence, and-related papers must have the purchase order number and consignee shown clearly in their face.
2. PACKAGING AND DRAYAGE: Unless so specified on the Purchase Order and evidenced by a copy of the freight bill attached to the invoice, there shall be no charge to the City for either packaging and/or drayage
3. INSPECTION: All materials and workmanship provided under the terms of the Purchase Order are subject to inspection and test by the City to ensure compliance with the requirements and specifications contained therein. In the event that the goods or services delivered are defective, or are not in conformity with the Purchase Order, the City shall have the right to either reject said goods or services, or require that they be corrected or otherwise brought into conformity with the terms set forth in the Purchase Order.
4. RESPONSIBILITIES: Unless otherwise specified in the Purchase Order, the supplier/contractor shall be responsible for all items covered in said Purchase Order until delivered at the designated delivery point and thereafter accepted by the City. Supplier/contractor shall bear all risks as the goods and services provided until they are finally accepted by the City. Upon the City's notice to supplier/contractor of its rejection of the goods or services provided or the need for the correction thereof. All such defective goods or services shall be removed from City premises, and any and all expenses incurred in the removal and/or correction of such defective goods or services shall be borne entirely by the supplier/contractor.
5. ACCEPTANCE: The City's final acceptance of the goods or services provided under the Purchase Order shall be conclusive except in those instances where a latent defect or fraud is subsequently discovered, or when a supplier/contractor has committed such gross mistakes that they are tantamount to a fraud. The City's failure to inspect and either accept or reject the goods or services delivered shall not relieve the supplier/contractor for the responsibility for strict compliance with the terms and specifications of the Purchase Order.
6. CHANGES: This Purchase Order may, at any time, be changed with regard to the materials or services to be furnished, the quantity ordered, the unit price, discount, delivery point or arrangements, terms or any other matters affecting a valid order. However, in order to be effective, any such change or amendment causes an increase or decrease in the cost of performance hereunder, an equitable adjustment shall be made to reflect the increase or the decrease in the cost thereof. Any such adjustment shall be subject to the written approval of the Purchasing Agent. No variation in the quality, quantity, or coat of any item called for by this Purchase Order Shall be acceptable by the City except in pursuance of a written Change Order approved by the Purchasing Agent.
7. TERMINATION: This Purchase Order may be terminated, in whole or in part, at any time, by written notice to the supplier/contractor. Such termination shall be effective with respect to the quantity, manner, and time specified in such notice. The City shall be liable at the stipulated price only for such materials and/or services as have been delivered and/or rendered and accepted as of the effective date of said written notice. The City shall not be liable for any excess cost arising out of such termination, and failure of the supplier/contractor to cease delivery and/or work upon receipt of such termination notice shall not occasion a claim for extra costs.
8. TIME IS OF THE ESSENCE: In the event that the supplier/contractor fails to perform this Purchase Order within the time specified, the Purchasing Agent may, by written notice, order the supplier/contractor to cease further deliveries and may hold the supplier/contractor liable for any damages caused to the City by reason of such delay. If no time is specified, it is expected that the supplier/contractor shall begin performance within a reasonable time after placement of the order. The City may extend periods of performance if the facts as to the cause of the delay, in sole opinion of the Purchasing Agent, justify such an extension.
9. LIABILTIY: The supplier/contractor shall defend, indemnify and hold harmless the City, its elected officials, officers, employees, and agents from all claims, losses, damages, costs, expenses and suits, in law or in equity, because of personal injury, property damage, or alleged or actual patent infringements, based on the performance of this Purchase Order or asserted against it. Further, supplier/contractor warrants that the City shall not be responsible for any damages that may be claimed by reason or death injury of the person of the supplier/contractor's officer, agents, employees, invitees or licensees or for damage to any property of the supplier/contractor or any other damage that may arise or result at anytime because of personal injury or damage to property sustained by any other person or persons, which may have been caused or contributed by proximately or otherwise by reason of, or in course of, carrying out this Purchase Order.
10. DISPUTES: All disputes concerning questions of fact which may arise under this Purchase Order under this Purchase Order, and not disposed of by mutual agreement and/or consent, shall be decided by the sole discretion of the Purchasing Agent. All disputes concerning questions of law, which may arise under this Purchase Order, shall be decided under applicable laws of the State of California.
11. PAYMENTS: Payments shall be made upon submission of an itemized invoice, presented in duplicate of the prices stipulated in the Purchase Order and within 30 days of becoming due for supplies delivered and accepted or services rendered and accepted, less deductions if any. When requested by the supplier/contractor, payment on partial deliveries may be made whenever, in the sole discretion of the Purchasing Agent, the surrounding circumstances warrant such partial payment. In the event and, if for any reason, an overpayment is made; the City requires prompt refund of said overpayment by way of supplier/contactor's properly referenced check.
12. LICENSOR: All supplier/contractors who perform work within the City, must have on file at the Redlands City Revenue Office, a current and valid city business license.
13. CONFORMITY WITH SAFETY ORDERS: The goods and/or services covered by this Purchase Order or contract must conform to the safety order of OSHA, CAL-OSHA, and/or NIOSHA and any and all applicable material safety data sheets (MSDS).
14. PREVAILING WAGES: When applicable, the City is subject to the State of California prevailing wage laws as set forth in California Labor Code Section 1770 et seq. The contractor is responsible for determining the appropriate Department of Industrial Relations (DIR) classification for the various employees and subcontractors used for a particular project or service. The rates for each classification are posted on the DIR website at http://www.dir.ca.gov/DIRdatabases.html. All contractors performing work for the City are responsible for abiding by all applicable prevailing wage laws, and must furnish the City with Certified Payroll Records upon request.

PURCHASE ORDER

Fiscal Year 2022

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, AND SHIPPING PAPERS.

Purchase Order Number **22210845**

Purchase Order Date **09/30/2021**

Department **FACILITIES & COMMUNITY SERVICE**

Required By **10/01/2021**

Bill To FINBIL

CITY OF REDLANDS
PO BOX 3005
REDLANDS, CA 92373
EMAIL: accountspayable@cityofredlands.org
Emailing invoice and referencing PO No. is required and will expedite payment

Ship To FCSHLL

FCSD City Hall
35 Cajon St
Suite 222
Redlands, CA 92373

Vendor 200776

EXECUTIVE FACILITIES SERVICES INC
6865 WEAVER ST
RIVERSIDE, CA 92504

VENDOR PHONE NUMBER	VENDOR FAX NUMBER	VENDOR NUMBER	REQUISITION NUMBER	BUYER NAME	DELIVERY REFERENCE
		200776	12211122	Tricia Swope	

NOTES

JANITORIAL SERVICES-CITRUS CENTER 300 E STATE ST

ORDER TERM: OCTOBER 1, 2021 - JUNE 30, 2022.

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PURCHASE ORDER AS PER CITY COUNCIL APPROVAL AND ASSIGNMENT AND ASSUMPTION AGREEMENT DATED SEPTEMBER 30, 2021.

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NOT TO EXCEED DOLLAR AMOUNT PER PO TERM. THIS PO WILL BE CLOSED WHEN THE TOTAL AMOUNT IS EXHAUSTED.

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PURCHASE ORDER WILL BE VALID ONLY WITH A CURRENT APPROVED MINIMUM LIABILITY COVERAGE ON FILE WITH RISK MANAGEMENT.

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ITEM #	DESCRIPTION	QUANTITY	UOM	UNIT PRICE	EXTENDED PRICE
1	PROVIDE JANITORIAL SERVICES FOR THE CITY OF REDLANDS CITRUS CENTER LOCATED AT 300 E STATE STREET.	1.0000	EA	$47,361.2800	$47,361.28

PURCHASING DIVISION - 1270 W. PARK AVE. REDLANDS, CA 92373 - Email: Purchasing@cityofredlands.org

Deana Abramovich-Daniel
PROCUREMENT MANAGER

Total Ext. Price $47,361.28

Purchase Order Total $47,361.28

PLEASE SEE ATTACHED PURCHASE ORDER TERMS AND CONDITIONS

CITY OF REDLANDS
PURCHASE ORDER TERMS AND CONDITIONS
unless otherwise specified in an executed agreement, the following shall apply

1. INVOICES: Each purchase order is to be invoiced separately and all invoices shall be submitted to the billing address as shown on the front of the Purchase Order. All invoices, shipping documents, correspondence, and-related papers must have the purchase order number and consignee shown clearly in their face.
2. PACKAGING AND DRAYAGE: Unless so specified on the Purchase Order and evidenced by a copy of the freight bill attached to the invoice, there shall be no charge to the City for either packaging and/or drayage
3. INSPECTION: All materials and workmanship provided under the terms of the Purchase Order are subject to inspection and test by the City to ensure compliance with the requirements and specifications contained therein. In the event that the goods or services delivered are defective, or are not in conformity with the Purchase Order, the City shall have the right to either reject said goods or services, or require that they be corrected or otherwise brought into conformity with the terms set forth in the Purchase Order.
4. RESPONSIBILITIES: Unless otherwise specified in the Purchase Order, the supplier/contractor shall be responsible for all items covered in said Purchase Order until delivered at the designated delivery point and thereafter accepted by the City. Supplier/contractor shall bear all risks as the goods and services provided until they are finally accepted by the City. Upon the City's notice to supplier/contractor of its rejection of the goods or services provided or the need for the correction thereof. All such defective goods or services shall be removed from City premises, and any and all expenses incurred in the removal and/or correction of such defective goods or services shall be borne entirely by the supplier/contractor.
5. ACCEPTANCE: The City's final acceptance of the goods or services provided under the Purchase Order shall be conclusive except in those instances where a latent defect or fraud is subsequently discovered, or when a supplier/contractor has committed such gross mistakes that they are tantamount to a fraud. The City's failure to inspect and either accept or reject the goods or services delivered shall not relieve the supplier/contractor for the responsibility for strict compliance with the terms and specifications of the Purchase Order.
6. CHANGES: This Purchase Order may, at any time, be changed with regard to the materials or services to be furnished, the quantity ordered, the unit price, discount, delivery point or arrangements, terms or any other matters affecting a valid order. However, in order to be effective, any such change or amendment causes an increase or decrease in the cost of performance hereunder, an equitable adjustment shall be made to reflect the increase or the decrease in the cost thereof. Any such adjustment shall be subject to the written approval of the Purchasing Agent. No variation in the quality, quantity, or coat of any item called for by this Purchase Order Shall be acceptable by the City except in pursuance of a written Change Order approved by the Purchasing Agent.
7. TERMINATION: This Purchase Order may be terminated, in whole or in part, at any time, by written notice to the supplier/contractor. Such termination shall be effective with respect to the quantity, manner, and time specified in such notice. The City shall be liable at the stipulated price only for such materials and/or services as have been delivered and/or rendered and accepted as of the effective date of said written notice. The City shall not be liable for any excess cost arising out of such termination, and failure of the supplier/contractor to cease delivery and/or work upon receipt of such termination notice shall not occasion a claim for extra costs.
8. TIME IS OF THE ESSENCE: In the event that the supplier/contractor fails to perform this Purchase Order within the time specified, the Purchasing Agent may, by written notice, order the supplier/contractor to cease further deliveries and may hold the supplier/contractor liable for any damages caused to the City by reason of such delay. If no time is specified, it is expected that the supplier/contractor shall begin performance within a reasonable time after placement of the order. The City may extend periods of performance if the facts as to the cause of the delay, in sole opinion of the Purchasing Agent, justify such an extension.
9. LIABILTIY: The supplier/contractor shall defend, indemnify and hold harmless the City, its elected officials, officers, employees, and agents from all claims, losses, damages, costs, expenses and suits, in law or in equity, because of personal injury, property damage, or alleged or actual patent infringements, based on the performance of this Purchase Order or asserted against it. Further, supplier/contractor warrants that the City shall not be responsible for any damages that may be claimed by reason or death injury of the person of the supplier/contractor's officer, agents, employees, invitees or licensees or for damage to any property of the supplier/contractor or any other damage that may arise or result at anytime because of personal injury or damage to property sustained by any other person or persons, which may have been caused or contributed by proximately or otherwise by reason of, or in course of, carrying out this Purchase Order.
10. DISPUTES: All disputes concerning questions of fact which may arise under this Purchase Order under this Purchase Order, and not disposed of by mutual agreement and/or consent, shall be decided by the sole discretion of the Purchasing Agent. All disputes concerning questions of law, which may arise under this Purchase Order, shall be decided under applicable laws of the State of California.
11. PAYMENTS: Payments shall be made upon submission of an itemized invoice, presented in duplicate of the prices stipulated in the Purchase Order and within 30 days of becoming due for supplies delivered and accepted or services rendered and accepted, less deductions if any. When requested by the supplier/contractor, payment on partial deliveries may be made whenever, in the sole discretion of the Purchasing Agent, the surrounding circumstances warrant such partial payment. In the event and, if for any reason, an overpayment is made; the City requires prompt refund of said overpayment by way of supplier/contactor's properly referenced check.
12. LICENSOR: All supplier/contractors who perform work within the City, must have on file at the Redlands City Revenue Office, a current and valid city business license.
13. CONFORMITY WITH SAFETY ORDERS: The goods and/or services covered by this Purchase Order or contract must conform to the safety order of OSHA, CAL-OSHA, and/or NIOSHA and any and all applicable material safety data sheets (MSDS).
14. PREVAILING WAGES: When applicable, the City is subject to the State of California prevailing wage laws as set forth in California Labor Code Section 1770 et seq. The contractor is responsible for determining the appropriate Department of Industrial Relations (DIR) classification for the various employees and subcontractors used for a particular project or service. The rates for each classification are posted on the DIR website at http://www.dir.ca.gov/DIRdatabases.html. All contractors performing work for the City are responsible for abiding by all applicable prevailing wage laws, and must furnish the City with Certified Payroll Records upon request.

"A City That Works"

City Council Meeting **I. 14.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve the Planning Commission's Report on its finding of conformance with the City of Redlands General Plan, determination that approval of the proposed Purchase and Sale agreement is exempt from review under the California Environmental Quality Act, approval of a Purchase and Sale Agreement with San Bernardino Valley Municipal Water District for the acquisition of Assessor's Parcel No. 0168-091-07-0000 in the amount of $22,500, and approval of an additional appropriation in the same amount for the purchase (Assistant City Manager Boatman)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motions are provided:

1. I move that the City Council find that the Purchase and Sale Agreement for Assessor's Parcel No. 0168-091-07-0000 is exempt from review under the California Environmental Quality Act pursuant to Section 15061(b)(3) of the State Guidelines implementing CEQA; and

2. I move that the City Council approve the Purchase and Sale Agreement with San Bernardino Valley Municipal Water District for the acquisition of Assessor's Parcel No. 0168-091-07-0000 in the amount of $22,500, and approve an additional appropriation of the same.

RECOMMENDATION:

Staff recommends that the City Council find that the acquisition of Assessor's Parcel No. 0168-091-07-0000 is in conformance with the City of Redlands General Plan, determine that the Purchase and Sale Agreement with San Bernardino Valley Municipal Water District is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, approve the Purchase and Sale Agreement with San Bernardino Valley Municipal Water District, and approve the additional appropriation.

DISCUSSION:

A 2,500 square foot parcel of land located within the City's Sport Park is owned by the San Bernardino Valley Municipal Water District (District). On November 16, 2021, the City Council reviewed the District's offer as part of its closed session agenda and authorized staff to negotiate a purchase of the property.

The following is a list of salient terms of the attached purchase and sale agreement:

1. Purchase Price: $22,500
2. Opening of Escrow: Escrow opening shall be the date upon which Escrow receives a fully executed copy of the Purchase and Sale Agreement $1,000 to be deposited with escrow holder within two business days following the opening of escrow
3. Due Diligence Period of 30 days
4. Escrow shall close within five (5) days after waiver of contingencies
5. City accepts property in “as-is” condition
6. Closing Costs: Seller and Buyer each pay one-half of escrow fees

Furthermore, approval of the Purchase and Sale Agreement is exempt from review under the California Environmental Quality Act pursuant to CEQA Guidelines Section 15061(b)(3). Staff recommends the City Council determine that there is no possibility that the proposed property acquisition will result in a physical change in the environment. The acquisition includes the purchase of existing property that will continue to be utilized as a public park. Section 15061(b)(3) states that an activity is covered by the "common sense" exemption where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The approval of the agreement will only transfer ownership of the subject property and will not result in a physical change in the environment. Therefore, the proposed purchase is exempt from further CEQA review.

Determination of General Plan Conformity

Prior to acquisition or sale of real property by a local agency, Government Code Section 65402 requires that such acquisition or sale be submitted to the Planning Commission for an evaluation as to its conformity with the General Plan. The proposed sale herein for the property identified as APN 0168-091-07-0000 was submitted to the Planning Commission for evaluation on February 22, 2022.

The Planning Commission (Commission) evaluated the proposed acquisition for General Plan conformity and provided its report through the adoption of a resolution (Attachment B). Through the adoption of this resolution, the Commission found that the sale would be in conformance with the General Plan

in that it is consistent with General Plan Policies.

While the Commission approved the aforementioned resolution, determining that the acquisition of the property is in conformance with the General Plan, the final determination on General Plan conformity is at the discretion of the City Council, and it is staff's recommendation that the acquisition of the property is in conformance with the General Plan.

ALTERNATIVES:

City Council may elect not to approve the Purchase and Sale Agreement and direct staff accordingly.

STRATEGIC PLAN:

Not applicable

SUBMITTED BY:
Chris Boatman, Assistant City Manager

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director

PREPARED BY:
Tricia Swope, Manager, Facilities & Community Services

Fiscal Impact

Fiscal Year:	FY 2021-22
Appropriation Required Y/N:	Y
Amount:	22,500
Account No.:	250400

Discussion:

Staff is recommending an additional appropriation in the amount of $22,500, for the purchase of this property which will be offset with the release of Park Development Funds. The current cash balance of Park Development Fund (250) is $1,823,899 with a projected Fiscal Year 2021/22 unrestricted cash balance of $1,872,320.

Attachments

A. Purchase and Sale Agreement with SBVMWD
B. Map of Property
C. Additional Appropriation Form

PURCHASE AND SALE AGREEMENT

AND IRREVOCABLE ESCROW INSTRUCTIONS

by and between

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT,

a California municipal water district,

as

"Seller",

and

CITY OF REDLANDS,

a California municipality,

as

"Buyer"

TABLE OF CONTENTS

ARTICLE I PURCHASE AND SALE 1

Section 1.1 Agreement of Purchase and Sale. 1
Section 1.2 Purchase Price. 2
Section 1.3 Payment of Purchase Price. 2
Section 1.4 Deposit. 2
Section 1.5 Deposit as Liquidated Damages. 2

ARTICLE II TITLE 3

Section 2.1 Delivery of Title Documents. 3
Section 2.2 Title Examination. 3
Section 2.3 Permitted Exceptions. 4

ARTICLE III ESCROW AND CLOSING 5

Section 3.1 Opening of Escrow. 5
Section 3.2 Seller's Deposits. 5
Section 3.3 Buyer's Deposits. 6
Section 3.4 Concurrent Conditions. 6
Section 3.5 Closing. 6
Section 3.6 Closing Procedure. 6
Section 3.7 Recording and Distribution of Documents. 7
Section 3.8 Conditions Precedent to Obligation of Buyer. 7
Section 3.9 Conditions Precedent to Obligation of Seller. 7
Section 3.10 Credits and Prorations. 8
Section 3.11 Transaction Taxes and Closing Costs. 9

ARTICLE IV DUE DILIGENCE 10

Section 4.1 Due Diligence. 10
Section 4.2 Inspection of Seller's Documents. 10
Section 4.3 Physical Inspection. 11

ARTICLE V REPRESENTATIONS AND WARRANTIES 12

Section 5.1 Representations and Warranties of Seller. 12
Section 5.2 Disclaimer of Further Representations and Warranties. 13
Section 5.3 Release. 16
Section 5.4 Definitions 16

Section 5.5 Representations and Warranties of Buyer. 17
Section 5.6 Buyer's Investigations. 18
Section 5.7 Buyer's Indemnity. 18
Section 5.8 Procedure for Claims. 19

ARTICLE VI DEFAULT 20

Section 6.1 Default. 20
Section 6.2 Default by Buyer. 20
Section 6.3 Default by Seller. 20

ARTICLE VII CONDEMNATION 20

Section 7.1 Definition of Terms. 20
Section 7.2 Taking. 20
Section 7.3 Distribution of Award. 21

ARTICLE VIII BROKERAGE COMMISSIONS 21

Section 8.1 Brokers. 21

ARTICLE IX MISCELLANEOUS 21

Section 9.1 Incorporation of Recitals and Exhibits. 21
Section 9.2 Successors and Assigns. 21
Section 9.3 Notices. 21
Section 9.4 Entire Agreement. 22
Section 9.5 Modifications. 22
Section 9.6 Further Assurances. 22
Section 9.7 Counterparts. 23
Section 9.8 Electronic Signatures. 23
Section 9.9 Severability. 23
Section 9.10 Applicable Law. 23
Section 9.11 No Third Party Beneficiary. 23
Section 9.12 Captions. 23
Section 9.13 Construction. 23
Section 9.14 Recordation. 23
Section 9.15 Date of Performance. 23
Section 9.16 Attorneys' Fees. 23
Section 9.17 Time of Essence. 24

EXHIBIT “A” – LEGAL DESCRIPTION

EXHIBIT “B” – GRANT DEED

PURCHASE AND SALE AGREEMENT
AND IRREVOCABLE ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND IRREVOCABLE ESCROW INSTRUCTIONS ("***Agreement***") is made as of 15th day of March, 2022 ("***Effective Date***"), by and between San Bernardino Valley Municipal Water District, a California municipal water district organized and existing under the Municipal Water District Law of 1911 (Water Code §71000 *et seq*.) ("***Seller***"), and City of Redlands, a California municipality and general law city ("***Buyer***"). Seller and Buyer are sometimes referred to in this Agreement individually as a "***Party***" or collectively as the "***Parties***."

RECITALS

A. Seller is the owner of approximately 2,500 square feet of real property, including all improvements thereon and appurtenances thereto, generally located west of Wabash Avenue along the north line of San Bernardino Avenue in the city of Redlands, county of San Bernardino, State of California, more particularly identified as Assessor Parcel No. 0168-091-07, and more particularly described in the legal description attached as ***Exhibit "A"*** hereto and incorporated herein by this reference ("***Property***").

B. Seller desires to sell the Property to Buyer and Buyer desires to purchase the Property from Seller on the terms and conditions set forth in this Agreement.

OPERATIVE PROVISIONS

NOW, THEREFORE, incorporating the foregoing Recitals, and in consideration of the mutual covenants and conditions contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I
PURCHASE AND SALE

Section 1.1 Agreement of Purchase and Sale. Subject to the terms and conditions set forth in this Agreement, Seller agrees to sell and convey the Property to Buyer, and Buyer agrees to purchase the Property from Seller, on an AS-IS, WHERE-IS basis with all faults. It is specifically understood that Buyer, as of the Closing Date (as defined in Section 3.5), will have conducted its own due diligence in accordance with this Agreement to satisfy itself with respect to the condition of title of the Property, the physical and environmental condition of the Property, the current and future entitlements to the Property, as well as other conditions of the Property. During Buyer's due diligence of the Property, Buyer shall not rely on any representations or warranties of Seller regarding the Property, except as expressly set forth in this Agreement. An escrow account for the purpose of consummating the transactions contemplated by this Agreement ("***Escrow***") shall be established at First American Title Insurance Company, Attn: Kelly Simoneau, Senior Commercial Escrow Officer, 3281 East Guasti Road, Suite 440, Ontario, California 91761, (909) 510-6200, ksimoneau@firstam.com ("***Escrow Holder***"). Buyer and Seller will execute additional

instructions, documents, and forms provided by Escrow Holder that are reasonably necessary to close the Escrow, as directed by Escrow Holder, within seven (7) days after receipt of same.

Section 1.2 Purchase Price. The purchase price for the Property paid by Buyer to Seller will be Twenty-Two Thousand Five Hundred Dollars and Zero Cents ($22,500.00) ("***Purchase Price***").

Section 1.3 Payment of Purchase Price. The Purchase Price will be paid in full through Escrow at the Closing in cash or by wire transfer of immediately available funds to a bank account designated by Escrow Holder through written instructions provided to Buyer before the Closing.

Section 1.4 Deposit.

(a) Within two (2) business days after the Effective Date, Buyer shall deliver to the Escrow Holder the sum of One Thousand Dollars and Zero Cents ($1,000.00) ("***Deposit***"), which shall be held in Escrow pursuant to the terms of this Agreement. The Deposit shall be delivered to the Escrow Holder in good funds either by certified bank or cashier's check or by wire transfer. The Escrow Holder shall place the Deposit in an interest-bearing account on Buyer's behalf. The Deposit shall be applied to the Purchase Price in accordance with this Agreement. The Deposit shall be fully refundable to Buyer during the Title Examination Period (as defined in Section 2.2(a)) and the Contingency Period (as defined in Section 4.1). Provided this Agreement is not terminated as provided in Section 2.2(a) or Section 4.1, then Escrow Holder shall promptly release to Seller the Deposit and the Deposit shall be non-refundable to Buyer, but applicable to the Purchase Price, except as otherwise provided in this Agreement.

(b) Within five (5) business days after Escrow Holder's receipt of the Deposit, Escrow Holder shall release to Seller the amount of One Hundred Dollars and Zero Cents ($100.00) as and for independent consideration for Seller's execution of this Agreement and the granting of the Contingency Period to Buyer as herein provided. Such portion of the Deposit to be released to Seller shall be non-refundable to Buyer, but applicable to the Purchase Price.

Section 1.5 Deposit as Liquidated Damages. **THE DEPOSIT SHALL BE RETAINED BY SELLER AS LIQUIDATED DAMAGES IN THE EVENT THE SALE OF THE PROPERTY AS CONTEMPLATED IN THIS AGREEMENT IS NOT CONSUMMATED FOR ANY REASON, EXCEPT SELLER'S DEFAULT, AFTER THE EXPIRATION OF THE CONTINGENCY PERIOD. THE PARTIES ACKNOWLEDGE THAT SELLER'S ACTUAL DAMAGES IN THE EVENT THAT THE SALE IS NOT SO CONSUMMATED WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. THEREFORE, BY SEPARATELY INITIALING THIS SECTION 1.5, THE PARTIES ACKNOWLEDGE THAT THE DEPOSIT HAS BEEN AGREED UPON, AFTER NEGOTIATION, AS THE PARTIES' REASONABLE ESTIMATE OF SELLER'S DAMAGES AND AS SELLER'S EXCLUSIVE REMEDY AGAINST BUYER IN THE EVENT THE CLOSING DOES NOT OCCUR AFTER THE EXPIRATION OF THE CONTINGENCY PERIOD FOR REASONS OTHER THAN SELLER'S DEFAULT. BUYER AND SELLER AGREE TO EXECUTE ANY ADDITIONAL DOCUMENTS THAT MAY BE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS SECTION 1.5. BY THEIR SEPARATELY INITIALING THIS SECTION 1.5,**

BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTOOD THE ABOVE PROVISION COVERING LIQUIDATED DAMAGES AND THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION AT THE TIME THIS AGREEMENT WAS EXECUTED.

BUYER'S INITIALS _____ SELLER'S INITIALS _____

ARTICLE II
TITLE

Section 2.1 Delivery of Title Documents. Seller will contract with First American Title Insurance Company ("***Title Company***"), at Seller's expense, to cause Title Company to issue and deliver to Buyer within five business (5) days after the Effective Date, or a soon thereafter as may be commercially feasible: (a) a current title commitment ("***Title Report***"); and (b) legible copies of all documents referred to in the Title Report ("***Title Exception Documents***"). The Title Report and the Title Exception Documents are collectively referred to in this Agreement as the "***Title Documents***."

Section 2.2 Title Examination.

(a) Buyer shall notify Seller in writing ("***Title Notice***") no later than 5:00 p.m. (Pacific Time) on the date which is ten (10) business days after the Effective Date ("***Title Examination Period***") which exceptions to title (including survey matters), if any, will not be accepted by Buyer. If Buyer fails to timely provide Seller with the Title Notice on or before the expiration date of the Title Examination Period, then Buyer shall be deemed to have elected not to proceed with the purchase of the Property. If Buyer delivers the Title Notice to Seller objecting to any exceptions to title, then Seller shall have three (3) business days after receipt of the Title Notice to notify Buyer in writing of the following: (i) that Seller will remove the objectionable exceptions from title on or before the Closing; or (ii) that Seller elects not to cause the exceptions to be removed. If Seller fails to notify Buyer in writing of its election within the three (3) day period, Seller will be deemed to have elected not to cause the exceptions to be cured. The procurement by Seller of a commitment for the issuance of the Title Policy (as defined in Section 3.6) or an endorsement thereto satisfactory to Buyer in its reasonable discretion and insuring Buyer against any title exception which was disapproved pursuant to this Section 2.2 shall be deemed a cure by Seller of Buyer's disapproval. If Seller gives Buyer notice under clause (ii) above or fails to notify Buyer of its election, then Buyer shall have two (2) business days within which to notify Seller in writing that Buyer will nevertheless proceed with the purchase and take title to the Property subject to such exceptions, or that Buyer will terminate this Agreement ("***Buyer Written Title Election***"). If Buyer fails to provide Seller with a Buyer Written Title Election before the expiration of the two (2) day period referenced in the preceding sentence, then Buyer shall be deemed to have elected not to proceed with the purchase of the Property. If this Agreement is terminated pursuant to the foregoing provisions of this Section, then neither Party shall have any further rights or obligations under this Agreement (except for any indemnity obligations of Seller and Buyer pursuant to the other provisions of this Agreement), the Deposit and all interest thereon less escrow cancellation fees shall be returned to Buyer, and each Party shall bear its own costs incurred concerning this Agreement.

(b) If the Title Company issues an updated Title Report prior to the Closing identifying exceptions that were not included within the original Title Report ("***Additional Exceptions***"), Buyer shall notify Seller and Escrow Holder in writing (the "***Additional Title Notice***") no later than five (5) days immediately following Buyer's receipt of the updated Title Report ("***Additional Title Examination Period***"), which Additional Exceptions to title, if any, will not be accepted by Buyer. If Buyer fails to timely provide Seller with the Additional Title Notice on or before the expiration of the Additional Title Examination Period, then Buyer shall be deemed to have elected not to proceed with the purchase of the Property. If Buyer delivers the Additional Title Notice to Seller and Escrow Holder objecting to any material Additional Exceptions to title, then Seller shall have three (3) business days after receipt of the Additional Title Notice to notify Buyer and Escrow Holder in writing of the following: (i) that Seller will remove such objectionable Additional Exceptions from title on or before the Closing; or (ii) that Seller elects not to cause such Additional Exceptions to be removed. If Seller fails to notify Buyer and Escrow Holder in writing of its election within said three (3) day period, Seller shall be deemed to have elected not to cause such Additional Exceptions to be cured. The procurement by Seller of a commitment for the issuance of the Title Policy (as defined in Section 3.6 below) or an endorsement thereto satisfactory to Buyer in its reasonable discretion and insuring Buyer against any material Additional Exception that was disapproved pursuant to this Section 2.2(b) shall be deemed a cure by Seller of such disapproval. If Seller gives Buyer notice under clause (ii) above or fails to notify Buyer and Escrow Holder in writing of its election, then Buyer shall have two (2) business days within which to notify Seller and Escrow Holder in writing that Buyer will nevertheless proceed with the purchase and take title to the Property subject to such exceptions, or that Buyer will terminate this Agreement ("***Additional Title Election***"). If Buyer fails to provide Seller with an Additional Title Election prior to the expiration of the two (2) day period referenced in the preceding sentence, then Buyer shall be deemed to have elected not to proceed with the purchase of the Property. If this Agreement is terminated pursuant to the foregoing provisions of this paragraph, then neither Party shall have any further rights or obligations hereunder (except for any terms which expressly survive termination, including, but not limited to, the indemnity obligations of Seller and Buyer pursuant to the other provisions of this Agreement and except for any escrow fee owed to Escrow Holder which shall be divided equally between the Parties), the Deposit and all interest accrued thereon less escrow cancellation fees shall be returned to Buyer, and each Party shall bear its own costs incurred hereunder.

Section 2.3 Permitted Exceptions. The Property shall be conveyed subject to the following matters, which are hereinafter referred to as the "***Permitted Exceptions***":

(a) Those matters shown on Title Report that either are not objected to in writing or deemed objected to within the time periods provided in Section 2.2 above, or if objected to in writing by the Buyer, are those which Seller has elected not to remove or cure, or has been unable to remove or cure, and subject to which Buyer has elected in writing to accept the conveyance of the Property;

(b) The lien of all *ad valorem* real estate taxes, special taxes, and assessments not yet due and payable as of the Closing Date, subject to adjustment as herein provided, but specifically excluding any escape assessments or supplemental assessments relating to the period before the Closing;

(c) Local, state, and federal laws, ordinances, or governmental regulations, including, but not limited to, building and zoning laws, ordinances, and regulations, now or hereafter in effect relating to the Property; and

(d) Seller shall satisfy and discharge any liens attributable to Seller on the Property prior to or at Closing.

ARTICLE III
ESCROW AND CLOSING

Section 3.1 Opening of Escrow. Within two (2) business days after the Effective Date, Buyer and Seller shall deposit a fully executed copy of this Agreement with Escrow Holder. Upon the Opening of Escrow, Buyer shall deliver the Deposit to the Escrow Holder as provided in Section 1.4 above. If the Deposit has not been delivered as required hereunder, this Agreement shall be null and void and of no further force and effect. For purposes of this Agreement, the "***Opening of Escrow***" shall be the date on which such executed copy of this Agreement is deposited with Escrow Holder. This Agreement shall also constitute instructions to Escrow Holder. If there is any conflict between the provisions of this Agreement and the terms of any general escrow provisions agreed upon by Buyer and Seller, the provisions of this Agreement shall control.

Section 3.2 Seller's Deposits. No later than the business day immediately preceding the Closing, Seller shall deliver to Escrow Holder the following:

(a) A duly executed and notarized grant deed ("***Deed***") substantially in the form attached hereto as ***Exhibit "B"*** and by this reference made a part hereof;

(b) Such evidence as the Title Company may reasonably require as to the authority of the person or persons executing documents on behalf of Seller;

(c) Such documents as the Title Company may reasonably require to issue an ALTA Extended Coverage Owner's Policy of Title (as described in Section 3.6(d) below); provided, however, that Seller's delivery of such documents to Escrow Holder shall not be a condition to Buyer's obligation to close Escrow, and Seller's failure to deliver such documents to Escrow Holder shall not constitute a breach of Seller's obligations hereunder, if such documents are not reasonably available to Seller and the Title Company is prepared to issue an ALTA Standard Coverage Owner's Policy of Title Insurance (as described in Section 3.6(d) below);

(d) An executed closing statement reasonably acceptable to Seller;

(e) A Certification of Non-Foreign Status certifying, pursuant to Internal Revenue Code Section 1445, that Seller is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as these terms are defined in the Internal Revenue Code and U.S. Department of Treasury Regulations);

(f) A California Real Estate Withholding Exemption Certificate, signed by Seller pursuant to Revenue and Taxation Code Sections 18662 and 18668 or any successor statutes; and

(g) Such additional documents as shall be reasonably required to consummate the transaction contemplated by this Agreement.

Section 3.3 Buyer's Deposits. No later than the business day immediately preceding the Closing, Buyer shall deliver to Escrow Holder the following:

(a) The full amount of the Purchase Price, less the Deposit and interest accrued thereon applicable to the Purchase Price;

(b) An executed preliminary change of ownership report in the form prescribed by the San Bernardino County Recorder ("***PCOR***");

(c) Such evidence as the Title Company may reasonably require as to the authority of the person or persons executing documents on behalf of Buyer;

(d) An executed closing statement reasonably acceptable to Buyer; and

(e) Such additional documents as shall be reasonably required to consummate the transaction contemplated by this Agreement.

Section 3.4 Concurrent Conditions. The obligations set forth in Section 3.2 and Section 3.3 above shall be concurrent conditions for Seller and Buyer respectively to close the transaction contemplated by this Agreement.

Section 3.5 Closing. The closing of the transaction contemplated hereby ("***Closing***") shall be held in escrow through Escrow Holder within five (5) business days after expiration of the Contingency Period (as defined in Section 4.1 below) ("***Closing Date***"). Notwithstanding anything contained herein to the contrary, in the event that the Closing has not occurred on or before April 26, 2022, ("***Outside Closing Date***"), this Agreement shall automatically terminate in all respects, in which case Seller shall be entitled to the Deposit, with accrued interest, from Escrow Holder, unless all contingencies to Closing set forth herein have been satisfied and the failure of Closing to occur is the result of Seller's default, in which case Buyer's remedies shall be as set forth in Section 6.3.

Section 3.6 Closing Procedure. When each of the items described in Section 3.2 and Section 3.3 above has been deposited into Escrow and Title Company is prepared to issue the Title Policy, Escrow Holder shall on the Closing Date perform the following:

(a) Record the Deed in the Office of the San Bernardino County Recorder in the order described in Section 3.7 below;

(b) File the PCOR with the San Bernardino County Recorder thereafter;

(c) Deliver to Seller all amounts deposited by Buyer in payment of the Purchase Price, less Seller's share of closing costs and prorations as provided hereafter; and

(d) Issue and deliver to Buyer an American Land Title Association ("***ALTA***") Standard Coverage Owner's Policy of Title Insurance with liability in the amount of the Purchase

Price ("***Title Policy***") insuring title to the Property vested in Buyer subject only to the Permitted Exceptions. Buyer may elect to obtain an ALTA Extended Coverage Owner's Policy and/or any endorsements to the Title Policy provided that Buyer pays the additional premium for the extended coverage, the cost of any required survey, and the cost of any endorsements. The ability or willingness of the Title Company to issue such extended coverage policy and/or any endorsements shall not be a condition to Buyer's obligation to close Escrow.

Section 3.7 Recording and Distribution of Documents. Escrow Holder shall cause documents to be recorded concurrently and in the following order: (a) the Deed; and (b) any deeds of trust or other documents to be recorded through Escrow at Buyer's instruction. All documents delivered for recordation by Escrow Holder shall provide that they are to be returned after recordation to Escrow Holder. When originals of such recorded documents are returned to Escrow Holder, Escrow Holder shall deliver: (i) the original recorded Deed to Buyer with a copy (showing all recording information) to Seller; and (ii) any deeds of trust to the beneficiaries under such documents, with copies (showing all recording information) to Buyer and Seller.

Section 3.8 Conditions Precedent to Obligation of Buyer. The obligation of Buyer to consummate the transaction under this Agreement shall be subject to the fulfillment on or before the Closing Date of all of the following conditions, any or all of which may be waived by Buyer in its sole discretion:

(a) On the Closing Date, the Title Company shall be prepared and committed to issue to Buyer a Title Policy with coverage in the amount of the Purchase Price, showing fee title vested in Buyer, subject only to the Permitted Exceptions, and provided that Buyer may elect to obtain any additional endorsements to the Title Policy at Buyer's election and at its sole expense (unless such additional endorsement is being provided by Seller to cure a title or survey objection which Seller has elected to cure); provided, however, that the availability of any such endorsements shall not constitute a condition to Buyer's obligation to proceed with the Closing (unless such endorsement is being provided by Seller to cure a title or survey objection which Seller has elected to cure);

(b) Seller shall have delivered to Escrow Holder all of the items required to be delivered to Escrow Holder pursuant to the terms of this Agreement, including, but not limited to, those provided for in Section 3.2;

(c) All of the representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects as of the Closing Date;

(d) Seller shall have performed and observed in all material respects all covenants and agreements of this Agreement to be performed and observed by Seller as of the Closing Date; and

(e) No material physical change shall have occurred to the Property from the Effective Date up to the Closing Date, with the exception of reasonable wear and tear and any changes to the Property caused by Buyer.

Section 3.9 Conditions Precedent to Obligation of Seller. The obligation of Seller to consummate the transaction hereunder shall be subject to the fulfillment on or before the Closing

Date of all of the following conditions, any or all of which may be waived by Seller in its sole discretion:

(a) Seller shall have received the Purchase Price, as adjusted and payable in the manner provided for in this Agreement;

(b) Buyer shall have delivered to Escrow Holder all of the items required to be delivered to Escrow Holder pursuant to the terms of this Agreement, including, but not limited to, those provided for in Section 3.3;

(c) All of the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects as of the Closing Date; and

(d) Buyer shall have performed and observed in all material respects all covenants and agreements of this Agreement to be performed and observed by Buyer as of the Closing Date.

Section 3.10 Credits and Prorations.

(a) All income and expenses of the Property shall be apportioned on the basis of a 30-day month as of 12:01 a.m. (Pacific Time) on the Closing Date as if Buyer were vested with title to the Property during the entire day upon which Closing occurs. Such prorated items include, without limitation, the following:

(i) Taxes and assessments levied against the Property;

(ii) Payments on bond and assessments against the Property;

(iii) Any owner's association dues and fees, common area expenses or other expenses related to the Property; and

(iv) Any other expenses or other items pertaining to the Property which are customarily prorated between a buyer and a seller in San Bernardino County, California.

(b) Notwithstanding anything contained in Section 3.10(a), any taxes paid at or before Closing shall be prorated based upon the amounts actually paid. If taxes and assessments due and payable during the year of Closing have not been paid before Closing, Seller shall be charged at Closing an amount equal to that portion of such taxes and assessments which relates to the period before Closing (as well as any taxes and assessments for any year before the year of the Closing), and Buyer shall pay the taxes and assessments before their becoming delinquent subsequent to the Closing Date. Any such apportionment made with respect to a tax year for which the tax rate or assessed valuation, or both, have not yet been fixed shall be based upon the tax rate and/or assessed valuation fixed. To the extent that the actual taxes and assessments for the current year differ from the amount apportioned at Closing, the Parties shall make all necessary adjustments by appropriate payments between themselves within thirty (30) days after such amounts are determined following Closing. Buyer shall pay all supplemental taxes resulting from the change in ownership and reassessment occurring as of and after the Closing Date.

(c) The provisions of this Section 3.10 shall survive Closing.

Section 3.11 Transaction Taxes and Closing Costs.

(a) Seller and Buyer shall execute such returns, questionnaires and other documents as shall be required with regard to all applicable real property transaction taxes imposed by applicable federal, state, or local law or ordinance.

(b) Seller shall pay the following costs and expenses:

(i) The fees of any counsel representing Seller in connection with this transaction, except as otherwise provided in this Agreement;

(ii) The premium for the Title Policy and the fee for any endorsements to the Title Policy obtained by Seller or at Seller's direction to insure against any title objections of Buyer which Seller has agreed to cure;

(iii) One-half of the escrow fee, if any, which may be charged by the Escrow Holder or Title Company;

(iv) All recording fees incurred in connection with the transfer of the Property;

(v) Any documentary transfer taxes, including city and county transfer taxes, or similar taxes that become payable by reason of the transfer of the Property; and

(vi) Such other closing costs, if any, not expressly provided for herein that are customarily charged to sellers of commercial real property for the county in which the Property is located.

(c) Buyer shall pay the following costs and expenses:

(i) The fees of any counsel representing Buyer in connection with this transaction, except as otherwise provided in this Agreement;

(ii) The fee for any extended coverage policy and/or endorsements to the Title Policy (except for any endorsements obtained by Seller to cure or remove a title objection);

(iii) One-half of the escrow fee, if any, which may be charged by the Escrow Holder or Title Company; and

(iv) Such other closing costs, if any, not expressly provided for herein, that are customarily charged to buyers of commercial real property for the county in which the Property is located.

(d) All costs and expenses incident to this transaction and the Closing that are not specifically described above, shall be paid by the Party incurring the same.

(e) The provisions of this Section 3.11 shall survive the Closing.

ARTICLE IV
DUE DILIGENCE

Section 4.1 Due Diligence.

(a) Buyer shall have until 5:00 p.m. on the thirtieth (30th) day after the Effective Date ("***Contingency Period Expiration Date***") to conduct its due diligence regarding the Property in accordance with this Article IV ("***Contingency Period***").

(b) Buyer may, in Buyer's sole discretion, approve the condition of the Property during the Contingency Period by providing written notice to Seller ("***Approval Notice***") on or before the Contingency Period Expiration Date. If Buyer does not provide a timely Approval Notice to Seller, this Agreement and Escrow shall terminate, neither Party shall have any further rights or obligations under this Agreement (except for any indemnity obligations of Seller and Buyer pursuant to the other provisions of this Agreement), the Deposit and all interest thereon less escrow cancellation fees shall be returned to Buyer, and each Party shall bear its own costs incurred concerning this Agreement. If Buyer does provide a timely Approval Notice, the Deposit shall be released to Seller and become non-refundable, but applicable to the Purchase Price.

Section 4.2 Inspection of Seller's Documents. Within five (5) days after the Effective Date, Seller shall make available to Buyer copies of all of the following documents in the possession or control of Seller or any affiliate of Seller in connection with the Property, if any: environmental reports as to the environmental condition of the Property; environmental permits; applications or correspondence between Seller and any governmental entity in connection with any Hazardous Material (as defined in Section 5.4(b)) located in, on, or under the Property; soils reports; seismic reports; surveys; maps; tests; plans; licenses; permits (including building permits); governmental regulation documents; zoning entitlements; land use documents; availability of utilities studies; CC&Rs, easements, contracts, leases, plan studies, reports, building plans, maintenance reports, and property inspection reports, if any, that bind the Property or that will affect the use of the Property after the Close of Escrow; and other studies, reports, documents, and information pertaining to the Property, but excluding any privileged or confidential documents of Seller (collectively, "***Seller's Documents***"). Seller's Documents do not include any information which may be in the possession of a third party consultant, engineer, or other person that is not also in Seller's actual physical possession; provided, however, if Buyer determines that a relevant document may exist but is in the possession of a third party, Seller shall cooperate with Buyer in good faith to obtain a copy of such document. Seller makes no representation or warranty regarding the accuracy or completeness of any information contained in Seller's Documents, all such information being made available on an "AS-IS" basis. Seller makes no representation or warranty regarding its knowledge of third party consultants and Seller shall have no liability for failure to disclose any third party which may have knowledge regarding the Property, it being understood that Buyer shall conduct its own independent due diligence of the Property during the Contingency Period to determine the suitability of the Property for Buyer's intended purposes and whether the Seller's Documents are acceptable to Buyer, in Buyer's sole and absolute discretion. Provided Seller has provided Seller's Documents to Buyer as contemplated above, Buyer shall be deemed to have acquired the Property subject to all information and matters referenced in Seller's

Documents whether or not Buyer has elected to review Seller's Documents. If this Agreement is terminated for any reason, Buyer shall, within five (5) business days following such termination, deliver to Seller all information, surveys, studies, documents, reports, and data obtained by Buyer relating to the Property, return to Seller all of Seller's Documents, and destroy all electronic or other copies of the Seller's Documents which cannot be returned to Seller. Buyer shall thereafter continue to keep and hold all information concerning the Property in strict confidence. Buyer's obligation to keep all such information confidential shall survive the termination of this Agreement.

Section 4.3 Physical Inspection. During the Contingency Period, Buyer may enter upon the Property and conduct, at its sole expense, such inspections, surveys, tests, studies and investigations as Buyer deems necessary to determine if the physical and environmental condition of any portion of the Property, including the improvements on the Property, are acceptable to Buyer, including, without limitation, a Phase I and/or Phase II Environmental Site Survey ("***Investigations***"). The Investigations may not include intrusive physical testing (such as soil borings, water samplings, and the like), except as provided below.

Before performing any Investigation, Buyer shall: (a) provide Seller with no less than two (2) business days' prior written notice of its intended entry onto the Property; (b) if Buyer desires to conduct invasive or destructive testing, provide a written description of same to Seller and receive written approval from Seller before conducting the invasive or destructive testing, which approval may be granted or withheld in Seller's sole discretion; and (c) with respect to any entry onto the Property, including for invasive or destructive testing, provide to Seller proof of self-insurance or proof of insurance evidencing that Buyer or its contractor has procured and paid premiums for a comprehensive general liability insurance policy written on a per occurrence and not claims made basis with minimum limits of not less than One Million Dollars and Zero Cents ($1,000,000.00) per occurrence with Two Million Dollars and Zero Cents ($2,000,000.00) aggregate, naming Seller as an additional insured, including endorsements evidencing that Seller is actually insured under the policy.

In performing any Investigation, Buyer shall: (i) not disrupt the ongoing activities at the Property; (ii) conduct its activities in a diligent, reasonably quiet, expeditious, and safe manner and not allow any dangerous or hazardous conditions to occur on the Property; and (iii) comply with all applicable laws. Following any entry upon the Property to perform any Investigation, Buyer shall restore the Property to the condition in which it existed before Buyer's entry.

Buyer shall keep the Property free and clear of any mechanic's liens or materialmen's liens arising out of Buyer's entry onto the Property. Seller, at any time and from time to time, may, but will not be obligated to, post on the Property and record in the Office of the County Recorder, a notice or notices of non-responsibility regarding the Investigations.

Prior to the Closing, (A) Buyer shall confer with Seller prior to any meetings or discussions with any governmental agencies in order to establish an appropriate agenda and coordinate any presentations or questions, and (B) Buyer shall use reasonable efforts to schedule such meetings and discussions after consulting with Seller to ensure Seller's availability to attend such meetings or discussions. Under no circumstances shall Buyer propose or file any application requesting changes to or raise any issues with any of the existing development approvals without Seller's

prior written consent, such consent to be granted or withheld in Seller's sole discretion. Buyer shall not submit any written recommendations or reports regarding its Investigations or the Property to any governmental agencies or provide them to third parties, other than Buyer's attorneys, consultants, lenders, and prospective lenders who have a need to know directly in connection with the transaction contemplated under this Agreement, without the prior written consent of Seller unless required by applicable law or court or administrative order. If Buyer submits such unauthorized reports or studies, Buyer shall indemnify, defend and hold Seller and the Property harmless from any costs, claims, damages, liabilities or expenses (including reasonable attorneys' fees) associated with or arising from any submitted written recommendations or reports not approved by Seller in writing, including any remedial action required of Seller as a result thereof. A copy of all reports prepared by or for the benefit of Buyer in connection with its Investigations ("***Buyer Reports***") shall be made available to Seller, at no additional cost to Seller, upon request. Buyer shall not be deemed to have made any warranty as to the accuracy, completeness, or usefulness of any Buyer Report.

Buyer hereby agrees to indemnify, defend and hold the Property, Seller, and Seller's directors, officers, shareholders, employees, affiliates, members, agents, contractors, consultants, representatives, predecessors, heirs, successors, and assigns (collectively, "***Seller Indemnitees***") free and harmless from and against any and all losses, damages, liens, liabilities, claims, causes of action, or liabilities (including, without limitation, reasonable attorneys' fees, expert witness fees and all other costs of litigation) (collectively, "***Damages***") arising out of or relating to Buyer's (or its employees', consultants', contractors', agents' or representatives') entry upon, or actions with respect to, the Property, including, without limitation, (1) any loss, damage or liability arising from any liens placed upon the Property because of acts or omission to act by Buyer (or its employees, consultants, contractors, agents or representatives) in connection with Buyer's Investigations; (2) any personal injury or death or property damage caused by Buyer (or its employees, consultants, contractors, agents or representatives) while conducting its Investigations; and (3) any liability incurred by Seller based upon Buyer's breach of this Section 4.3, including liabilities arising from the submission of unauthorized recommendations or reports by Buyer. The foregoing indemnity obligation shall not apply to Buyer's mere discovery of any preexisting condition on the Property or the results of such discovery, unless caused by Buyer's negligence or willful misconduct. This provision shall survive termination of this Agreement or the Closing.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

Section 5.1 Representations and Warranties of Seller. Seller hereby makes the following representations and warranties to Buyer as of the Effective Date, which representations and warranties shall continue to be true and correct as of the Closing, as a condition to closing; provided, however, that to the extent any representation or warranty made by Seller is actually known by Buyer or any of Buyer's employees or agents before the Contingency Period Expiration Date to be materially untrue or inaccurate and Buyer nevertheless fails to terminate this Agreement, Buyer shall have no right under this Agreement, by reason of that particular untruth or inaccuracy, to thereafter terminate this Agreement; and provided, further, that to the extent any representation or warranty made by Seller is actually known by Buyer or any of Buyer's employees or agents, before the Closing, to be materially untrue or inaccurate and Buyer nevertheless

proceeds with that Closing, Buyer shall be deemed to have waived such representation or warranty and shall have no further rights against Seller with respect thereto:

(a) Seller is a California municipal water district and is organized and validly existing and in good standing under the laws of the State of California. Seller has the full right and authority to enter into this Agreement and to consummate or cause to be consummated the transaction contemplated by this Agreement. The persons signing this Agreement on behalf of Seller are authorized to do so by Seller;

(b) By the Closing Date, this Agreement and all documents to be executed by Seller hereunder will have been, duly authorized, executed, and delivered by Seller, and will constitute the valid and binding obligations of Seller enforceable against it in accordance with their respective terms; and

(c) The execution and delivery of this Agreement, and all other documents to be executed by Seller hereunder, will not to Seller's knowledge result in: (i) a breach or violation of (A) any governmental requirement applicable to Seller or the Property now in effect; (B) the organizational documents of Seller; (C) any judgment, order or decree of any governmental authority binding upon Seller; or (D) any agreement or instrument to which Seller is a party or by which it is bound; (ii) the acceleration of any obligation of Seller; or (iii) the creation of any lien, encumbrance, or other matter affecting title (other than the Permitted Exceptions) to the Property.

Section 5.2 Disclaimer of Further Representations and Warranties. Buyer acknowledges that as of the Closing Date, it will have had an adequate opportunity to inspect the Property, and all aspects thereof, and to investigate the Property's physical characteristics and conditions and all other matters related or relevant to the Property. Upon the Closing, and except as otherwise expressly provided in this Agreement, Buyer shall be deemed to have waived any and all objections to the physical characteristics and conditions of the Property and all other matters related or relevant to the Property, including, without limitation:

(a) The habitability, merchantability, marketability, profitability, or fitness for a particular purpose of the Property, including, without limitation, Buyer's intended use of the Property;

(b) The nature, quality, or condition of the Property, including, without limitation, with respect to water conditions, soil, geological, or geotechnical conditions (including, without limitation, soil expansiveness, corrosivity, or stability or seismic, hydrological, geological, and topographical conditions and configurations, including, without limitation, any opinions or conclusions of any soils engineer(s) retained to perform geotechnical and/or soils studies or to oversee any soils engineering aspects of developing the Property);

(c) The fact that all or a portion of the Property may be located on or near an earthquake fault line or in or near an earthquake or seismic hazard zone;

(d) Climate, air, water rights, utilities, present and future zoning, the state of current entitlements or the ability to obtain future entitlements, soil, subsoil, grading, compaction, the square footage of the Property or the size, configuration, and location of the Property, any applicable parcel maps or any conditions or obligations imposed in connection therewith, the

purpose to which the Property is suited, drainage, the existence or effect of any governmentally regulated or protected wetlands, endangered species, flora, fauna, or other natural habitat and the effect of same upon the development of the Property (including the need to obtain any governmental permits or approvals for development of the Property based upon the existence of such wetlands, habitat or other natural conditions);

(e) Any opinions or conclusions of any civil engineer retained in connection with the Property;

(f) Any opinions or conclusions of any environmental engineer or consultant retained to perform environmental or hazardous materials studies or to oversee any environmental related aspects of developing the Property;

(g) Zoning or land use requirements, or the availability of any land use entitlements, including, without limitation, sewer, water, or building permits for the Property;

(h) The compliance of the Property or its operation with any codes, laws, rules, ordinances, or regulations of any applicable governmental authority or body, including, without limitation, compliance with any environmental protection, pollution, or land use laws, rules, regulations, orders, codes, or requirements, including, but not limited to, the Americans with Disabilities Act of 1990, California Health & Safety Codes, the Federal Water Pollution Control Act, the Federal Resource Conservation and Recovery Act, the U.S. Environmental Protection Agency regulations at 40 CFR, Part 261, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("***CERCLA***"), as amended by the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C.A. § 9601 *et seq*.), as the same may be further amended or replaced by any similar law, rule, or regulation, the Resource Conservation and Recovery Act of 1976, the Clean Water Act, the Safe Drinking Water Act, the Hazardous Materials Transportation Act, the Toxic Substance Control Act, and regulations promulgated under any of the foregoing;

(i) The existence of any historical, paleontological, or archeological deposits on the Property;

(j) Any assurance, opinion, or conclusion of the availability of any zoning, development, construction, or other land use variances, including, without limitation, any variance from side, rear, or front of lot setback requirements; and

(k) Any other matter relating to the Property or to the development or operation of the Property, including, but not limited to, legal requirements, valuations, feasibility, cost, governmental permissions or entitlements, claims and obligations, licenses and other use rights and claims, any matters that would be disclosed or apparent by a survey of the Property, and the future use and operation of the Property. Seller and its agents, contractors, consultants, attorneys, and representatives shall not be liable for any relief, including damages, rescission, reformation, allowance, or adjustments based on the failure of the Property, including, but not limited to, amount of acreage, square footage, and zoning condition, to conform to any specific standard or expectation or any third party documents or information.

Buyer further acknowledges that Seller shall have no obligation to undertake the construction or completion of any on-site or off-site improvements of any kind or nature.

Buyer further acknowledges and agrees that, except for Seller's express representations and warranties set forth in this Agreement, the Property is being purchased, conveyed, and accepted by Buyer in its present condition, "AS-IS," "WHERE-IS", and "WITH ALL FAULTS," and that Buyer accepts the Property subject to all patent and/or latent physical conditions of the Property, whether or not known or discovered. Buyer acknowledges and agrees that Seller shall have no obligations whatsoever to undertake or construct any improvements or facilities to, upon, or about the Property, or any portion thereof, or on any adjacent or other property, or to process any entitlements in any way affecting the Property, or any other property, after the Closing. Buyer has investigated and has knowledge of all operative or imposed governmental laws and regulations (including, but not limited to, zoning and environmental laws and regulations, including specifically, but without limitation, the regulations of the Environmental Protection Agency, the U.S. Army Corps of Engineers, the U.S. Fish & Wildlife Service, the California Department of Fish and Wildlife, and the California Regional Water Quality Control Board, and all applicable land use laws and regulations) to which the Property may be subject, and is acquiring the Property on the basis of its review and determination of the application and effect of such laws and regulations. Buyer acknowledges that, after the Closing, it is Buyer's responsibility as the owner of the Property to comply with any such laws and regulations, including any environmental and/or biological mitigation requirements. Buyer has neither received nor relied upon any representations concerning such laws and regulations made by Seller, Seller's employees, Seller's agents, or any other person acting on behalf of Seller. Any agreements, warranties, or representations not expressly contained in this Agreement shall in no way bind Seller.

Without limiting the generality of the foregoing, Buyer understands and agrees that it takes the Property without any representations or warranties by Seller, or by any member, official, employee, or agent of Seller, regarding the existence, use, generation, manufacture, storage, transportation, release, or disposal of Hazardous Material and/or oil wells and/or underground storage tanks and/or pipelines on, under, or about the Property, or that the Property is or may be in violation of any federal, state, or local law, ordinance or regulation relating to Hazardous Material and/or oil wells and/or underground storage tanks and/or pipelines on, under or about the Property including, without limitation, soil and ground water conditions. Buyer acknowledges and understands that it must perform its own "due diligence" with respect to all environmental matters relating to the Property, inclusive of any environmental audits or assessments, and that Buyer is not relying on any environmental audits or assessments performed by or on behalf of Seller.

Buyer further understands and agrees that in the event Buyer incurs any loss or liability concerning Hazardous Material and/or oil wells and/or underground storage tanks and/or pipelines and/or other conditions relative to the Property attributable to conduct or conditions occurring or existing before Buyer's acquisition of the Property, then Buyer may look to prior owners or lessees of the Property or adjacent property, but under no circumstances shall Buyer look to Seller for any liability, contribution, or indemnification regarding Hazardous Material and/or oil wells and/or underground storage tanks and/or pipelines and/or other conditions relative to the Property. Buyer further understands and agrees that in the event it acquires the Property or any portion thereof pursuant to this Agreement, such acquisition will be done without any representations or warranties by Seller regarding responsibility for loss or liability incurred with respect to the use,

generation, manufacture, storage, transportation, release, or disposal of any Hazardous Material and/or oil wells and/or underground storage tanks and/or pipelines and/or other conditions relative to the Property. Notwithstanding anything to the contrary in this Agreement, Seller understands and agrees that: (i) a prior owner of a property containing Hazardous Material may be sued as a liable party under Environmental Law (as defined in Section 5.4(a)) for potential remediation costs as required by an applicable governmental entity, and (ii) in the event that any governmental entity or a third party asserts a claim against Seller, as the prior owner of the Property, as a result of the presence of Hazardous Material under the Property, which was present on the Property before the Closing Date, but only during such time of Seller's ownership of the Property (collectively "***Seller Third Party Environmental Claims***"), no Seller Third Party Environmental Claims shall create or give rise in any manner to any obligation of Buyer to indemnify, defend, and hold harmless Seller from any Seller Third Party Environmental Claims.

Section 5.3 Release. At such time as Buyer takes title to the Property and at all times thereafter, Buyer releases Seller from all liability relating to the Property, including, without limitation, any claims, losses, or damages that Buyer may have against Seller with respect to the Property. Buyer expressly waives any and all rights which it may have under California Civil Code section 1542, which provides:

> **"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."**

BUYER AND SELLER ACKNOWLEDGE AND AGREE THAT THE FOREGOING PROVISIONS OF SECTION 5.2 AND SECTION 5.3 HAVE BEEN FREELY BARGAINED FOR BY THE PARTIES AND CONSTITUTE A MATERIAL CONSIDERATION TO SELLER FOR THE SALE OF THE PROPERTY AND BUT FOR THIS PROVISION SELLER WOULD NOT SELL THE PROPERTY TO BUYER.

BUYER'S INITIALS _____ SELLER'S INITIALS _____

The release set forth immediately above does not extend to the obligations of Seller under this Agreement or the breach thereof by Seller.

Section 5.4 Definitions. For purposes of this Article V, the following terms shall have the following meanings:

(a) "***Environmental Law***" means any federal, state, or local statute, ordinance, rule, regulation, order, consent decree, judgment, or common-law doctrine, and provisions and conditions of permits, licenses, and other operating authorizations relating to: (i) pollution or protection of the environment, including natural resources, (ii) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals, or other substances, (iii) protection of the public health or welfare from the effects of by-products, wastes,

emissions, discharges, or releases of chemical substances from industrial or commercial activities, or (iv) regulation of the manufacture, use, or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage, and disposal.

(b) "***Hazardous Material***" is defined to include any chemical or hazardous or toxic substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (i) petroleum or oil or gas or any direct or derivative product or byproduct thereof; (ii) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25115, 25117, or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (iii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (iv) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (v) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (vi) "used oil" as defined under Section 25250.1 of the California Health and Safety Code; (vii) asbestos; (viii) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division 4.5 of Title 22 of the California Code of Regulations; (ix) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (x) designated as a "toxic pollutant" pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (xi) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq*.; (xii) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 *et seq*.; (xiii) defined as "Hazardous Material" pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 *et seq*.; (xiv) defined as such or regulated by any "Superfund" or "Superlien" law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines, as now, or at any time hereafter, in effect; and/or (xv) substances known by the State of California to cause cancer and/or reproductive toxicity.

Section 5.5 Representations and Warranties of Buyer. Buyer hereby makes the following representations and warranties to Seller as of the Effective Date, which representations and warranties shall continue to be true and correct as of the Closing, as a condition to closing:

(a) Buyer is a California municipality and is organized and validly existing and in good standing under the laws of the State of California. Buyer has the full right and authority to enter into this Agreement and to consummate or cause to be consummated the transaction contemplated by this Agreement. The person signing this Agreement on behalf of Buyer is authorized to do so;

(b) The execution and delivery of this Agreement does not, and the performance by Buyer of its obligations under this Agreement will not, to Buyer's knowledge, conflict with any provision of any law or regulation to which Buyer is subject or conflict with or result in a material breach of or constitute a material default under any of the terms, conditions, or provisions of any enforceable agreement or instrument to which Buyer is a party, or result in the creation or imposition of any lien on any of its assets or property which could materially and adversely affect the ability of Buyer to discharge its obligations hereunder and complete the transactions contemplated by this Agreement; and

(c) Buyer is a sophisticated investor and Buyer's offer and decision to purchase the Property is and will be based upon its own independent expert evaluation of the Property and any other matters deemed relevant by Buyer and its agents and advisors. Buyer has not relied upon any oral or written information from Seller, or any of Seller's employees, affiliates, brokers, agents, legal counselors, or other representatives. Buyer further acknowledges that except for express representations and warranties contained in this Agreement, no employee, agent, broker, legal counsel, or other representative of Seller has been authorized to make, and that Buyer has not relied upon, any statements or representations.

Section 5.6 Buyer's Investigations. By entering into this Agreement, and except for Seller's express representations and warranties set forth in this Agreement, Buyer has agreed to perform a thorough and its own independent investigation and evaluation of the Property and all other aspects of the transactions contemplated by this Agreement, and Buyer agrees that Buyer shall be charged with knowledge of all information which is acquired by Buyer as a result of such an investigation and evaluation or which would or should have been acquired by Buyer as a result of such investigation and evaluation. Before the Contingency Period Expiration Date, and except for Seller's express representations and warranties set forth in this Agreement, Buyer will have determined solely in reliance upon Buyer's independent investigation and evaluation of the Property, including all soil and geological conditions of the Property, that the physical condition of the Property is either acceptable or is not acceptable to Buyer and whether all present and future entitlements, zoning regulations, and other governmental requirements, site and physical conditions, title matters, and all other matters affecting the use, occupancy, value, and condition of the Property are acceptable or not acceptable to Buyer. Except for Seller's express representations and warranties set forth in this Agreement, Buyer specifically acknowledges that Buyer is not relying on Seller to indicate the relative importance or materiality of any of the instruments, records, documents, or other information made available to Buyer for review, that Buyer shall make its own determination as to the level of scrutiny it applies to such instruments, records, and documents made available to Buyer, and that Buyer will act solely in reliance upon its own investigation and evaluation of such matters.

Section 5.7 Buyer's Indemnity. In addition to and without limiting Buyer's obligations set forth above, Buyer shall indemnify, defend, and hold harmless the Seller Indemnitees (including Seller) from and against any Damages arising out of or relating to events concerning the Property occurring on and after the Closing Date, including, without limitation, any liabilities relating to Hazardous Material, the presence of which first occurred on the Property on or after the Closing Date, and liabilities arising from or relating to any construction, marketing, sale, or use of any commercial or retail use of the Property, including, without limitation, the transaction contemplated herein or other improvements constructed on the Property (collectively,

"***Liabilities***"), including, without limitation: bodily injury and/or property damage claims from third parties for construction defects; errors and omissions by Buyer and/or its contractors or subcontractors, and/or its professional soils, civil, geological, surveying, and engineering firms; soils-related issues, including, without limitation, land subsidence, slope failures, sinking, slippage, drainage, mudslide, landslide, over-watering, floods, changes to underground water resources or aquifers, or damages as a result of earthquakes or other acts of God, and/or any environmental health issues; provided, however, that the Liabilities indemnified and Buyer's indemnification hereunder shall not apply to any liability, cause of action, loss, cost, expense, claim, or damages arising solely from the negligence or willful misconduct of Seller, its agents, employees or contractors. Further, as set forth in Section 5.2, no Seller Third Party Environmental Claims shall create or give rise in any manner to any obligation of Buyer to indemnify, defend, and hold harmless Seller from any Seller Third Party Environmental Claims. The provisions of this Section 5.7 shall survive the Closing.

Section 5.8 Procedure for Claims. In the case of any claim asserted by a third party against a party entitled to indemnification under this Agreement ("***Indemnified Party***"), notice shall be given by the Indemnified Party to the Party required to provide indemnification ("***Indemnifying Party***") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and the Indemnified Party shall permit the Indemnifying Party (at the expense of such Indemnifying Party) to assume the defense of any claim or any litigation resulting therefrom; provided, that (i) the Indemnifying Party acknowledges its obligation to indemnify the Indemnified Party in writing, (ii) the counsel for the Indemnifying Party who shall conduct the defense of such claim or litigation shall be reasonably satisfactory to the Indemnified Party, and (iii) the omission by any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its indemnification obligation under this Agreement, except to the extent that such omission results in a failure of actual notice to the Indemnifying Party and such Indemnifying Party is materially prejudiced as a result of such failure to give notice. Except with the prior written consent of the Indemnified Party, no Indemnifying Party, in the defense of any such claim or litigation, shall consent to entry of any judgment or enter into any settlement that provides for injunctive or other nonmonetary relief affecting the Indemnified Party or that does not include as an unconditional term thereof the giving by each claimant or plaintiff to such Indemnified Party of a release from all liability with respect to such claim or litigation. In the event that the Indemnified Party shall in good faith determine that the conduct of the defense of any claim subject to indemnification hereunder or any proposed settlement of any such claim by the Indemnifying Party might be expected to affect adversely the Indemnified Party's tax liability or that the Indemnified Party may have available to it one or more defenses or counterclaims that are inconsistent with one or more of those that may be available to the Indemnifying Party in respect of such claim or any litigation relating thereto, the Indemnified Party shall have the right at all times to take over and assume control over the defense, settlement, negotiations, or litigation relating to any such claim at the sole cost of the Indemnifying Party. In the event that the Indemnifying Party does not accept the defense of any matter as above provided, the Indemnified Party shall have the full right to defend, at the Indemnifying Party's cost, against any such claim or demand and shall be entitled to settle or agree to pay in full such claim or demand. The Indemnifying Party and the Indemnified Party shall cooperate in the defense of any claim or litigation subject to this Section 5.8. The provisions of this Section 5.8 shall survive the Closing.

ARTICLE VI
DEFAULT

Section 6.1 Default. A Party shall be deemed to be in default under this Agreement if it fails to meet, comply with, or perform any material covenant, agreement, or obligation on its part required under this Agreement.

Section 6.2 Default by Buyer. If the sale of the Property as contemplated hereunder is not consummated due to Buyer's default hereunder, Seller shall be entitled, as its sole remedy, to terminate this Agreement and receive liquidated damages pursuant to Section 1.5 hereof plus any attorneys' fees to which it is entitled under Section 9.16 (subject to any indemnification obligations which expressly survive termination of this Agreement).

Section 6.3 Default by Seller. If the sale of the Property as contemplated hereunder is not consummated due to Seller's default hereunder, Buyer's sole remedy shall be to either (a) terminate this Agreement and receive a refund of the Deposit and all interest accrued thereon, or (b) seek specific performance of Seller's obligations under this Agreement plus any attorneys' fees to which it is entitled under Section 9.16 (subject to any indemnification obligations which expressly survive termination of this Agreement).

ARTICLE VII
CONDEMNATION

Section 7.1 Definition of Terms. The following terms used in this Article VII shall have the meanings ascribed to them below:

(a) "***Condemnation***" or "***Condemned***" shall mean the exercise of, or intent to exercise, the power of eminent domain expressed in writing, or the filing of any action or proceeding for such purpose by any person, entity, body, agency or authority having the right or power of eminent domain (the "***Condemning Authority***" herein), and shall include a voluntary sale by Seller to any such Condemning Authority, either under the threat of condemnation or while condemnation proceedings are pending, and the Condemnation shall be deemed to occur upon the actual physical taking of possession pursuant to the exercise of said power of eminent domain.

(b) "***Minor Taking***" shall mean that only a portion of the Property is Condemned and that such taking does not materially adversely affect Buyer's plan for the Property, all as determined by Buyer in its sole and absolute discretion. In the event of a Minor Taking (as determined in Buyer's sole and absolute discretion), this Agreement shall continue in full force and effect as to the remainder of the Property, the Condemnation proceeds shall be paid to Seller and the Purchase Price shall be reduced by an amount equal to such proceeds.

Section 7.2 Taking. If there is a taking before the Closing and only a portion of the Property is Condemned, but Buyer determines in its sole and absolute discretion that such taking is not a Minor Taking, Buyer shall have the right to terminate this Agreement by written notice to Seller for a period of fifteen (15) business days following receipt of written notice from Seller of such taking and upon the date in which Buyer provides such written notice of termination, this Agreement and Escrow shall terminate and neither Party shall have any further rights or obligations hereunder (except for any indemnity obligations of Seller and Buyer pursuant to the

other provisions of this Agreement), the Deposit and all interest thereon less escrow cancellation fees shall be returned to Buyer, and each Party shall bear its own costs incurred hereunder.

Section 7.3 Distribution of Award. If the Property or any portion thereof is condemned (other than through a Minor Taking) before the Closing and Buyer does not terminate this Agreement, the award from the Condemning Authority up to the amount of the Purchase Price (adjusted for prorations and closing costs as set forth herein) shall be paid to Seller, the Purchase Price shall be reduced by the amount so paid to Seller and Buyer shall acquire the remaining portions of the Property at the Closing as set forth herein. If all of the Property is taken through Condemnation before the Closing, this Agreement shall terminate, the Deposit and accrued interest less escrow cancellation fees shall be immediately returned to Buyer and neither Party shall have any further obligation hereunder (except for only indemnity obligations of Seller and Buyer pursuant to the other provisions of this Agreement).

ARTICLE VIII
BROKERAGE COMMISSIONS

Section 8.1 Brokers. Unless otherwise stated herein, Buyer and Seller each represents to the other that it has not employed, dealt with or incurred any obligation to any broker, agent or finder in connection with the Property, and that it has not incurred any obligation to pay any other real estate brokerage or other commission or fee in connection with the conveyance of the Property to Buyer. Each Party agrees that if any person or entity makes a claim for brokerage commissions or finder's fees related to the sale of the Property by Seller to Buyer, and such claim is made by, through or on account of any acts or alleged acts of said Party or its representatives, that Party will protect, indemnify, defend, and hold harmless the other Party from and against any and all Damages in connection therewith. The provisions of this Section 8.1 shall survive Closing or any termination of this Agreement.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Incorporation of Recitals and Exhibits. The Recitals set forth above and all exhibits attached to this Agreement are incorporated herein by reference.

Section 9.2 Successors and Assigns. The terms and provisions of this Agreement are to apply to and bind the heirs, executors, administrators, successors, and assigns of the Parties. Buyer may assign its rights under this Agreement without the written consent of Seller.

Section 9.3 Notices. Any notice pursuant to this Agreement shall be given in writing by: (a) personal delivery; (b) reputable overnight delivery service with proof of delivery; (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested; or (d) electronic mail transmission, sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as a Party may designate by written notice sent in accordance with this Section. Notices sent in accordance with this Section shall be deemed to have been given upon receipt or refusal to accept delivery, or, in the case of electronic mail transmission, as of the date of the electronic mail transmission provided that an original of such transmission is

also sent to the intended addressee by means described in clauses (a), (b) or (c) above. Unless changed, the addresses for notices given pursuant to this Agreement are as follows:

If to Seller: San Bernardino Valley Municipal Water District
Attn: Heather Dyer
380 East Vanderbilt Way
San Bernardino, California 92408
Telephone No.: (909) 387-9200
E-Mail: heatherd@sbvmwd.com

with a copy to: Varner & Brandt LLP
Attn: Scott R. Heil
3750 University Avenue, 6th Floor
Riverside, California 92501
Telephone No.: (951) 274-7777
E-mail: scott.heil@varnerbrandt.com

If to Buyer: City of Redlands
Attn: City Clerk
35 Cajon Street, Suite 4
Redlands, California 92373
Telephone No.: (909) 798-7531
E-mail: jdonaldson@cityofredlands.org

If to Escrow Holder: First American Title Insurance Company
Attn: Kelly Simoneau, Senior Commercial Escrow Officer
3281 East Guasti Road, Suite 440
Ontario, California 91761
Telephone No.: (909) 510-6200
E-Mail: ksimoneau@firstam.com

Section 9.4 Entire Agreement. This Agreement, including the exhibits and schedules hereto, contains the entire agreement between the Parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the Parties pertaining to such subject matter, other than any confidentiality agreement executed in connection with the Property.

Section 9.5 Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify, or discharge it in whole or in part unless such executory agreement is in writing and is signed by the Parties against whom enforcement of any waiver, change, modification, or discharge is sought.

Section 9.6 Further Assurances. Each Party agrees that it will execute and deliver such other documents and take such other action, whether before or after the Closing, as may be reasonably requested by the other Party to consummate the transaction contemplated by this Agreement. The provisions of this Section 9.6 shall survive the Closing.

Section 9.7 Counterparts. This Agreement may be executed in counterparts, all such executed counterparts shall constitute the same agreement, and the signature of any Party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

Section 9.8 Electronic Signatures. In order to expedite the transaction contemplated by this Agreement, signatures may be delivered by electronic means. Seller and Buyer hereby waive any defenses to the enforcement of the terms of this Agreement based on the form of signature. Documents which are to be recorded with the San Bernardino County Recorder, however, must bear original signatures.

Section 9.9 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect; provided that the invalidity or unenforceability of such provision does not materially adversely affect the benefits accruing to any Party.

Section 9.10 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding any choice of laws provisions. The exclusive venue for any legal action arising out of this Agreement shall be in San Bernardino County, California. Buyer and Seller agree that the provisions of this Section 9.10 shall survive the Closing or any termination of this Agreement.

Section 9.11 No Third Party Beneficiary. The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of Seller and Buyer only and are not for the benefit of any third party; and, accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

Section 9.12 Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection of this Agreement.

Section 9.13 Construction. The Parties acknowledge that the Parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to take effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any exhibits.

Section 9.14 Recordation. This Agreement may not be recorded by any Party without the prior written consent of the other Party. The provisions of this Section 9.14 shall survive the Closing or any termination of this Agreement.

Section 9.15 Date of Performance. If the date on which any performance required hereunder is other than a business day, then such performance shall be required as of the next following business day.

Section 9.16 Attorneys' Fees. If either Party fails to perform any of its obligations under this Agreement or if any dispute arises between the Parties concerning the meaning or interpretation of any provision of this Agreement, then the defaulting Party or the Party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred

by the other Party on account of such default and/or in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees, including fees for a Party's use of in-house counsel, and disbursements. Any such attorneys' fees and other expenses incurred by either Party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment.

Section 9.17 Time of Essence. Time is of the essence regarding each and every term, condition, obligation, and provision of this Agreement.

[Signature Page Follows]

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

BUYER:

CITY OF REDLANDS,
a California municipality

By: _____
Paul T. Barich, Mayor

ATTEST:

By: _____
Jeanne Donaldson, City Clerk

SELLER:

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT,
a California municipal water district

By: _____
Heather P. Dyer, CEO/General Manager

ACKNOWLEDGED

Escrow Holder executes this Agreement below for the purpose of acknowledging that it agrees to be bound by the provisions hereof.

ESCROW HOLDER:

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____

Name: _____

Its: _____

EXHIBIT "A"

LEGAL DESCRIPTION

[*To Be Inserted by Escrow Company*]

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

First American Title Insurance Company
Attn: Kelly Simoneau
3281 East Guasti Road, Suite 440
Ontario, California 91761

MAIL TAX STATEMENTS TO:

City of Redlands
Attn: Charles M. Duggan, Jr., City Manager
35 Cajon Street, Suite 200
Redlands, California 92373

APN: 0168-091-07

SPACE ABOVE LINE FOR RECORDER'S USE
NO FEE PER GOVERNMENT CODE SECTIONS 6103, 27383

EXHIBIT "B"

GRANT DEED

The undersigned Grantor(s) declare(s): Documentary Transfer Tax $_____; City Transfer Tax $_____
[ ] computed on the consideration or full value of property conveyed, OR
[ ] computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,
[ ] unincorporated area; [X] City of Redlands

EXEMPT FROM TRANSFER TAXES PER REVENUE & TAXATION CODE SECTION 11922

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, **SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**, a California municipal water district organized and existing under the Municipal Water District Law of 1911 (Water Code § 71000 *et seq*.), does hereby **GRANT** to **CITY OF REDLANDS**, a California municipality, the following described real property located in the County of San Bernardino, State of California:

See Exhibit "1"

SAID PROPERTY IS CONVEYED SUBJECT TO all liens, encumbrances, easements, covenants, conditions and restrictions of record, and all matters that would be disclosed or apparent by a survey and/or an inspection of the Property.

Dated: _____, 2022.

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

[Exhibit purposes only; not for execution]

By: _____
Heather P. Dyer
CEO/General Manager

EXHIBIT "1" TO GRANT DEED

LEGAL DESCRIPTION

[*To Be Inserted by Escrow Company*]

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)

On _____ before me, _____, Notary Public, personally appeared **HEATHER P. DYER**, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Exhibit purposes only; not for execution]

_____ (Seal)
Notary Public

Site Map





CITY OF REDLANDS
REQUEST FOR ADDITIONAL APPROPRIATION

DATE OF REQUEST: 3/1/2022

FINANCE USE ONLY
TRANSACTION NO:
ACCOUNTING PERIOD:

An additional appropriation is hereby requested as follows:

Department: Facilities & Community Services

EXPENDITURE APPROPRIATION INCREASE (if applicable)

Account Description	Orgkey	Object Code	Job Ledger (If applicable)	Amount
Park & Open Space Development	250400	8001		$ 22,500.00
			$	$ 22,500.00

REVENUE APPROPRIATION INCREASE (if applicable)

Account Description	Orgkey	Object Code	Job Ledger (If applicable)	Amount
			$	$ 0.00

JUSTIFICATION: purchase of property within Sports Park - APN 0168 091 07

Requested By: _____
Department Head

Recommended By Finance Director:

Yes ✓ No _____ Signed _____

Recommended: _____
City Manager

Comments: _____

Approved by City Council:

Date: _____

Signed: _____
City Clerk

"A City That Works"

City Council Meeting **I. 15.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve Amendment No. 1 to the Agreement with Richard Brady & Associates, Inc. to perform a seismic and structural assessment of the City's water infrastructure (Municipal Utilities and Engineering Director Harris)

MOTION(S):

If City Council determines the staff recommendation is appropriate, the following motion is provided:

I move that the City Council approve Amendment No. 1 to the Agreement with Richard Brady & Associates, Inc.

RECOMMENDATION:

Staff recommends City Council approve Amendment No. 1 to the Agreement with Richard Brady & Associates, Inc.

DISCUSSION:

The California State Water Resources Control Board (Water Board) recently issued a mandate for utility providers to assess and evaluate the condition, ability to resist seismic failure, and structural security of water infrastructure assets. On March 16, 2021, City Council executed an Agreement with Richard Brady & Associates, Inc. (Brady) to perform a seismic and structural assessment of the City's water infrastructure (Project) for an amount not-to-exceed $1,495,555.50.

Brady has worked diligently and has nearly completed the assessment. However, the assessment will not be completed prior to the April 30, 2022 Agreement deadline. Staff recommends a First Amendment to the Agreement that extends the date for termination of the services to July 31, 2022.

ALTERNATIVES:

City Council may deny approval of the First Amendment to the Agreement, although doing so will prevent completion of this project.

STRATEGIC PLAN:

N/A

SUBMITTED BY:
John R. Harris, Municipal Utilities and Engineering Director

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director
Goutam K. Dobey, Engineering Manager

PREPARED BY:
Veronica Medina, Assistant Engineer

Fiscal Impact

Discussion:

There is no fiscal impact associated with approval of First Amendment to the Agreement.

Attachments

A. First Amendment to Brady Agreement

B. Executed Agreement with Brady (Reference Only)

FIRST AMENDMENT TO AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This first amendment ("First Amendment") to the agreement to perform condition, seismic, and structural assessment for the City of Redlands' water facilities infrastructure ("Agreement"), dated March 16, 2021, by and between the City of Redlands, a municipal corporation and a general law city ("City"), and Richard Brady & Associates, Inc., a California corporation ("Consultant"), is made and entered into this 15th day of March, 2022.

RECITALS

WHEREAS, it is the desire of the City and Consultant to amend their existing Agreement to extend the time for completion of the services to July 31, 2022;

NOW, THEREFORE, for good and valuable consideration in the receipt of which is hereby acknowledge City and Consultant agree as follows:

AGREEMENT

Section 1. Section 4.2 of the Agreement, titled "Performance of Services," is hereby amended to read as follows:

"4.2 The Services shall commence on the Effective Date of this Agreement, and Consultant shall complete the Services on or before July 31, 2022, unless the Services are terminated earlier as provided for herein."

Section 2. All other provisions of the Agreement shall remain unchanged by this First Amendment and in effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment, to be effective as of March 15, 2022.

CITY OF REDLANDS

_____
Paul T. Barich, Mayor

RICHARD BRADY & ASSOCIATES, INC.

By: _____
Richard Brady, Chief Executive Officer

ATTEST:

_____
Jeanne Donaldson, City Clerk

AGREEMENT TO PERFORM PROFESSIONAL ENGINEERING SERVICES FOR CITY WATER FACILITIES INFRASTRUCTURE

This agreement for the provision of professional engineering services to perform condition, seismic, and structural assessments for the city of Redlands' water facilities infrastructure ("Agreement") is made and entered in this 16th day of March, 2021 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and Richard Brady & Associates, Inc., a California corporation ("Consultant"). City and Consultant are sometimes individually referred to herein as a "Party" and, together, as the "Parties." In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 – ENGAGEMENT OF CONSULTANT

1.1 City hereby engages Consultant to provide professional engineering services to perform condition, seismic, and structural assessments for City's water facilities infrastructure (the "Services").

1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of Services.

ARTICLE 2 – SERVICES OF CONSULTANT

2.1 The Services that Consultant shall perform are more particularly described in Exhibit "A," titled "Scope of Services," which is attached hereto and incorporated herein by reference.

2.2 Consultant shall comply with applicable federal, state and local laws and regulations in the performance of this Agreement including, but not limited to, any applicable State prevailing wage laws.

ARTICLE 3 – RESPONSIBILITIES OF CITY

3.1 City designates John R. Harris, City's Municipal Utilities and Engineering Department Director, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to performance of the Services.

ARTICLE 4 – PERFORMANCE OF SERVICES

4.1 Consultant shall perform and complete the Services in a prompt and diligent in accordance with the schedule set forth in Exhibit "B," titled "Project Schedule," which is attached hereto and incorporated herein by reference.

4.2 The Services shall commence on the Effective Date of this Agreement, and Consultant shall complete the Services on or before April 30, 2022, unless the Services are terminated earlier as provided for herein.

4.3 If Consultant's Services include deliverable electronic visual presentation materials, such materials shall be delivered in a form, and made available to the City, consistent with City Council adopted policy for the same. It shall be the obligation of Consultant to obtain a copy of such policy from City staff.

ARTICLE 5 – PAYMENTS TO CONSULTANT

5.1 Total compensation for Consultant's performance of the Services shall not exceed the amount of one million four hundred ninety five thousand five hundred fifty five dollars and fifty cents ($1,495,555.50). City shall pay Consultant on a time and materials basis up to the not to exceed amount in accordance with Exhibit "C," titled "Cost Proposal," which is attached hereto and incorporated herein by reference.

5.2 Consultant shall submit monthly invoices to City describing the Services performed during the preceding month. Consultant's invoices shall include a brief description of the Services performed, the dates the Services were performed, the number of hours spent and by whom, and a description of reimbursable expenses related to the Services. City shall pay Consultant no later than thirty (30) days after receipt and approval by City of Consultant's invoice.

5.3 Any notice or other communication required, or which may be given, pursuant to this Agreement, shall be in writing. Any such notice shall be deemed delivered (i) on the date of delivery in person; (ii) five (5) days after deposit in first class registered mail, with return receipt requested; or (iii) on the actual delivery date if deposited with an overnight courier; if confirmed with a copy sent contemporaneously by first class, certified, registered or express mail; in each case properly posted and fully prepaid to the appropriate address set forth below, or such other address as a Party may provide notice in accordance with this section:

CITY:

City Clerk
City of Redlands
35 Cajon Street
P.O. Box 3005 (mailing)
Redlands, CA 92373
jdonaldson@cityofredlands.org
Phone: (909) 798-7531

CONSULTANT:

Richard Brady, Chief Executive Officer
Richard Brady & Associates, Inc.
2655 Camino Del Rio N, Suite 100
San Diego, CA 92108
rbrady@rbrady.net
Phone: (858) 496-0500

ARTICLE 6 – INSURANCE AND INDEMNIFICATION

6.1 The following insurance coverage required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not

perform any Services unless and until the required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. Insurance policies shall include a provision prohibiting cancellation or modification of the policy except upon thirty (30) days prior written notice to City.

A. Workers' Compensation and Employer's Liability insurance in the amount that meets statutory requirements with an insurance carrier acceptable to City, or certification to City that Consultant is self-insured or exempt from the workers' compensation laws of the State of California. Consultant shall execute and provide City with Exhibit "D," titled "Workers' Compensation Insurance Certification," which is attached hereto and incorporated herein by this reference, prior to performance of the Services.

B. Comprehensive General Liability insurance with carriers acceptable to City in the minimum amount of One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate, for public liability, property damage and personal injury is required. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

C. Business Auto Liability coverage, with minimum limits of One Million Dollars ($1,000,000) per occurrence, combined single limit bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used in connection with Consultant's provision of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

D. Consultant is expressly prohibited from assigning or subcontracting any of the Services without the prior written consent of City. In the event of mutual agreement by the Parties to assign or subcontract a portion of the Services, Consultant shall add such assignee or subcontractor as an additional insured to the insurance policies required hereby and provide City with the insurance endorsements prior to any Services being performed by the assignee or subcontractor.

6.2 Consultant shall defend, indemnify and hold harmless City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any negligent act or omission by, or the willful misconduct of, Consultant, or its officers, employees and agents in performing the Services.

ARTICLE 7 – CONFLICTS OF INTEREST

7.1 Consultant covenants and represents that it does not have any investment or interest in any real property that may be the subject of this Agreement or any other source of income, interest in real property or investment that would be affected in any manner or

degree by the performance of Consultant's Services. Consultant further covenants and represents that in the performance of its duties hereunder, no person having any such interest shall perform any Services under this Agreement.

7.2 Consultant agrees it is not a designated employee within the meaning of the Political Reform Act because Consultant:

A. Does not make a governmental decision whether to:

(i) approve a rate, rule or regulation, or adopt or enforce a City law;
(ii) issue, deny, suspend or revoke any City permit, license, application, certification, approval, order or similar authorization or entitlement;
(iii) authorize City to enter into, modify or renew a contract;
(iv) grant City approval to a contract that requires City approval and to which City is a party, or to the specifications for such a contract;
(v) grant City approval to a plan, design, report, study or similar item;
(vi) adopt, or grant City approval of, policies, standards or guidelines for City or for any subdivision thereof.

B. Does not serve in a staff capacity with City and in that capacity, participate in making a governmental decision or otherwise perform the same or substantially the same duties for City that would otherwise be performed by an individual holding a position specified in City's Conflict of Interest Code under Government Code section 87302.

7.3 In the event City determines that Consultant must disclose its financial interests, Consultant shall complete and file a Fair Political Practices Commission Form 700, Statement of Economic Interests, with the City Clerk's office pursuant to the written instructions provided by the City Clerk.

ARTICLE 8 – GENERAL CONSIDERATIONS

8.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.

8.2 Consultant shall not assign any of the Services, except with the prior written approval of City and in strict compliance with the terms and conditions of this Agreement. Any assignment or attempted assignment without such prior written consent may, in the sole discretion of City, result in City's immediate termination of this Agreement.

8.3 Consultant is for all purposes under this Agreement an independent contractor and shall perform the Services as an independent contractor. Neither City nor any its agents shall have control over the conduct of Consultant or Consultant's employees, except as herein set forth. Consultant shall supply all necessary tools and instrumentalities required to

perform the Services. Assigned personnel employed by Consultant are for its account only, and in no event shall Consultant or personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City. Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind City to any obligation.

8.4 This Agreement may be terminated by City, in its sole discretion, by providing not less than five (5) days prior written notice to Consultant of City's intent to terminate. If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed Services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant. Upon receipt of a termination notice, Consultant shall immediately discontinue its provision of the Services and, within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of project related data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services. Consultant shall be compensated on a pro-rata basis for Services completed up to the date of termination.

8.5 Consultant shall maintain books, ledgers, invoices, accounts and other records and documents evidencing costs and expenses related to the Services for a period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Such books shall be available at reasonable times for examination by City at the office of Consultant.

8.6 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Except as otherwise provided for herein, any amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.

8.7 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8.8 If one or more of the sentences, clauses, paragraphs or sections contained in this Agreement is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate the remaining sentences, clauses, paragraphs or sections contained herein, unless to do so would deprive a Party of a material benefit of its bargain under this Agreement.

IN WITNESS WHEREOF, duly authorized representatives of City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

By: _____
Paul T. Barich, Mayor

RICHARD BRADY &
ASSOCIATES, INC.

By: _____
Richard Brady, Chief Executive Officer

ATTEST:

_____
Jeanne Donaldson, City Clerk

EXHIBIT "A"
SCOPE OF SERVICES

Task 1 – Project Management

The Consultant shall hold a kickoff meeting 7 days after receiving a Notice to Proceed. The Consultant shall provide the City with the agenda three days before the meeting to accommodate review and feedback as well as key attendees for the City. The Consultant shall address topics ranging from historical pictures, previous improvements completed, operational concerns, and seismic design considerations

The Consultant shall have five separate teams that shall be deployed in parallel: a concrete reservoir evaluation team (Team 1), a steel tank evaluation team (Team 2), a pump station evaluation team (Team 3), pipeline evaluation team (Team 4), and Geotechnical Investigation team (Team 5). The dive team, if required, shall be Team 6. All teams shall be managed by the Consultant's project manager, Richard Brady, P.E., BCEE.

Code requirements that need to be met:

- 2016 edition of American Society of Civil Engineers (ASCE) Standard 7 - Minimum Design Loads for Buildings and Other Structures
- 2017 edition of American Society of Civil Engineers (ASCE) Standard 41 - Seismic Evaluation and Retrofit of Existing Buildings
- ACI 350 - Code Requirements for Environmental Engineering Concrete Structures
- AWWA Standard D100-11, Welded Steel Tanks for Water Storage

Task 2 – Resource Documents and Data Review

Immediately following Notice to Proceed, the Consultant shall start a formal review of the provided as-builts, relevant sections of the City's most recent Water Master Plan, prior assessment reports, original geotechnical investigation reports (if available), and other related documents. The preliminary review shall be completed within 7 days, prior to the Kickoff Meeting.

Task 3 – Hazardous Materials Testing

The Consultant shall prepare a Hazardous Materials evaluation. The Sub-consultant shall review existing documents for the site and perform a site survey at the existing tank and collect samples for laboratory testing.

Task 4, 7, 10 – Field Investigation for Condition Assessment for Reservoirs, Pump Stations, and Transmission Mains

The site investigations shall adhere to the Consultant's custom inspection form, where they shall take detailed notes and numerous pictures while following a safety plan. The Consultant staff entering a reservoir and their associated equipment shall be disinfected prior to entry.

In the event that draining a specific reservoir is not desirable, the Consultant shall perform both a dive inspection and boat inspection. If possible, the Consultant shall perform dry inspections.

The Consultant shall complete an initial investigation of the regional geology to develop a tailored preliminary investigation plan to efficiently perform investigations at multiple sites on the same day. In order to develop the seismic design recommendations needed for the Consultant shall perform a combination of Seismic Cone Penetration Tests (SCPT) and surface geophysical surveys in lieu of exploratory borings at each of the tank and pump station locations.

The Consultant shall perform SCPTs at booster pump station sites, where possible. These shall be supplemented by hand augured borings to collect near-surface soil samples for laboratory testing. Locations where it is anticipated to result in shallow refusal of any attempted CPT or geotechnical boring, the Consultant shall perform visual geologic mapping of any exposed rock outcrops, shallow hand auger borings to refusal, and a surface geophysical survey. The Consultant shall perform either SCPT or geophysical surveys, based on the Consultant's understanding of the site geology and anticipated conditions. In cases where shallow refusal will not work for SCPT, the Consultant shall perform follow-up geophysical surveys as needed to obtain the necessary shear wave velocity data to support the seismic design.

A detailed inspection plan shall be submitted to the City for approval prior to performing the work for each reservoir site, pump station, and pipeline investigation. Inspections shall address all necessary features for proper evaluation of the existing structures including, but not limited to:

1. Water tightness of structure.
2. Functionality of the underdrain system.
3. Exterior surface of the wall and roof to locate any signs of possible deterioration or corrosion, including rust stains, efflorescence, cracks, spalling, leaks, damp spots and protective coating failures.
4. Examine the interior surface of the floor, wall and roof to locate any signs of possible deterioration or corrosion, cracks, spalling or leaks.
5. Examine floor, wall and roof integrity for deflections and joint condition.
6. Determine condition of ladders (interior and exterior) including verification of anchorage to wall or roof, soundness of rungs in side rails, and condition of fall-protection device.
7. Determine condition of roof rails, vent curb, vent cover, roof hatch, wall access hatch, drainage scuppers and down drains, and other appurtenances.
8. Examine interior piping and appurtenances including overflow structure and pipe for corrosion and restriction of flow.
9. Examine and quantify civil site deficiencies including, but not limited to, site access, security, tank aboveground piping and appurtenances condition, road and/or pavement condition, and drainage issues.
10. The Consultant shall prepare a Hazardous Materials evaluation. The Sub-Consultant shall review existing documents for the site and perform a site survey at the existing tank and collect samples for laboratory testing.

Task 5, 6, 8, 9, 11, – Condition Assessment Report and Recommendations for Reservoirs, Pump Stations, and Transmission Mains

DRAFT Predesign Reports

For reservoir assessments, the Consultant shall consider, but is not limited to, static and hydro-dynamic forces on the walls, wall reinforcing, wall base restraint capacity, roof to wall shear capacity and column design. Based on the Consultant's assessment, they shall also approximate the remaining useful life of each reservoir if repairs and upgrades are performed and also if they are not performed.

The Consultant shall prepare design and construction costs for performing rehabilitation work (if required). This comparison shall include, but is not limited to, the raw costs, as well as life cycle costs, construction duration, outage impacts, reliability, resilience, storage requirements in the subject pressure zone, community impacts, and input from City staff.

Design Workshop

The Consultant shall deliver to the City a draft Predesign Report which shall inform and create a pathway to ensure the most cost-effective solution proposed at each site is implemented in a timely fashion. Separate reports shall be prepared for reservoirs, pump stations, and the two pipelines (in a single report). Two weeks after delivering the DRAFT Predesign reports, the Consultant shall propose holding a workshop to discuss the findings and solicit feedback from the City.

FINAL Predesign Report

Following the workshop, the Consultant shall incorporate all findings and conclusions into the final Predesign Reports.

EXHIBIT "B"
PROJECT SCHEDULE

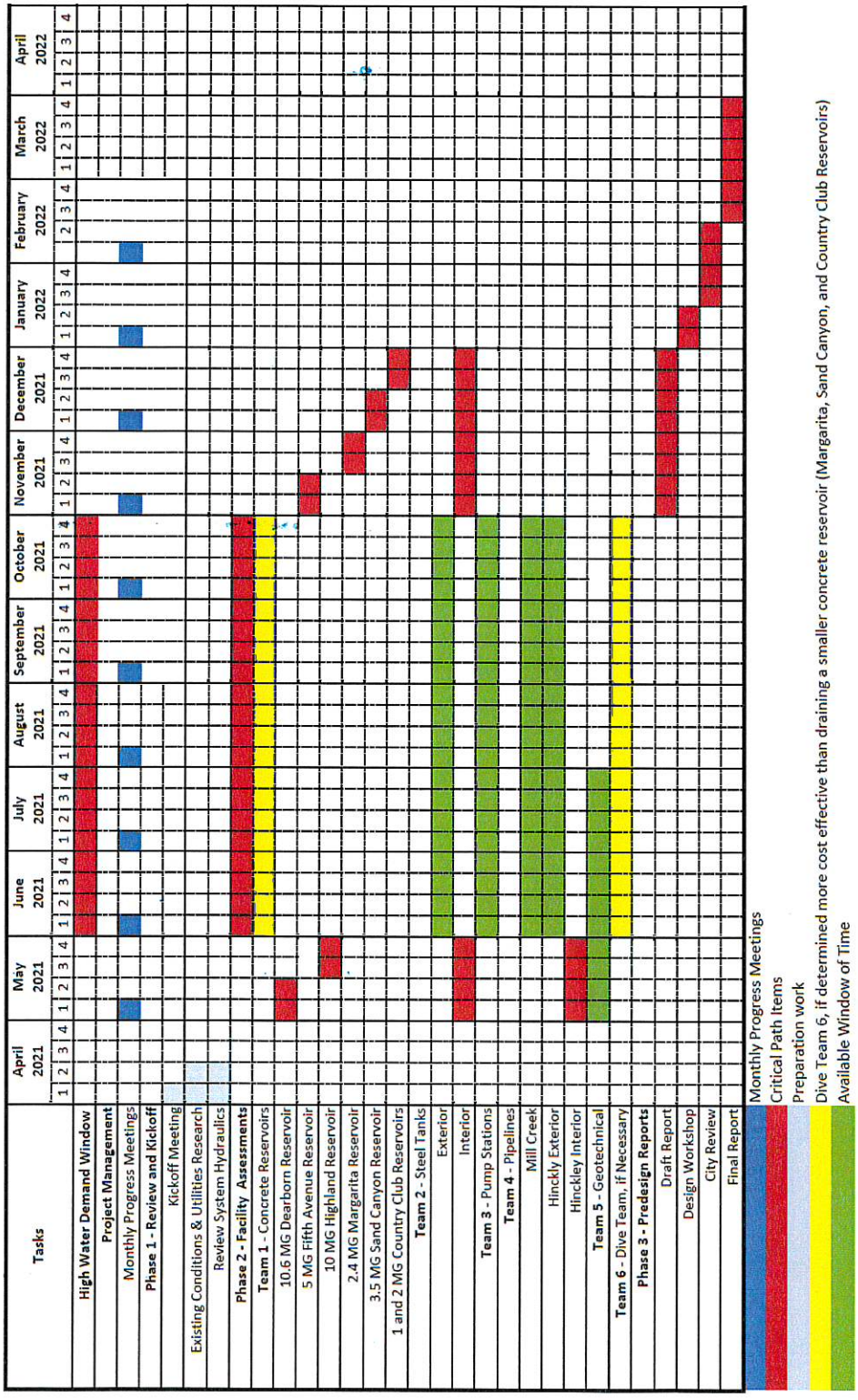


EXHIBIT "C"
COST PROPOSAL

Date 1/26/2021
Client Name City of Redlands
Project Name Condition Assessment

BRADY
Water • Power • Transportation

		Senior Program Manager/Senior Principal	Principal Engineer	Program Manager/Principal Engineer II	Project Manager	Project Manager	Associate Engineer	Associate Engineer	Project Manager	Program Manager/Principal Engineer II	Senior Program Manager/Senior Principal	Project Coordinator	Project Engineer	Program Manager/Principal Engineer II	Project Coordinator	Program Manager/Principal Engineer II	Project Engineer			SUBCONSULTANTS								
		$ 285.00	$ 275.00	$ 275.00	$ 190.00	$ 190.00	$ 120.00	$ 120.00	$ 190.00	$ 275.00	$ 315.00	$ 120.00	$ 120.00	$ 275.00	$ 120.00	$ 275.00	$ 175.00			Beyaz & Patel	Group Delta	V&A Consulting	Transmission Main Excavation & Dike Allowance	Subconsultant Multiplier	Subconsultant Total	Project Expenses	Total
		Brady, Richard D	Rivabitz, Karl	Bloomer, Tom	Del Bello, Amanda	Flinker, Jacob	Pederson, RJ	Mittel, Georgiana	Ishimura, Ryan	Murdoch, George	Dell, Christopher	Dykmans, Kevan	Murawsky, Garrett	Christopher, John	Hardy-Playle, Deborah	Biggers, Ralph L	Dellow, Deborah	HOURS	LABOR								
Task 1-	Project Management																										
Task	Project Management	40			36												36	112	$ 24,940.00		$ 1,350.00			1.05	$ 1,417.50	$ -	$ 26,357.50
Task	Contract & Invoicing				12												12	28	$ 4,860.00					1.05	$ -	$ -	$ 4,860.00
Task	Kickoff Meeting	10			8												8	26	$ 5,870.00					1.05	$ -	$ 265	$ 6,134.50
Task	Draft Condition, Seismic & Structutral Assessment Report Workshop	10			8												8	26	$ 5,870.00					1.05	$ -	$ 265	$ 6,134.50
Task	Quality Assurance/Quality Control									20								20	$ 5,500.00					1.05	$ -	$ -	$ 5,500.00
	Task 1-SUBTOTAL	60	0	0	64	0	0	0	0	20	0	0	0	0	4	0	64	212	$ 47,040.00	$ -	$ 1,350.00	$ -	$ -		$ 1,417.50	$ 529.00	$ 48,986.50
Task 2 -	Resource Documents and Data Review																										
Task	Review Documents	16	8		16	32	24	24	16			24	24	8		2	16	210	$ 36,150.00		$ 13,800.00			1.05	$ 16,590.00	$ -	$ 52,740.00
Task	Conduct Interviews - City Engineering & Operations Staff	12			10		0	0				0					10	32	$ 7,190.00					1.05	$ -	$ -	$ 7,190.00
	Task 2 -SUBTOTAL	28	8	0	26	32	24	24	16	0	0	24	24	8	0	2	26	242	$ 43,340.00	$ -	$ 13,800.00	$ -	$ -		$ 16,590.00	$ -	$ 59,930.00
Task 3 -	Hazardous Materials Testing																										
Task	Review Report - Draft				4		0	0				0					4	8	$ 1,480.00		$ 50,000.00			1.05	$ 52,500.00	$ -	$ 53,980.00
Task	Review Report - Final				2		0	0				0					2	4	$ 730.00		$ 6,000.00			1.05	$ 8,300.00	$ -	$ 7,030.00
	Task 3 -SUBTOTAL	0	0	0	6	0	0	0	0	0	0	0	0	0	0	0	6	12	$ 7,190.00	$ -	$ 56,000.00	$ -	$ -		$ 58,800.00	$ -	$ 60,990.00
Task 4 -	Field Investigation for Condition Assessment for Tanks																										
Task	Field Investigation - Steel Tanks				54		0	0				0					54	108	$ 19,710.00	$ 80,000.00		$ 20,000.00		1.05	$ 105,000.00	$ 4,316	$ 129,226.00
Task	Field Investigation - Concrete Tanks				56	112	60	60				60	30				56	454	$ 69,320.00					1.05	$ -	$ 1,858	$ 71,178.00
Task	Geotechnical - Seismic Parameters		8		4		0	0				0					4	16	$ 3,660.00		$ 68,500.00			1.05	$ 72,030.00	$ -	$ 75,690.00
	Task 4 -SUBTOTAL	0	8	0	114	112	60	60	0	0	0	60	30	0	0	0	114	578	$ 92,690.00	$ 80,000.00	$ 68,500.00	$ 20,000.00	$ -		$ 177,030.00	$ 6,174.00	$ 276,094.00
Task 5 -	Condition Assessment Report & Recommendations for Tanks																										
Task	Draft Report	4	8	12	192	320	300	300				300				2	192	1830	$ 246,110.00								
Task	Final Report	2	8	8	128	160	200	200				200				0	128	1034	$ 154,110.00					1.05	$ -	$ -	$ 246,110.00
	Task 5 -SUBTOTAL	6	16	20	320	480	500	500	0	0	0	500	0	0	0	2	320	2864	$ 400,220.00	$ -	$ -	$ -	$ -	1.05	$ -	$ -	$ 154,110.00
Task 6 -	Seismic & Structural Assessment for Tanks																										$ 400,220.00
Task	Draft Report	6	284	16	48		180	180				180				2	48	944	$ 167,140.00								
Task	Final Report	2	92	8	16		120	120				120				0	16	494	$ 77,130.00					1.05	$ -	$ -	$ 167,140.00
	Task 6 -SUBTOTAL	8	376	24	64	0	300	300	0	0	0	300	0	0	0	2	64	1438	$ 244,270.00	$ -	$ -	$ -	$ -	1.05	$ -	$ -	$ 77,130.00
Task 7 -	Field Investigation for Condition Assessment for Pump Stations																										$ 244,270.00
Task	Field Investigation																										
Task	Geotechnical - Seismic Parameters				42		0	0				0					42	84	$ 15,330.00	$ 20,000.00				1.05	$ 21,000.00	$ 1,858	$ 38,188.00
	Task 7 -SUBTOTAL	0	0	0	42	0	0	0	0	0	0	0	0	0	0	0	42	0	$ -		$ 68,500.00			1.05	$ 69,825.00	$ -	$ 69,825.00
Task 8 -	Condition Assessment Report & Recommendations for Pump Stations																	84	$ 15,330.00	$ 20,000.00	$ 68,500.00	$ -	$ -		$ 90,825.00	$ 1,858.00	$ 108,013.00
Task	Draft Report	6	8	4	28	56	80	80	124			80				2	28	496	$ 78,840.00								
Task	Final Report	2	8	4	21	56	60	60	96			60				0	21	387.65	$ 61,968.50					1.05	$ -	$ -	$ 78,840.00
	Task 8 -SUBTOTAL	8	16	8	49	112	140	140	220	0	0	140	0	0	0	2	49	883.65	$ 140,808.50	$ -	$ -	$ -	$ -	1.05	$ -	$ -	$ 61,968.50
Task 9 -	Structural Assessment for Pump Stations																										$ 140,808.50
Task	Draft Report	6	40	4	8		60	60				60				2	8	248	$ 38,940.00								
Task	Final Report	2	24	4	8		40	40				40				0	8	166	$ 25,610.00					1.05	$ -	$ -	$ 38,940.00
	Task 9 -SUBTOTAL	8	64	8	16	0	100	100	0	0	0	100	0	0	0	2	16	414	$ 64,550.00	$ -	$ -	$ -	$ -	1.05	$ -	$ -	$ 25,610.00
Task 10 -	Field Investigation for Condition Assessment for Transmission Mains																										$ 64,550.00
Task	Field Investigation - Hinckley Main	12					0	0			8	0	12	12				44	$ 10,820.00								
Task	Field Investigation - Mill Creek Main	12					0	0			8	0	12	12				44	$ 10,820.00					1.05	$ -	$ 937	$ 11,796.75
Task	Excavation to Expose Pipe (20 Locations)						0	0				0						0	$ -					1.05	$ -	$ 937	$ 11,196.75
	Task 10 -SUBTOTAL	24	0	0	0	0	0	0	0	0	16	0	24	24	0	0	0	88	$ 21,600.00	$ -	$ -	$ -	$ -	1.05	$ -	$ -	$ 22,993.50
Task 11 -	Condition Assessment Report & Recommendations for Transmission Mains																										
Task	Draft Report	8					0	0			4	0	16	8				28	$ 7,980.00								
Task	Final Report	8					0	0			4	0	20	8				40	$ 8,220.00					1.05	$ -	$ -	$ 7,980.00
	Task 11 -SUBTOTAL	16	0	0	0	0	0	0	0	0	8	0	36	16	0	0	0	68	$ 16,200.00	$ -	$ -	$ -	$ -	1.05	$ -	$ -	$ 8,220.00
Task 12 -	Additional Services ($50,000 per RFP)																										$ 16,200.00
Task	Dive Inspection Services						0	0				0						0	$ -				$ 50,000.00	1.05	$ 52,500.00	$ -	$ 52,500.00
Task	Confined Space Entry Plan						0	0				0						0	$ -								
	Task 12 -SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$ -	$ -	$ -	$ -	$ 50,000.00	1.05	$ 52,500.00	$ -	$ 52,500.00
	TOTAL ALL TASKS	158	488	60	701	736	1124	1124	236	20	24	1124	136	48	4	10	701	6694	$ 1,088,238.50	$ 100,000.00	$ 208,350.00	$ 20,000.00	$ 50,000.00		$ 397,162.50	$ 10,154.50	$ 1,495,555.50

Richard Brady and Associates, Inc.
2655 Camino Del Rio North, Suite 100
San Diego, CA 92108

EXHIBIT "D"

WORKERS' COMPENSATION INSURANCE CERTIFICATION

Every employer, except the State, shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.

(b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

CHECK ONE

✓ I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work and activities required or permitted under this Agreement. (Labor Code §1861).

_____ I affirm that at all times, in performing the work and activities required or permitted under this Agreement, I shall not employ any person in any manner such that I become subject to the workers' compensation laws of California. However, at any time, if I employ any person such that I become subject to the workers' compensation laws of California, immediately I shall provide the City with a certificate of consent to self-insure, or a certification of workers' compensation insurance.

I certify under penalty of perjury under the laws of the State of California that the information and representations made in this certificate are true and correct.

RICHARD BRADY & ASSOCIATES, INC.

By: Richard Brady Date: 3-4-21

Richard Brady,
Chief Executive Officer

"A City That Works"

City Council Meeting **I. 16.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve a Fourth Amendment to the Professional Services Agreement with Rincon Consultants, Inc. to continue providing environmental site assessment at the Alabama Street Septage Disposal Ponds, and determine this action is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act (Municipal Utilities and Engineering Director Harris)

MOTION(S):

If City Council determines the staff recommendation is appropriate, the following motions are provided:

1. I move to approve that the Fourth Amendment to the Professional Services Agreement between the City of Redlands and Rincon Consultants, Inc. is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act; and

2. I move to approve the Fourth Amendment to the Professional Services Agreement between the City of Redlands and Rincon Consultants, Inc. to continue providing environmental site assessment services at the Alabama Street Septage Disposal Ponds.

RECOMMENDATION:

Staff recommends City Council find the approval of the Fourth Amendment to the Professional Services Agreement between the City of Redlands and Rincon Consultants, Inc. is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act. Staff also recommends City Council approve the Fourth Amendment to the Professional Services Agreement between the City of Redlands and Rincon Consultants, Inc. to continue the environmental site assessment for the amended scope of services at the Alabama Street Septage Disposal Ponds.

DISCUSSION:

The Alabama Septage Disposal Ponds were used from the 1920s through the late 1980s as a disposal site for septic tank waste. In 2003, the ponds, located east of Alabama Street and adjacent to the south bank of the Santa Ana River, were permanently closed and a five-year monitoring plan was implemented. In 2017, a fire developed on the site, which disturbed the pond surface and required a new mitigation plan. On October 30, 2018, the City executed an Agreement with Rincon Consultants, Inc. (Rincon) in an amount not to exceed $23,450 for an environmental site assessment at the ponds. The Agreement was amended on October 15, 2019, to revise the name of the City's representative, extend the initial term, amend the scope of service, and increase the Agreement value to $34,315 due to additional on-site sampling mandated by regulatory agencies. The second amendment was approved by City Council on December 1, 2020, to change the name of the City's representative, amend the scope of services, and increase the Agreement value to $230,215 due to additional on-site sampling and sub-surface investigation mandated by the California State Water Resources Control Board (Water Board). The third amendment increased the Agreement value to $334,635, revised the Scope of Services to included additional work to further examine the impacts of per- and polyfluoroalkyl substances (PFAS) and lead to native soils beneath the septage waste material required by the Water Board, and updates the City Representative's name.

During the soil sampling, Rincon discovered a layer of river cobble rock that prevented the hollow stem auger to drill deeper than seventy-five feet (75'). In order to install the groundwater monitoring wells mandated by the Water Board, a new drilling approach is necessary. Rincon recommended an air rotary casing hammer (ARCH) drill rig for installation of two (2) groundwater monitoring wells, and a sonic rig for installation of the remaining groundwater monitoring well in order to collect the continuous cores required by the Water Board. The Water Board approved the revised drilling plan on January 18, 2022, which will not require an amendment to the work plan. The change to the drilling approach is beyond Rincon's current scope of work, and requires a fourth amendment to the Agreement. This amendment increases the Agreement value by $48,250 to $382,885, and revises the Scope of Services to reflect the new drilling approach.

Approval of the Fourth Amendment to the Agreement is exempt from environmental review pursuant to Section 15061 (b)(3) of the State's guidelines implementing the California Environmental Quality Act (CEQA) which provides that CEQA applies only to projects which have the potential for causing a significant effect on the environment. There is no possibility that the approval of this amendment will result in a significant effect on the environment.

ALTERNATIVES:

City Council may decline approval of the Fourth Amendment to the Agreement, although doing so places the City at risk for unknown penalties that may be issued by the Water Board.

STRATEGIC PLAN:

N/A

SUBMITTED BY:
John R. Harris, Municipal Utilities and Engineering Director

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director
Kevin Watson, Utilities Operations Manager
Goutam K. Dobey, Engineering Manager

PREPARED BY:
Johana Silva, Assistant Engineer

Fiscal Impact

Fiscal Year:	FY 2021-22
Appropriation Required Y/N:	No
Budgeted Y/N:	Yes
Account No.:	521910

Discussion:

There is no fiscal impact associated with approval of this Agreement amendment. The adopted FY 21/22 Wastewater Project (521910) budget includes adequate funding for this fee increase.

Attachments

A. Fourth Amendment to Rincon Agreement
B. Executed Agreement (Reference only)
C. Executed First Amendment (Reference only)
D. Executed Second Amendment (Reference only)

FOURTH AMENDMENT TO AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This fourth amendment ("Fourth Amendment") to the agreement for the preparation of an environmental site assessment for the city of Redlands' Alabama Street septic disposal ponds dated October 30, 2018 ("Agreement"), by and between the City of Redlands, a municipal corporation and general law city ("City"), and Rincon Consultants, Inc., a California corporation ("Consultant"), is made and entered into this 15th day of March, 2022.

RECITALS

WHEREAS, it is the desire of City and Consultant to amend Exhibit "A" of the Agreement, titled "Scope of Services," to increase the scope of services to include those described in Exhibit "1," which is attached hereto and incorporated herein by reference; and

WHEREAS, it is the desire of the City and Consultant to amend Article 5.1 of the Agreement to increase Consultant's total compensation of Three Hundred Thirty Four Thousand Six Hundred Thirty Five Dollars ($334,635) to the amount of Three Hundred Eighty Two Thousand Eight Hundred Eight Five Dollars ($382,885);

NOW, THEREFORE, for good and valuable consideration in the receipt of which is hereby acknowledge City and Consultant agree as follows:

AGREEMENT

Section 1. The scope of work performed by Consultant pursuant to Exhibit "A" of the Agreement, titled "Scope of Services," is hereby amended to include the work that is identified in Exhibit "1," which is attached hereto and incorporated herein by this reference.

Section 2. Section 5.1 of the Agreement, titled "Payment to Consultant," is hereby amended to read as follows:

"5.1 Total compensation for Consultant's performance of the Services shall not exceed the amount of Three Hundred Eighty Two Thousand Eight Hundred Eight Five Dollars ($382,885). City shall pay Consultant on a time and materials basis up to the not to exceed amount, in accordance with Exhibit "B," titled "Cost Proposal," which is attached hereto and incorporated herein by this reference."

Section 3. All other provisions of the Agreement shall remain unchanged by this Fourth Amendment and in effect.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment, to be effective as of March 15, 2022.

CITY OF REDLANDS

_____
Paul T. Barich, Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

RINCON CONSULTANTS, INC.

By: _____
Torin Snyder, Principal

EXHIBIT "1"

SCOPE OF SERVICES

The changes to the scope of work are described below.

Septage Ponds Sub-surface Investigation

Task 4: Soil and Groundwater Investigation

Rincon will conduct the soil and groundwater investigation consistent with the RWQCB-approved Work Plan. The soil and groundwater investigation will include the following elements:

Health and Safety Plan: No changes are anticipated with respect to costs of preparation of a Health and Safety Plan.

Initial Proposal Budget	$430
Additional Budget	$ -
Total Budget	**$430**

Boring Mark-outs and USA Notification: Because installation of groundwater monitoring wells will occur more than 14 days after Utility Services Alert (USA) notification associated with the soil sampling scope of work, an additional mark-out will be required.

Initial Proposal Budget	$840
Additional Budget	$250
Total Budget	**$1,090**

Permitting: San Bernardino County Well Permits require information pertaining to well construction and drilling activities. As such, a new San Bernardino County Well Permit will be required prior to mobilizing for well installation activities.

Initial Proposal Budget	$1,972
Additional Budget	$1,100
Total Budget	**$3,072**

Monitoring Well Installation, Well Development, Groundwater Sampling and Soil Sampling: Additional costs associated with monitoring well installation, well development, groundwater sampling, and soil sampling include increased drilling costs based on revised methods (i.e., air rotary casing hammer (ARCH) and sonic drill rigs) (revised quote was provided January 2022).

Initial Proposal Budget + August 2021 Addendum	$182,030
Additional Driller Costs	$33,600
Additional Labor Cost	$5,350
Total Additional Cost	$38,950
Total Budget	**$217,330**

Soil and Groundwater Sample Analysis: No additional costs are anticipated at this time.

Initial Proposal Budget + August 2021 Addendum	$33,140
Additional Groundwater Analytical	$ -
Additional Soil Analytical	$ -
Total Additional Cost	$ -
Total Budget	**$33,140**

Investigation Derived Waste: In the initial proposal, it was assumed that groundwater monitoring well installation would occur within the same time period as soil sampling activities; therefore, rental of the roll-off bins was assumed for a shorter period of time. Rincon assumed a cost for removal of the bins by the end of February 2022. If the bins are required to remain onsite past February 28, 2022, an additional $37.03 per day fee will be incurred.

Initial Proposal Budget + August 2021 Addendum	$3,392.50
Bin Costs, including bin rental, removal from site, and disposal	$4,550.00
Total Additional Cost	$4,550.00

Total Budget	**$7,942.50**

Task 5: Meetings and Project Management

Rincon anticipates three one-hour meetings with the City and/or the RWQCB will be required to review the CSM, and to develop and finalize the work plan for soil and groundwater assessment at the Septage Ponds. In addition, administrative project management costs are included in this task.

Initial Proposal Budget + August 2021 Addendum	$4,750
Total Additional Cost	$2,030
Total Budget	**$6,780**

Additional costs associated with Reporting are summarized below.

Initial Proposal Budget+ August 2021 Addendum	$7,000
Additional Budget	$1,370
Total Budget	**$8,370**

EXHIBIT "B"

COST PROPOSAL

Tasks	Task Approved Budget	Total Additional Costs	Total Budget
Environmental Site Assessment			
Task 1: Environmental Site Assessment	$34,315	$ -	$34,315
Task: Septage Pond Sub-Surface Investigation			
Task 1: Preparation of Conceptual Site Model	$9,600	$ -	$9,600
Task 2: Request for Proposal Development	$5,500	$ -	$5,500
Task 3: Soil Sampling Work Plan	$6,800	$ -	$6,800
Task 4: Soil and Groundwater Investigation	$220,600	$44,850	$265,450
Task 5: Meetings, Reporting, and Project Management	$19,520	$3,400	$22,920
Contingency: 20-percent	$38,300	$ -	$38,300
TOTAL PROJECT BUDGET	**$334,635**	**$48,250**	**$382,885**

AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This agreement for the provision of environmental site assessment at Alabama Street septage disposal ponds ("Agreement") is made and entered in this 30th day of October, 2018 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City)" and Rincon Consultants, Inc. ("Consultant"). City and Consultant are sometimes individually referred to herein as a "Party" and, together, as the "Parties." In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 – ENGAGEMENT OF CONSULTANT

1.1 City hereby engages Consultant to provide environmental site assessment at Alabama Street septage disposal ponds services for City (the "Services").

1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of Services.

ARTICLE 2 – SERVICES OF CONSULTANT

2.1 The Services that Consultant shall perform are more particularly described in Exhibit "A," entitled "Scope of Services," which is attached hereto and incorporated herein by reference.

2.2 Consultant shall comply with applicable federal, state and local laws and regulations in the performance of this Agreement including, but not limited to, State prevailing wage laws.

ARTICLE 3 – RESPONSIBILITIES OF CITY

3.1 City shall make available to Consultant information in its possession that may assist Consultant in performing the Services.

3.2 City designates Paul Toor, Municipal Utilities and Engineering Director, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to performance of the Services.

ARTICLE 4 – PERFORMANCE OF SERVICES

4.1 Consultant shall perform and complete the Services in a prompt and diligent manner.

4.2 The term of this Agreement shall be for a period of one (1) year commencing as of the Effective Date, unless terminated earlier as provided herein.

4.3 If Consultant's Services include deliverable electronic visual presentation materials, such materials shall be delivered in a form, and made available to the City, consistent with City Council adopted policy for the same. It shall be the obligation of Consultant to obtain a copy of such policy from City staff.

ARTICLE 5 – PAYMENTS TO CONSULTANT

5.1 Total compensation for Consultant's performance of the Services shall be in the amount of twenty three thousand four hundred fifty dollars ($23,450). City shall pay Consultant in accordance with Exhibit "B" entitled "Cost Proposal" attached hereto and incorporated herein by reference.

5.2 Consultant shall submit monthly invoices to City describing the Services performed during the preceding month. Consultant's invoices shall include a brief description of the Services performed, the dates the Services were performed, the number of hours spent and by whom, and a description of reimbursable expenses related to the Services. City shall pay Consultant no later than thirty (30) days after receipt and approval by City of Consultant's invoice.

5.3 Any notice or other communication required, or which may be given, pursuant to this Agreement, shall be in writing. Any such notice shall be deemed delivered (i) on the date of delivery in person; (ii) five (5) days after deposit in first class registered mail, with return receipt requested; (iii) on the actual delivery date if deposited with an overnight courier; or (iv) on the date sent by facsimile, if confirmed with a copy sent contemporaneously by first class, certified, registered or express mail; in each case properly posted and fully prepaid to the appropriate address set forth below, or such other address as a Party may provide notice in accordance with this section:

City
City Clerk
City of Redlands
35 Cajon Street
P.O. Box 3005 (mailing)
Redlands, CA 92373

Consultant
Ed Morelan, Principal
Rincon Consultants, Inc.
301 9th Street, Suite 310
Redlands, CA 92374
emorelan@rinconconsultants.com
(213) 788-4842

ARTICLE 6 – INSURANCE AND INDEMNIFICATION

6.1 The following insurance coverage required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not perform any Services unless and until the required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. Insurance policies shall include a provision prohibiting cancellation or modification of the policy except upon thirty (30) days prior written notice to City.

A. Workers' Compensation and Employer's Liability insurance in the amount that meets statutory requirements with an insurance carrier acceptable to City, or certification to City that Consultant is self-insured or exempt from the workers' compensation laws of the State of California. Consultant shall execute and provide City with Exhibit "C" entitled "Workers' Compensation Insurance Certification," which is attached hereto and incorporated herein by this reference prior to performance of the Services.

B. Comprehensive General Liability insurance with carriers acceptable to City in the minimum amount of One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate, for public liability, property damage and personal injury is required. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

C. Business Auto Liability coverage, with minimum limits of One Million Dollars ($1,000,000) per occurrence, combined single limit bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used in connection with Consultant's provision of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

6.2 Consultant shall defend, indemnify and hold harmless City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any negligent act or omission by, or the willful misconduct of, Consultant, or its officers, employees and agents in performing the Services.

ARTICLE 7 – CONFLICTS OF INTEREST

7.1 Consultant covenants and represents that it does not have any investment or interest in any real property that may be the subject of this Agreement or any other source of income, interest in real property or investment that would be affected in any manner or degree by the performance of Consultant's Services. Consultant further covenants and represents that in the performance of its duties hereunder, no person having any such interest shall perform any Services under this Agreement.

7.2 Consultant agrees it is not a designated employee within the meaning of the Political Reform Act because Consultant:

A. Does not make a governmental decision whether to:

(i) approve a rate, rule or regulation, or adopt or enforce a City law;
(ii) issue, deny, suspend or revoke any City permit, license, application, certification, approval, order or similar authorization or entitlement;

(iii) authorize City to enter into, modify or renew a contract;
(iv) grant City approval to a contract that requires City approval and to which City is a party, or to the specifications for such a contract;
(v) grant City approval to a plan, design, report, study or similar item;
(vi) adopt, or grant City approval of, policies, standards or guidelines for City or for any subdivision thereof.

B. Does not serve in a staff capacity with City and in that capacity, participate in making a governmental decision or otherwise perform the same or substantially the same duties for City that would otherwise be performed by an individual holding a position specified in City's Conflict of Interest Code under Government Code section 87302.

7.3 In the event City determines that Consultant must disclose its financial interests, Consultant shall complete and file a Fair Political Practices Commission Form 700, Statement of Economic Interests, with the City Clerk's office pursuant to the written instructions provided by the City Clerk.

ARTICLE 8 – GENERAL CONSIDERATIONS

8.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.

8.2 Consultant shall not assign any of the Services, except with the prior written approval of City and in strict compliance with the terms and conditions of this Agreement. Any assignment or attempted assignment without such prior written consent may, in the sole discretion of City, results in City's immediate termination of this Agreement.

8.3 Consultant is for all purposes under this Agreement an independent contractor and shall perform the Services as an independent contractor. Neither City nor its agents shall have control over the conduct of Consultant or Consultant's employees, except as herein set forth. Consultant shall supply all necessary tools and instrumentalities required to perform the Services. Assigned personnel employed by Consultant are for its account only, and in no event shall Consultant or personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City. Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind City to any obligation.

8.4 This Agreement may be terminated by City, in its sole discretion, by providing not less than five (5) days prior written notice to Consultant of City's intent to terminate. If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed Services, and (2) any payment due Consultant at the time of termination may be adjusted to the

extent of any additional costs to City occasioned by any default by Consultant. Upon receipt of a termination notice, Consultant shall immediately discontinue its provision of the Services and, within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of project related data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services. Consultant shall be compensated on a pro-rata basis for Services completed up to the date of termination.

8.5 Consultant shall maintain books, ledgers, invoices, accounts and other records and documents evidencing costs and expenses related to the Services for a period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Such books shall be available at reasonable times for examination by City at the office of Consultant.

8.6 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Except as otherwise provided for herein, any amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.

8.7 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8.8 If one or more of the sentences, clauses, paragraphs or sections contained in this Agreement is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate the remaining sentences, clauses, paragraphs or sections contained herein, unless to do so would deprive a Party of a material benefit of its bargain under this Agreement.

IN WITNESS WHEREOF, duly authorized representatives of City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

By: _____
Janice McConnell,
Acting City Manager

Attest:

_____
Jeanne Donaldson, City Clerk

Rincon Consultants, Inc.

By: _____
Ed Morelan, Principal

EXHIBIT "A"

SCOPE OF SERVICES

On May 21, 2017, a fire, later designated The Wash Fire, started in the vicinity of the Santa Ana River Wash adjacent to the pond location. It is believed that the fire spread to dry vegetation in the ponds, continued to spread as far as the 210 Freeway, and was completely contained by the City of Redlands and San Bernardino County Fire Departments on May 22, 2017.

On May 24, 2017, the Santa Ana Regional Water Quality Control Board (RWQCB) personnel performed a post-fire inspection of the ponds and surrounding areas. Based on their observations and the site information collected from the ponds, the RWCQB requested that the City of Redlands develop a workplan to perform additional environmental site investigation activities, for review and approval by Water Board staff. The proposed workplan is to include an implementation schedule and a completion report for each of the activities listed below.

Consultant shall perform the following scope of work task items:

Task 1 – Pre-Field Activities

1. **Workplan.** Consultant shall prepare a workplan outlining the task items listed below for submittal to and approval from the RWQCB through the City of Redlands.

2. **Health and Safety Plan**. Prior to the commencement of any field sampling, Consultant shall prepare a health and safety plan. This plan describes the steps necessary for the field crew to operate on site in a safe and healthy manner, including steps to minimize exposure of the crew to potential contaminants. The preparation of such a plan is required by Federal guidelines for site assessment work. This shall be included as an attachment to the Workplan.

3. **Boring Mark-outs and USA Notification**. Consultant shall pre-mark the proposed soil sample locations with white flags and notify Underground Service Alert (USA) utility marking service. California law requires this notification no less than 48 hours prior to drilling, not including the date of notification. The City will provide any information they may have regarding the presence of underground utilities at the site.

   The Consultant shall provide the City with a minimum of two weeks notification prior to entering the site for field work. The City will in turn notify the RWQCB for any inspection.

Task Deliverables:

- Workplan in a draft format for review and preparation of final Workplan based on City and RWQCB comments.

Task Assumptions:

- The City will require one iteration of review comments on the draft workplan prior to comment incorporation and workplan finalization for the City's submittal to the RWQCB.
- RWQCB will require one iteration of review comments on the submitted workplan prior to comment incorporation and workplan finalization.

Task 2 – Imhoff Concrete Tanks Assessment

Perform assessment and characterization of the Imhoff concrete cylindrical tanks 400 feet west of the pond site to assess the presence of waste materials and contaminated soil, and prepare a recommendation plan and conceptual design for proper tank abandonment and closure. The two abutting tanks are cylindrical in shape with V- or conical-bottoms and measure approximately 34 feet in diameter and 34 feet in height.

1. **Collect Tank Samples.** Consultant shall collect samples from four locations inside each tank at varying depths for a total of 8 samples from the interiors of the two tanks.

2. **Sample Analyses.** The four samples collected from the contents of each tank will be composited by the lab into one sample analyzed per tank. Two total samples will be analyzed for TPH-G, TPH-D and TPH-O by EPA method 8015, polychlorinated biphenyls (PCBs) by EPA method 8082, Metals by EPA method 6010B/7471A, VOCs by EPA method 8260B, semi-volatile organic compounds (SVOCs) by EPA method 8270, and fecal and total coliform and total bacterial plate count by EPA method SM-9221B. In addition, following conversations with the RWQCB, samples will be analyzed for electrical conductivity (EC) by saturation paste extract method, pH, and organochlorine pesticides (OCPs) by EPA method 8081A.

3. **Recommendation Plan.** Following receipt of the laboratory analytical results, Consultant shall prepare a recommendation plan and conceptual design for removal and closure of the Imhoff Concrete Tanks. The Recommendation Plan shall provide a summary of the all field work performed, outline all tests completed, include all sample results and provide a cost estimate for the recommended scope. The assessment data will be evaluated with regard to applicable regulatory criteria and a brief conceptual design will be developed to:

    a. Transport and dispose of the contents of the two Imhoff tanks at a permitted facility;
    b. Properly demolish and/or dismantle the tanks and transport them off site for recycling and/or disposal; and
    c. Sample the soil beneath the tanks, excavate, transport and dispose of contaminated soil beneath the tanks, if any, at a permitted facility. Note that the Water Board's Inspection Report dated 05/24/2017 specifies updated U.S. Environmental Protection Agency (USEPA) Regional Screening Levels (RSLs) dated June 2017 and new Environmental Screening Levels (ESLs) adopted in February 2016 by the San Francisco RWQCB for site cleanup.

The Recommendation Plan completed within this task will be made a part of the Site Assessment Report as outlined within Task 6.

Task Deliverables:

- Recommendation Plan in a draft format for review and preparation of final Recommendation Plan based on City and RWQCB comments.

Task Assumptions

- Consultant will have access to the tank contents without the need for confined space controls.
- Sampling equipment will not hit refusal prior to sample collection depth.
- Additional analyses will not be necessary for STLC and TTLC for metals. Additional analyses of samples will not be conducted without discussion with the City.

Task 3 – Septage Ponds Assessment

Based on review of the *Draft Phase I Environmental Site Assessment and Subsurface Investigation Report for the Former Septage Ponds Located at the Alabama Street Lease Project Site*, prepared by Woodward-Clyde and dated August 1996, 12 soil borings were completed within the former ponds. According to the report, the thickness of the sludge varies within and between the ponds, "For example, the sludge was approximately 3 feet thick in Boring AB-1 and 1-foot thick in Boring AB-2 [Pond A]. The sludge-soil interface was encountered at approximately 1 foot below ground surface (bgs) in two of the three borings installed within Pond B; the sludge thickness in the third boring within Pond B was approximately 3 feet. The sludge thickness in the two borings (CB-1 and CB-2) installed within Pond C was approximately 3 feet. The thickness of the sludge encountered in Ponds C 1 and D ranged from 3 to 5 feet."

1. **Subtask 3a. Pond Waste Assessment.** To determine the depth of waste in the septic ponds, continuous cores will be drilled up to 10 feet bgs in three locations in each pond, for a total of 15 borings. The continuous cores will be observed by a geologist to determine the contact between the septic waste and native soil.

   Following a meeting with the RWQCB on August 11, 2018, lead was discussed as the main contaminant of concern. Following guidance from the RWQCB, samples will be collected at 0.5-feete bgs, 2 feet bgs, and 5 feet bgs. The fifteen soil samples collected at 2 feet bgs will be analyzed for lead, TPH-O, total organic carbon (TOC) by EPA method TOC 9060A, EC, and pH. Shallow and deeper samples will be held pending analytical results.

2. **Subtask 3b. Methane Gas Assessment.** To evaluate the presence of methane gas and other gases typically associated with decomposition of septic waste, the installation of three soil vapor probes per septage pond at a depth of 5 feet bgs in each of the aforementioned exploratory borings, for a total of 15 soil vapor probes. All soil vapor probes installed will be screened in the field for methane using a 4-gas meter.

   Soil vapor probes will be installed using a Geoprobe direct push rig. Soil vapor probes will be installed in accordance with the California Environmental Protection Agency/Department of Toxic Substances Control (DTSC) Active Soil Gas Investigations

Advisory, July 2015. The use of this protocol ensures that the sampling procedures and analytical methods meet the stringent DTSC guidelines. During the sampling procedures, vacuum integrity of the sampling system is tested prior to and after the soil gas sample is collected. Leak-down testing is conducted to determine vacuum integrity. During sampling, for safety purposes, the Consultant shall continuously monitor the site using a photoionization detector (PID) and a four-gas meter.

3. **Subtask 3c. Fire Suppression Discharge.** To evaluate new waste discharge that may have occurred as a result of fire suppression, the Consultant shall collect soil samples from each of the soil vapor probe borings using the Geoprobe rig. Soil samples will be collected from 0.5 feet and 5 feet bgs from the 15 boring locations completed for the Methane Gas Assessment. Soil samples will be collected using either a Geoprobe or a hand auger and stored in glass jars provided by the analytical laboratory. Each end of the sample will be covered with a Teflon sheet and a tight-fitting plastic cap. Soil samples will be placed on ice pending delivery to a state-certified laboratory under chain-of-custody protocol. Initially, the fifteen 0.5-foot soil matrix samples will be analyzed for PFAAs, and the deeper samples will be held pending the results. If it is determined that analysis of the deeper samples is warranted, the Consultant shall test a maximum of one per septage pond. If further testing is warranted the Consultant shall discuss the additional cost with the City.

4. **Subtask 3d. Recommendation Plan.** Following completion of septage pond assessment, Consultant shall prepare a recommendation plan and conceptual design for both clean-closure and landfill closure under California Code of Regulations, Title 27. To identify appropriate measures the Consultant shall review all available documents on GeoTracker to identify which, if any, contaminants were detected in previous assessments in the septage ponds. Previous and current contaminant concentrations should then be compared to screening levels. Following review of these data, a closure recommendation and conceptual design will be prepared for each closure option for selection and future implementation by the City under a separate contract.

   The Recommendation Plan shall provide a summary of the all field work performed, outline all tests completed, include all sample results and provide a cost estimate for each recommended scope. The Recommendation Plan completed within this task will be made a part of the Site Assessment Report as outlined within Task 6.

Task Deliverables:

- Recommendation Plan in a draft format for review and preparation of final Recommendation Plan based on City and RWQCB comments.

Task Assumptions

- Access to the ponds is not limited.
- The pond walls are sloped to provide safe access for samplers and equipment.
- Ponds are solid and dry, and surfaces are stable enough for a motor vehicle to drive onto the surface of each pond.
- The breathing atmosphere in the dry ponds is appropriate for Level C or D PPE.

- Additional analyses will not be necessary for STLC and TTLC for metals. Additional analyses of samples will not be conducted without discussion with the City.
- Following drilling, all sampling equipment is washed in a soap solution and triple rinsed. Wash water will be stored in labeled Department of Transportation approved 55-gallon drums and stored on site pending transfer to a disposal facility. The cost for the disposal of the wash water depends on the results of the assessment. Because we do not know how the waste material will be disposed, we have included the cost for waste disposal as part of this proposal under the worst case assumption that it will be classified as hazardous waste. If the wash water is not classified as hazardous waste the City will be notified and invoicing will reflect this change.
- Previous and current characterizations of the ponds will be sufficient to recommend a scope for each closure approach, and additional sampling is not required.

Task 4 – Aboveground Storage Tank Assessment

During the site walk by City Staff and the Consultant, the abandoned aboveground storage tank immediately east of the pond site was observed. Approximate dimensions are ten feet in diameter by 12 feet tall. The hatch at the top was open and the interior of the steel tank was dry and empty, and reported by the City to have previously stored water.

1. **Collect Soil Samples Under Tank.** Consultant shall collect two soil samples from under the tank at one foot below ground surface (bgs) on either side of the tank, augured in at an angle from the side of the tank.

2. **Sample Analyses.** The two soil samples from under the tank will be analyzed for TPH-G, TPH-D and TPH-O by EPA method 8015, polychlorinated biphenyls (PCBs) by EPA method 8082, metals by EPA method 6010B/7471A, VOCs by EPA method 8260B, semi-volatile organic compounds (SVOCs) by EPA method 8270, and fecal and total coliform and total bacterial plate count by EPA method SM-9221B.

3. **Recommendation Plan.** Consultant shall prepare a recommendation plan and conceptual design for sampling (if necessary), removal, transport and disposal of the tank at a permitted facility. Consultant shall also prepare a recommendation plan and conceptual design for removal, sampling, excavation, transport and disposal of contaminated soil beneath the tank, if any, at a permitted facility. The Recommendation Plan shall provide a summary of all field work performed, outline all tests completed, include all sample results and provide a cost estimate. The Recommendation Plan completed within this task will be made a part of the Site Assessment Report as outlined within Task 6.

With regard to the tank itself, Consultant has advised that regulations stipulate that it is the City's responsibility to characterize the hazardous or non-hazardous nature of the tank, and generator knowledge can be a factor in this determination. For example see 22 CCR 66262.11(b)(2). It is an empty, dry steel tank open to atmosphere in an arid environment, reported to have been used for water storage, with no visible residue on the bottom, and which is unlikely to yield meaningful data from wipe tests. The historic database will be searched for any other

information on the past use of the tank. A permitted Class III landfill will be contacted regarding pre-disposal analytical testing which may be required pursuant to the landfill's permit.

Task Deliverables:

- Recommendation Plan in a draft format for review and preparation of final Recommendation Plan based on City and RWQCB comments.

Task 5 – Existing Groundwater Monitoring Wells Evaluation

Evaluate the condition of the seven existing groundwater monitoring wells (MW-1A, MW-2, MW-3, MW-4, MW-5, MW-6, and MW-7). Consultant shall assess the monitoring wells to provide adequate information to provide a recommendation for rehabilitation or decommissioning. Assessment will be done by sounding the depths to water and total depths of the wells and comparing the results with original as-built data. City will provide as much information as available on the monitoring wells.

1. **Recommendation Plan.** Consultant shall prepare a recommendation plan and conceptual design for either remediation or decommissioning of the existing seven monitoring wells with along with a conceptual plan and cost estimate. The Recommendation Plan completed within this task will be made a part of the Site Assessment Report as outlined within Task 6.

Task Deliverables:

- Recommendation Plan in a draft format for review and preparation of final Recommendation Plan based on City and RWQCB comments.

Task 6 – Assessment Report

The Assessment Report shall contain an executive summary along with each Recommendation Plan and an implementation schedule for each Task 1-5 for review and approval by the RWQCB.

Task Deliverables:

- Assessment Report in a draft format for review and preparation of final Assessment Report based on City and RWQCB comments.

Task Assumptions:

- The City will require one iteration of review comments on the draft report prior to comment incorporation and workplan finalization for the City's submittal to the RWQCB.
- RWQCB will require one iteration of review comments on the submitted report prior to comment incorporation and report finalization.

EXHIBIT "B"
Cost Proposal

Item	Unit	Cost per Unit	Number of Units	Subtotal
Task 1 - Pre-field Activities				
Site Assessment Workplan				
Principal I	Hour	$215	2	$430
Senior Professional I	Hour	$150	3	$450
Professional II	Hour	$105	7	$735
GIS/CADD Specialist I	Hour	$100	3	$300
Health & Safety Plan	Lump Sum	$250	1	$250
Boring Markouts and USA Notification	Hour	$95	3	$285
Field Vehicle	Lump Sum	$85	1	$85
			Pre-field Activities	**$2,535**
Field Equipment				
Environmental Scientist	Daily	$950	2	$1,900
Field Vehicle and Supplies	Daily	$125	2	$250
			Field Equipment	**$2,150**
Task 2 : Imhoff Concrete Tanks Assessment & Lab Analyses				
Hand Auger Sampler	Daily	$55	1	$55
Solids Analyses:				
VOCs (8260)	Sample	$95	2	$190
TPH (8015B)	Sample	$95	2	$190
Metals (6010B/7471A)	Sample	$115	2	$230
PCBs (8082)	Sample	$65	2	$130
SVOCs (8270)	Sample	$155	2	$310
Fecal and total coliform (SM-9221B)	Sample	$70	2	$140
Total bacterial plate count (SM-9215B)	Sample	$50	2	$100
OCPs (8081)	Sample	$85	2	$170
EC (saturation paste extraction)	Sample	$35	2	$70
pH (9045D)	Sample	$10	2	$20
			Task 2	**$1,605**
Task 3: Septage Pond Assessment				
Subtask 3a: Septage Pond Assessment - Lab Analyses				
Soil Matrix Analyses:				
Lead (6010B)	Sample	$15	15	$225
TPH oil (8015B)	Sample	$45	15	$675
TOC (9060A)	Sample	$45	15	$675
EC (saturation paste extraction)	Sample	$35	15	$525
pH (9045D)	Sample	$10	15	$150
			Subtask 3a	**$2,250**
Subtask 3b: Methane Gas Assessment				
Drilling Subcontractor (includes installation of soil vapor probes using a track mounted direct push rig)	Lump Sum	$3,950	1	$3,950
PID	Daily	$120	1	$120
Four gas meter (methane)	Daily	$155	1	$155
			Subtask 3b	**$4,225**
Subtask 3c: Fire Suppression Discharge - Lab Analyses				
Soil Matrix Analyses:				
PFAAs (EPA 537M)	Sample	$375	15	$5,625
			Subtask 3c	**$5,625**
Subtask 3d: Clean Close Measures				
Project Management and Report Preparation				
Principal I	Hour	$215	2	$430
Senior Professional I	Hour	$150	3	$450
Professional II	Hour	$105	7	$735
GIS/CADD Specialist I	Hour	$100	3	$300
			Subtask 3d	**$1,915**
			Task 3	**$14,015**
Task 4: Aboveground Storage Tank Assessment				
Conceptual removal and sampling plan to be included in clean close measures recommendation				
			Task 4	**$0**
Task 5: Existing Groundwater Monitoring Wells Assessment				
Field Equipment (Sound Level Metering Field Pack)	Daily	$100	1	$100
Monitoring Well Field Labor	Daily	$500	1	$500
			Task 5	**$600**
Task 6: Implementation Schedule and Assessment Report				
Project Management and Assessment Summary Report Preparation				
Principal I	Hour	$215	3	$645
Senior Professional I	Hour	$150	3	$450
Professional II	Hour	$105	10	$1,050
GIS/CADD Specialist I	Hour	$100	4	$400
			Task 6	**$2,545**
			Total	**$23,450**

EXHIBIT "C"

WORKERS' COMPENSATION INSURANCE CERTIFICATION

Every employer, except the State, shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.

(b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

CHECK ONE

X I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work and activities required or permitted under this Agreement. (Labor Code §1861).

_____I affirm that at all times, in performing the work and activities required or permitted under this Agreement, I shall not employ any person in any manner such that I become subject to the workers' compensation laws of California. However, at any time, if I employ any person such that I become subject to the workers' compensation laws of California, immediately I shall provide the City with a certificate of consent to self-insure, or a certification of workers' compensation insurance.

I certify under penalty of perjury under the laws of the State of California that the information and representations made in this certificate are true and correct.

Rincon Consultants, Inc. Date: 11/2/18

By: a. [signature]
Ed Morelan, Principal

FIRST AMENDMENT TO AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This first amendment ("First Amendment") to the agreement for the preparation of an environmental site assessment at Alabama Street septage disposal ponds ("Agreement") dated October 30, 2018 ("Agreement"), by and between the City of Redlands, a municipal corporation ("City") and Rincon Consultants, Inc ("Consultant"), is made and entered into this 15th day of October, 2019.

RECITALS

WHEREAS, it is the desire of City and Consultant to amend Article 2.1 of their existing Agreement more particularly described in Exhibit "A," "Scope of Services" to include the additional services described therein, which is attached hereto by reference; and

WHEREAS, it is the desire of City and Consultant to also amend Article 3.2 of their existing Agreement to change the name of the City's representative from former representative, Paul Toor to the current representative, Chris Boatman; and

WHEREAS, it is further the desire of City and Consultant to amend their existing Agreement, Article 4.2 of their existing Agreement specifically the Initial Term of the Agreement, as defined in the Section entitled "Summary of Services and Implementation," from one (1) year from the Effective Date (October 30, 2018), to five (5) years from the Effective Date; and

WHEREAS, it is the desire of City and Consultant to amend Article 5.1 of their existing Agreement to increase Consultant's present total compensation of Twenty Three Thousand Four Hundred Fifty Dollars ($23,450) to the amount of Thirty Four Thousand Three Hundred Fifteen Dollars ($34,315);

NOW, THEREFORE, City and Consultant agree as follows:

AGREEMENT

Section 1. The scope of work performed by Consultant pursuant to Exhibit "A" of the Agreement, entitled "Scope of Services," is hereby amended to include the work that is identified in Exhibit "1," which is attached hereto and incorporated herein by this reference.

Section 2. Section 3.2 of the Agreement, entitled "Responsibilities of City," is hereby amended to read as follows:

"3.2 City designates Chris Boatman, Interim Municipal Utilities and Engineering Director, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receives information, interpret and define City's policies and decisions with respect to performance of the Services."

Section 3. Section 4.2 of the Agreement, entitled "Performance of Services," is hereby amended to read as follows:

"4.2 The term of this Agreement shall be for a period of five (5) years commencing as of the Effective Date, unless terminated earlier as provided herein."

Section 4. Section 5.1 of the Agreement, entitled "Payment to Consultant," is hereby amended to read as follows:

"5.1 The total compensation for Consultant's performance of the Services shall not exceed the amount of Thirty Four Thousand Three Hundred Fifteen Dollars ($34,315). City shall pay Consultant on a time and materials basis up to the not to exceed amount, in accordance with Exhibit "B," entitled "Updated Cost Proposal." Exhibit "B" is attached hereto and incorporated herein by this reference."

Section 5. All other provisions of the Agreement shall remain unchanged by this First Amendment and in effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment, to be effective as of October 15, 2019.

CITY OF REDLANDS

Janice McConnell, Assistant City Manager

RINCON CONSULTANTS, INC

By: _____

~~Ed Moreland,~~ Principal

Gib Fates

ATTEST:

Jeanne Donaldson, City Clerk

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EXHIBIT "A"
AMENDED SCOPE OF SERVICES

1. **Subtask 3b. Methane Gas Assessment.** To evaluate the presence of methane gas and other gases typically associated with decomposition of septic waste, the installation of three soil vapor probes per septage pond at the depth of 5 feet bgs in each of the aforementioned exploratory borings, for a total of 15 soil vapor probes. All soil vapor proves installed will be screened in the field for methane using a 4-gas meter.

   Soil vapor probes will be installed using a Geoprobe direct push rig. Soil vapor probes will be installed in accordance with the California Environmental Protection Agency/Department of Toxic Substance Control (DTSC) Active Soil Gas Investigations Advisory, July 2015. The use of this protocol ensures that the sampling procedures and analytical methods meet the stringent DTSC guidelines. During the sampling procedures, vacuum integrity of the sampling system is tested prior to and after the soil gas sample is collected. Leak-down testing is conducted to determine vacuum integrity. During sampling, for safety purposes, the Consultant shall continuously monitor the site using a photoionization detector (PID) and a four-gas meter.

   Additionally, per the Regional Water Quality Control Board's request, carcinogenic volatile organic compounds (VOCs) will be added to the list of analytes for samples collected from the soil vapor probes as part of the soil gas assessment for the septage ponds. A mobile laboratory will be used to collect the soil gas samples and analyze onsite. Field work will be extended from the original estimate of one day to two days.

2. **Subtask 3c. Fire Suppression Discharge.** To evaluate new waste discharge that may have occurred as a result of fire suppression, the Consultant shall collect soil samples from each of the soil vapor probe borings using the Geoprobe rig. Soil samples will be collected from 0.5 feet and 5 feet bgs from the 15 boring locations completed for the Methane Gas Assessment. Soil samples will be collected using either a Geoprobe or a hand auger and stored in glass jars provided by the analytical laboratory. Each end of the sample will be covered with a Teflon sheet and a tight-fitting plastic cap. Soil samples will be placed on ice pending delivery to a state-certified laboratory under chain-of-custody protocol. Initially, the fifteen 0.5-foot soil matrix samples will be analyzed for PFAAs, and the deeper samples will be held pending the results. If it is determined that analysis of the deeper samples is warranted, the Consultant shall test a maximum of one per septage pond. If further testing is warranted the Consultant shall discuss the additional cost with the City.

   In addition, per the Regional Water Quality Control Board's request, a laboratory will be used that will analyze the samples for Perfluorinated Alkyl Acids (PFAAs) following the Department of Defense (DOD) protocols as part of the assessment of the effect of fire suppression foam on the septage ponds. The drilling company will use additional levels of decontamination protocols.

EXHIBIT "B"
UPDATED COST PROPOSAL

Item	Unit	Cost per Unit	Number of Units	Subtotal
Task 1 - Pre-field Activities				
Site Assessment Workplan				
Principal I	Hour	$215	4	$860
Supervisor I	Hour	$195	6	$1,170
Professional III	Hour	$120	13	$1,560
GIS/CADD Specialist I	Hour	$100	4	$400
Health & Safety Plan	Lump Sum	$250	1	$250
Boring Markouts and USA Notification	Hour	$95	3	$285
Field Vehicle	Lump Sum	$85	1	$85
			Pre-field Activities	**$4,610**
Field Investigation - Rincon Costs				
Environmental Scientist (two field staff for two days)	Daily	$950	4	$3,800
Field Vehicle and Supplies	Daily	$125	2	$250
			Field Investigation - Rincon Costs	**$4,050**
Task 2 : Imhoff Concrete Tanks Assessment & Lab Analyses				
Hand Auger Sampler	Daily	$55	1	$55
Solids Analyses:				
VOCs (8260)	Sample	$95	2	$190
TPH (8015B)	Sample	$95	2	$190
Metals (6010B/7471A)	Sample	$115	2	$230
PCBs (8082)	Sample	$65	2	$130
SVOCs (8270)	Sample	$165	2	$330
Fecal and total coliform (SM-9221B)	Sample	$70	2	$140
Total bacterial plate count (SM-9215B)	Sample	$50	2	$100
OCPs (8081)	Sample	$85	2	$170
EC (saturation paste extraction)	Sample	$35	2	$70
pH (9045D)	Sample	$15	2	$30
			Task 2	**$1,635**
Task 3: Septage Pond Assessment				
Subtask 3a: Septage Pond Assessment - Lab Analyses				
Soil Matrix Analyses:				
Lead (6010B)	Sample	$15	15	$225
TPH oil (8015B)	Sample	$45	15	$675
TOC (9060A)	Sample	$50	15	$750
EC (saturation paste extraction)	Sample	$35	15	$525
pH (9045D)	Sample	$15	15	$225

EXHIBIT "B"
(CONTINUED)
UPDATED COST PROPOSAL

Item	Unit	Cost per Unit	Number of Units	Subtotal
			Subtask 3a	**$2,400**
Subtask 3b: Soil Gas Assessment*				
Drilling Subcontractor (includes installation of soil vapor probes using a track mounted direct push rig)	Lump Sum	$7,075	1	$7,075
Mobile Laboratory (includes analysis for methane and VOCs)	Lump Sum	$2,990	1	$2,990
PID	Daily	$120	2	$240
			Subtask 3b	**$10,305**
Subtask 3c: Fire Suppression Discharge - Lab Analyses				
Soil Matrix Analyses:				
PFAAs (EPA 537M)	Sample	$400	15	$6,000
			Subtask 3c	**$6,000**
Subtask 3d: Clean Closure Measures				
Project Management and Report Preparation				
Principal I	Hour	$215	2	$430
Senior Professional I	Hour	$150	3	$450
Professional III	Hour	$120	7	$840
GIS/CADD Specialist I	Hour	$100	3	$300
			Subtask 3d	**$2,020**
			Task 3	**$20,725**
Task 4: Aboveground Storage Tank Assessment				
Conceptual removal and sampling plan to be included in clean close measures recommendation				
			Task 4	**$0**
Task 5: Existing Groundwater Monitoring Wells Assessment				
Field Equipment (Sound Level Metering Field Pack)	Daily	$100	1	$100
Monitoring Well Field Labor	Daily	$500	1	$500
			Task 5	**$600**
Task 6: Implementation Schedule and Assessment Report				
Project Management and Assessment Summary Report Preparation				
Principal I	Hour	$215	3	$645
Senior Professional I	Hour	$150	3	$450
Professional III	Hour	$120	10	$1,200
GIS/CADD Specialist I	Hour	$100	4	$400
			Task 6	**$2,695**
			Total	***$34,315***

SECOND AMENDMENT TO AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This second amendment ("Second Amendment") to the agreement for the preparation of an environmental site assessment for the city of Redlands' Alabama Street septic disposal ponds ("Agreement") dated October 30, 2018 ("Agreement"), by and between the City of Redlands, a municipal corporation ("City"), and Rincon Consultants, Inc. ("Consultant"), is made and entered into this 1st day of December, 2020.

RECITALS

WHEREAS, it is the desire of City and Consultant to amend Exhibit "A" of the Agreement, titled "Scope of Services," to increase the scope of services to include those described in Exhibit "1," which is attached hereto and incorporated herein by reference; and

WHEREAS, it is the desire of City and Consultant to amend Article 3.2 of the Agreement to update the name of the City's representative from former representative Chris Boatman, to the current representative, Ross Wittman; and

WHEREAS, it is the desire of City and Consultant to also amend Article 5.1 of the Agreement to increase Consultant's total compensation of thirty four thousand three hundred fifteen dollars ($34,315), to the amount of two hundred thirty thousand two hundred fifteen dollars ($230,215);

NOW, THEREFORE, in consideration of the mutual promises contained herein, City and Consultant agree as follows:

AGREEMENT

Section 1. The scope of work to be performed by Consultant pursuant to Exhibit "A" of the Agreement, titled "Scope of Services," is hereby amended by substituting a new Exhibit "A" as identified in Exhibit "1" hereof.

Section 2. Article 3 of the Agreement, titled "Responsibilities of City" is hereby amended to read as follows:

"3.2 City designates Ross Wittman, Municipal Utilities and Engineering Department Senior Project Manager, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to performance of the Services."

Section 3. Article 5 of the Agreement, titled "Payment to Consultant," is hereby amended to read as follows:

"5.1 The total compensation for Consultant's performance of the Services shall not exceed the amount of two hundred thirty thousand two hundred fifteen dollars ($230,215). City shall pay Consultant on a time and materials basis up to the not to exceed amount, in accordance

with Exhibit "B" titled "Cost Proposal," which is attached hereto and incorporated herein by reference.

Section 4. The total compensation for Consultant pursuant to Exhibit "B" of the Agreement, titled "Cost Proposal," is hereby amended to include the work that is identified in Exhibit "2."

Section 5. All other provisions of the Agreement shall remain unchanged by this Second Amendment and in effect.

IN WITNESS WHEREOF, the parties have executed this Second Amendment, to be effective as of December 1, 2020.

CITY OF REDLANDS

Paul W. Foster, Mayor

RINCON CONSULTANTS, INC.

By: _____
Torin Snyder, Principal

ATTEST:

Jeanne Donaldson, City Clerk

EXHIBIT "1"
AMENDED SCOPE OF SERVICES

Environmental Site Assessment

On May 21, 2017, a fire, later designated The Wash Fire, started in the vicinity of the Santa Ana River Wash adjacent to the pond location. It is believed that the fire spread to dry vegetation in the ponds, continued to spread as far as the 210 Freeway, and was completely contained by the City of Redlands and San Bernardino County Fire Departments on May 22, 2017.

On May 24, 2017, the Santa Ana Regional Water Quality Control Board (RWQCB) personnel performed a post-fire inspection of the ponds and surrounding areas. Based on their observations and the site information collected from the ponds, the RWCQB requested that the City of Redlands develop a Workplan to perform additional environmental site investigation activities, for review and approval by Water Board staff. The proposed Workplan is to include an implementation schedule and a completion report for each of the activities listed below.

Consultant shall perform the following scope of work task items:

Task 1 – Pre-Field Activities

1. **Workplan.** Consultant shall prepare a Workplan outlining the task items listed below for submittal to and approval from the RWQCB through the City of Redlands.

2. **Health and Safety Plan.** Prior to the commencement of any field sampling, Consultant shall prepare a health and safety plan. This plan describes the steps necessary for the field crew to operate on site in a safe and healthy manner, including steps to minimize exposure of the crew to potential contaminants. The preparation of such a plan is required by Federal guidelines for site assessment work. This shall be included as an attachment to the Workplan.

3. **Boring Mark-outs and USA Notification.** Consultant shall pre-mark the proposed soil sample locations with white flags and notify Underground Service Alert (USA) utility marking service. California law requires this notification no less than 48 hours prior to drilling, not including the date of notification. The City will provide any information they may have regarding the presence of underground utilities at the site.

   The Consultant shall provide the City with a minimum of two weeks notification prior to entering the site for field work. The City will in turn notify the RWQCB for any inspection.

Task Deliverables:

- Workplan in a draft format for review and preparation of final Workplan based on City and RWQCB comments.

Task Assumptions

- The City will require one iteration of review comments on the draft Workplan prior to comment incorporation and Workplan finalization for the City's submittal to the RWQCB.
- RWQCB will require one iteration of review comments on the submitted Workplan prior to comment incorporation and Workplan finalization.

Task 2 – Imhoff Concrete Tanks Assessment

Perform assessment and characterization of the Imhoff concrete cylindrical tanks 400 feet west of the pond site to assess the presence of waste materials and contaminated soil, and prepare a recommendation plan and conceptual design for proper tank abandonment and closure. The two abutting tanks are cylindrical in shape with V- or conical-bottoms and measure approximately 34 feet in diameter and 34 feet in height.

1. **Collect Tank Samples.** Consultant shall collect samples from four locations inside each tank at varying depths for a total of 8 samples from the interiors of the two tanks.

2. **Sample Analyses.** The four samples collected from the contents of each tank will be composited by the lab into one sample analyzed per tank. Two total samples will be analyzed for TPH-G, TPH-D and TPH-O by EPA method 8015, polychlorinated biphenyls (PCBs) by EPA method 8082, Metals by EPA method 6010B/7471A, VOCs by EPA method 8260B, semi-volatile organic compounds (SVOCs) by EPA method 8270, and fecal and total coliform and total bacterial plate count by EPA method SM-9221B. In addition, following conversations with the RWQCB, samples will be analyzed for electrical conductivity (EC) by saturation paste extract method, pH, and organochlorine pesticides (OCPs) by EPA method 8081A.

3. **Recommendation Plan.** Following receipt of the laboratory analytical results, Consultant shall prepare a recommendation plan and conceptual design for removal and closure of the Imhoff Concrete Tanks. The Recommendation Plan shall provide a summary of the all field work performed, outline all tests completed, include all sample results and provide a cost estimate for the recommended scope. The assessment data will be evaluated with regard to applicable regulatory criteria and a brief conceptual design will be developed to:

    a. Transport and dispose of the contents of the two Imhoff tanks at a permitted facility;
    b. Properly demolish and/or dismantle the tanks and transport them off site for recycling and/or disposal; and
    c. Sample the soil beneath the tanks, excavate, transport and dispose of contaminated soil beneath the tanks, if any, at a permitted facility. Note that the Water Board's Inspection Report dated 05/24/2017 specifies updated U.S. Environmental Protection Agency (USEPA) Regional Screening Levels (RSLs) dated June 2017 and new Environmental Screening Levels (ESLs) adopted in February 2016 by the San Francisco RWQCB for site cleanup.

    The Recommendation Plan completed within this task will be made a part of the Site Assessment Report as outlined within Task 6.

Task Deliverables:

- Recommendation Plan in a draft format for review and preparation of final Recommendation Plan based on City and RWQCB comments.

Task Assumptions

- Consultant will have access to the tank contents without the need for confined space controls.
- Sampling equipment will not hit refusal prior to sample collection depth.
- Additional analyses will not be necessary for STLC and TTLC for metals. Additional analyses of samples will not be conducted without discussion with the City.

Task 3 – Septage Ponds Assessment

Based on review of the Draft Phase I Environmental Site Assessment and Subsurface Investigation Report for the Former Septage Ponds Located at the Alabama Street Lease Project Site, prepared by Woodward-Clyde and dated August 1996, 12 soil borings were completed within the former ponds. According to the report, the thickness of the sludge varies within and between the ponds, "For example, the sludge was approximately 3 feet thick in Boring AB-1 and 1-foot thick in Boring AB-2 [Pond A]. The sludge-soil interface was encountered at approximately 1 foot below ground surface (bgs) in two of the three borings installed within Pond B; the sludge thickness in the third boring within Pond B was approximately 3 feet. The sludge thickness in the two borings (CB-1 and CB-2) installed within Pond C was approximately 3 feet. The thickness of the sludge encountered in Ponds C 1 and D ranged from 3 to 5 feet."

1. **Subtask 3a. Pond Waste Assessment.** To determine the depth of waste in the septic ponds, continuous cores will be drilled up to 10 feet bgs in three locations in each pond, for a total of 15 borings. The continuous cores will be observed by a geologist to determine the contact between the septic waste and native soil.

   Following a meeting with the RWQCB on August 11, 2018, lead was discussed as the main contaminant of concern. Following guidance from the RWQCB, samples will be collected at 0.5-feete bgs, 2 feet bgs, and 5 feet bgs. The fifteen soil samples collected at 2 feet bgs will be analyzed for lead, TPH-O, total organic carbon (TOC) by EPA method TOC 9060A, EC, and pH. Shallow and deeper samples will be held pending analytical results.

2. **Subtask 3b. Methane Gas Assessment.** To evaluate the presence of methane gas and other gases typically associated with decomposition of septic waste, the installation of three soil vapor probes per septage pond at the depth of 5 feet bgs in each of the aforementioned exploratory borings, for a total of 15 soil vapor probes. All soil vapor proves installed will be screened in the field for methane using a 4-gas meter.

   Soil vapor probes will be installed using a Geoprobe direct push rig. Soil vapor probes will be installed in accordance with the California Environmental Protection Agency/Department of Toxic Substance Control (DTSC) Active Soil Gas Investigations Advisory, July 2015. The use of this protocol ensures that the sampling procedures and analytical methods meet the stringent DTSC guidelines. During the sampling procedures, vacuum integrity of the sampling system is tested prior to and after the soil gas sample is collected. Leak-down testing is conducted to determine vacuum integrity. During

sampling, for safety purposes, the Consultant shall continuously monitor the site using a photoionization detector (PID) and a four-gas meter.

Additionally, per the Regional Water Quality Control Board's request, carcinogenic volatile organic compounds (VOCs) will be added to the list of analytes for samples collected from the soil vapor probes as part of the soil gas assessment for the septage ponds. A mobile laboratory will be used to collect the soil gas samples and analyze onsite. Field work will be extended from the original estimate of one day to two day

3. **Subtask 3c. Fire Suppression Discharge.** To evaluate new waste discharge that may have occurred as a result of fire suppression, the Consultant shall collect soil samples from each of the soil vapor probe borings using the Geoprobe rig. Soil samples will be collected from 0.5 feet and 5 feet bgs from the 15 boring locations completed for the Methane Gas Assessment. Soil samples will be collected using either a Geoprobe or a hand auger and stored in glass jars provided by the analytical laboratory. Each end of the sample will be covered with a Teflon sheet and a tight-fitting plastic cap. Soil samples will be placed on ice pending delivery to a state-certified laboratory under chain-of-custody protocol. Initially, the fifteen 0.5-foot soil matrix samples will be analyzed for PFAAs, and the deeper samples will be held pending the results. If it is determined that analysis of the deeper samples is warranted, the Consultant shall test a maximum of one per septage pond. If further testing is warranted the Consultant shall discuss the additional cost with the City.

   In addition, per the Regional Water Quality Control Board's request, a laboratory will be used that will analyze the samples for Perfluorinated Alkyl Acids (PFAAs) following the Department of Defense (DOD) protocols as part of the assessment of the effect of fire suppression foam on the septage ponds. The drilling company will use additional levels of decontamination protocols.

4. **Subtask 3d. Recommendation Plan.** Following completion of septage pond assessment, Consultant shall prepare a recommendation plan and conceptual design for both clean-closure and landfill closure under California Code of Regulations, Title 27. To identify appropriate measures the Consultant shall review all available documents on GeoTracker to identify which, if any, contaminants were detected in previous assessments in the septage ponds. Previous and current contaminant concentrations should then be compared to screening levels. Following review of these data, a closure recommendation and conceptual design will be prepared for each closure option for selection and future implementation by the City under a separate contract.

   The Recommendation Plan shall provide a summary of the all field work performed, outline all tests completed, include all sample results and provide a cost estimate for each recommended scope. The Recommendation Plan completed within this task will be made a part of the Site Assessment Report as outlined within Task 6.

Task Deliverables:

- Recommendation Plan in a draft format for review and preparation of final Recommendation Plan based on City and RWQCB comments.

Task Assumptions

- Access to the ponds is not limited.
- The pond walls are sloped to provide safe access for samplers and equipment.
- Ponds are solid and dry, and surfaces are stable enough for a motor vehicle to drive onto the surface of each pond.
- The breathing atmosphere in the dry ponds is appropriate for Level C or D PPE.
- Additional analyses will not be necessary for STLC and TTLC for metals. Additional analyses of samples will not be conducted without discussion with the City.
- Following drilling, all sampling equipment is washed in a soap solution and triple rinsed. Wash water will be stored in labeled Department of Transportation approved 55-gallon drums and stored on site pending transfer to a disposal facility. The cost for the disposal of the wash water depends on the results of the assessment. Because we do not know how the waste material will be disposed, we have included the cost for waste disposal as part of this proposal under the worst case assumption that it will be classified as hazardous waste. If the wash water is not classified as hazardous waste the City will be notified and invoicing will reflect this change.
- Previous and current characterizations of the ponds will be sufficient to recommend a scope for each closure approach, and additional sampling is not required.

Task 4 – Aboveground Storage Tank Assessment

During the site walk by City Staff and the Consultant, the abandoned aboveground storage tank immediately east of the pond site was observed. Approximate dimensions are ten feet in diameter by 12 feet tall. The hatch at the top was open and the interior of the steel tank was dry and empty, and reported by the City to have previously stored water.

1. **Collect Soil Samples Under Tank.** Consultant shall collect two soil samples from under the tank at one foot below ground surface (bgs) on either side of the tank, augured in at an angle from the side of the tank.

2. **Sample Analyses.** The two soil samples from under the tank will be analyzed for TPH-G, TPH-D and TPH-O by EPA method 8015, polychlorinated biphenyls (PCBs) by EPA method 8082, metals by EPA method 6010B/7471A, VOCs by EPA method 8260B, semi-volatile organic compounds (SVOCs) by EPA method 8270, and fecal and total coliform and total bacterial plate count by EPA method SM-9221B.

3. **Recommendation Plan.** Consultant shall prepare a recommendation plan and conceptual design for sampling (if necessary), removal, transport and disposal of the tank at a permitted facility. Consultant shall also prepare a recommendation plan and conceptual design for removal, sampling, excavation, transport and disposal of contaminated soil beneath the tank, if any, at a permitted facility. The Recommendation Plan shall provide a summary of all field work performed, outline all tests completed, include all sample results and provide a cost estimate. The Recommendation Plan completed within this task will be made a part of the Site Assessment Report as outlined within Task 6.

With regard to the tank itself, Consultant has advised that regulations stipulate that it is the City's responsibility to characterize the hazardous or non-hazardous nature of the tank, and generator knowledge can be a factor in this determination. For example see 22 CCR 66262.11(b)(2). It is an empty, dry steel tank open to atmosphere in an arid environment, reported to have been used for water storage, with no visible residue on the bottom, and which is unlikely to yield meaningful data from wipe tests. The historic database will be searched for any other information on the past use of the tank. A permitted Class III landfill will be contacted regarding pre-disposal analytical testing which may be required pursuant to the landfill's permit.

Task Deliverables:

- Recommendation Plan in a draft format for review and preparation of final Recommendation Plan based on City and RWQCB comments.

Task 5 – Existing Groundwater Monitoring Wells Evaluation

Evaluate the condition of the seven existing groundwater monitoring wells (MW-1A, MW-2, MW-3, MW-4, MW-5, MW-6, and MW-7). Consultant shall assess the monitoring wells to provide adequate information to provide a recommendation for rehabilitation or decommissioning. Assessment will be done by sounding the depths to water and total depths of the wells and comparing the results with original as-built data. City will provide as much information as available on the monitoring wells.

1. **Recommendation Plan.** Consultant shall prepare a recommendation plan and conceptual design for either remediation or decommissioning of the existing seven monitoring wells with along with a conceptual plan and cost estimate. The Recommendation Plan completed within this task will be made a part of the Site Assessment Report as outlined within Task 6.

Task Deliverables:

- Recommendation Plan in a draft format for review and preparation of final Recommendation Plan based on City and RWQCB comments.

Task 6 – Assessment Report

The Assessment Report shall contain an executive summary along with each Recommendation Plan and an implementation schedule for each Task 1-5 for review and approval by the RWQCB.

Task Deliverables:

- Assessment Report in a draft format for review and preparation of final Assessment Report based on City and RWQCB comments.

Task Assumptions

- The City will require one iteration of review comments on the draft report prior to comment incorporation and workplan finalization for the City's submittal to the RWQCB.
- RWQCB will require one iteration of review comments on the submitted report prior to comment incorporation and report finalization.

Septage Ponds Sub-surface Investigation

In response to Rincon's *Environmental Site Assessment (ESA) Report*, dated July 8, 2020 ("ESA Report"), the RWQCB prepared a comment letter, dated August 13, 2020 ("Comment Letter"), requesting that the City prepare a CSM for the site to serve as a dynamic planning tool for site assessment, cleanup, and site closure. The RWQCB has made it clear that additional environmental assessment(s) at the site are anticipated to address potential data gaps identified in the CSM. Rincon's objective is to prepare a CSM that will serve as a functional planning tool that will effectively limit and guide the scope of future environmental assessments at the site in the City's best interest.

Following the submittal of the CSM to the RWQCB, Rincon will prepare a work plan for a soil and groundwater investigation at the Septage Ponds that will be consistent with recommendations described in the CSM and the RWQCB's expectations. Rincon anticipates this will include excavation of septage pond waste material, disposal of waste material in the City's California Street Landfill, sampling of shallow and deep native soils in the ponds, and a groundwater assessment. In addition, the City has asked for support in preparing a Request for Proposal (RFP) for the excavation, hauling, and disposal of pond waste and the demolition and disposal of the Imhoff tanks and their contents.

Task 1: Preparation of Conceptual Site Model

Rincon will prepare a CSM that identifies the source area, receptors, and exposure pathways for the site. The CSM will address location and transport of contaminants as well as potential impacts to human health, the environment, or beneficial uses of water resources as designated by the Basin Plan[1].

The development of a CSM is an iterative and dynamic process that should occur over the project life cycle. Rincon will prepare a CSM that can be built upon with information obtained during future site investigations, remedy design, and remedy implementation and optimization.

As described in the ESA Report, the COCs for the site were identified as lead and PFAS. As described in the Comment Letter, the RWQCB requested that the City prepare a CSM that focuses on impacts of lead and PFAS and includes the following information:

1. Past and current site uses
2. Current and intended reuse of the site
3. Summary of previous site investigations/assessments
4. Geology and hydrogeology at the site, including depths and thickness of the water-bearing zones encountered beneath the site, as well as geologic interpretation and cross-sections along and perpendicular to general groundwater flow direction
5. Actual or potential COC migration pathways and receptors
6. Delineation of vertical and horizontal impacts including iso-concentration contour maps depicting total concentrations of COCs on plan view and cross sections
7. Potential remedies for source control and containment of COC releases

[1] Water Quality Control Plan for the Santa Ana River Basin, originally published in 1995 and updated in February 2008, June 2011, and February 2016.

8. Decision criteria in the form of a flow chart to be used as a decision-making tool for site remedy/closure, and a proposed implementation schedules for the selected remedies

Task 2: Request for Proposal Development

Based on discussions with the City, the California Street Landfill may be a feasible disposal location for the PFAS and lead-impacted septage pond waste material and the Imhoff tank materials following demolition. Rincon will prepare an RFP document that the City can issue to prospective bidders to complete the excavation, hauling, and disposal of the septage pond material, and the demolition, hauling, and disposal of the Imhoff tanks that are present at the Septage Ponds. The RFP document will include a detailed description of the scope of work, pertinent environmental data, and the necessary environmental qualifications of prospective contractors with regards to excavation and hauling of septage pond waste material. Rincon will rely on the City to provide specific details regarding City contract requirements, prevailing wage, insurance, etc. that will be included in the RFP.

Task 3: Soil and Groundwater Sampling Work Plan

Rincon will prepare a Soil and Groundwater Sampling Work Plan for the proposed scope of field work for submittal and approval from the RWQCB, which is anticipated to include sampling of shallow and deep native soils within the footprint of the septage ponds, and the installation and sampling of up to three groundwater monitoring wells. The scope of work described in the work plan will be consistent with the recommendations included in the CSM and will meet the expectations of the RWQCB.

Task 4: Soil and Groundwater Investigation

Rincon will conduct the soil and groundwater investigation consistent with the work plan as described in Task 2c, following approval by the RWQCB. Because the RWQCB has not yet reviewed or approved a work plan, at the City's request Rincon is assuming a scope of work that will likely exceed the RWQCB's requirements for budgeting purposes. The soil and groundwater investigation will include the following elements:

- **Health and Safety Plan**: Prior to the commencement of any field sampling, Rincon will update the health and safety plan prepared for the ESA at the Septage Ponds to include activities associated with the proposed soil and groundwater investigation. This plan describes the steps necessary for the field crew to operate on site in a safe and healthy manner, including steps to minimize exposure of the crew to potential contaminants. The preparation of such a plan is required by Federal guidelines for site assessment work.
- **Boring Mark-outs and USA Notification**: Rincon will pre-mark the proposed soil sample and monitoring well locations with white flags and white spray paint and notify Underground Service Alert (USA) utility marking service prior to performing soil and groundwater sampling. California law requires this notification no less than 48 hours prior to drilling, not including the date of notification.
- **Monitoring Well Installation and Soil Sampling**: Rincon proposes that three groundwater monitoring wells are installed in three of the four onsite septage ponds. Groundwater is assumed to be at 240 feet below ground surface (bgs). A continuous coring method will be used to log the borings until groundwater is reached. In addition, soil samples will be collected at 100, 150, 200, and 240 feet bgs (12 total samples). The three

monitoring wells will be surveyed by a licensed land surveyor. Installation of the three monitoring wells is expected to take eight days to complete.

- **Monitoring Well Development and Groundwater Sampling**: The three monitoring wells will be developed prior to groundwater sampling. One groundwater sample will be collected from each monitoring well, no less than three days after well development. Development of the monitoring wells is expected to take three days, and collection of soil samples is expected to take two days to complete.
- **Soil Sampling**: Rincon proposes to advance one boring within each of the four onsite septage ponds, for a total of four borings. The borings will be advanced with a track-mounted CME-95 drill rig to approximately 85 feet below ground surface. Initially, seven soil samples will be collected from each boring at 1, 5, 10, 20, 30, 40, and 50 feet bgs. Up to five additional samples may be collected at depths up to 85 feet bgs for a total of 33 total samples. Soil sampling is expected to take four days to complete.
- **Soil and Groundwater Sample Analysis**: To be conservative, Rincon estimates that the three groundwater samples and all of the soil samples collected (45 total soil samples and three total groundwater samples) will be analyzed for contaminants of concern (COCs), including lead and PFAS. In addition, Rincon assumes that 20 percent of the soil samples will undergo Soluble Threshold Limit Concentration (STLC) testing for up to two metals (19 total STLC tests), and that an additional 10 percent of the samples will undergo Total Threshold Limit Concentration (TCLP) testing for up to two metals (10 total TCLP tests) to characterize the pond waste for potential disposal purposes.

  As a standard practice, Rincon prefers to take a phased approach to sample analysis. Rincon has developed a cost estimate consistent with the analytical program described above, however would recommend taking a scaled back approach depending on initial analytical results to reduce costs. For example, in the case of PFAS assessment in soils, Rincon would recommend analyzing several surface (0.5 or 1-foot) samples initially, and would only recommend further analysis of deeper samples if detectable concentrations exceeded applicable screening levels in surface samples.

Task 5: Meetings and Project Management

Rincon anticipates three one-hour meetings with the City and/or the RWQCB will be required to review the CSM, and to develop and finalize the work plan for soil and groundwater assessment at the Septage Ponds. In addition, administrative project management costs are included in this task.

Task Assumptions

Rincon has made the following assumptions in the preparation of this proposal.

- The number of proposed soil boring and groundwater monitoring wells are subject to change pending discussions with the RWQCB.
- Rincon is not responsible for any damages to underground improvements not clearly or accurately marked by the City. Rincon will contact DigAlert for utility mark-outs; however, it should be noted that DigAlert often does not mark the location of subsurface utilities located on private property. If Rincon damages any subsurface utility or structure that is not identified by the City, then the City will assume the cost and all liability related to repair and injury that may occur as a result of such an occurrence.

- The subsurface is amenable to sampling using the methods described in this proposal and the sampling can be completed in the specified time frame. Rincon will advise the City of any necessary revisions to the work scope as well as additional costs, if required.
- All areas of the site are accessible, and access will be secured by the City.
- Laboratory analytical costs included in this proposal assume a standard turnaround time of seven to ten days. Laboratory analysis may be expedited for an additional fee.
- The CSM will be used to identify data gaps to be addressed with additional site assessment(s), and is considered a living document. Future amendments to the CSM following the collection of additional site data are not included in this proposal.
- Material will be removed such that a drill rig will be able to access each of the soil sampling and groundwater monitoring locations.
- Preparation of the RFP for the Septage Ponds will not exclude Rincon from eligibility to submit a proposal to perform the investigations.

EXHIBIT "2"
AMENDED COST PROPOSAL

Tasks	Task Budget
Task Environmental Site Assessment	
Task 1-6: Environmental Site Assessment	$34,315
Task: Septage Pond Sub-Surface Investigation	
Task 1: Preparation of Conceptual Site Model	$7,600
Task 2: Request for Proposal Development	$5,500
Task 3: Soil Sampling Work Plan	$4,300
Task 4: Soil and Groundwater Investigation	$137,400
Task 5: Meetings and Project Management	$2,800
Contingency: 20-percent	$38,300
TOTAL PROJECT BUDGET	**$230,215**

THIRD AMENDMENT TO AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This third amendment ("Third Amendment") to the agreement for the preparation of an environmental site assessment for the city of Redlands' Alabama Street septic disposal ponds dated October 30, 2018 ("Agreement"), by and between the City of Redlands, a municipal corporation ("City"), and Rincon Consultants, Inc., a California corporation ("Consultant"), is made and entered into this 2nd day of November, 2021.

RECITALS

WHEREAS, it is the desire of City and Consultant to amend Exhibit "A" of the Agreement, titled "Scope of Services," to increase the scope of services to include those described in Exhibit "1," which is attached hereto and incorporated herein by reference; and

WHEREAS, it is the desire of City and Consultant to amend Article 3.2 of the Agreement to update the name of the City's representative from former representative Ross Wittman, to the current representative, John R. Harris; and

WHEREAS, it is the desire of the City and Consultant to amend Article 5.1 of the Agreement to increase Consultant's total compensation of Two Hundred Thirty Thousand Two Hundred Fifteen Dollars ($230,215), to the amount of Three Hundred Thirty Four Thousand Six Hundred Thirty Five Dollars ($334,635);

NOW, THEREFORE, in consideration of the mutual promises contained herein, City and Consultant agree as follows:

AGREEMENT

Section 1. The scope of work to be performed by Consultant pursuant to Exhibit "A" of the Agreement, titled "Scope of Services," is hereby amended by substituting a new Exhibit "A" as identified in Exhibit "1" hereof.

Section 2. Article 3 of the Agreement, titled "Responsibilities of City," is hereby amended to read as follows:

"3.2 City designates John R. Harris, Municipal Utilities and Engineering Director, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receives information, interpret and define City's policies and decisions with respect to performance of the Services."

Section 3. Article 5 of the Agreement, titled "Payment to Consultant," is hereby amended to read as follows:

"5.1 Total compensation for Consultant's performance of the Services shall not exceed the amount of Three Hundred Thirty Four Thousand Six Hundred Thirty Five Dollars ($334,635). City shall pay Consultant on a time and materials basis up to the not to exceed amount, in

accordance with Exhibit "B" titled "Cost Proposal," which is attached hereto and incorporated herein by reference.

Section 4. The total compensation for Consultant pursuant to Exhibit "B" of the Agreement, titled "Cost Proposal," is hereby amended to include the work that is identified in Exhibit "2."

Section 5. All other provisions of the Agreement shall remain unchanged by this Second Amendment and in effect.

CITY OF REDLANDS

Paul T. Barich, Mayor

RINCON CONSULTANTS, INC.

By:

Torin Snyder, Principal

ATTEST:

Jeanne Donaldson, City Clerk

EXHIBIT "1"

AMENDED SCOPE OF SERVICES

The scope of work for the Septage Ponds subsurface investigation is described below:

Septage Ponds Subsurface Investigation

Task 1: Preparation of Conceptual Site Model (CSM)

Rincon will prepare a CSM that identifies the source area, receptors, and exposure pathways for the site. The CSM will address location and transport of contaminants as well as potential impacts to human health, the environment, or beneficial uses of water resources as designated by the Basin Plan.

The development of a CSM is an iterative and dynamic process that should occur over the project life cycle. Rincon will prepare a CSM that can be built upon with information obtained during future site investigations, remedy design, and remedy implementation and optimization.

As described in the ESA Report, the COCs for the site were identified as lead and PFAS. As described in the Comment Letter, the SA RWQCB requested that the City prepare a CSM that focuses on impacts of lead and PFAS and includes the following information:

1. Past and current site uses
2. Current and intended reuse of the site
3. Summary of previous site investigations/assessments
4. Geology and hydrogeology at the site, including depths and thickness of the water-bearing zones encountered beneath the site, as well as geologic interpretation and cross-sections along and perpendicular to general groundwater flow direction
5. Actual or potential COC migration pathways and receptors
6. Delineation of vertical and horizontal impacts including iso-concentration contour maps depicting total concentrations of COCs on plan view and cross sections
7. Potential remedies for source control and containment of COC releases
8. Decision criteria in the form of a flow chart to be used as a decision-making tool for site remedy/closure, and a proposed implementation schedules for the selected remedies

Task 2: Request for Proposal Development

Based on discussions with the City, the California Street Landfill may be a feasible disposal location for the PFAS and lead-impacted Septage pond waste material and the Imhoff tank materials following demolition. Rincon will prepare an RFP document that the City can issue to prospective bidders to complete the excavation, hauling, and disposal of the Septage pond material, and the demolition, hauling, and disposal of the Imhoff tanks that are present at the Septage Ponds. The RFP document will include a detailed description of the scope of work, pertinent environmental data, and the necessary environmental qualifications of prospective contractors with regards to excavation and hauling of Septage pond waste material. Rincon will rely on the City to provide specific details regarding City contract requirements, prevailing wage, insurance, etc. that will be included in the RFP.

Task 3: Soil and Groundwater Sampling Work Plan

Rincon will prepare a Soil and Groundwater Sampling Work Plan for the proposed scope of field work for submittal and approval from the SA RWQCB, which is anticipated to include sampling of shallow and deep

native soils within the footprint of the Septage ponds, and the installation and sampling of up to three groundwater monitoring wells. The scope of work described in the work plan will be consistent with the recommendations included in the CSM and will meet the expectations of the SA RWQCB.

Task 4: Soil and Groundwater Investigation

Rincon will conduct the soil and groundwater investigation consistent with the work plan as described in Task 2c, following approval by the SA RWQCB.

- **Health and Safety Plan**: Prior to the commencement of any field sampling, Rincon will update the health and safety plan prepared for the ESA at the Septage Ponds to include activities associated with the proposed soil and groundwater investigation. This plan describes the steps necessary for the field crew to operate on site in a safe and healthy manner, including steps to minimize exposure of the crew to potential contaminants. The preparation of such a plan is required by Federal guidelines for site assessment work.

- **Boring Mark-outs and USA Notification**: Rincon will pre-mark the proposed soil sample and monitoring well locations with white flags and white spray paint and notify Underground Service Alert (USA) utility marking service prior to performing soil and groundwater sampling. California law requires this notification no less than 48 hours prior to drilling, not including the date of notification.

- **Monitoring Well Installation and Soil Sampling**: Rincon proposes that three groundwater monitoring wells are installed in three of the four onsite Septage ponds. Groundwater is assumed to be at 240 feet below ground surface (bgs). **A continuous coring method will be used for the entire depth of one of the groundwater monitoring wells to log the borings until groundwater is reached**. In addition, soil samples will be collected at 100, 150, 200, and 240 feet bgs at the downgradient well locations (8 total samples). The three monitoring wells will be surveyed by a licensed land surveyor. **Installation of the three monitoring wells is expected to take fourteen days to complete**.

- **Monitoring Well Development and Groundwater Sampling**: The three monitoring wells will be developed prior to groundwater sampling. One groundwater sample will be collected from each monitoring well, no less than three days after well development. Development of the monitoring wells is expected to take three days, and collection of soil samples is expected to take two days to complete.

- **Soil Sampling within Septage Ponds**: Rincon proposes to advance **two** borings within each of the **five** onsite Septage ponds, for a total of **ten** borings. **Rincon will advance shallow soil borings using a track mount direct push rig at two locations where the highest concentrations of PFOA, PFOS, and/or lead were observed during the Phase II ESA in Ponds A, B, C, and C-1, and at one location in Pond D. Samples will be collected from the shallow borings at depths of 0.5, 2, 5 and 10 feet below the pond-native soil interface (a total of 36 soil samples). A tenth soil boring** will be advanced in Pond D with a track-mounted CME-95 drill rig to approximately 85 feet bgs**, and eight soil samples will be collected from the 0.5, 2, 5, 10, 20, 30, 40, 60, and 85 feet bgs.** Soil sampling is expected to take four days to complete.

- **Soil Sampling around the Perimeter of the Septage Ponds: Rincon will advance shallow soil borings using a hand auger sampler at five locations around the perimeter of the Septage ponds. Hand auger borings will be advanced to a total depth of 5 feet bgs, and samples will be collected at depths of 0.5, 2, and 5 feet bgs. A total of 15 soil samples will be collected from the shallow soil borings advanced in the native soils around the perimeter of the Septage ponds.**

- **Soil and Groundwater Sample Analysis**: As a standard practice, Rincon prefers to take a phased approach to sample analysis. Rincon has developed a cost estimate consistent with the analytical program described above, however would recommend taking a scaled back approach depending on initial analytical results to reduce costs. For example, in the case of PFAS assessment in soils, Rincon would recommend analyzing several surface (0.5 or 1-foot) samples initially, and would only recommend further analysis of deeper samples if detectable concentrations exceeded applicable screening levels in surface samples. **The following table summarizes the analytical suite for the total number of soil samples that will be collected during the Subsurface Investigation:**

Sample Set	Number of Soil Borings	Sample Depths for Initial Laboratory Analysis (depth in feet)	Samples Held for Follow-Up Laboratory Analysis by Depth, Pending Initial Results	Total No. of Samples	Sample Analysis
Deep Soil Sampling within Septage Pond	1	0.5, 2, 5	10, 20, 40, 60, 85	8	Lead, PFAS, D VOCs
Shallow Soil Sampling around Septage Ponds Perimeter	5	0.5, 2	5	15	PFAS
Shallow Soil Sampling within Septage Ponds A, B, C, C-1 and D[1]	9	0.5, 2	5, 10	36	Lead and PFAS
Groundwater Monitoring Well Installation at MW-02 and MW-03[2]	2	--	100, 150, 200, 250	8	PFAS

[1] Sampling depths beneath the Septage ponds will be measured from the pond-native soil interface, while sampling depths in native soils will be measured from ground surface.
[2] Soil samples collected during installation of groundwater monitoring wells MW-02 and MW-03 will be held at the laboratory pending analysis of the deep soil boring in Pond D. These samples will be analyzed for PFAS only if PFAS is detected in deep soils and if PFOA and PFAS exceed notification levels in groundwater sampled at each downgradient well.

The following is a summary of the analytical suite for the groundwater samples collected during the subsurface investigation:

Analyte	Analytical Method
PFAS	DoD QSM Version
VOCs	5.1 EPA Method
Total Hardness	8260 N/A
California Code of Regulations (CCR) Title 22	EPA Method 6010
Metals Total Dissolved Solids (TDS)	Standard Method (SM) 2540C
Total Anions (Nitrate, Sulfate, Chloride, Fluoride)	EPA Method 300.0
pH	SM 4500
Semi Volatile Organic Compounds (SVOCs)	EPA Method 8270
Specific Conductance	SM 2510B
Total Alkalinity (carbonate, bicarbonate, and hydroxide)	SM 2320B
Chemical Oxygen Demand (COD)	SM 5220D
Total Organic Carbon (TOC)	EPA Method
Total Cations (Manganese, Potassium, Magnesium, Iron, Zinc, Sodium)	5310B EPA 6010B
Phenols	EPA 420.1
Boron	EPA6010B
Phosphate	SM 4500
Total Phosphorus	SM 4500
Total Organic Halogens	EPA Method 9020B

Task 5: Meetings and Project Management

Rincon anticipates three one-hour meetings with the City and/or the SA RWQCB will be required to review the CSM, and to develop and finalize the work plan for soil and groundwater assessment at the Septage Ponds. In addition, administrative project management costs are included in this task.

Additional Meetings and Project Management budget has been added to this task due to the additional need for coordination with sub-contractors and field personnel. In addition, a reporting budget of $10,095 has been added to this budget given the complex nature of report preparation for the scope of work presented herein.

Assumptions

Rincon has made the following assumptions in the preparation of this proposal.

- The number of proposed soil boring and groundwater monitoring wells are subject to change pending discussions with the SA RWQCB.
- Rincon is not responsible for any damages to underground improvements not clearly or accurately marked by the City. Rincon will contact DigAlert for utility mark-outs; however, it should be noted that DigAlert often does not mark the location of subsurface utilities located on private property. If Rincon damages any subsurface utility or structure that is not identified by the City, then the City will assume the cost and all liability related to repair and injury that may occur as a result of such an occurrence.
- The subsurface is amenable to sampling using the methods described in this proposal and the sampling can be completed in the specified time frame. Rincon will advise the City of any necessary revisions to the work scope as well as additional costs, if required.
- All areas of the site are accessible, and access will be secured by the City.
- Laboratory analytical costs included in this proposal assume a standard turnaround time of seven to ten days. Laboratory analysis may be expedited for an additional fee.
- The CSM will be used to identify data gaps to be addressed with additional site assessment(s) and is considered a living document. Future amendments to the CSM following the collection of additional site data are not included in this proposal.
- Material will be removed such that a drill rig will be able to access each of the soil sampling and groundwater monitoring locations.
- Preparation of the RFP for the Septage Ponds will not exclude Rincon from eligibility to submit a proposal to perform the investigations.
- A cost estimate was provided by the drilling subcontractor selected for this project and material costs (e.g., PVC pipe) are assumed to be valid for up to 14 days following this proposal. If the scope of work is implemented in greater than 14 days from the date of this proposal, a revised quote will be obtained, and material costs will be updated.

EXHIBIT "2"

AMENDED COST PROPOSAL

Tasks	Task Budget	Additional Budget	Total Budget
Task Environmental Site Assessment			
Task 1: Environmental Site Assessment	$34,315	$--	$34,315
Task: Septage Pond Sub-Surface Investigation			
Task 1: Preparation of Conceptual Site Model	$7,600	$2,000	$9,600
Task 2: Request for Proposal Development	$5,500	$--	$5,500
Task 3: Soil Sampling Work Plan	$4,300	$2,500	$6,800
Task 4: Soil and Groundwater Investigation	$137,400	$83,200	$220,600
Task 5: Reporting, Meetings and Project Management	$2,800	$16,720	$19,520
Contingency: 20-percent	$38,300	$--	$38,300
TOTAL PROJECT BUDGET	**$230,215**	**$104,420**	**$334,635**

"A City That Works"

City Council Meeting **I. 17.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve Amendment No. 1 to the Agreement with RK Engineering Group, Inc. to perform Engineering and Traffic Surveys on various streets within City limits (Municipal Utilities and Engineering Director Harris)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motions are provided:

1. I move that the City Council approve Amendment No. 1 to the Agreement with RK Engineering Group, Inc.

RECOMMENDATION:

Staff recommends City Council approve Amendment No.1 to the Professional Services Agreement between the City of Redlands and RK Engineering Group, Inc.

DISCUSSION:

The City of Redlands (City) routinely prepares Engineering and Traffic Surveys (E&TS) to justify posted speed limits throughout the City and to allow the Police Department to enforce the speed limits using an electronic device. In compliance with California Vehicle Code (CVC) Section 40802, State and local agencies conduct engineering studies at least once every five to ten years to reevaluate non-statutory speed limits on roadway segments that have undergone significant changes since the last review. The last speed survey was conducted in July 2015. The City has a total of 133 street segments on 54 streets within the City limits that have expired speed surveys. The City requires the assistance of a qualified consultant to perform E&TS on the expired speed surveys as necessary to provide sufficient information to document that the conditions of the latest edition of the CVC have been satisfied.

On July 6, 2021, City Council executed an Agreement with RK Engineering Group, Inc. (RK) to perform E&TS on various streets within City limits (Project) for an amount not-to-exceed $39,490. RK has worked diligently and has nearly completed the Project. However, the Project will not be completed prior to the March 31, 2022, Agreement deadline. Staff recommends a First Amendment to the Agreement that extends the date for termination of the services to June 30, 2022.

ALTERNATIVES:

City Council may deny approval of the First Amendment to the Agreement, although doing so will prevent the completion of this project.

STRATEGIC PLAN:
N/A

SUBMITTED BY:
John R. Harris, Municipal Utilities and Engineering Director

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director
Goutam K. Dobey, Engineering Manager

PREPARED BY:
Johana Silva, Assistant Engineer

Fiscal Impact

Discussion:

There is no fiscal impact associated with approval of First Amendment to the Agreement.

Attachments

A. First Amendment to RK Engineering Group

B. Executed Agreement with RK Engineering (Reference Only)

FIRST AMENDMENT TO AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This first amendment ("First Amendment") to the agreement of professional engineering and traffic survey services ("Agreement"), dated July 6, 2021, by and between the City of Redlands, a municipal corporation and a general law city ("City"), and RK Engineering Group, Inc., a California corporation ("Consultant"), is made and entered into this 15th day of March, 2022.

RECITALS

WHEREAS, it is the desire of the City and Consultant to amend Article 4.2 of the Agreement to extend the date for termination of the Services to June 30, 2022;

NOW, THEREFORE, for good and valuable consideration in the receipt of which is hereby acknowledge City and Consultant agree as follows:

AGREEMENT

Section 1. Section 4.2 of the Agreement, titled "Performance of Services," is hereby amended to read as follows:

"4.2 Consultant shall complete the Services by June 30, 2022, unless the Services are terminated earlier as provided for herein."

Section 2. All other provisions of the Agreement shall remain unchanged by this First Amendment and in effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment, to be effective as of March 15, 2022.

CITY OF REDLANDS

_____
Paul T. Barich, Mayor

RK ENGINEERING GROUP, INC.

By: _____
Rogier Goedecke, President

ATTEST:

_____
Jeanne Donaldson, City Clerk

AGREEMENT TO PERFORM PROFESSIONAL SERVICES ENGINEERING SERVICES

This agreement for the provision of professional engineering and traffic survey services ("Agreement") is made and entered in this 6th day of July, 2021 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and RK Engineering Group, Inc. a California corporation ("Consultant"). City and Consultant are sometimes individually referred to herein as a "Party" and, together, as the "Parties." In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 – ENGAGEMENT OF CONSULTANT

1.1 City hereby engages Consultant to provide professional engineering and traffic survey services at various locations throughout the City (the "Services").

1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of Services.

ARTICLE 2 – SERVICES OF CONSULTANT

2.1 The Services that Consultant shall perform are more particularly described in Exhibit "A," titled "Scope of Services," which is attached hereto and incorporated herein by reference.

2.2 Consultant shall comply with applicable federal, state and local laws and regulations in the performance of this Agreement including, but not limited to, any applicable State prevailing wage laws.

ARTICLE 3 – RESPONSIBILITIES OF CITY

3.1 City designates John R. Harris, Municipal Utilities and Engineering Director, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to performance of the Services.

ARTICLE 4 – PERFORMANCE OF SERVICES

4.1 Consultant shall perform and complete the Services in a prompt and diligent manner in accordance with the schedule set forth in Exhibit "B," titled "Project Schedule," which is attached hereto and incorporated herein by reference.

4.2 Consultant shall complete the Services by March 31, 2022, unless the Services are terminated earlier as provided for herein.

4.3 If Consultant's Services include deliverable electronic visual presentation materials, such materials shall be delivered in a form, and made available to the City, consistent with City Council adopted policy for the same. It shall be the obligation of Consultant to obtain a copy of such policy from City staff.

ARTICLE 5 – PAYMENTS TO CONSULTANT

5.1 Total compensation for Consultant's performance of the Services shall not exceed the amount of thirty nine thousand four hundred ninety dollars ($39,490). City shall pay Consultant on a time and materials basis up to the not to exceed amount in accordance with Exhibit "C," titled "Cost Proposal," which is attached hereto and incorporated herein by reference.

5.2 Consultant shall submit monthly invoices to City describing the Services performed during the preceding month. Consultant's invoices shall include a brief description of the Services performed, the dates the Services were performed, the number of hours spent and by whom, and a description of reimbursable expenses related to the Services. City shall pay Consultant no later than thirty (30) days after receipt and approval by City of Consultant's invoice.

5.3 Any notice or other communication required, or which may be given, pursuant to this Agreement, shall be in writing. Any such notice shall be deemed delivered (i) on the date of delivery in person; (ii) five (5) days after deposit in first class registered mail, with return receipt requested; (iii) on the actual delivery date if deposited with an overnight courier; or (iv) on the date sent by facsimile or electronic mail transmission (including PDF), if confirmed with a copy sent contemporaneously by first class, certified, registered or express mail; in each case properly posted and fully prepaid to the appropriate address set forth below, or such other address as a Party may provide notice in accordance with this section:

CITY:

City Clerk
City of Redlands
35 Cajon Street
P.O. Box 3005 (mailing)
Redlands, CA 92373
jdonaldson@cityofredlands.org
Phone: (909) 798-7531

CONSULTANT:

Rogier Goedecke, President
RK Engineering Group, Inc.
4000 Westerly Place, Suite 280
Newport Beach, CA 92660
rg@rkengineer.com
Phone: (949) 474-0809
Fax: (909) 474-0902

ARTICLE 6 – INSURANCE AND INDEMNIFICATION

6.1 The following insurance coverage required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not perform any Services unless and until the required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. Insurance policies

shall include a provision prohibiting cancellation or modification of the policy except upon thirty (30) days prior written notice to City.

A. Workers' Compensation and Employer's Liability insurance in the amount that meets statutory requirements with an insurance carrier acceptable to City, or certification to City that Consultant is self-insured or exempt from the workers' compensation laws of the State of California. Consultant shall execute and provide City with Exhibit "D," titled "Workers' Compensation Insurance Certification," which is attached hereto and incorporated herein by this reference, prior to performance of the Services.

B. Comprehensive General Liability insurance with carriers acceptable to City in the minimum amount of One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate, for public liability, property damage and personal injury is required. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

C. Business Auto Liability coverage, with minimum limits of One Million Dollars ($1,000,000) per occurrence, combined single limit bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used in connection with Consultant's provision of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

D. Consultant is expressly prohibited from assigning or subcontracting any of the Services without the prior written consent of City. In the event of mutual agreement by the Parties to assign or subcontract a portion of the Services, Consultant shall add such assignee or subcontractor as an additional insured to the insurance policies required hereby and provide City with the insurance endorsements prior to any Services being performed by the assignee or subcontractor.

6.2 Consultant shall defend, indemnify and hold harmless City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any negligent act or omission by, or the willful misconduct of, Consultant, or its officers, employees and agents in performing the Services.

ARTICLE 7 – CONFLICTS OF INTEREST

7.1 Consultant covenants and represents that it does not have any investment or interest in any real property that may be the subject of this Agreement or any other source of income, interest in real property or investment that would be affected in any manner or degree by the performance of Consultant's Services. Consultant further covenants and represents that in the performance of its duties hereunder, no person having any such interest shall perform any Services under this Agreement.

7.2 Consultant agrees it is not a designated employee within the meaning of the Political Reform Act because Consultant:

A. Does not make a governmental decision whether to:

(i) approve a rate, rule or regulation, or adopt or enforce a City law;
(ii) issue, deny, suspend or revoke any City permit, license, application, certification, approval, order or similar authorization or entitlement;
(iii) authorize City to enter into, modify or renew a contract;
(iv) grant City approval to a contract that requires City approval and to which City is a party, or to the specifications for such a contract;
(v) grant City approval to a plan, design, report, study or similar item;
(vi) adopt, or grant City approval of, policies, standards or guidelines for City or for any subdivision thereof.

B. Does not serve in a staff capacity with City and in that capacity, participate in making a governmental decision or otherwise perform the same or substantially the same duties for City that would otherwise be performed by an individual holding a position specified in City's Conflict of Interest Code under Government Code section 87302.

7.3 In the event City determines that Consultant must disclose its financial interests, Consultant shall complete and file a Fair Political Practices Commission Form 700, Statement of Economic Interests, with the City Clerk's office pursuant to the written instructions provided by the City Clerk.

ARTICLE 8 – GENERAL CONSIDERATIONS

8.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.

8.2 Consultant shall not assign any of the Services, except with the prior written approval of City and in strict compliance with the terms and conditions of this Agreement. Any assignment or attempted assignment without such prior written consent may, in the sole discretion of City, result in City's immediate termination of this Agreement.

8.3 Consultant is for all purposes under this Agreement an independent contractor and shall perform the Services as an independent contractor. Neither City nor any its agents shall have control over the conduct of Consultant or Consultant's employees, except as herein set forth. Consultant shall supply all necessary tools and instrumentalities required to perform the Services. Assigned personnel employed by Consultant are for its account only, and in no event shall Consultant or personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City. Consultant

shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind City to any obligation.

8.4 This Agreement may be terminated by City, in its sole discretion, by providing not less than five (5) days prior written notice to Consultant of City's intent to terminate. If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed Services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant. Upon receipt of a termination notice, Consultant shall immediately discontinue its provision of the Services and, within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of project related data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services. Consultant shall be compensated on a pro-rata basis for Services completed up to the date of termination.

8.5 Consultant shall maintain books, ledgers, invoices, accounts and other records and documents evidencing costs and expenses related to the Services for a period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Such books shall be available at reasonable times for examination by City at the office of Consultant.

8.6 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Except as otherwise provided for herein, any amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.

8.7 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8.8 If one or more of the sentences, clauses, paragraphs or sections contained in this Agreement is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate the remaining sentences, clauses, paragraphs or sections contained herein, unless to do so would deprive a Party of a material benefit of its bargain under this Agreement.

IN WITNESS WHEREOF, duly authorized representatives of City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

By: _____
Charles M. Duggan, Jr., City Manager

RK ENGINEERING GROUP, INC.

By: _____
Rogier Goedecke, President

ATTEST:

_____
Jeanne Donaldson, City Clerk

EXHIBIT "A"
SCOPE OF SERVICES

TASK 1 Project Management / Kick-Off Meeting with City Staff

RK will schedule a meeting with the City of Redlands representatives to discuss the project and refine the scope of work, as necessary. The following will be verified:

1. Define Project Goals and Objectives
2. Outline Management Approach
3. Review Report Style and Format for Consistency
4. Confirm Roadway Segments and Schedule
5. Obtain Accident Data from City
6. Review Scope of Work and Time Frames

RK will work closely with staff and provide weekly status updates on the progress of the project with stakeholders. The project schedule and budget will be followed and if additional work is required outside the agreed scope, RK will request a budget modification in writing prior to initiating the work.

TASK 2 Resource Documents & Data Review / Accident Data Review

RK will review the 2015 E&TS and all resource documents including the City's current accident records available through SWITRS for each of the identified street segments. The accident record analysis will be used to compare collision rates of each study segment to the average expected collision rate for similar roadways documented and published by Caltrans. The collision rate analysis will include the total accident rate per million vehicles miles (MVM). RK will collect new 24-hour counts at each of the 133- roadway segments to calculate the Accident Rates.

TASK 2.1 Field Inspection of 133 Street Segments

RK will conduct a field review of each of the 133 roadway segments to be surveyed. The review will include an evaluation of the overall surface roadway conditions including number of through travel lanes by direction, existing speed limits, roadway curvature, shoulder conditions, intersection spacing, frequency of driveway access locations, on-street parking, sidewalk availability and pedestrian activity (i.e., crosswalks). RK will provide sufficient information to satisfy the conditions of CVC Section 627. RK will evaluate the documented roadway conditions and assess any potential speed reductions due to those conditions. All relevant information will be clearly stated on the speed survey forms and in the final report.

The location of all speed limit signs will be reviewed and documented to ensure conformance with the City's Municipal Code. Recommendations will be made to relocate signs if needed.

TASK 3 Radar Field Data Collection

RK will review each of the radar speed surveys to determine the 85th percentile speed for each roadway segment. All traffic speed surveys will be conducted during typical weekdays (Tuesday, Wednesday, or Thursday) and will avoid holidays in accordance with MUTCD guidelines for preparation of engineering and traffic surveys. In addition, the first five mile per

hour increment below the 85th percentile speed will also be highlighted as the speed limit normally established for City and County highways. The following data will be reported from the speed surveys:

1. Existing speed limit.
2. 50th (median) percentile speed.
3. 85th percentile speed.
4. 10 mile per hour pace speed, with number and percentage of vehicles within the pace.
5. Mean speed.
6. Tabular summation frequency of the speeds observed.
7. Cumulative speed distribution curve.
8. Date, time started, time ended, weather, direction road surface condition, observation.

TASK 4 Speed Data Analysis and Summary of Recommendations Chart

RK will develop recommendations for speed limits for each of the 133 roadway segments. An appropriate speed limit will be recommended based on all the important factors listed above. The recommended speed limits will be established at or near the 85-percentile speed unless specific roadway conditions or accident data indicate a lower speed limit would be warranted. RK will follow CALTRANS Traffic Operations Policy Directive 09-04 and the CAMUTCD in recommending the speed limits. RK will document any justification for reducing the speed limit by 5 mph in compliance with CVC Sections 627 and 22358.5.

The Speed Data Analysis will be summarized in a clear and concise manner and shared with stakeholders prior to completing the final report.

TASK 5 Roadway Segment Characteristics and Speed Limit Sign Locations Review

Please refer to Task 2.1. Based on our experience, the field review and speed limit sign locations should be completed prior to obtaining the radar speed surveys. This allows us to familiarize ourselves with the roadway segments and create exhibits of the entire study area. Furthermore, if there is construction, traffic control, lane closures, etc., on the roadways, it will impact the results of the radar speed surveys and ADT counts. It is critical the data is collected during typical traffic conditions to ensure accuracy.

TASK 6 Accident History Review and Accident Rate Calculations

Please refer to Task 2.1. Reviewing accident data prior to the field review and data collection allows us to thoroughly investigate the roadway segments with high accident rates during the field review. As a result, we can identify areas of concern early on and make recommendation for improvement if needed.

TASK 7 Compilation of Speed Zone Survey and Summary of Recommendations Chart

Please refer to Task 4.

TASK 8 Preparation Draft Report

RK will provide a draft report to City Staff for review and comments. An illustrative map and roadway segment tables will be prepared summarizing the recommended speed limits. The

survey will conform to the California Vehicle Code Section 627, MUTCD and 22358.5. The following will be included:

1. Certification Statement
2. Radar Speed Survey Operational Procedures
3. Description of the Purpose & Methodology of Speed Zone Establishment
4. Description of the Statistical Analysis Factors
5. Description of the Field Date Used in Analyzing the Related Roadway Characteristics
6. Accident History for the Street Segments
7. Results and Recommendations
8. Summary Table of Speed Limit Recommendations

TASK 9 Preparation of Final Report

RK will incorporate comments received from the City and produce a final report. The following items will be delivered:

1. For each specified location, one copy of the Speed Zone Survey Sheet, Cumulative Speed Curve Sheet, and Vehicle Speed Survey Sheet (Sheet for Highways, Arterials and Collectors or the Sheet for 40MPH and under). The survey sheets shall comply with figures consistent with the California MUTCD, Section 2B.
2. Five (5) bound color copies of the Final Report which shall include all elements and parameters as specified by the California Vehicle Code Section 40802 and the California MUTCD.
3. Five (5) 24" x 36" Color Speed Survey Maps designating the different posted traffic speed limits for each specified location.
4. One (1) DVD disk and one (1) USB drive with the contents of the Final Report in the format of the applications used to create it (i.e., Microsoft Office files, ESRI files, AutoCAD files, Basic files, etc.). Also, a searchable PDF version of the files should be included so that the City may post them online.

TASK 10 Policy Maker Presentations & Plan Adoption

Alex Tabrizi, PE, TE will present and summarize the results of the Final Report to the Traffic and Parking Commission for recommendation to the City Council for adoption. The Plan will be shared at one work session and one formal City Council meeting.

EXHIBIT "B"
PROJECT SCHEDULE

Task	Task Description	Week													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Project Management / Kick-Off Meeting with City Staff														
2	Resource Documents & Data Review / Accident Data Review														
2.1	Field Inspection of 133 Street Segments														
3	Radar Field Data Collection														
4	Speed Data Analysis and Summary of Recommendations Chart														
5	Roadway Segment Characteristics and Speed Limit Sign Locations Review (Refer to Task 2.1)														
6	Accident History Review and Accident Rate Calculations (Refer to Task 2)														
7	Compilation of Speed Zone Survey and Summary of Recommendations Chart (Refer to Task 4)														
8	Preparation Draft Report														
9	Preparation of Final Report														
10	Policy Maker Presentations & Plan Adoption														

EXHIBIT "C"
COST PROPOSAL

Task	Task Description	Robert Kahn, P.E. (Founding Principal) $190	Alex Tabrizi, P.E. (Principal) $185	Elias Bandek, EIT (Engineer II) $115	Diana Knoob (Exec. Asst.) $70	Total Hours	Subtotal	Running Total
1	Project Management / Kick-Off Meeting with City Staff		2		1	3	$ 440	$ 440
2	Resource Documents & Data Review / Accident Data Review	2	8	12		22	$ 3,240	$ 3,240
2.1	Field Inspection of 133 Street Segments	4	16	28		48	$ 6,940	$ 7,380
3	Radar Field Data Collection (133 Street Segments) (Counts Unlimited, Inc, / Fixed Cost)					0	$ 16,900	$ 24,280
4	Speed Data Analysis and Summary of Recommendations Chart	1	12	12	2	27	$ 3,930	$ 28,210
5	Roadway Segment Characteristics and Speed Limit Sign Locations Review (Refer to Task 2.1)					0	$ -	$ 28,210
6	Accident History Review and Accident Rate Calculations (Refer to Task 2)					0	$ -	$ 28,210
7	Compilation of Speed Zone Survey and Summary of Recommendations Chart (Refer to Task 4)					0	$ -	$ 28,210
8	Preparation Draft Report	4	12	18	2	36	$ 5,190	$ 33,400
9	Preparation of Final Report	2	4	8	1	15	$ 2,110	$ 35,510
10	Policy Maker Presentations & Plan Adoption		4			4	$ 740	$ 36,250
Total Hours		**13**	**58**	**78**	**6**	**155**	**$ 39,490**	**$ 39,490**
GRAND TOTAL (Not to Exceed Fee)							**$ 39,490**	**$ 39,490**

EXHIBIT "D"
WORKERS' COMPENSATION INSURANCE CERTIFICATION

Every employer, except the State, shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.

(b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

CHECK ONE

X I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work and activities required or permitted under this Agreement. (Labor Code §1861).

_____ I affirm that at all times, in performing the work and activities required or permitted under this Agreement, I shall not employ any person in any manner such that I become subject to the workers' compensation laws of California. However, at any time, if I employ any person such that I become subject to the workers' compensation laws of California, immediately I shall provide the City with a certificate of consent to self-insure, or a certification of workers' compensation insurance.

I certify under penalty of perjury under the laws of the State of California that the information and representations made in this certificate are true and correct.

RK ENGINEERING GROUP, INC.

By: _____ Date: 7/12/21

Rogier Goedecke, President

"A City That Works"

City Council Meeting **I. 18.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Receive and File the Redlands Police Department's Military Equipment Use Policy (Police Chief Catren)

MOTION:

If the City Council determines that staff's recommendation is appropriate, the following motion is provided:

I move to receive and file the Redlands Police Department's Military Equipment Use Policy.

RECOMMENDATION:

Staff recommends City Council receive and file the Redlands Police Department's Military Equipment Use Policy.

DISCUSSION:

Effective January 1, 2022, all law enforcement agencies in California are required to adopt a policy concerning the funding, acquisition and use of military equipment as defined by Government Code § 7070; Government Code § 7071; Government Code § 7072.

Section 7071 requires each law enforcement agency to obtain approval of the applicable governing body, by adoption of a military equipment use policy, by ordinance at a regular meeting held pursuant to specified open meeting laws, prior to taking certain actions relating to the funding, acquisition, use, or collaboration with another agency in the use, of military equipment. The section requires similar approval for the continued use of military equipment acquired before January 1, 2022 with May 1, 2022 as the deadline for an agency to begin a governing body approval process.

The law provides a definition of military equipment, requires the Chief of Police to designate a military equipment coordinator and obtain approval from the governing body (Redlands City Council) by way of an ordinance adopting the military equipment policy. The policy must include: a description of each type of military equipment; the quantity sought; its capabilities; lifespan; the manufacturer's product description; the purposes and authorized uses; the fiscal impact; the legal and procedural rules that govern each use; the training that must be completed before any member is allowed to use the equipment; the mechanisms to ensure compliance with the policy; the procedures by which members of the public may register complaints or concerns or submit questions about the use of military equipment; and how the department will ensure that each complaint, concern, or question receives a response in a timely manner.

The attached policy meets all the legal requirements set forth in the aforementioned Government Code sections. Prior to this meeting, the policy has been posted on the Redlands Police Department's (RPD) website for public review for more than 30 days, and the policy will continue to be posted within the RPD's "Training Materials and Policies" for review by the public. The RPD will subsequently, after allowing for an additional 30 days of review by the public of the policy, present an ordinance to the City Council for consideration and adoption of the military equipment use policy.

The law further requires that the policy be reviewed annually; and, within 30 days of submitting and publicly releasing the annual report, the RPD must hold at least one well-publicized and conveniently located community engagement meeting, at which the RPD will discuss the report and respond to public questions regarding the funding, acquisition, or use of military equipment.

SUBMITTED BY:
Christopher R. Catren, Chief of Police

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director

Attachments

Military Equipment Policy

Military Equipment

706.1 PURPOSE AND SCOPE

The purpose of this policy is to provide guidelines for the approval, acquisition, and reporting requirements of military equipment (Government Code § 7070; Government Code § 7071; Government Code § 7072).

706.1.1 DEFINITIONS

Definitions related to this policy include (Government Code § 7070):

Governing body – The elected or appointed body that oversees the Department.

Military equipment – Includes but is not limited to the following:

- Unmanned, remotely piloted, powered aerial or ground vehicles.
- Mine-resistant ambush-protected (MRAP) vehicles or armored personnel carriers.
- High mobility multipurpose wheeled vehicles (HMMWV), two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached.
- Tracked armored vehicles that provide ballistic protection to their occupants.
- Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
- Weaponized aircraft, vessels, or vehicles of any kind.
- Battering rams, slugs, and breaching apparatuses that are explosive in nature. This does not include a handheld, one-person ram.
- Firearms and ammunition of .50 caliber or greater, excluding standard-issue shotguns and standard-issue shotgun ammunition.
- Specialized firearms and ammunition of less than .50 caliber, including firearms and accessories identified as assault weapons in Penal Code § 30510 and Penal Code § 30515, with the exception of standard-issue firearms.
- Any firearm or firearm accessory that is designed to launch explosive projectiles.
- Noise-flash diversionary devices and explosive breaching tools.
- Munitions containing tear gas or OC, excluding standard, service-issued handheld pepper spray.
- TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices (LRADs).
- Kinetic energy weapons and munitions.
- Any other equipment as determined by a governing body or a state agency to require additional oversight.

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706.2 POLICY

It is the policy of the Redlands Police Department that members of this department comply with the provisions of Government Code § 7071 with respect to military equipment.

706.3 MILITARY EQUIPMENT COORDINATOR

The Chief of Police should designate a member of this department to act as the military equipment coordinator. The responsibilities of the military equipment coordinator include but are not limited to:

(a) Acting as liaison to the governing body for matters related to the requirements of this policy.

(b) Identifying department equipment that qualifies as military equipment in the current possession of the Department, or the equipment the Department intends to acquire that requires approval by the governing body.

(c) Conducting an inventory of all military equipment at least annually.

(d) Collaborating with any allied agency that may use military equipment within the jurisdiction of Redlands Police Department (Government Code § 7071).

(e) Preparing for, scheduling, and coordinating the annual community engagement meeting to include:

1. Publicizing the details of the meeting.
2. Preparing for public questions regarding the department's funding, acquisition, and use of equipment.

(f) Preparing the annual military equipment report for submission to the Chief of Police and ensuring that the report is made available on the department website (Government Code § 7072).

(g) Establishing the procedure for a person to register a complaint or concern, or how that person may submit a question about the use of a type of military equipment, and how the Department will respond in a timely manner.

706.4 MILITARY EQUIPMENT INVENTORY

The following constitutes a list of qualifying equipment for the Department:

Robot (Category 1)

Description, quantity, capabilities, and purchase cost:

ROBOTEX AVATAR 3, cost: approximately $12,500, quantity: 1. This equipment is a battery powered, remote operated device, equipped with a camera and two way radio capabilities. This equipment is for (potential) use during high-risk incidents. Use is limited to members of the Departments Special Weapons and Tactics Team (SWAT). Incidents that may qualify for its use include, but are not limited to, a high risk warrant service, barricaded subject, and hostage negotiation/rescue. Before entering a structure, particularly in a tactically compromised and dangerous situation, knowledge of a subject's location is very important, and the robot can provide that without placing anyone at risk. Cameras can

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also help determine if a subject is armed and also if there are other subjects inside that need assistance. The two-way speakers can be used to de-escalate and determine resistance level. The ROBOTEX AVATAR 3 can be hand carried and both can be remotely operated from a safe distance, reducing the risk to the operator.

Purpose:

To be used to remotely gain visual/audio data, deliver HNT phone, open doors, disrupt packages, and clear buildings.

Authorized Use:

Only assigned operators who have completed the required training shall be permitted to operate the robot. Use is established by the SWAT Commander and or Incident Co**mmander.**

Expected Life Span:

Approximately 5-10 years.

Fiscal Impact:

No annual maintenance.

Training:

All tactical robot operators are trained in the use and operation of the robot.

Legal and Procedural Rules:

It is the policy of the RPD to utilize a robot only for official law enforcement purposes, and in a manner that respects the privacy of our community, pursuant to State and Federal law.

Unmanned Aerial System (Category 1)

Description, quantity, capabilities, and purchase cost:

An unmanned aerial system (UAS) is an unmanned aircraft along with the associated equipment necessary to control it remotely. The UAS has also proven to be useful to public safety agencies in firefighting, search and rescue, pre-operational surveillance, and other tactical situations where aerial views enhance the safety and efficiency of law enforcement and fire personnel.

DJI MATRICE M210, cost: approximately $6,500 each, quantity: 1. UAS that weighs approximately 3800 grams and is able to record video and audio with approximately 30 minutes of flight time.

DJI PHANTOM 4 PRO, cost: approximately $1,600 each, quantity: 5. UAS that weighs approximately 1375 grams and has video recording capabilities, approximately 30 minutes of flight time.

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DJI MAVIC ENTERPRISE DUALS, cost: approximately $5,500 each, quantity: 2. UAS that has a color and infrared camera as well as audible speaker and light. Capable of video recording and weighs 899 grams, approximately 30 minutes of flight time.

Purpose:

To be deployed when its view would assist officers or incident commanders with the following situations, which include but are not limited to:

Major collision investigations.

Search for missing persons.

Natural disaster management.

Crime scene photography.

SWAT, tactical or other public safety and life preservation missions.

In response to specific requests from local, state or federal fire authorities for fire response and/or prevention.

Authorized Use:

Only assigned operators who have completed the required training shall be permitted to operate UAS equipment during approved missions.

Expected Life Span:

All UAS equipment, approximately 3-5 years.

Fiscal Impact:

Annual maintenance and battery replacement cost is approximately $700.

Training:

All Department UAS operators are licensed by the Federal Aviation Administration for UAS operation. In addition, each operator must attend a 40-hour department training and ongoing quarterly training.

Legal and Procedural Rules:

Use is established under Policy 604 (Unmanned Aerial System Operations) and FAA Regulation 14 CFR Part 107. It is the policy of the RPD to utilize UAS only for official law enforcement purposes, and in a manner that respects the privacy of our community, pursuant to State and Federal law.

Armored Vehicles (Category 2 & 3)

Description, quantity, capabilities, and purchase cost:

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Commercially produced wheeled armored personnel vehicle utilized for law enforcement purposes.

LENCO BEARCAT, G3, cost: approximately $350,000, quantity: 1. The Lenco Bearcat, G3, is an armored vehicle that seats 10-12 personnel with open floor plan that allows for rescue of down personnel. The Bearcat G3 has increased ground clearance and a robust suspension which allows for an emergency response to almost any situation. It can stop various projectiles, which provides greater safety to citizens and officers beyond the protection level of shield and personal body armor.

Navistar MaxxPro MRAP, cost: free, quantity: 1. The MaxxPro MRAP vehicle that seats 8 personnel that allows for rescue of down personnel. It can stop various projectiles, which provides greater safety to citizens and officers beyond the protection level of shield and personal body armor.

Purpose:

To be used in response to critical incidents to enhance officer and community safety, improve scene containment and stabilization, and assist in resolving critical incidents.

Authorized Use:

The use of armored vehicles shall only be authorized by a watch commander or SWAT commander, based on the specific circumstances of a given critical incident. Armored vehicles shall be used only by officers trained in their deployment and in a manner consistent with Department policy and training. The driver of the vehicle shall have a valid California driver’s license.

Lifespan:

Lenco Bearcat model G3, approximately 25 years.

Navistar MAxxPro MRAP, approximately 25 years.

Fiscal Impact:

Lenco Bearcat: Annual maintenance cost: Approximately $5,000.

MRAP: Approximately $4,500.

Training:

All driver/operators shall attend formalized instruction and be trained in vehicle operations and practical driving instruction.

Legal and Procedural Rules:

Use is established under policy 405 (Ballistic Rescue Vehicle) and 704 (Federally Controlled Equipment). It is the policy of the Department to utilize armored vehicles only for official law enforcement purposes, and pursuant to State and Federal law.

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Command and Control Vehicle (Category 5)

Description, quantity, capabilities, and purchase cost:

5th wheel trailer vehicle, cost: approximately $200,000, quantity: 1. The Mobile Command Unit (MCU) is a custom built, 5th wheel trailer vehicle containing a mobile office that provides shelter, access to Police Department computer systems, and restroom facilities on extended events. The MCU can also be utilized for SWAT/CNT and other critical incidents, preplanned large events, searching for missing persons, natural disasters, and community events.

Purpose:

To be used based on the specific circumstances of a given critical incident, large event, natural disaster or community event that is taking place.

Authorized Use:

The MCU shall be used by officers trained in their deployment and in a manner consistent with Department policy and training. The driver of the vehicle shall have a valid California driver's license.

Lifespan:

The MCU: Approximately 20-year lifespan on chassis and vehicle structure. Upgrades needed to maintain IT systems.

Fiscal Impact:

Annual maintenance cost is approximately $2,000.

Training:

The driver/operator shall receive training in the safe handling of the vehicle on a closed training course. Once the operator has shown competence in vehicle handling, the driver/ operator will drive the vehicle throughout the city with an experienced driver.

Legal and Procedural Rules:

It is the policy of the Department to use the MCU only for official law enforcement purposes, and in accordance with California State law regarding the operation of motor vehicles.

Projectile Launch Platforms and associated munitions (Category 14)

Description, quantity, capabilities, and purchase cost:

40MM Launchers are utilized by department personnel as a less lethal tool to launch impact rounds. The Less-Lethal launcher is a single launcher, which allows the Officer to assess after every spent munition.

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DEFENSE TECHNOLOGY, 40MM SINGLE SHOT LAUNCHER, #1425, cost: $1000, quantity: approximately 15. The 40MM Single Launcher is a tactical single shot launcher that features an expandable ROGERS Super Stoc and an adjustable Integrated Front Grip (IFG) with light rail. It will fire standard 40mm less lethal ammunition, up to 4.8 inches in cartridge length. It will launch a 40MM less lethal round up to 131 feet.

DEFENSE TECHNOLOGY, 40MM EXACT IMPACT SPONGE, #6325, cost: $18, quantity: approximately 100. A less lethal 40mm lightweight plastic and foam projectile fired from a single or multi-round purpose built 40mm grenade launcher with a rifled barrel at 325 FPS. The 30-gram foam projectile delivers 120 ft/lbs. of energy on impact. The 40mm Exact Impact Sponge Round provides accurate and effective performance when fired from the approved distance of not less than five (5) feet and as far as 131 feet from the target.

DEFENSE TECHNOLOGY, 40MM DIRECT IMPACT OC, #6320, cost: $30, quantity: approximately 100. A less lethal 40MM lightweight plastic and crushable foam projectile fired from a single or multi-round purpose-built 40mm grenade launcher with a rifled barrel at 295 FPS. The 39-gram crushable foam projectile delivers 120 ft/lbs of energy upon impact in addition to dispersion of 5 grams of OC irritant. The 40mm Direct Impact OC Round provides accurate and effective performance when fired from the approved distance of not less than five (5) feet and as far as 120 feet from the target.

DEFENSE TECHNOLOGY, 40MM LIQUID FERRET ROUND CS, #1262, cost: approximately $30, quantity: approximately 25. Minimizes the risk to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent subjects.

DEFENSE TECHNOLOGY, 40MM POWDER FERRET ROUND CS, #1292, cost: approximately $30, quantity: approximately 25. Minimizes the risk to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent subjects.

DEFENSE TECHNOLOGY, 40MM POWDER FERRET ROUND OC, #1290, cost: approximately $30, quantity: approximately 25. Minimizes the risk to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent subjects.

Purpose:

To limit the escalation of conflict where employment of lethal force is prohibited or undesirable.

Authorized Use:

Situations for use of the less lethal weapon systems may include, but are not limited to:

Self-destructive, dangerous and/or combative individuals.

Riot/crowd control and civil unrest incidents.

Circumstances where a tactical advantage can be obtained.

Potentially vicious animals.

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Training exercises or approved demonstrations.

Training:

Sworn members utilizing 40MM less lethal chemical agents or impact rounds are trained in there use by POST certified less lethal and chemical agents instructors.

Lifespan:

Defense Technology #1425: approximately 25 years

Model 6325 Exact Impact Sponge: approximately 5 years

Model 6320 Direct Impact OC: approximately 5 years.

Fiscal Impact:

Annual maintenance is approximately $50 for each launcher.

Legal and Procedural Rules:

Use is established under policy 303.9 (Kinetic Energy Projectile Guidelines), 303.6 (Tear Gas Guidelines) and 303.7 (Oleoresin Capsicum Guidelines). It is the policy of the RPD to utilize the 40mm only for official law enforcement purposes, and pursuant to State and Federal law, including those regarding the use of force.

Noise-Flash Diversionary Devices (Category 12)

Description, quantity, capabilities, and purchase cost:

A distraction device is used to distract dangerous suspects during assaults, hostage rescue, room entry or other high-risk arrest situations.

DEFENSE TECHNOLOGY, TACTICAL DIVERSIONARY DEVICE, #8909 NR, cost: approximately $50, quantity: approximately 25. The Defense Technology Tactical Diversionary Device produces a thunderous bang with an intense bright light. Ideal for distracting dangerous suspects during assaults, hostage rescue, room entry or other high-risk arrest situations.

Purpose:

To produce atmospheric over-pressure and brilliant white light and, as a result, can cause short-term (6 - 8 seconds) physiological/psychological sensory deprivation to give officers a tactical advantage.

Authorized Use:

Diversionary Devices shall only be used:

By officers who have been trained in their proper use.

In hostage and barricaded subject situations.

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In high risk warrant (search/arrest) services where there may be extreme hazards to officers.

During other high-risk situations where their use would enhance officer safety.

During training exercises.

Lifespan:

Until used.

Fiscal Impact:

No annual maintenance.

Training:

Prior to use, officers must attend diversionary device training that is conducted by Post certified instructors.

Legal and Procedural Rules:

Use is established under policy 704.3 (Federally Controlled Equipment). It is the policy of the RPD to utilize diversion devices only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force.

Specialized Firearms and Ammunition (Category 10)

Description, quantity, capabilities, and purchase cost:

The Carbine Rifle is a firearm, capable of accurately stopping an armed subject at various distances. The Carbine Rifle is a lightweight, air-cooled, gas operated, magazine fed, shoulder fired weapon, designed for semi-automatic & selective fire. Submachine guns are magazine fed automatic firearms designed to fire handgun cartridges.

SIG SAUER 716 DMR AR-10.308 CALIBER RIFLE, MODEL LR-308: cost: $1500, quantity: 1. The Sig Sauer 716 DMR AR-15 is a high precision rifle that fires.308 cartridges accurately at long range. This rifle is primarily used in an overwatch capacity to protect the community during large events

REMINGTON POLICE LTR.308 BOLT ACTION RIFLE: cost: approximately $1,200, quantity: 4. The Remington Police LTR is a highly accurate bolt action centerfire rifle. This rifle is primarily used in an overwatch capacity to protect the community during large events.

AR-15 RIFLE (Manufactured by Colt, Bushmaster, Sig Sauer, Fabrique Nationale): cost: approximately $1,200, quantity: approximately 100. A rifle that fires both.223 (duty) and 5.56 (practice) cartridges. The AR-15 allows a trained officer to engage threats with greater accuracy than a handgun.

HECKLER & KOCH MP-5: cost: approximately $2,800, quantity: approximately 6. A submachinegun that fires 9mm cartridges. The MP-5 allows a trained officer to engage

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threats at close range or within a structure with less likelihood of over penetrating the target. It should be noted that the MP-5's are not issued to officers and not deployed in the field.

WINCHESTER RANGER CENTERFIRE RIFLE CARTRIDGES.223 REM, 55 GRAIN, POINTED SOFT POINT, cost: approximately $630 per case of 1000, quantity: 50 cases. This Winchester Ranger 223 Remington ammo features a 55 Grain Pointed Soft Point bullet. Winchester Ranger is the highest quality hollow point ammunition money can buy. This Winchester Ranger.223 55 grain Power Point Soft Point is intended for Law Enforcement use, Ranger is Winchesters Highest Quality. This Winchester Ranger 223 Remington is new ammo not Police Department surplus. This Winchester Ranger 223 Remington has a muzzle velocity of 3240 feet per second and a muzzle energy of 1262 foot pounds. Winchester Ranger ammo is reloadable, features brass cases and Boxer primers. This ammunition is non-corrosive.

WINCHESTER CENTERFIRE CARTRIDGES 5.56MM, 55 GRAIN, FULL METAL JACKET, cost: approximately $370 per case of 1000, quantity: approximately 500 cases. USA Ammunition is the ideal choice for training, competition or a long session at the range. The easily identifiable white box means high quality and reliability at a low price. This ammunition is new production, non-corrosive, in boxer primed, reloadable brass cases.

308 WIN TAP 168 gr A-MAX TAP PRECISION: cost: approximately $35 per box of 20, quantity: approximately 375 boxes. The168 gr. A-MAX bullet is a traditional match grade bullet with the performance advantages of a polymer tip. This bullet demonstrates an increase in penetration and retained weight over the 155 gr. A-MAX bullet. Standard barrier performance is exemplary and this load demonstrates controlled and impressive soft tissue expansion without over penetration. The Hornady 168 gr. A-MAX TAP Precision offers industry leading all-around performance for law enforcement precision marksmen providing the ability to stop a threat.

Purpose:

To be used as precision weapons to address a threat with more precision and/or greater distances than a handgun, if present and feasible.

Authorized Use:

Only members that are POST certified are authorized to use a rifle.

Lifespan:

Sig Sauer 716 DMR AR-10.308 Caliber Rifle, Model LR-308: No expiration.

Remington Police LTR.308 Bolt Action Rifle: No expiration.

AR-15 Rifle (Manufactured by Colt, Bushmaster, Sig Sauer, Fabrique Nationale): No expiration.

Heckler & Koch MP-5: No expiration.

Winchester.223 Ammunition: No expiration.

Winchester 5.56mm Ammunition: No expiration.

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308 WIN TAP 168 gr A-MAX Tap Precision: No expiration.

Fiscal Impact:

Annual maintenance is approximately $50 for each rifle.

Training:

Officers shall not carry or utilize the patrol rifle unless they have successfully completed departmental training. Officers shall thereafter be required to successfully complete trimester training and qualification conducted by a certified patrol rifle instructor.

Legal and Procedural Rules:

Use is established under policy 417 (Patrol Rifles). It is the policy of the RPD to utilize rifles only for official law enforcement purposes, and pursuant to State and Federal law regarding the use of force.

Chemical Agent and Smoke Canisters (Category 12)

Description, quantity, capabilities, and purchase cost:

Canisters that contain chemical agents that are released when deployed.

DEFENSE TECHNOLOGY, FLAMELESS TRI-CHAMBER CS GRENADE, #1032, cost $45, quantity: approximately 10. The design of the Tri-Chamber Flameless CS Grenade allows the contents to burn within an internal can and disperse the agent safely with reduced risk of fire. The grenade is designed primarily for indoor tactical situations to detect and/or dislodge a barricaded subject. This grenade will deliver approximately.70 oz. of agent during its 20-25 seconds burn time. The Tri-Chamber Flameless Grenade can be used in crowd control as well as tactical deployment situations by Law Enforcement and Corrections but was designed with the barricade situation in mind. Its applications in tactical situations are primarily to detect and/or dislodge barricaded subjects. The purpose of the Tri-Chamber Flameless Grenade is to minimize the risks to all parties through pain compliance, temporary discomfort, and/or incapacitation of potentially violent or dangerous subjects. The Tri-Chamber Flameless Grenade provides the option of delivering a pyrotechnic chemical device indoors, maximizing the chemicals' effectiveness via heat and vaporization, while minimizing or negating the chance of fire to the structure. The Tri-Chamber Flameless Grenade is NOT to be launched utilizing a launching cup.

DEFENSE TECHNOLOGY, OC/CS AEROSOL GRENADE, #1050, cost: approximately $49, quantity: approximately 16. The Defense Technology OC/CS Aerosol Grenade is for law enforcement and corrections use to deliver a high concentration of OC and CS in a powerful mist. The grenade is designed for indoor use in confined areas and, once deployed, inflames the mucous membranes and exposed skin resulting in an intense burning sensation. The incapacitating effect of the OC/CS on the subject is dramatic with minimal decontamination needed. Removing the subject from the affected area to fresh air will resolve respiratory

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effects within minutes. The OC Aerosol Grenade is ideal for cell extractions or barricade situations where the use of pyrotechnic, powder or liquid devices is not practical or desired.

Purpose:

To limit the escalation of conflict where employment of lethal force is prohibited or undesirable. Situations for use of the less lethal weapon systems may include, but are not limited to:

Self-destructive, dangerous and/or combative individuals.

Riot/crowd control and civil unrest incidents.

Circumstances where a tactical advantage can be obtained.

Potentially vicious animals.

Training exercises or approved demonstrations.

Authorized Use:

Only officers who have received POST certification in the use chemical agents are authorized to deploy chemical agents.

Training:

Sworn members utilizing chemical agent canisters are certified by POST less lethal and chemical agent instructors.

Lifespan:

5 years from manufacturing date

Fiscal Impact:

No annual maintenance.

Legal and Procedural Rules:

Use is established under policy 303.6 (Tear Gas Guidelines). It is the policy of the RPD to utilize chemical agents only for official law enforcement purposes, and pursuant to State and Federal law, including those regarding the use of force.

Less Lethal Shotgun (Category 12)

Description, quantity, capabilities, and purchase cost:

The Less Shotgun is used to deploy the less lethal 12-Gauge Ferret Rounds.

REMINGTON 870 SHOTGUN, cost: $946, quantity: 1. The Remington 870 Shotgun is used to deploy the less lethal 12-Gauge Ferret Rounds up to a distance of 35 feet. The range of the weapon system helps to maintain space between officers and a suspect reducing the immediacy of the threat which is a principle of De-escalation.

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DEFENSE TECHNOLOGY, 12-GAUGE LIQUID FERRET ROUND, CS, #3012, cost: approximately $8, quantity: approximately 20. The Ferret 12-Gauge Liquid CS non pyrotechnical properties also eliminate the fire hazard common with other products. The Ferret round is available with either liquid or powder carriers for the agent. These munitions are a 2.5 in. 12-Gauge round deploying.025 oz. of active agent.

DEFENSE TECHNOLOGY, 12-GAUGE POWDER FERRET ROUND, CS, #3092, cost: approximately $8, quantity: approximately 20. The Ferret 12-Gauge Powder CS non pyrotechnical properties also eliminate the fire hazard common with other products. The Ferret round is available with either liquid or powder carriers for the agent. These munitions are a 2.5 in. 12-Gauge round deploying.025 oz. of active agent.

Purpose:

To limit the escalation of conflict where employment of lethal force is prohibited or undesirable.

Authorized Use:

Situations for use of the less lethal weapon systems may include, but are not limited to:

Self-destructive, dangerous and/or combative individuals.

Riot/crowd control and civil unrest incidents.

Circumstances where a tactical advantage can be obtained.

Potentially vicious animals.

Training exercises or approved demonstrations.

Lifespan:

Remington 870 Shotgun: 25 years.

Defense Technology Ferret 12-Gauge Liquid Barricade Round: 5 years.

Defense Technology Ferret 12-Gauge Powder Barricade Round: 5 years.

Fiscal Impact:

Annual maintenance is approximately $50.

Training:

SWAT operators who utilize these munitions have been through and successfully completed a POST approved gas school and/or trained in house by POST certified chemical agent instructors for muzzle blast training.

Legal and Procedural Rules:

Use is established under Policy 303.9.3. It is the policy of the RPD to utilize the less lethal shotgun only for official law enforcement purposes, and pursuant to State and Federal law, including those regarding the use of force.

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Breaching Tools (Category 7)

Description, quantity, capabilities, and purchase cost:

Material or equipment that is used to create a breach point opening in a structure during a hostage rescue operation or other high risk entry.

KBT 3-1000, cost: approximately $18,000, quantity: 1. This device allows breachers to safely utilize blank cartridge rounds to deliver kinetic energy into a steal ram in order to destroy deadbolts, locks, and hinges. No projectile or explosive energy leaves the device except for the force of the ram, which is permanently captured in the tool.

Purpose:

To safely gain entry into a structure.

Authorized Use:

KBT breaching may only occur after authorization by the Incident Commander or SWAT Commander in the field, and during training exercises.

Lifespan:

Breaching Tool: 25 years

Fiscal Impact:

Annual maintenance is approximately $500.

Training:

All officers who use KBT shall receive instruction on the safe and proper use of the KBT and must periodically receive refresher training.

Legal and Procedural Rules:

It is the policy of the RPD to utilize breaching tools only for official law enforcement purposes, and pursuant to State and Federal law .

706.5 MAINTENANCE OF MILITARY EQUIPMENT SUPPLIES

When stocks of military equipment have reached significantly low levels or have been exhausted, the Department may order up to 25% of stock in a fiscal quarter without city council approval to maintain essential availability for the Department’s needs.

706.6 APPROVAL

The Chief of Police or the authorized designee shall obtain approval from the governing body by way of an ordinance adopting the military equipment policy. As part of the approval process, the Chief of Police or the authorized designee shall ensure the proposed military equipment policy is submitted to the governing body and is available on the department website at least 30 days prior

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to any public hearing concerning the military equipment at issue (Government Code § 7071). The military equipment policy must be approved by the governing body prior to engaging in any of the following (Government Code § 7071):

(a) Requesting military equipment made available pursuant to 10 USC § 2576a.

(b) Seeking funds for military equipment, including but not limited to applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.

(c) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.

(d) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the jurisdiction of this department.

(e) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body.

(f) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of military equipment.

(g) Acquiring military equipment through any means not provided above.

706.7 COORDINATION WITH OTHER JURISDICTIONS

Military equipment used by any member of this jurisdiction shall be approved for use and in accordance with this Department policy. Military equipment used by other jurisdictions that are providing mutual aid to this jurisdiction shall comply with their respective military equipment use policies in rendering mutual aid.

706.8 ANNUAL REPORT

Upon approval of a military equipment policy, the Chief of Police or the authorized designee should submit a military equipment report to the governing body for each type of military equipment approved within one year of approval, and annually thereafter for as long as the military equipment is available for use (Government Code § 7072).

The Chief of Police or the authorized designee should also make each annual military equipment report publicly available on the department website for as long as the military equipment is available for use. The report shall include all information required by Government Code § 7072 for the preceding calendar year for each type of military equipment in department inventory.

706.9 COMMUNITY ENGAGEMENT

Within 30 days of submitting and publicly releasing the annual report, the Department shall hold at least one well-publicized and conveniently located community engagement meeting, at which the Department should discuss the report and respond to public questions regarding the funding, acquisition, or use of military equipment.

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"A City That Works"

City Council Meeting **I. 19.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Approve Side Letter between the City and the Redlands Association of Department Directors (Assistant City Manager McConnell)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motion is provided:

I move to approve the side letter of agreement between the City and the Redlands Association of Department Directors.

RECOMMENDATION:

Staff recommends that City Council approve the side letter of agreement between the City and the Redlands Association of Department Directors.

DISCUSSION:

On March 21, 2022, Richard Sessler will be promoted to the position of Fire Chief. This position is covered by the Memorandum of Understanding (MOU) between the City and the Redlands Association of Department Directors (RADD). The RADD MOU provides for annual leave with a cap of 900 hours. Previously, Chief Sessler belonged to the Redlands Association of Fire Management Employees which provides vacation, executive leave, and sick leave without the restriction of a cap. Due to Chief Sessler's tenure with the City, his leave balances exceed the 900-hour leave cap currently provided under the RADD MOU. The attached side letter provides Chief Sessler up until August 31, 2023, to utilize or sell his earned leave while continuing to accrue leave.

All other provisions of the MOU are unaffected by this agreement.

ALTERNATIVES:
N/A

STRATEGIC PLAN:
N/A

SUBMITTED BY:
Janice McConnell, Assistant City Manager

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director
Christopher Boatman, RADD President

PREPARED BY:
Tommi Ng, Assistant Director, HR/Risk Management

Fiscal Impact

Discussion:

There is no fiscal impact associated with the approval of this side letter of agreement.

In effect, the side letter will reduce the City's compensated absences balance by an amount commensurate with hours accrued in excess of the 900-hour limit by the August 2023 date. This liability could be liquidated (reduced) in the form of compensated time off or cash payouts to employee deferred compensation plans.

Attachments

RADD Side Letter

SIDE LETTER TO THE CURRENT MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF REDLANDS AND THE REDLANDS ASSOCIATION OF DEPARTMENT DIRECTORS (RADD)

On December 5, 2017 the City Council approved a Memorandum of Understanding between the City of Redlands ("the City") and the Redlands Association of Department Directors ("RADD"), effective July 1, 2018 – June 30, 2023.

This side letter agreement between the City of Redlands ("the City") and the Redlands Association of Department Directors ("RADD") is hereby entered into this 15th day of March, 2022. The parties agree to the following:

Commencing March 21, 2022, Chief Sessler shall have up to and including the date of August 31, 2023, to decrease his accrued unused hours of leave ("Director's Accumulated Leave"), as of the commencement date, to nine hundred (900) hours or less. In the event Chief Sessler's leave balance is in excess of 900 hours as of September 1, 2023, Chief Sessler will no longer accrue leave until his balance is below 900 hours.

CITY OF REDLANDS

_____
Paul T. Barich., Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

REDLANDS ASSOCIATION OF DEPARTMENT DIRECTORS

_____
Christopher Boatman, President

"A City That Works"

City Council Meeting **I. 20.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Authorize issuance of a Proclamation commending Maestro Frank Paul Fetta for over 40 years of service to the Redlands Bowl (Mayor Barich)

MOTION:

I move to authorize the issuance of a Proclamation commending Maestro Frank Paul Fetta for over 40 years of service to the Redlands Bowl.

Attachments

Retirement Proclamation

Proclamation

Commending Maestro Frank Paul Fetta
for Over 40 Years of Service to the Redlands Bowl
1979 ~ 2022

WHEREAS, Maestro Fetta made his Redlands Bowl debut in 1979 as the producer and conductor of the classic opera, *Romeo and Juliet*; and

WHEREAS, in 1985 he formally assumed the role of conductor and artistic advisor for the Redlands Bowl Summer Music Festival's symphonic and operatic programming; and

WHEREAS, in addition to his enduring tenure at the Redlands Bowl, Maestro Fetta also served as the music director/conductor for the Culver City Symphony, the Torrance Symphony, the Marina Del Rey Summer Symphony, and the San Bernardino Symphony Orchestra; and

WHEREAS, besides captivating Redlands Bowl audiences for over 40 years, Maestro Fetta made a lasting contribution to the Redlands Bowl by his leadership in elevating the Redlands Bowl Performing Arts Young Artists Competition to a Young Artists Concerto Competition, a format change which allowed five gifted finalists to compete on the Redlands Bowl stage accompanied by full orchestra;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Redlands does hereby commend, with appreciation, gratitude and respect, Frank Paul Fetta for his conscientious years of service dedicated to the Redlands Bowl.

BE IT FURTHER RESOLVED that the City Council of the City of Redlands wishes Maestro Fetta the very best as he enjoys his retirement.

IN WITNESS WHEREOF, we hereunto affix our signatures and Official Seal of the City of Redlands this 15th day of March, 2022.

_____
Paul T. Barich, Mayor

Attest:

_____
Jeanne Donaldson, City Clerk

"A City That Works"

City Council Meeting **J. 1.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Video Series: Redlands Making Progress (Public Information Officer Baker)

DISCUSSION:

For this evening's City Council meeting, staff is introducing a new video series “Redlands Making Progress.” The series will highlight progress on capital and maintenance projects that benefit the public. The videos will be available for viewing on the City’s website and social media platforms in addition to being shown in rotation on Redlands TV.

SUBMITTED BY:
Janice McConnell, Assistant City Manager

REVIEWED BY:
Charles M. Duggan, Jr., City Manager
Carl Baker, Public Information Officer

"A City That Works"

City Council Meeting **J. 2.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Discussion and possible action relating to the use of State and Local Fiscal Recovery Funds (SLFRF) through the American Rescue Plan Act (ARPA) (Assistant City Manager McConnell)

MOTION:

If the City Council determines that staff's recommendation is appropriate, the following motions are provided:

1. I move to direct staff to initiate the program and authorize the expenditures of $11,508,106 of American Rescue Plan Act SLFRF funds for the programs described; and

2. I move to approve two limited-term, full-time Administrative Assistant I/II positions for the administrative support and facilitation of community programs under the City's American Rescue Plan Act SLFRF allocation; and

3. I move to authorize Finance to move American Rescue Plan Act SLFRF funds as needed in the future within the approved categories.

RECOMMENDATION:

Staff recommends that the City Council approve and direct staff for initial programming, authorizing the expenditures of $11,508,106 of American Rescue Plan Act SLFRF funds for the programs as described below, and authorize Finance to move SLFRF funds as needed in the future within the approved categories.

In addition, staff recommends that the City Council approve two limited-term, full-time Administrative Assistant I/II positions for the administrative support and facilitation of community programs under the City's allocation of American Rescue Plan Act funding.

DISCUSSION:

During the City Council meeting discussion on March 1, 2022, the Council provided staff with programming recommendations for the use of State and Local Fiscal Recover Funds through the American Rescue Plan Act.

Staff is returning with revised program options for the Council's consideration. The overall concept and categories of the programs remain unchanged with the revisions focused on the total program budget, number of beneficiaries to be served, benefit amount, and program duration.

The program revisions are presented in the table below with adjustments based on the March 1st discussion.

Program Details					
Category	**Program Name**	**Total Budget**	**Beneficiaries**	**Benefit Amount**	**Program Duration**
Assistance to Households	Grocery Gift Card Program	$ 2,024,400.00	1687 Households	$100 Monthly	12 months
	Utility Bill Assistance	$ 450,300.00	1,002 households 1st year; 1,000 households each years 2 & 3	$25 bi-monthly	3 - years
Services for Unhoused	Steps 4 Life	$ 126,750.00	Unhoused Individuals	Not to exceed $30,000 per fiscal year	51 months (April 2022-June 2026)
	Homeless Sol. Coordinator	$ 323,250.00	Unhoused Individuals	N/A	Fully Funded until 2025
Business Economic Recovery	Business Gift Voucher Match	$ 2,250,000.00	300 Eligible small businesses each year	$5,000 match year 1; then $2,500 match year 2	2-year
Waste Water Rate Reduction	Waste WaterTreatment Plant Project	$ 1,000,000.00	All Residents and Rate Payers	Decrease rate from 15% down to 8%	Through 2025
Premium Pay	Premium Pay for Eligible Employees	$ 3,100,500.00	approx. 477 eligible City employees	Up to $6,500 - $125 per payperiod (52 payperiods)	one time benefit
Pandemic Response	Limited-term Administrative Assistants	$ 232,000.00	ARPA Program Participants	N/A	2-years
	Public Health Response	$ 2,000,906.00	Residents and Staff	N/A	Through 2024
	Total	$ 11,508,106.00			

SUBMITTED BY:
Janice McConnell, Assistant City Manager

REVIEWED BY:
Charles M. Duggan, Jr., City Manager
Danielle J. McHugh, City Attorney
Danielle Garcia, Management Services/Finance Director

PREPARED BY:
Maira Durazo, Grants Coordinator

Fiscal Impact

Discussion:

The total grant award to Redlands is $11,508,106.

Attachments

ARPA Program Details Table

Program Details					
Category	**Program Name**	**Total Budget**	**Beneficiaries**	**Benefit Amount**	**Program Duration**
Assistance to Households	Grocery Gift Card Program	$ 2,024,400.00	1687 Households	$100 Monthly	12 months
	Utility Bill Assistance	$ 450,300.00	1,002 households 1st year; 1,000 households each years 2 & 3	$25 bi-monthly	3 - years
Services for Unhoused	Steps 4 Life	$ 126,750.00	Unhoused Individuals	Not to exceed $30,000 per fiscal year	51 months (April 2022-June 2026)
	Homeless Sol. Coordinator	$ 323,250.00	Unhoused Individuals	N/A	Fully Funded until 2025
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Premium Pay	Premium Pay for Eligible Employees	$ 3,100,500.00	approx. 477 eligible City employees	Up to $6,500 - $125 per payperiod (52 payperiods)	one time benefit
Pandemic Response	Limited-term Administrative Assistants	$ 232,000.00	ARPA Program Participants	N/A	2-years
	Public Health Response	$ 2,000,906.00	Residents and Staff	N/A	Through 2024
	Total	**$ 11,508,106.00**			

"A City That Works"

City Council Meeting **J. 3.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Presentation of the City of Redlands Strategic Plan for FY 22-23 through FY 27-28 and consideration of Resolution No. 8315 (Assistant City Manager McConnell)

MOTION:

Should the City Council concur with staff's recommendation, the following motion is provided.

I move to approve Resolution No. 8315.

RECOMMENDATION:

Staff recommends the City Council approve Resolution No. 8315 adopting the City's Strategic Plan for FY 22-23 through FY 27-28.

DISCUSSION:

Representing the City's Strategic Planning consultants, Ms. Michelle Kennedy of BerryDunn will present the City's proposed Strategic Plan for FY 22-23 through FY 27-28. The proposed Strategic Plan resulted from a collaborative process that engaged our community. The City invited our residents and businesses to let us know how we are doing, to share their ideas and to envision the future of Redlands. Through our consultants, the City reached out and met with a wide array of community stakeholders, including residents, community organizations and service clubs, business groups, educators, faith-based communities and churches, minority groups, youth organizations, labor groups as well as our own advisory boards and commissions and City staff.

In December 2021, the City Council was presented with the information gathered through the community engagement process and honed in on the vision and goals for the City and guided this effort to outline a mission, a vision, core values and strategic priorities. Subsequently, a strategic planning workshop

was held with the City's management team to develop objectives in support of the City Council's strategic priorities. The Strategic Plan is a living document that will focus the City's energy and resources, ensure that City officials and staff are working toward common goals, establish consensus around intended outcomes and allow us to regularly assess and adjust the organization’s direction in a changing environment.

SUBMITTED BY:
Janice McConnell, Assistant City Manager

RECOMMENDED BY:
Charles M. Duggan, Jr, City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney

Attachments

1. Resolution No. 8315
2. Strategic Plan

RESOLUTION NO. 8315

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS
ADOPTING THE REDLANDS STRATEGIC PLAN
FOR FY 22-23 through FY 27-28

BE IT RESOLVED, by the City Council of the City of Redlands as follows:

Section 1. The Redlands Strategic Plan for FY 22-23 through FY 27-28 attached hereto as Exhibit "A" is hereby adopted by the City Council.

ADOPTED, SIGNED AND APPROVED this 15th day of March, 2022.

_____
Paul T. Barich, Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

I, Jeanne Donaldson, City Clerk of the City of Redlands, hereby certify that the foregoing resolution was duly adopted by the City Council at a regular meeting thereof held on the 15th day of March, 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Jeanne Donaldson, City Clerk

Exhibit “A”

Redlands Strategic Plan for FY 22-23 through FY 27-28

City of REDLANDS

STRATEGIC PLAN

FY 22 – 23 through FY 27 – 28

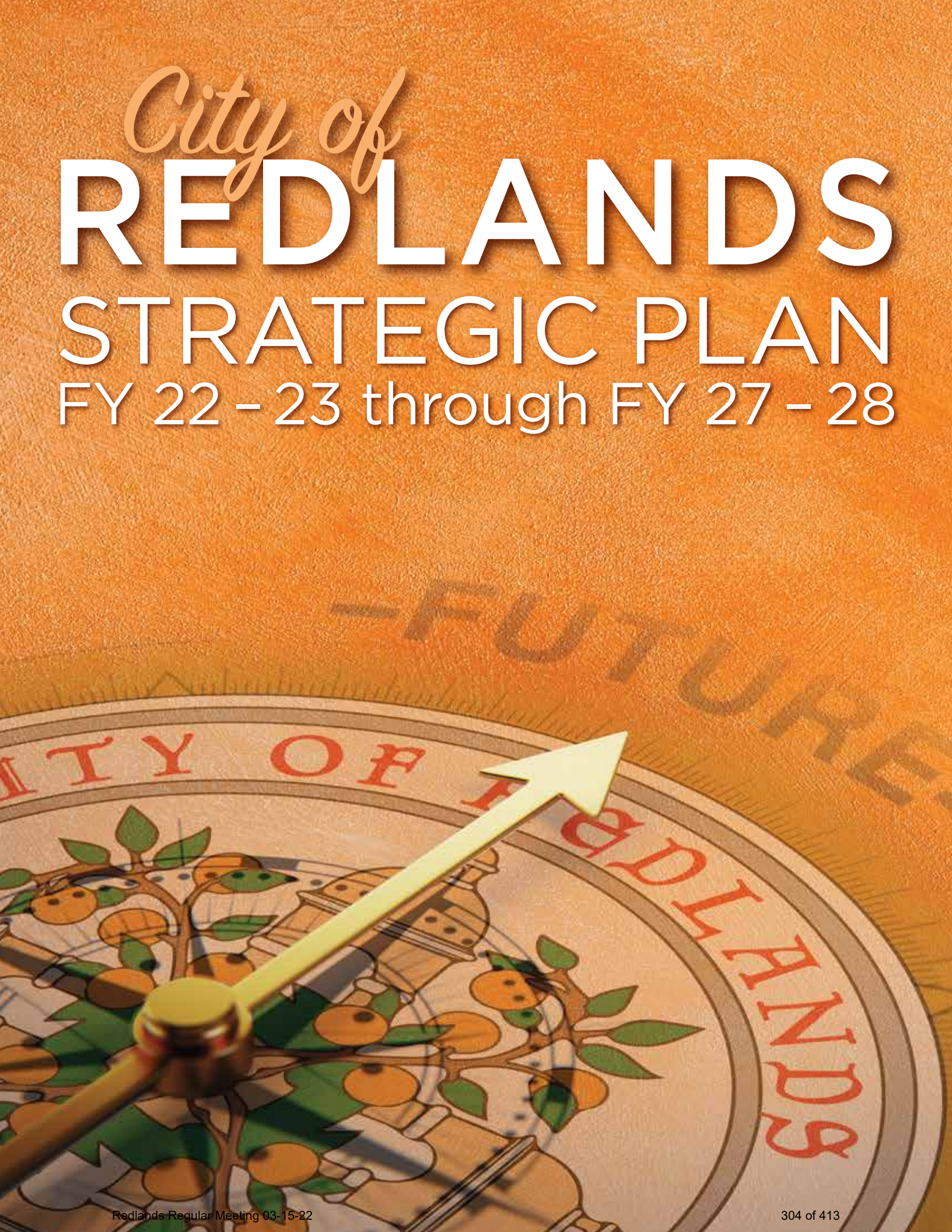


TABLE OF CONTENTS

Mayor's Message	3
City Council	3
Letter from the City Manager	4
Mission, Vision and Values	5
Multi-Year Strategic Priorities	6
Priority A: Quality of Life	7
Priority B: Public Health and Safety	11
Priority C: Equity and Inclusion	16
Priority D: Sustainability	19



MAYOR'S MESSAGE

The City of Redlands, its elected officials, its management team and its employees take seriously the stewardship entrusted to us for the City's resources along with the City's rich history and the promise of a bright future.

This strategic plan is an essential tool in understanding who we are, who we want to be and – importantly – how we get there! But a plan alone won't get us anywhere. It is only a starting point. Its success depends on all of us working together – City Council, City staff and our residents – to implement the plan, report and evaluate its progress and make the adjustments necessary to continue moving the City of Redlands forward.

I want to thank my City Council colleagues for their thoughtful vision for our future and City Manager Charlie Duggan and the Executive Team, as well as the consultants from BerryDunn for taking that vision and creating this living document.

And I want to thank you, the residents, for participating and sharing your dreams and aspirations for what Our Town is and all that we can be.



Paul Barich
MAYOR

Sincerely,

Mayor Paul Barich

City Council

The City Council is dedicated to responding to the changing needs in our community and to ensuring that Redlands remains a distinctive place in which to live and work. The City of Redlands is a general law city incorporated in 1888. It is governed by the City Council/City Manager form of government. The City Council consists of five representatives chosen by district by the electorate. The Mayor and Mayor Pro Tempore are then elected by the Council. The Mayor and Council set policy, enact legislation, and adopt the budget under which the city operates. The City Manager, appointed by the Council, is the chief administrator of the City.



Eddie Tejeda
MAYOR PRO TEM



Denise Davis
COUNCIL MEMBER



Jenna Guzman-Lowery
COUNCIL MEMBER



Mick Gallagher
COUNCIL MEMBER

Dear Citizens of Redlands



Charles M. Duggan Jr.
CITY MANAGER

I am proud to present the City of Redlands six-year Strategic Plan for FY 2022-23 through FY 2027-28. More than a blueprint for City operations, this Strategic Plan is an aspirational endeavor for the future of Redlands and a framework for achieving our vision for the community: "a connected, conscientious, safe community with a small town feel in which all people and businesses can thrive."

While your City government continues with a clear focus on delivering excellent service each and every day, this document represents our commitment to work at a higher level of operation to expand and achieve Redlands' full potential.

This Strategic Plan resulted from a collaborative process that engaged our community. We invited you, our residents and businesses, to let us know how we are doing, to share your ideas and to envision the future of Redlands. We reached out and met with a wide array of community stakeholders, including residents, community organizations and service clubs, business groups, educators, faith-based communities and churches, minority groups, youth organizations, labor groups as well as our own advisory boards and commissions and City staff.

We took what we learned from all of you and presented those findings to our City Council, who honed in on the vision and goals for the City and guided this effort to outline a mission, a vision, core values and strategic priorities. This plan is a living document that will focus our energy and resources, ensure that City officials and staff are working toward common goals, establish consensus around intended outcomes and allow us to regularly assess and adjust the organization's direction in a changing environment.

I would like to thank Mayor Barich and the City Council for their support and leadership in this process. I would also like to recognize the members of the City's Executive Leadership Team for their thoughtful and conscientious contributions to this plan. Finally, I would like to recognize our steering committee and our partners at BerryDunn who participated in countless meetings and approached the project with diligence and seriousness of purpose and a healthy dose of good humor.

In Redlands, we realize that by stretching ourselves we reach new levels of excellence. We also realize that striving to be perfect, although unachievable, can still be a useful target which prompts us to ask "What are we doing on our journey toward perfection?" This plan represents the next step on that journey.

Sincerely,

Charles M. Duggan Jr.

Charles M. Duggan, Jr.



MISSION, VISION AND VALUES

Mission

"Providing superior services to elevate the quality of life, to cultivate community and encourage a thriving economy while preparing for the future."

Vision

"In Redlands, we envision a connected, conscientious, safe community with a small town feel in which all people and businesses can thrive."

Redlands City Values

We strive for excellence and are innovative

We aim to deliver the best service possible and measure quality outcomes and results.

We strive to exceed expectations and to bring out the best in each other.

We are flexible and adapt to the ever-changing needs of our community.

We seek traditional as well as non-traditional solutions and embrace creativity.

We are fiscally responsible

We take seriously financial stability and our stewardship in carefully managing and constantly ensuring the best use of all public funds and other resources.

We seek sustainability

We pursue sustainability as the key to optimal use of all resources.

We measure progress through improvement to the health and well-being of our residents, environment, and local economy.

We are responsive

As public servants **we** exist to serve Redlands citizens and to exceed expectations. That is and should always be **our** constant focus.

We listen, are empathetic and take appropriate action.

We pursue good and timely solutions, and are alert to modifying strategies in response to unintended consequences.

We are fair, honest, and act with integrity

We align our values, words and actions.

We are honorable, trustworthy and sincere.

We consistently go not just beyond the legal minimum to do what is right, but strive for the highest moral and ethical behavior.

We are accountable and make sound decisions based on clear rationale

We take responsibility for our decisions and actions.

We are accountable to our community and to each other so that future generations will have as many opportunities available to them as we do today.

We encourage and practice servant leadership.

We treat everyone with respect

We acknowledge the dignity of every employee, citizen, resident, and visitor in our City.

We work actively to eliminate barriers to full participation in community life.

We conduct City business with courtesy, civility, and respect.

We embrace diversity and inclusiveness

We value the strengths that result from varied experiences, ideas and perspectives.

Our collective histories, both employee and citizen, and natural setting create the fabric that makes Redlands a special place to live, work, and play.

We communicate openly, clearly and frequently

We seek shared understanding with our community and across City organizations.

We are engaged and our interactions are meaningful.

We engage in participatory governance and transparent processes.

We strive to create a culture of collaboration that encourages innovation, sharing of resources, and jointly shared accountability for results.

We take pleasure in the work we do

While maintaining a professional environment, **we** recognize the importance of building and maintaining an enjoyable workplace that will attract and retain employees.

We value a sense of humor and remember not to take ourselves too seriously.

MULTI-YEAR STRATEGIC PRIORITIES

A PRIORITY Quality of Life

Ensure Redlands continues to be a vibrant community that honors its heritage and provides a broad range of opportunities to live, work and play.

B PRIORITY Public Health and Safety

Enhance services and programs so that all community members are safe, sheltered and have access to Redlands' core services.

C PRIORITY Equity and Inclusion

Cultivate wide-ranging community engagement and a work force that strives to ensure everyone in the community has access to City services and facilities.

D PRIORITY Sustainability

Preserve and protect what makes Redlands special by maintaining core services, infrastructure and community values.



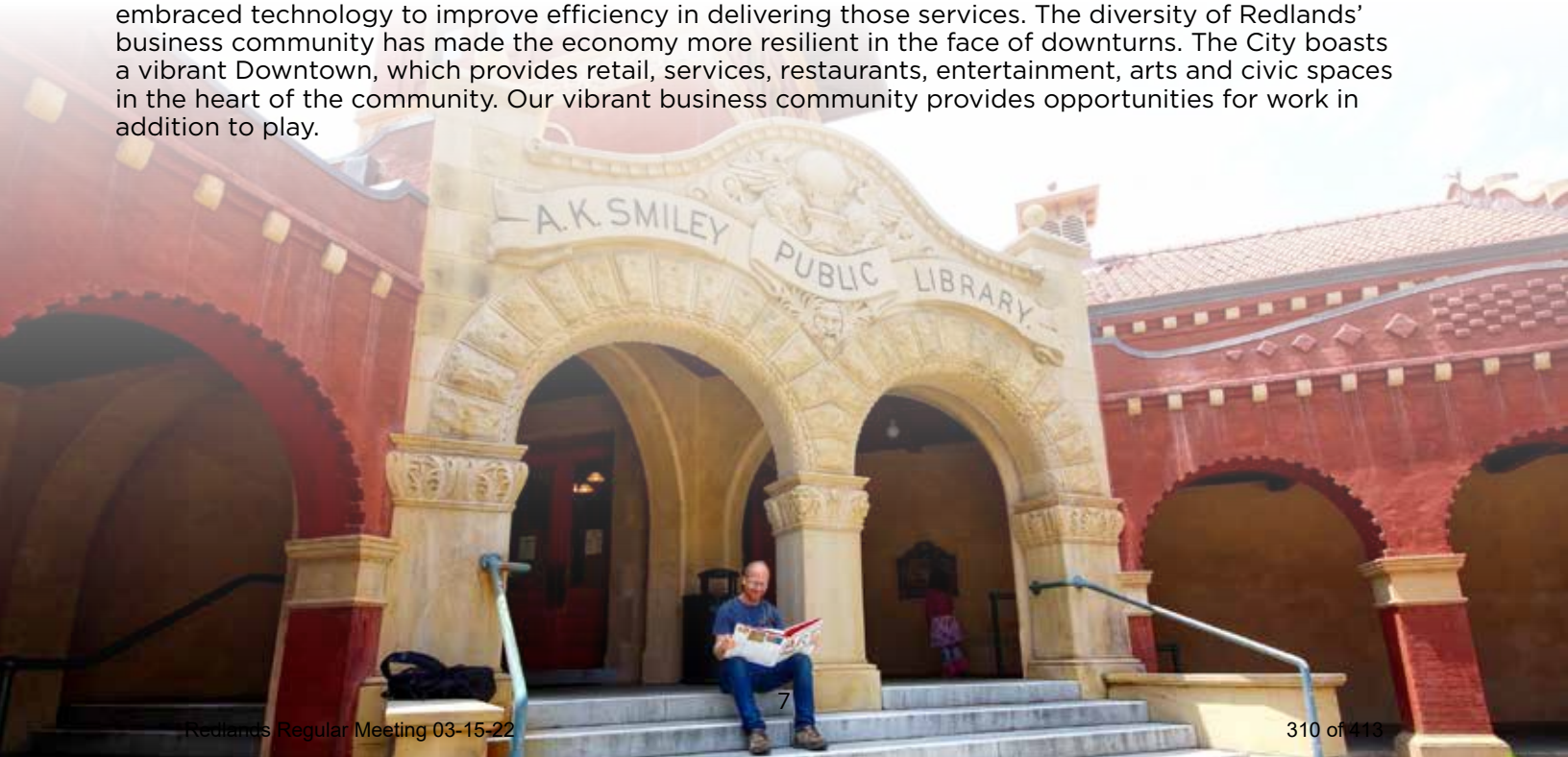
Current State

Redlands is imbued with a cultural richness that comes from its historical background, its social diversity, an active contemporary art scene and a varied business community that consists of retail, entertainment, manufacturing, health care, education, technology and logistics. The City's physical setting, iconic architecture and citrus heritage have all contributed to the community's development in ways that are evident in its historic districts, characteristic structures and neighborhoods, its greenbelt and working private and municipal citrus groves. The community's long tradition of celebrating arts and culture remains strong through its festivals— such as the Redlands Bowl Summer Music Festival, Redlands Theatre Festival and Redlands Art Festival—and the eclectic public art that documents its history of agriculture, commerce, architecture, creativity and civic pride.

Redlands' unique pride of place is exemplified by the many philanthropic contributions to the community including the A. K. Smiley Public Library, the Redlands Bowl, Heritage Park, Lincoln Memorial Shrine and many others. Redlanders also take pride in their community and the distinct neighborhoods that define the City. Redlands' history remains strongly visible in the form of mature street trees, citrus groves and exquisitely detailed historic buildings. Many Redlands residents feel strongly about preserving the community's rich agricultural heritage and architectural character. There are some physical challenges to unity in the city: sections of the community are divided by Interstate 10 and Highway 210, which contributes both in fact and in perception to a lingering north/south division with roots in historic cultural, racial, ethnic and economic factors. With the City's active civic cultures, residents are interested in creating more opportunities to nurture a stronger and more cohesive community, embracing diversity and social interaction, and ensuring that a physical and cultural environment with ample gathering places and community-wide events exists to foster these qualities. Residents want to embrace the qualities that make their neighborhoods special—including landmarks, art, cultural events, gathering places, activity centers, as well as the size, scale, and architectural features of buildings—in order to preserve and strengthen their identities. Community members seek stronger linkages between neighborhoods to ensure that no part of the community feels isolated or neglected and that the entire City is connected as a whole.

Redlands provides opportunities to promote the health of its residents with its park and trail system, its recreational areas, and community centers that help promote active lifestyles for residents of diverse ages and abilities. The Redlands community takes advantage of these features to organize events such as A Run Through Redlands, the Redlands Bicycle Classic and the Believe Walk that provide opportunities to enjoy the outdoors and socialize with fellow residents.

The City has charted a path of fiscal responsibility while expanding services to its residents. It has embraced technology to improve efficiency in delivering those services. The diversity of Redlands' business community has made the economy more resilient in the face of downturns. The City boasts a vibrant Downtown, which provides retail, services, restaurants, entertainment, arts and civic spaces in the heart of the community. Our vibrant business community provides opportunities for work in addition to play.



Future State

Redlands recognizes the importance of preserving our community's rich agricultural heritage and architectural character. The City is committed to the preservation of our historic citrus groves. We continue to protect and value our historic districts, distinctive neighborhoods and the philanthropic contributions throughout our community. Redlanders believe in nurturing a stronger and more cohesive community that embraces diversity and social interactions. The City has enhanced community-wide events that reflect Redlands' diversity and shifting demographics. Redlands is a cohesive and connected community that surpasses physical barriers. The community is unified and provides opportunities that consider all cultural, racial and socio-economic factors in order to provide access and opportunities to our diverse residents and businesses. Redlands' improved parks and open spaces provide accessible opportunities for everyone in the community to enjoy trails, parks and an active, healthy lifestyle. Our business community is vibrant, diverse and resilient and provides opportunities for residents to live and work right here in Redlands.





Ensure Redlands continues to be a vibrant community that honors its heritage and provides a broad range of opportunities to live, work and play.

Strategic Objectives

1. Beautification, Arts and Culture

- Enhance community events to better reflect Redlands' diversity and demographics.
- Create a strategic vision for the arts within the community.
- Ensure that the Redlands Bowl remains a vibrant cultural centerpiece for the City by updating and modernizing Bowl facilities.
- Enhance the Art in Public Places Program.

2. Economic Vitality

- Implement electronic plan review and permitting process.
- Increase accessibility to businesses and essential services through improvements to mobility and parking.
- Implement policies and programs to expand the City's affordable housing opportunities.
- Encourage redevelopment efforts in the transit corridor (i.e. University Village and mall site).

3. Historic Preservation and Small Town Feel

- Adopt Historic Design Guidelines to assist property owners with improvements to historic resources.
- Expand historic surveys to include areas that were not previously surveyed and properties with historically eligible buildings built in the 1950s and 1960s.
- Promote the City's historic preservation programs through new user-friendly educational materials.

4. Parks, Recreation and Open Space

- Develop an assessment and improvement plan for City parks and open spaces that includes adherence to industry standards.
- Promote awareness of recreational opportunities through a Citywide recreation newsletter.
- Enhance recreational program opportunities

Outcome Measure Examples

- Seek and support three new community events that reflect Redlands' diverse community.
- Adopt an Arts Master Plan.
- Redlands Bowl
  – Install new sound and lighting system.
  – Replace bench seating.
  – Aesthetically improve the Prosellis.
- Fund an art-on-loan program to complete the installation of art pieces at the designated locations within the City.
- Electronic Plan Review and Permitting processes implemented.
- Reduce time frames for plan review by 30%.
- Increased accessibility to businesses and essential services through improvements to mobility and parking.
- Implementation of a wayfinding sign program to direct the public to parking facilities to increase utilization of available parking lots and garages, with a goal of increasing occupancy of underused lots/garages by 50%.
- Adopt strategies to promote development of affordable housing units, which may include fee waivers, density bonuses, inclusionary housing requirements, and streamlining of Accessory Dwelling Unit (ADU) construction, with the goal of adopting three new strategies and/or programs.
- Work with developers to secure entitlements to redevelop the 12 acre Redlands Mall site and the 16 acre University Village site south of the University of Redlands campus, to provide new commercial and residential opportunities that support the community and local economy.
- Increased community satisfaction with the City's parks and open spaces, as measured periodically through a citizen survey.
- Recreational program offers expanded by 25%.

Current State

The City of Redlands is a full-service City that, in addition to providing police and fire services, operates its own water and wastewater utilities, cemetery, airport, landfill and solid waste services.

For more than 90 years, the City of Redlands has been in charge of providing high quality drinking water to more than 75,000 local residents. By supplying a blend of local groundwater, local surface water, and imported water from the State Water Project, Redlands Municipal Utilities & Engineering Department is able to meet the daily demands of these customers.

As Southern California often faces the challenges of prolonged droughts that strain water supplies, improving water conservation is becoming more important. The City of Redlands maintains a robust Water Conservation effort that includes non-potable water systems, commercial and residential watering restrictions, conservation programs, drought tolerant landscaping and education programs.

The City's Wastewater Treatment Plant, originally built in 1962, treats an average of six million gallons of wastewater daily. In the last 60 years, multiple upgrades to the existing infrastructure and new construction have taken place. In 2019 the City embarked on an assessment and developed a plan to implement immediate and long-term improvements to the plant. The current two-phase expansion project produces high-quality water at half the energy cost and will satisfy stringent air quality regulations and reduce the use of natural gas. The City is currently in a design phase for a project that will address additional required upgrades to all critical areas to keep up with regional growth. Over the next five years, the City of Redlands is slated to begin and complete upgrades to 12 treatment plant processes that will secure a sustainable and innovative approach to wastewater treatment.

The California Street Landfill is owned and operated by the City of Redlands. The County of San Bernardino began waste disposal operations at the site in 1963. In 1970, the City took possession of the site and continued waste disposal operation. In 2017, the City Council adopted a new solid waste rate structure, which included funding designated for capital improvement projects and the purchase of more efficient landfill equipment. Many routine alterations and additions to the landfill infrastructure and equipment have occurred throughout City ownership of the landfill; however, the recent rate adjustment provided the most significant positive impact on the landfill of the last 25 years. Landfill airspace, the amount of remaining space available for waste, is limited by the size of the site and its design. The more debris that is received, the faster that airspace is consumed.

Proactive measures by the City to improve the life expectancy of the landfill, including equipment upgrades and operational changes, have increased the usable capacity of the landfill by 42 percent, saved approximately $8.5 million in avoided soil purchase import costs over the life of the landfill, and provided annual savings in equipment and operator costs of $63,000 annually. In 2012, the City received a report indicating that the landfill would reach its capacity in the year 2042. With the recent improvements, the life of the landfill has been extended another 11 years to 2053. Improvements to the California Street Landfill ensure that this valuable asset will continue to serve Redlands residents for many more years.

The City has met and exceeded all required state mandates outlined in SB1383. The City of Redlands began offering food waste collection for commercial businesses in 2016 and a voluntary drop-off program for residential customers in September 2021.

Over the next few years significant improvements are planned to the landfill collection and control systems that will accommodate new and existing environmental regulations.

New residents to Redlands often cite safety as one of their primary reasons for moving to Redlands and longtime residents say it is one of the reasons they stay. The City's police and fire services are exemplary and enjoy tremendous support from the community. Under local control, the community is ensured that its public safety services focus on the priorities of the community and remain dedicated to local service. In recent years, the City dedicated funding to modernizing and upgrading both Police and Fire vehicles and equipment. The City has identified the need for new public safety facilities. Currently the Police Department operates out of multiple locations, each of them inadequate to the department's needs. The City is in the process of purchasing an existing commercial site that will be converted to a modern Police facility. The City is also exploring plans for new Fire stations, strategically located throughout the City to address the growth in population and both residential and commercial/retail buildings.

PUBLIC HEALTH AND SAFETY

In 2021, the annual Point-In-Time-Count of unsheltered individuals identified Redlands as the City with the third highest population of individuals experiencing homelessness in San Bernardino County. The issue of homelessness is a multifaceted problem that affects the individuals involved as well as other residents, visitors and local businesses. For many years, the City has addressed the issue with limited resources including dedicated police teams and partnerships with social service agencies and non-profits to provide resources and services to the homeless while addressing the concerns of businesses and residents. A Homeless Emergency Aid Program (HEAP) grant provided for two Community Outreach Coordinators and additional resources until the grant ended in March 2021. Periodically the City partners with other agencies to perform cleanups of multiple encampments on state and county land. None of these efforts addressed the scale of the problem facing the City and those individuals affected. In November 2021 the City Council approved an MOU with two non-profits and a joint application to participate in the Homekey Grant Program. If successful, the City will convert an existing 99-unit hotel into permanent supportive housing for families and individuals experiencing homelessness that incorporates an all-inclusive model framework of wrap-around support provided by local partner agencies.

Future State

Redlands remains committed to providing safety, shelter and excellent core services to the residents and businesses in our community. Our city recognizes that in order to provide excellent core services, sustainability and water conservation must continue to be a priority. We have completed upgrades to 12 water treatment plant processes to secure sustainable and innovative ways to treat wastewater. Our City has also invested in more efficient landfill equipment that allows us to continue to increase capacity at the California Street Landfill. These efficiencies have enabled Redlands to continually extend the life expectancy of the site and increase landfill airspace. Significant improvements to the landfill's collection and control systems have also been completed. With these improvements, Redlands is proud to be able to meet all new and existing environmental regulations. We are also proud of our continued excellence in public safety services to our community. Our Police Department is now housed in a modern facility that allows our officers to better respond to and support the community. We have also focused on locating fire stations throughout our growing community. Our firefighters are now better equipped to more quickly respond to calls throughout the City. Our community is not only even safer, but more sheltered. The success of the Homekey Grant Program allows Redlands to provide shelter and wrap-around services to families and individuals experiencing homelessness.



PUBLIC HEALTH AND SAFETY

Enhance services and programs so that all community members are safe, sheltered and have access to Redlands' core services.

Strategic Objectives

1. Water/Wastewater/Solid Waste

- Complete Wastewater Treatment Plant Phase 2 Project Construction.
- Reduce non-revenue water (water loss) by 25%.
- Complete California Landfill flair upgrade project to ensure facility compliance.

2. Police

- Complete steps to prepare for construction of a police station.
- Reduce public safety response times by 10%.
- Evaluate public safety workforce to determine if staffing levels are consistent with population growth. Develop a plan for workforce growth based upon results.

3. Fire

- Complete process for the construction of additional fire stations which will maintain critical response times based on the distribution and concentration of resources and ensure that service levels are being maintained based on call volume impacts, community growth and development
- Provide additional emergency response personnel to ensure an effective response force is maintained to meet City development and population growth.
- Determine current and projected administrative staffing needs. Develop and implement administrative growth based upon findings.

4. Homelessness

- Develop and implement a method by which to measure the success of the Homeless Housing Plan.

Outcome Measure Examples

- Wastewater Plant upgrades completed.
- Improved police response time to emergency calls for service.
- Police staffing plan developed.
- Steps for construction of new public safety facilities are identified
- Locations for additional fire stations identified and procured.
- Fire staffing plan developed.
- Steps for construction of additional fire stations identified.
- Method developed to measure success of the Homeless Housing Plan

EQUITY AND INCLUSION

Current State

The City of Redlands Communications and Community Relations Office provides outreach through various methods and platforms to provide information regarding City operations, programs and events to all segments of the community. Current communication methods include a variety of social media platforms and pages that combine to reach more than 27,000 followers; the City's website, which saw more than 690,000 individual visits in 2021 alone; Redlands TV government access channel which, in addition to televising City Council and Planning Commission meetings, produces videos in house regarding a wide variety of City programs and functions as well as a community bulletin board; and a variety of periodic publications and outreach efforts to inform the public about individual department operations. The Communications and Community Relations Office also provides frequent information to a variety of local and regional media.

The City of Redlands Human Resources Division develops and administers programs designed to increase the effectiveness of staff and the organization. Human Resources staff facilitates the recruitment and selection, development and retention of individuals to promote a talented, diverse and inclusive workforce with the goal of representing the community we serve. Currently, the City recruits through various electronic means and websites that reach a large group of individuals. The City has implemented training on gender identity, inclusion and bias for all new employees and recognizes the need to increase the education of our workforce to ensure equity and inclusivity. Our current workforce demographics are 49.3% White, 32.1% Hispanic, 2.4% Black, and 2.18% Asian, with the remaining personnel listed as other or undisclosed. Additional efforts are needed to help bring the overall workforce in line with the demographics of our surrounding area. The City is implementing policies and practices that reflect a conscious effort to ensure equity of access and services and further ensure the equitable treatment of all people.



Future State

The City of Redlands recognizes the importance of community engagement with Redlands stakeholders to ensure the City's initiatives are properly communicated to them. Moreover, the City recognizes the importance stakeholders play in the development of these initiatives to ensure the City's vision aligns with the vision of the community. It is only through this collaboration that stakeholders can ensure the City is not only hearing the needs and wants of the community, but also that the City is implementing policies that promote the Redlands where they desire to live and work. In order to increase outreach to a greater segment of the community, the Communications and Community Relations Office has implemented a strategic communications and engagement plan that serves as a guide for the City in its pursuit of forward thinking initiatives and explains what Redlands stakeholders can expect from the City. It establishes the structure for communication and engagement of stakeholders in the development of initiatives and identifies strategies for seeking out involvement and establishing measureable goals to determine the success of the City's collaborative efforts with stakeholders. Finally, it serves as a living tool for community engagement that may be followed in the development of any City goal, objective or initiative.

The City of Redlands understands the importance of providing an environment where diversity, equity and inclusion are key considerations in the recruitment and retention of a talented workforce that reflects the community it serves and brings a variety of perspectives to citywide decision making. Continually implementing policies and procedures that provide access and equity for applicants, residents and staff is imperative in maintaining the representation of the workforce. Job descriptions, personnel rules and regulations, and recruitment strategies are reviewed regularly and evaluated to determine bias or adverse impact. The City engages in targeted recruitments to increase the diversity of our applicant pools and ensure that the workforce reflects the demographics of the City's population. The City's workforce is trained regularly on topics specific to equality, bias, gender identity, harassment and inclusion. This training provides a culture that is focused on valuing employees and providing an environment where different perspectives can be shared openly. The City engages in workforce strategies that include initiatives to create a diverse and inclusive workplace in a sustainable way.



EQUITY AND INCLUSION

Cultivate wide-ranging community engagement and a work force that strives to ensure everyone in the community has access to city services and facilities.

Strategic Objectives

1. Communication and Engagement

- Evaluate alternative and/or additional means of communication to help ensure all parts of the community have the opportunity to receive, understand and participate in City life.
- Develop centralized messaging, outreach and awareness campaigns that focus on identifying and reaching all residents within the community.

2. Workforce

- Provide diversity, equity and inclusion (DEI) training for all City staff.
- Recruit, hire and train a diverse and inclusive workforce that represents the community.

Outcome Measure Examples

- Develop and implement a Communications Plan by December 31, 2022.
- Method established to measure effectiveness of City's communication methodology to provide baseline for improvement in future years.
- 100% of City staff receive initial DEI training by December 31, 2023.
- Comprehensive employee training plan developed.
- Establish baseline metrics for current staffing demographics in comparison to community.
- Identify gaps or areas of focus for future recruiting, hiring and training.
  – Develop plan to address the identified gaps.
- Increased diversity of City workforce.

SUSTAINABILITY

Current State

A sustainable city is one that ensures a livable environment for its residents over the long term through thoughtful stewardship of its resources, including financial resources.

For more than a decade following the Great Recession of 2008 the City of Redlands worked diligently to implement sustainable fiscal and financial policies, including consistently balanced budgets, based on recurring revenue sources and sound management, focusing on core services and capital needs, building healthy reserves and reducing debt.

In the spring of 2020, the COVID-19 pandemic created not only a public health crisis but a financial crisis for local governments. Working essentially in emergency-response mode to prevent the spread of COVID-19 while also providing municipal services in pandemic conditions, the City of Redlands drastically reduced its budget and staffing levels in response to the impact COVID had on its revenue streams and the impact it had on taxpayers. By June of 2021 when the City Council approved the Fiscal Year 2021-2022 budget, however, the City's fiscal picture was quite different. Revenues began approaching pre-pandemic levels and Redlands voters approved a one-cent sales tax. The City began restoring staffing levels and resources in areas such as Police, Fire, Library and Facilities.

Additionally, the City not only restored previous cuts, it also enhanced services in the areas of public safety and general infrastructure needs.



Future State

The budgeting process is one of the most important activities a City undertakes. In order to align the City's resources with the future vision for the community, the City developed a Biennial Budgeting process that links objectives to the resources necessary to accomplish them, sets meaningful objectives with realistic timelines for completion and incorporates a multifaceted approach toward developing the strategic vision for Redlands, including this Six-Year Strategic Plan and regular Citizen Satisfaction Surveys. The City continues to consider the long-term extent of the economic impact resulting from the COVID-19 pandemic and the effects of CalPERS investment earnings/losses and potential policy changes they would have on future pension costs. The revenues from Measure T, post-pandemic economic gains and the strategic planning process have positioned the City to provide the services and programs valued by the community.

The City understands the need to be a competitive employer and maintain a sustainable workforce to ensure its future success. The City provides an environment where employees feel engaged and encouraged and have opportunities for growth. The City's onboarding program for new employees begins that engagement from day one. The year-long onboarding program is centered on acclimating new employees to their roles and the City's culture, giving employees a sense of belonging and commitment to the City and increasing retention. As part of the City's efforts to maintain its workforce and develop a succession plan, the City has created a focus on training and professional development for staff that increases engagement of employees at all levels, improves employee skill levels, enables career progression and results in employees who stay longer with the City and minimizes the institutional knowledge loss when long-term employees transition out of the organization.



SUSTAINABILITY

Preserve and protect what makes Redlands special by maintaining core services, infrastructure and community values.

Strategic Objectives

1. Fiscal

- Develop a Long-Term Financial Plan that sustains core services and programs and helps prioritize funding for new initiatives.

2. Environmental

- Expand the non-potable water system
- Develop a landscape ordinance to provide guidelines for commercial and residential properties to include drought tolerant or water conservation landscaping measures.

3. Infrastructure

- Develop and implement Water and Wastewater Utility Master Plans to ensure facilities are improved and maintained to meet the needs of our expanding community
- Engineer and construct transportation facilities to accommodate all potential users – motorists, cyclists and pedestrians
- Develop a facilities capital improvement program to ensure that adequate funding is planned for industry standard maintenance.

4. Workforce

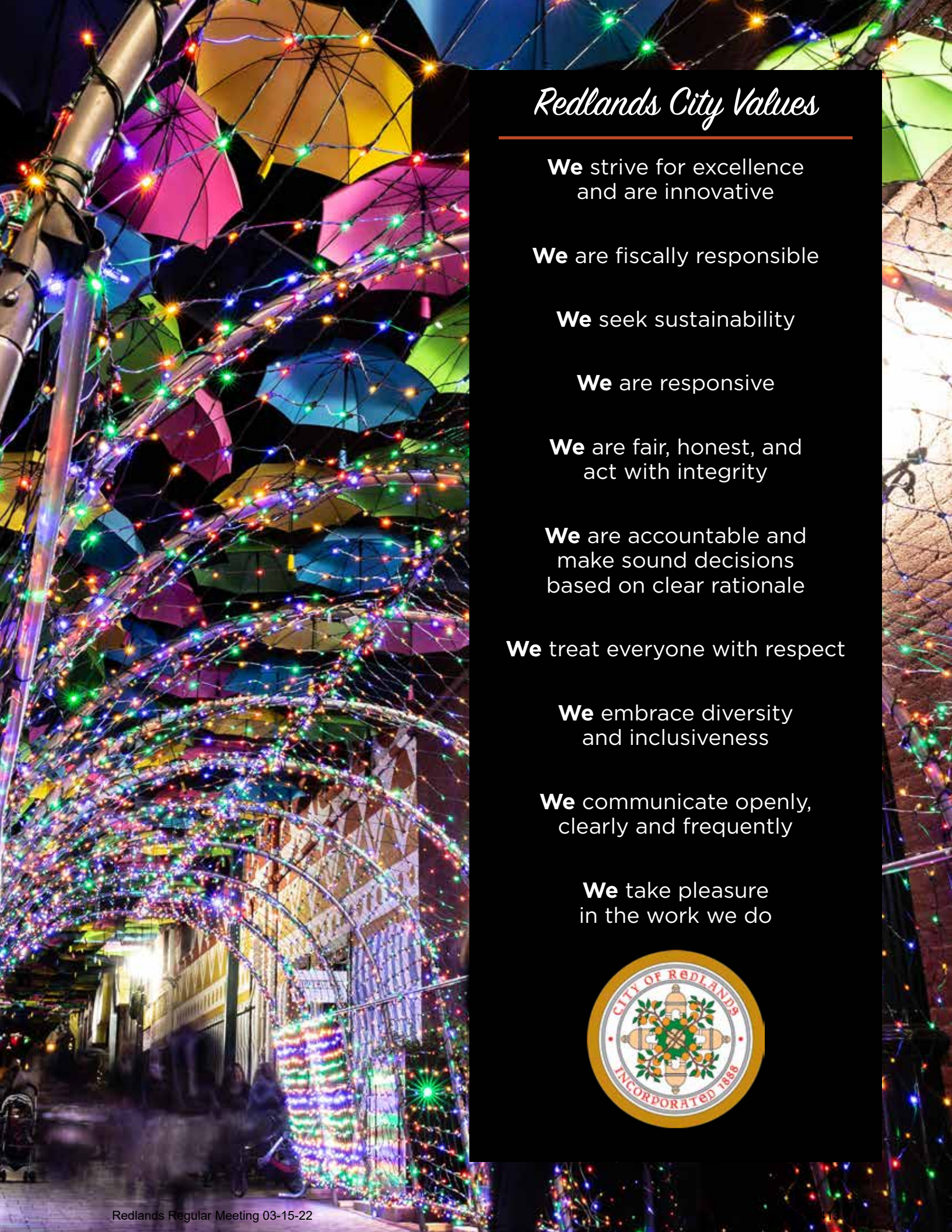
- Create an onboarding plan for new employees.
- Create an employee retention plan that addresses career development and mid-career development.
- Create a succession plan that addresses knowledge transfer.

5. Climate Change

- Explore City initiatives to address the effect of climate change.

Outcome Measure Examples

- Long-Term Finance Plan developed.
- Four additional miles of nonpotable water system constructed by December 31, 2024.
- Water and Wastewater Utility Master Plans developed and implemented
- Landscape Ordinance adopted by December 31, 2023.
- Facilities capital improvement program developed.
- Onboarding program developed and implemented for new employees by January 2023.
- Employee Retention and Succession Plan Developed and Implemented by December 31, 2024.
- Comprehensive climate change briefing delivered to the City Council by December 2023.



Redlands City Values

We strive for excellence and are innovative

We are fiscally responsible

We seek sustainability

We are responsive

We are fair, honest, and act with integrity

We are accountable and make sound decisions based on clear rationale

We treat everyone with respect

We embrace diversity and inclusiveness

We communicate openly, clearly and frequently

We take pleasure in the work we do

"A City That Works"

City Council Meeting **J. 4.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Receive and file the Annual Report from the Measure T Citizens' Oversight Committee for FY 2020-21 (Management Services/Finance Director Garcia)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motion is provided:

I move to receive and file the annual report from the Measure T Citizens' Oversight Committee for FY 2020-21.

RECOMMENDATION:

Staff recommends that Council receive and file the annual report from the Measure T Citizens' Oversight Committee for FY 2020-21.

DISCUSSION:

For this evening's City Council meeting, Chairwoman Toni Momberger will be presenting the annual report of the Measure T Citizens' Oversight Committee for FY 2020-21.

ALTERNATIVES:

N/A

STRATEGIC PLAN:

N/A

SUBMITTED BY:
Danielle Garcia, Management Services/Finance Director

REVIEWED BY:
Charles M. Duggan Jr., City Manager
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager

Fiscal Impact

Discussion:
N/A

Attachments

Annual Report - Measure T - FY 2020-21

Measure T Citizens' Oversight Committee
FY 2020-21 Annual Report

March 15, 2022

Summary & Background

In November 2020, City of Redlands voters approved a one-cent sales tax (Measure T) that became effective April 1, 2021. The stated purpose of the tax was to provide funding for safety services, fire protection, paramedics, 911 emergency response, addressing homelessness, police patrols and crime prevention, maintaining library services, parks, sidewalks and roads, keeping public areas well-maintained and other general services. The measure included a provision for the formation of a Citizens' Oversight Committee, further described in Chapter 2.72 in the Redlands Municipal Code.

The Oversight Committee was established to serve as an advisory body to the City Council and to periodically review the revenues and expenditures of Measure T monies. The seven-member committee is comprised of five (5) citizen members from each Council district and two (2) members representing the City's employee bargaining units. The committee shall advise the Council regarding the use of Measure T revenue, according to the priorities set forth in each fiscal year adopted budget. This includes an annual written report to the Council that summarizes the committee's proceedings and activities during the most recent review period.

For fiscal year (FY) 2020-21, City Council made the decision to prioritize the following expenditures in in the Adopted Budget.

- Restoring positions critical to public safety staffing levels
- Restoring capital leases for Fire & Police
- Restoring the most critical contract services for general maintenance
- Addition of Capital Projects -
    - Police and Fire Facility Improvements and Equipment
    - Library Facility Repairs & Improvements
    - Animal Shelter Improvements
    - Park Infrastructure Upgrades & Improvements

During FY 2020-21, the City received a total of $4.6 million in Measure T sales tax. This was revenue $1.6 million over budget estimates. The FY 2020-21 Budget was revised to include approximately $2,970,400 in Measure T spending. Because of the timing of the budgeting process, the FY 2020-21 Measure T spending was approved with less than 20 working days remaining in the fiscal year to spend the funds. As a result, few expenditures were made before June 30, 2021.

As a result of the increased revenue received over projections, staff is amending this report to include additional Measure T-related projects to reconcile the additional $1.6 million.

Committee Proceedings

Between April 2021 and February 2022, the Committee met a total of five (5) times. The inaugural meeting of the Committee was held April 21, 2021. During this meeting the officers were elected by the members, the background & history of Measure T was presented along with a review of the Committee's duties and responsibilities. The subsequent meeting on May 19, 2021 reviewed the fiscal year 2020-21 and 2021-22 budgets recommended to the City Council by the City Manager. The Committee motioned to recommend these budgets to the Council.

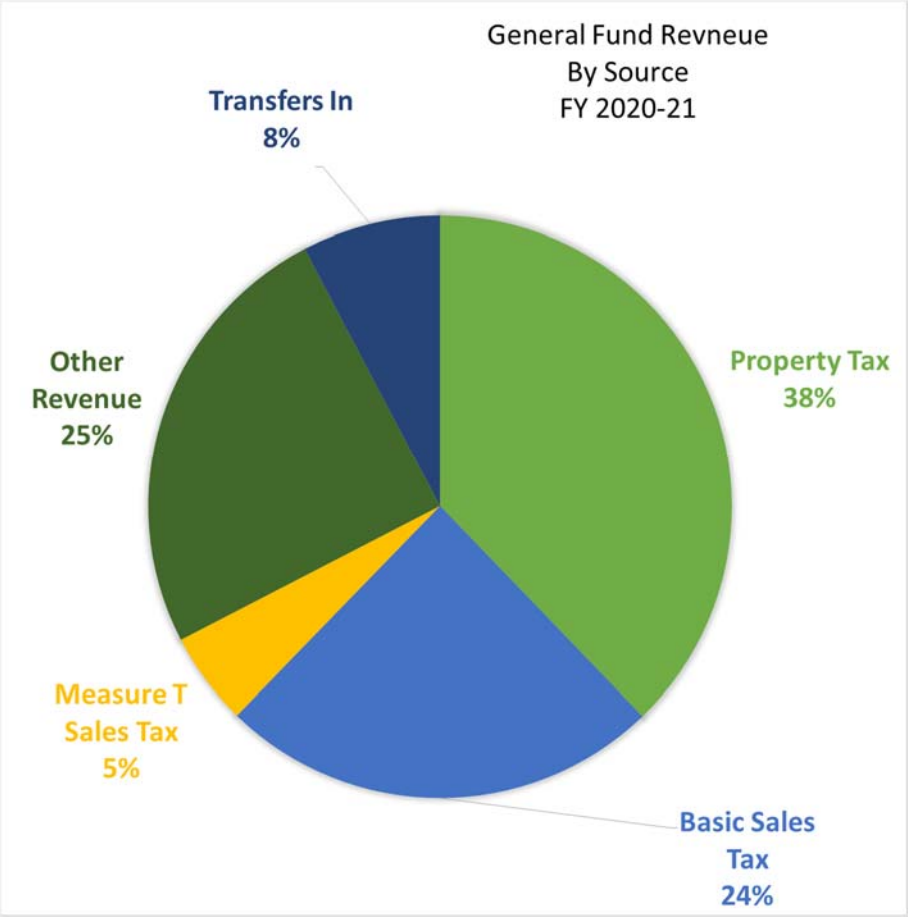
In November, the Committee met again to discuss possible funding sources for proposed City Council projects and how best to consider Measure T. Over the course of the following meetings, the Committee determined a process by which to express its opinion on the expenditure of Measure T funds, including presentation of the annual report to City Council as well as other avenues to communicate to the broader public & community. During its meeting of January 25th, the Committee reviewed the audited general fund financials and draft annual report. During its meeting of February 25th, the Committee approved the report (contained herein) pending some revisions and clarifications. It was decided that the next meeting of the Committee would be in May, closer to the presentation of the City Manager's Proposed Budgets for FY 22, 23 & 24.

Financial Summary Information

The total General Fund Revenue for fiscal year (FY) 2020-21 was approximately $89.7 million. Measure T sales tax revenue represents 5% of these funds, or $4.6 million. As Measure T was effective April 1, 2021, these revenues were collected between April 1, 2021 and June 30, 2021.

(continued on next page)

Figure 1.



Due to the timing of the budget process and the effective date of Measure T, the City Council approved additional expenditures of Measure T funds for FY 2020-21 in June 2021. This included additional spending of approximately $2.9 million on restoration of essential services, including public safety staffing, police and fire vehicles, essential maintenance services, infrastructure and park repairs, and Library improvements. As a result of the increased revenue received over projections, staff is amending this report to include additional Measure T-related projects to reconcile the additional $1.6 million. These additions are detailed in Figure 2 below.

Figure 2 below presents the adopted budget items, the amount budgeted, the actual expenditures before June 30, 2021 and the amount carried forward to the subsequent fiscal year 2021-22. Staff have added a section that identifies Measure T –eligible projects to include as a result of the additional revenue received over forecast amounts for FY 2020-21. These amounts have also been carried over.

Figure 2.

Spending from the Approved Budget FY 2020-21	Adopted Budget FY 2020-21	Actual FY 2020-21	Carryover FY 2021-22
Mid-Year Additions -			
Adding back funds for 2 Police Dept. positons (partial year costs)	$ 75,000	$ -	$ 75,000
Restoration of capital leases for Police vehicles	323,500	-	323,500
*Adding back funds for 4 firefighter/paramedic positons (partial year costs)	151,000	151,000	-
Restoration of capital leases for Fire vehicles	61,000	-	61,000
Restoration of 2 Facilities & Community Services positions (partial year costs)	28,500	-	28,500
Restoration of most critical contract services for general maintenance	210,500	210,500	-
Subsequent Additions -			
Police Department Specialized Vehicle & Facility Improvements	570,000	-	570,000
Park Infrastructure Improvements	390,000	-	390,000
Library Facility Repairs and Capital Improvements	370,000	-	370,000
Animal Shelter Facility Improvements	30,000	-	30,000
Fire Station Mechanical & Security Enhancements	760,900	-	760,900
Original Budget Total	**$ 2,970,400**	**$ 361,500**	**$ 2,608,900**
Additional Spending to Reconcile $1.6 million in additional revenue			
June 1, 2021 Additions -			
Upgrade Community Center Game room	$ 168,000	$ -	$ 168,000
Repave & Restripe Community center Parking Lot	70,000	-	70,000
Citywide Sidewalk/ADA Replacement Project	500,000	-	500,000
Bridge Preventive Maintenance Program	275,000	-	275,000
Citywide Stormdrain System Improvement Project	500,000	-	500,000
Increase in Paramedics Fund Expenses over prior year	163,315	163,315	-
Subtotal	$ 1,676,315	$ -	$ 1,513,000
Revised Total	**$ 4,646,715**	**$ 524,815**	**$ 4,121,900**

*Any vacancies were backfilled with overtime. Service levels remained consistent with pre-pandemic levels.

As indicated, the timing of the above appropriations made it difficult to fully expend a significant portion of Measure T funds before the end of FY 2021. Some progress was made however, on services for general maintenance and Fire Department staffing. Other projects remain at various stages of progress. The inclusion of the additional projects is made in an effort to spend Measure T funds with priority and demonstrate value to the community, as these are the projects that underway and that staff are currently managing.

Conclusions

The Measure T Citizens' Oversight Committee has reviewed the revenues and expenditures of the transactions and use tax and found that they were collected and appropriately spent in accordance with the City's corresponding fiscal year budget plan, to the extent that timing allowed and that the City's FY 2021-22 General Fund Adopted Budget both promoted and maintained the City's core services, including public safety.

The Citizens' Oversight Committee understands the passage of Measure T represents a trusted investment by Redlands residents. We believe Measure T funds are being used as intended for the betterment of the community. During the review period, City staff have worked to provide transparent and accurate information to the Committee.

The Citizens' Oversight Committee looks forward to the continued improvements to public safety and infrastructure in the coming years made possible through Measure T.

Sincerely,

Toni Momberger, Chair, District 4
Steven Chapman, Vice Chair, District 3
Ruth Cook, Secretary, District 1
Edward Ico, District 2
Shelli Stockton, District 5
Rich Smith, Non-Public Safety Bargaining Unit
Brent Fuller, Public Safety Bargaining Unit

MEASURE T CITIZENS' OVERSIGHT COMMITTEE

"A City That Works"

City Council Meeting **K. 1.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Consideration of Resolution Nos. 8313 and 8314
(Mayor to declare meeting open as a public hearing)

A. PUBLIC HEARING to consider Resolution No. 8313 - Calling a special election of the question of levying special taxes within the territory to be annexed to Community Facilities District No. 2004-1; and Resolution No. 8314 - Declaring results of special election of Annexation No. 26 to Community Facilities District No. 2004-1 (Municipal Utilities and Engineering Director Harris)

PROCEDURE FOR PUBLIC HEARING:

1. Mayor opens Public Hearing.
2. Mayor asks City Clerk if Notice of the Hearing has been published and mailed as required by law.
3. Mayor calls for report from the Municipal Utilities and Engineering Department with regard to the Annual Levy of Special Taxes within the Annexing Territory to Pay Costs of the Maintenance of Parkways within and in the area of the property and the Community Facilities District.
4. Mayor asks the City Clerk if she has received any written protests regarding the proposed Annexation.
5. Mayor asks if City Clerk agrees to hold the special election within the annexing territory on March 15, 2022.
6. Mayor closes Public Hearing.
7. The City Council may adopt the following Resolution:
   Resolution Calling Special Election on the Question of Levying Special Taxes within the Territory Proposed to be annexed to Community Facilities District No. 2004-1.
8. City Clerk conducts Special Election and Announces Results of Canvass of Votes Cast.
9. City Council adopts Resolution Declaring Results of Special Election.

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motions are provided:

1. I move City Council approve Resolution No. 8313.

   “Mayor to request City Clerk to conduct Special Election and announce results of canvass of votes cast”; and

2. I move City Council approve Resolution No. 8314.

RECOMMENDATION:

Staff recommends the Mayor conduct the annexation proceeding in accordance with the above "Mayor's Agenda" and City Council adopt Resolution Nos. 8313 and 8314.

DISCUSSION:

On February 1, 2021, City Council approved Resolution No. 8293 to commence with the annexation proceedings for Lennar Homes of California, LLC., Tract Map No. 20257, to Community Facilities District No. 2004-1 (CFD) for the purposes of performing maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257. Additionally, at that meeting, a public hearing was set for March 15, 2022 regarding the annexation of approximately 37.9 acres of land located at the northwest corner of San Bernardino Avenue and Texas Street. At the conclusion of the public hearing, City Council will consider adopting Resolution No. 8313 scheduling a special election within the territory to be annexed. Resolution No. 8313 schedules the special election for March 15, 2022, immediately following the public hearing.

Lennar Homes of California, LLC. requested the annexation of its property into the CFD and delivered to the City Clerk a written waiver consenting to the special election being conducted by the City Clerk on March 15, 2022. The City Clerk consented to conduct the special election on that date.

Immediately following the adoption of Resolution No. 8313, the property owners will deliver voted ballots to the City Clerk. The City Clerk will then canvass the voted ballot(s) and report the results of the election to the Council. The Council will then consider the adoption of Resolution No. 8314, declaring the results of the election, which will complete the annexation of the property to the Community Facilities District.

The adoption of Resolution Nos. 8313 and 8314 are not subject to environmental review pursuant to Section 15061 (b)(3) of the California Environmental Quality Act, as the adoption of these Resolutions does not have the potential for causing a significant effect on the environment.

CFD 2004-1 has had multiple annexations in the past 18 years which are listed in Attachment "L".

ALTERNATIVES:

The Council may choose to deny the request to annex property into CFD No. 2004-1; however, another funding source for the maintenance of the perimeter lettered lots, retention basins, and street trees will need to be identified.

STRATEGIC PLAN:

N/A

SUBMITTED BY:
John R. Harris, Municipal Utilities and Engineering Director

RECOMMENDED BY:
Charles M. Duggan, Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Chris Boatman, Assistant City Manager
Danielle Garcia, Management Services/Finance Director
Goutam Dobey, Engineering Manager

PREPARED BY:
Donald P. Young, One Stop Permit Center Manager

Fiscal Impact

Budgeted Y/N: NA

Discussion:

There is no fiscal impact to the City as all costs for this annexation are borne by the property owner.

Attachments

Attachment A - Resolution No. 8293 - Resolution of Intent

Attachment B - Ballot

Attachment C - Official Ballot

Attachment D - Project Location Map

Attachment E - Resolution 8313 Calling Ellection - Redlands CFD 2004-1 Annex. No. 26

Attachment F - Resolution 8314 Declare Results of Election, Annex No. 26

Attachment G - Annex 26 - Notice of Hearing

Attachment H - Boundary Map

Attachment I - Affidavit Proof of Publication

Attachment J - Signed Redlands CFD 2004-1 Annex No. 26 - Waiver

Atachment K - Voter Certification from County of San Bernardino - Annex No. 26

Attachment L - Annexation List

RESOLUTION NO. 8293

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS AMENDING AND RESTATING RESOLUTION DECLARING INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS AND ADOPTING A MAP OF THE AREA PROPOSED TO BE ANNEXED THERETO (ANNEXATION NO. 26) AND RESCISSION OF RESOLUTION NO. 8286

WHEREAS, on December 21, 2021, the City Council (the "City Council") of the City of Redlands (the "City"), pursuant to Article 3.5 (commencing with Section 53339 of Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the "Mello-Roos Community Facilities Act of 1982" (the "Act"), adopted a resolution entitled "Resolution of the City Council of the City of Redlands Declaring Intention to Annex Territory to Community Facilities District No. 2004-1 of the City of Redlands and Adopting a Map of the Area Proposed to be Annexed Thereto (Annexation No. 26)" (the "Resolution of Intention"), stating its intention to annex certain parcels of property to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California (the "Community Facilities District") in order that they may be developed and receive the benefit of services which will be financed by the annual levy of special taxes on said property sufficient to pay the costs of such services and costs incidental thereto; and

WHEREAS, the Resolution of Intention described the territory to be annexed in Exhibit "A" thereof, which territory consisted of four Assessor's Parcel Numbers; and

WHEREAS, the Resolution of Intention also adopted a map of the territory proposed to be annexed to the Community Facilities District entitled "Annexation Map No. 26, Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California," which map referenced the four Assessor's Parcel Nos. (the "Annexation Map"); and

WHEREAS, the Assessor's Parcel Numbers were subdivided such that the Assessor's Parcel Nos. have changed and increased in number; and

WHEREAS, this resolution amends and restates in its entirety the Resolution of Intention adopted December 21, 2021;

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

Section 1. Recitals. The above recitals are true and correct and are hereby incorporated into this resolution.

Section 2. Name of District. The name of the existing Community Facilities District is "Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California."

Section 3. Amendment of Rate and Method. The reference to the "Los Angeles-Riverside-Orange County" Consumer Price Index in Section C of the Rate and Method is hereby replaced with the "Riverside-San Bernardino-Ontario Consumer Price Index." No other portion of the Rate and Method shall be amended.

Section 4. Intention. The City Council declares its intention to conduct proceedings pursuant to said Article 3.5 for the annexation to the Community Facilities District of the territory described in Exhibit "A" attached hereto. The City Council determines that the public convenience and necessity require that such territory be annexed to the Community Facilities District.

Section 5. Description of Territory Proposed To Be Annexed; Annexation Map. The territory which is included in the Community Facilities District is described on the map of the Community Facilities District recorded on May 18, 2004 in Book 76 of Maps of Assessment and Community Facilities Districts, page 94, and as Instrument No 2004-0347327 in the official records of the County of San Bernardino. The territory proposed to be annexed to the Community Facilities District is described in Exhibit "A" attached hereto and by this reference made a part hereof. Such territory is also shown and described on the map thereof entitled "Annexation Map No. 26, Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California," which is on file with the City Clerk (the "Annexation Map").

Section 6. Types of Services; Incidental Expenses; Plan for Providing Services. The services to be provided and financed by the Community Facilities District are the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District. The Community Facilities District shall also finance costs associated with the determination of the amount of and the levy and collection of special taxes which are levied to provide such services and costs otherwise incurred in order to carry out its authorized purposes. The services described above shall be provided, as needed, throughout the Community Facilities District and the territory proposed to be annexed thereto for the benefit of all owners of property and residents of the Community Facilities District and the territory proposed to be annexed thereto. All owners of taxable parcels of property within the Community Facilities District and the territory proposed to be annexed thereto shall pay special taxes at the same rate to finance the annual cost of providing such services. The services to be provided and financed by the Community Facilities District, as previously described, are necessary to meet increased demands placed upon the City as a result of development occurring within the Community Facilities District and the territory proposed to be annexed thereto.

Section 7. Special Taxes. Except where funds are otherwise available, special taxes sufficient to pay the costs of the services described in Section 6 above and the annual administrative expenses of the City and the Community Facilities District in determining, apportioning, levying and collecting such special taxes, shall be annually levied within the territory proposed to be annexed to the Community Facilities District. Pursuant to Section 53340 of the California Government Code, the special taxes shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem

taxes. The rates and method of apportionment of said special taxes shall be as set forth in Exhibit "B" attached hereto and by this reference made a part hereof. The property within the territory proposed to be annexed shall be assigned at the rate set forth for Special Tax Rate Category B as set forth in Exhibit "B" attached hereto and for Fiscal Year 2022-23, and each Fiscal Year thereafter, assessed at the rate set forth in Table 2 in Exhibit "B" attached hereto, subject to annual increases beginning in Fiscal Year 2023-24 by the greater of 2% or the percentage increase in the Consumer Price Index as determined pursuant to the method of apportioning such special taxes set forth in said Exhibit "B".

Section 8. Adoption of Annexation Map. Pursuant to Section 3110.5 of the Streets and Highways Code, the City Council adopts the Annexation Map as the map of the area proposed to be annexed to the Community Facilities District. Pursuant to Section 3111 of said Code, the City Clerk shall file the original of the Annexation Map in her office and shall file a copy of the Annexation Map with the County Recorder of the County of San Bernardino no later than 15 days prior to the date of the hearing specified in Section 9 hereof.

Section 9. Hearing. A public hearing on the proposed annexation of said territory to the Community Facilities District shall be held at 6:00 p.m., or as soon thereafter as the matter may be heard, on March 15, 2022 in the Council Chambers at the City of Redlands Civic Center, 35 Cajon Street, Redlands, California, or via teleconference as directed by the City due to COVID-19 social distancing guidelines.

Section 10. Notice. The City Clerk shall publish a notice of the time and place of said hearing as required by Section 53322 of the California Government Code, and shall also give notice of the hearing by first class mail to each registered voter and landowner within the territory proposed to be annexed to the Community Facilities District as prescribed by Section 53339.4 of said Code. Said notice shall be published at least seven (7) days and mailed at least fifteen (15) days before the date of the hearing and shall contain the information required by said Section 53339.4.

Section 11. Description of Voting Procedures. The voting procedures to be followed in conducting the election on the proposition with respect to the levy of special taxes within the territory proposed to be annexed to the Community Facilities District to shall be as follows:

(a) If at the time of the close of the public or protest hearing (hereinafter referred to as the "protest hearing") at least 12 persons are registered to vote within the territory proposed to be annexed to the Community Facilities District, the election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the California Government Code ("Section 53326") and pursuant to the applicable provisions of law regulating elections of the City, insofar as they may be applicable, and pursuant to Section 53326 the ballots for the election shall be distributed to the qualified electors of the territory proposed to be annexed to the Community Facilities District by mail with return postage prepaid and the election shall be conducted as a mail ballot election.

(b) If at the time of the close of the protest hearing, and for at least the preceding 90 days, less than 12 persons have been registered to vote within the territory proposed to be annexed to the Community Facilities District, and pursuant to Section 53326, the vote is

therefore to be by the landowners of that territory, with each landowner of record at the close of the protest hearing having one vote for each acre or portion of an acre of land that he or she owns, the election shall be conducted by the City Clerk as follows:

(1) The election shall be held on the earliest date following the conclusion of the protest hearing upon which it can be held pursuant to Section 53326 which may be selected by the City Council, or such earlier date as the owners of land within the territory proposed to be annexed to the Community Facilities District and the City Clerk agree and concur is acceptable.

(2) Pursuant to Section 53326, the election may be held earlier than 90 days following the close of the protest hearing if the qualified electors of the territory proposed to be annexed to the Community Facilities District waive the time limits for conducting the election set forth in Section 53326 by unanimous written consent and the City Clerk concurs in such earlier election date as shall be consented to by the qualified electors.

(3) Pursuant to Section 53326, ballots for the election shall be distributed to the qualified electors by the City Clerk by mail with return postage prepaid or by personal service.

(4) Pursuant to applicable provisions of law regulating elections of the City which govern the conduct of mail ballot elections, and Division 4 (commencing with Section 4000) of the California Elections Code with respect to elections conducted by mail, the City Clerk shall mail or deliver to each qualified elector an official ballot in a form specified by the City Council in the resolution calling the election, and shall also mail or deliver to all such qualified electors a ballot pamphlet and instructions to voter, including a sample ballot identical in form to the official ballot but identified as a sample ballot, a statement pursuant to Section 9401 of the said Code, an impartial analysis by the City Attorney pursuant to Section 9280 of the said Code with respect to the ballot proposition contained in the official ballot, ballot arguments and rebuttals, if any, pursuant to Sections 9281 to 9287, inclusive, of said Code, a return identification envelope with prepaid postage thereon addressed to the City Clerk for the return of voted official ballots, and a copy of this resolution; provided, however, that such statement, analysis and arguments may be waived with the unanimous consent of all the landowners of the territory proposed to be annexed to the Community Facilities District and shall be so stated in the resolution adopted by the City Council calling the election.

(5) The official ballot to be mailed or delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter, and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official ballot, and if the landowner-voter is other than a natural person, that he or she is an officer of or other person affiliated with the landowner-voter entitled to vote such official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter, that in voting such official ballot it was his or her intent, as well as the intent of the landowner-voter, to vote all votes to which the landowner-voter is entitled based on its

land ownership on the proposition set forth in the official ballot as marked thereon in the voting square opposite such proposition, and further certifying as to the acreage of the landowner-voter's land ownership within the territory proposed to be annexed to the Community Facilities District.

(6) The return identification envelope delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address of the voter, (vi) the date of signing and place of execution of said declaration, and (vii) a notice that the envelope contains an official ballot and is to be opened only by the City Clerk.

(7) The information-to-voter form to be mailed or delivered by the City Clerk to the landowner-voters shall inform them that the official ballots shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 5:00 o'clock p.m. on the date of the election.

(8) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the election, the City Clerk shall canvass the votes cast in the election, and shall file a statement with the City Council at its next regular meeting regarding the results of such canvass and the election.

The procedures set forth in this section for conducting the election may be modified as the City Council may determine to be necessary or desirable by a resolution subsequently adopted by the City Council.

Section 12. Rescission of Resolution No. 8286. The Resolution of Intention (Resolution No. 8286) adopted on December 21, 2021 is hereby rescinded in its entirety.

ADOPTED this 1st day of February, 2022.

Paul T. Barich, Mayor

ATTEST:

Jeanne Donaldson, City Clerk

CERTIFICATE

I, Jeanne Donaldson, City Clerk of the City of Redlands, do hereby certify that the foregoing resolution was regularly adopted by the City Council of said City at a regular meeting of said City Council duly held on the 1st of February, 2022 by the following vote:

AYES:	Councilmembers Tejeda, Davis, Guzman-Lowery, Gallagher; Mayor Barich
NOES:	None
ABSENT:	None
ABSTAINED:	None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Redlands this 1st day of February, 2022.

Jeanne Donaldson, City Clerk

COMMUNITY FACILITIES DISTRICT NO. 2004-1
OF THE CITY OF REDLANDS,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
(ANNEXATION 26)

(Special Election With Respect to Annual
Levy of Special Taxes to Be Levied Within
Territory Proposed to Be Annexed to the
Community Facilities District)

March 15, 2022

Ballot Pamphlet
and
Instructions to Voter

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Dear Voter:

The City Council of the City of Redlands has called a special election within territory proposed to be annexed to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California. This is an all-mailed ballot landowner election. The ballots are being mailed to the persons or entities listed on the County Assessor's latest equalized assessment roll as updated based on more current information available to the City of Redlands.

YOU WILL RECEIVE ONE BALLOT FOR EACH GROUP OF PARCELS LISTED UNDER AN IDENTICAL NAME AND ADDRESS. The ballots will be distributed based on the names and addresses designated on the assessment roll or obtained from such other information. Any parcels with a common name and address were combined for voting purposes. Each qualified voter has been issued one ballot which entitles that voter to vote his or her total acreage of land. Each ballot is allotted a specified number of votes depending on acreage. Each acre or portion thereof is worth one vote.

Please note that your ballot must be received by the City Clerk of the City of Redlands not later than 6:00 p.m., March 15, 2022. A POSTMARK DATE IS NOT ACCEPTABLE. You must use the enclosed envelope for mailing your ballot, or your ballot may be delivered in the envelope, to the office of the City Clerk of the City of Redlands, located at 35 Cajon Street, Redlands, California 92373.

Contained in this Ballot Pamphlet and Instructions to Voter are Instructions to Landowner Voter, a Sample Ballot, and a copy of Resolution No. 8293 of the City Council of the City of Redlands.

If you have any questions, please contact us at (909) 798-7531.

Very truly yours,

Jeanne Donaldson
City Clerk
City of Redlands

INSTRUCTIONS TO LANDOWNER VOTER

HOW TO VOTE YOUR BALLOT

Vote your official ballot by placing a cross (+ or X) in the voting square opposite your choice with a pen or pencil, and by completing, dating and signing the certificate attached thereto.

SPOILING YOUR BALLOT

If you tear your ballot or make an error in voting you may secure another by surrendering the ballot you spoiled, in person or by mail at the address below, or by executing an affidavit to the effect that you lost your ballot, and you will be given another ballot.

RETURNING YOUR BALLOT

Enclose your ballot in the Identification Envelope provided. Supply ALL information requested on the Identification Envelope.

LAST DAY TO RETURN TO CITY CLERK OF THE CITY OF REDLANDS

Your ballot must be returned to the City Clerk of the City of Redlands not later than 6:00 p.m. on March 15, 2022, for it to be counted. YOUR BALLOT CANNOT BE ACCEPTED BEYOND THIS DEADLINE.

Your ballot must be returned in the envelope provided for this purpose, or it may be delivered in the envelope to the City Clerk of the City of Redlands, located at 35 Cajon Street, Redlands, California 92373.

S A M P L E B A L L O T
DO NOT VOTE

OFFICIAL BALLOT

SPECIAL ELECTION FOR
COMMUNITY FACILITIES DISTRICT NO. 2004-1
OF THE CITY OF REDLANDS
COUNTY OF SAN BERNARDINO
STATE OF CALIFORNIA
March 15, 2022

To vote, mark a cross (+ or X) in the voting square after the word "YES" or after the word "NO". All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Redlands and obtain another.

PROPOSITION A: Shall Proposition A authorizing the annual levy of special taxes on taxable property in the territory proposed to be annexed to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California, to pay the costs of the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District, and to pay costs associated with the determination of the amount of and the levy and collection of the special taxes at the special tax rates provided for Special Tax Rate Category "B", as set forth in Exhibit "B" to Resolution No. 8293 and for Fiscal Year 2022-23, and each Fiscal Year thereafter, assessed at the rate set forth in Table 2 in Exhibit "B" to Resolution No. 8293, subject to annual increases beginning in Fiscal Year 2023-24 by the greater of 2% or the percentage increase in the Consumer Price Index as determined pursuant to the method of apportioning such special taxes set forth in said Exhibit "B" be approved?

YES	
NO	

OFFICIAL BALLOT

SPECIAL ELECTION FOR
COMMUNITY FACILITIES DISTRICT NO. 2004-1
OF THE CITY OF REDLANDS
COUNTY OF SAN BERNARDINO
STATE OF CALIFORNIA

March 15, 2022

To vote, mark a cross (+ or X) in the voting square after the word "YES" or after the word "NO". All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Redlands and obtain another.

PROPOSITION A: Shall Proposition A authorizing the annual levy of special taxes on taxable property in the territory proposed to be annexed to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California, to pay the costs of the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District, and to pay costs associated with the determination of the amount of and the levy and collection of the special taxes at the special tax rates provided for Special Tax Rate Category "B", as set forth in Exhibit "B" to Resolution No. 8293 and for Fiscal Year 2022-23, and each Fiscal Year thereafter, assessed at the rate set forth in Table 2 in Exhibit "B" to Resolution No. 8293, subject to annual increases beginning in Fiscal Year 2023-24 by the greater of 2% or the percentage increase in the Consumer Price Index as determined pursuant to the method of apportioning such special taxes set forth in said Exhibit "B" be approved?

YES	
NO	

Lennar Homes of California, LLC
37.90 acres – 38 votes

17942.00056\34696474.1

CERTIFICATION

I certify that I am the authorized representative of Lennar Homes of California, LLC, a California limited liability company, the owner of property to be annexed and included within the boundaries of Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California, (the "Owner") and that I am authorized to vote the Official Ballot to which this certification is attached. I further certify that in voting said ballot it was my intent, as well as the intent of the Owner, to vote all votes to which the Owner is entitled on Proposition A set forth in said ballot as marked in the voting square opposite such proposition. I further certify that the Owner is the owner of approximately 37.90 acres of land proposed to be included within said community facilities district, and that in voting said ballot I intended to vote each vote to which such acreage would entitle the Owner in the manner marked on said ballot.

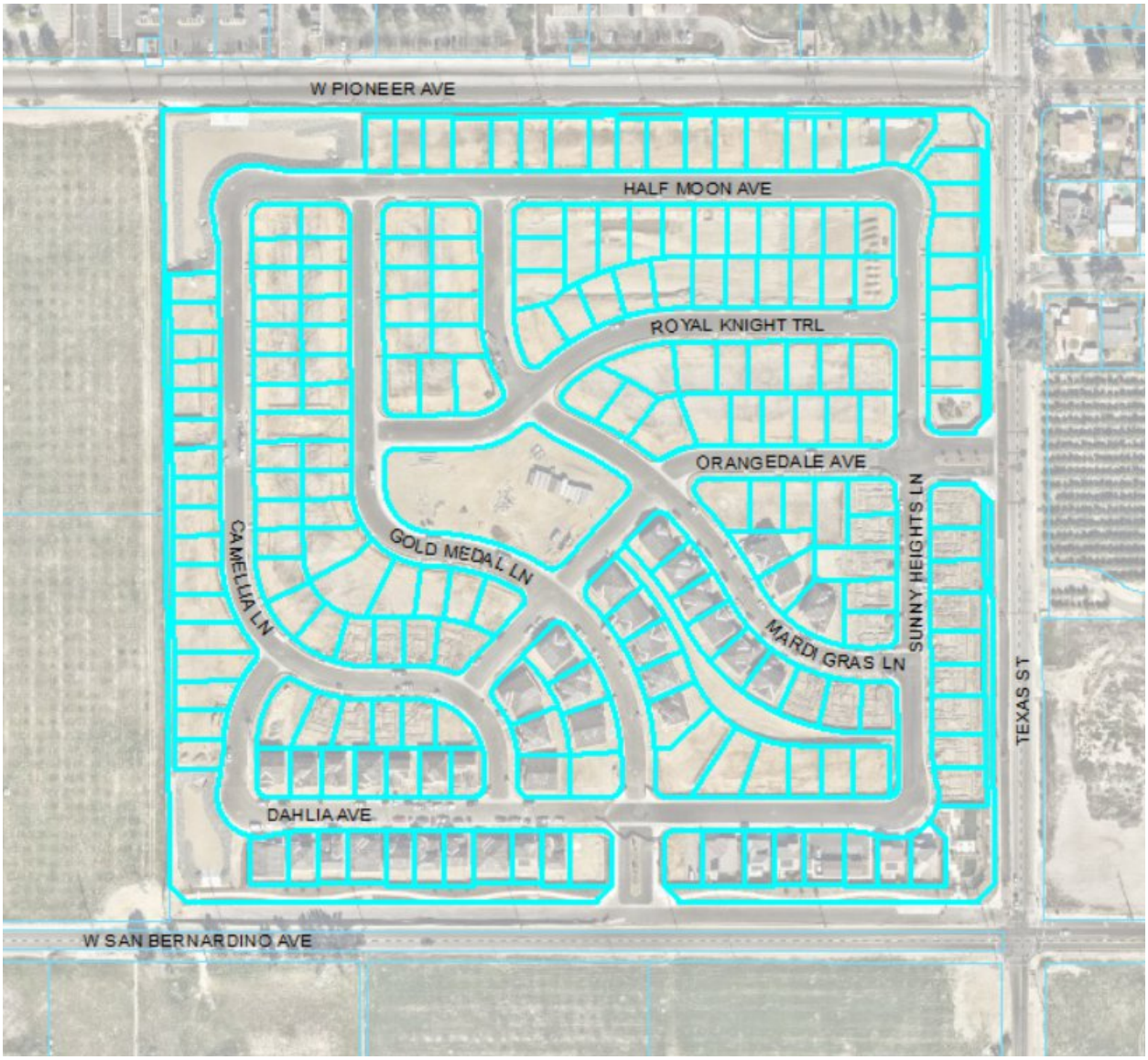
I certify that this certification was executed on _____, 2022, at _____, California.

LENNAR HOMES OF CALIFORNIA, LLC
a California limited liability company

_____

By: Geoffrey L. Smith
Its: Vice President

TRACT MAP NO. 20257



RESOLUTION NO. 8313

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS CALLING SPECIAL ELECTION AND SUBMITTING TO THE QUALIFIED ELECTORS OF TERRITORY PROPOSED TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS THE QUESTION OF LEVYING SPECIAL TAXES WITHIN THAT TERRITORY (ANNEXATION 26)

WHEREAS, the City Council (the "City Council") of the City of Redlands (the "City") has heretofore conducted proceedings for the establishment of and has established Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California (the "Community Facilities District"), and the Community Facilities District has been authorized to annually levy special taxes to pay the costs of the maintenance of parks, parkways and open space, including, but not limited to, the maintenance of street trees and landscape, within the Community Facilities District and in the surrounding area, the costs associated with the determination of the amount of and levy and collection of special taxes which will be levied to provide the services, and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District; and

WHEREAS, the City Council is authorized by Article 3.5 (commencing with Section 53339) of Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the "Mello-Roos Community Facilities Act of 1982," to annex territory to the Community Facilities District; and

WHEREAS, on February 1, 2022, the City Council adopted Resolution No. 8293, a resolution amending and restating a resolution of intention to annex territory to the Community Facilities District pursuant to Section 53339.2 of the California Government Code, determining that the public convenience and necessity require that certain property, consisting of approximately 37.90 acres, be annexed to the Community Facilities District and containing all of the matters prescribed by Section 53339.3 of said Code, and fixing 6:00 p.m., or as soon thereafter as the matter may be heard, on March 15, 2022, in the meeting room of the City Council, or via teleconference as directed by the City due to COVID-19 social distancing guidelines as the time and place for a hearing upon said resolution; and

WHEREAS, pursuant to said resolution, the City Clerk has published and mailed notice of the time and place of said hearing as required by Section 53339.4 of said Code; and

WHEREAS, on March 15, 2022, at the time and place of said hearing, the City Council afforded all interested persons for or against the annexation of said property to the Community Facilities District an opportunity to present testimony and to protest against the proposed annexation of said property to the Community Facilities District, and no protests, either oral or in writing, were received; and

WHEREAS, pursuant to Section 53339.7 of said Code, the City Council may now submit the question of levying a special tax within the territory proposed to be annexed to the Community Facilities District to the qualified electors within that territory;

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

Section 1. Findings. The City Council finds that: (i) the foregoing recitals are correct; (ii) less than 12 persons have been registered to vote within the territory proposed to be annexed to the Community Facilities District during the 90 days preceding the close of the public hearing held on March 15, 2022, and no persons are registered to vote therein; (iii) pursuant to Section 53326 of the California Government Code, as a result of the findings set forth in clause (ii) above, the vote in the special election called by this resolution shall be by the landowners of the territory proposed to be annexed to the Community Facilities District whose property would be subject to the special taxes if they were levied at the time of the election, and each landowner shall have one vote for each acre, or portion thereof, which he or she owns within said territory which would be subject to the proposed special taxes if they were levied at the time of the election; and (iv) pursuant to said Section 53326, the special election must be held at least 90 days, but not more than 180 days following the date of the adoption of this resolution, unless such time periods are waived with the unanimous waiver of the qualified electors. All of the qualified electors in the territory to be annexed waived the time limits and election formalities of the special election.

Section 2. Special Election. A special election is called for and shall be held on Tuesday, March 15, 2022, for the purpose of submitting to the qualified electors of the territory proposed to be annexed to the Community Facilities District the question of whether special taxes shall annually be levied within said territory to pay the costs of the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District, the costs associated with the determination of the amount of and levy and collection of special taxes which will be levied to provide the services, and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District pursuant to the Rates and Method of Apportionment of the Special Taxes, attached as Exhibit "B" to Resolution No. 8293.

Section 3. Ballot Proposition. The proposition to be submitted on March 15, 2022, to the qualified electors of the territory proposed to be annexed to the Community Facilities District shall be as follows:

First Proposition

PROPOSITION A: Shall Proposition A authorizing the annual levy of special taxes on taxable property in the territory proposed to be annexed to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California, to pay the costs of the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape

maintenance in the area of the Property and the Community Facilities District, and to pay costs associated with the determination of the amount of and the levy and collection of the special taxes at the special tax rates provided for Special Tax Rate Category "B", as set forth in Exhibit "B" to Resolution No. 8293 and for Fiscal Year 2022-23, and each Fiscal Year thereafter, assessed at the rate set forth in Table 2 in Exhibit "B" to Resolution No. 8293, subject to annual increases beginning in Fiscal Year 2023-24 by the greater of 2% or the percentage increase in the Consumer Price Index as determined pursuant to the method of apportioning such special taxes set forth in said Exhibit "B" be approved?

Section 4. Conduct of Election. Except as otherwise provided in Section 5 hereof, said election shall be conducted by the City Clerk (the "City Clerk") pursuant to the provisions of the California Elections Code governing elections of cities, and the provisions of Division 4 (commencing with Section 4000) of said Code, insofar as they may be applicable.

Section 5. Election Procedures. The procedures to be followed in conducting said election shall be as follows:

(a) Pursuant to Section 53326 of the California Government Code, ballots for the election shall be distributed to the qualified electors by the City Clerk by mail with return postage prepaid.

(b) Pursuant to applicable sections of the aforementioned provisions of the California Elections Code governing the conduct of mail ballot elections, including in particular Division 4 (commencing with Section 4000) of said Code, the City Clerk shall mail or deliver to each qualified elector an official ballot in the form attached hereto as Exhibit "A," and shall also mail or deliver to all such qualified electors a ballot pamphlet and instructions to voter, including a sample ballot identical in form to the official ballot but identified as a sample ballot, a return identification envelope with prepaid postage thereon addressed to the City Clerk for the return of voted official ballots, and a copy of Resolution No. 8293.

(c) The official ballot to be mailed by the City Clerk to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official ballot, and if the landowner-voter is other than a natural person, that he or she is an officer of or other person affiliated with the landowner-voter entitled to vote such official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter, that in voting such official ballot it was his or her intent, as well as the intent of the landowner-voter, to vote all votes to which the landowner-voter is entitled based on its land ownership on the proposition set forth in the official ballot as marked thereon in the voting square opposite such proposition, and further certifying as to the acreage of the landowner-voter's land ownership within the Community Facilities District.

(d) The return identification envelope delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the following: the name of the landowner,

the address of the landowner, a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, the printed name and signature of the voter, the address of the voter, the date of signing and place of execution of said declaration, and a notice that the envelope contains an official ballot and is to be opened only by the City Clerk.

(e) The information-to-voter form to be mailed by the City Clerk to the landowner-voters shall inform them that the official ballots shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by six (6) o'clock p.m. on the date of the election.

(f) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the election, the City Clerk shall canvass the votes cast in the election, and shall file a statement with the City Council as to the results of such canvass and the election on the proposition set forth in the official ballot.

ADOPTED this 15th day of March, 2022.

_____
Paul T. Barich, Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

EXHIBIT "A"

OFFICIAL BALLOT

SPECIAL ELECTION FOR
COMMUNITY FACILITIES DISTRICT NO. 2004-1
OF THE CITY OF REDLANDS
COUNTY OF SAN BERNARDINO
STATE OF CALIFORNIA
March 15, 2022

To vote, mark a cross (+ or X) in the voting square after the word "YES" or after the word "NO". All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Redlands and obtain another.

PROPOSITION A: Shall Proposition A authorizing the annual levy of special taxes on taxable property in the territory proposed to be annexed to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California, to pay the costs of the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District, and to pay costs associated with the determination of the amount of and the levy and collection of the special taxes at the special tax rates provided for Special Tax Rate Category "B", as set forth in Exhibit "B" to Resolution No. 8293 and for Fiscal Year 2022-23, and each Fiscal Year thereafter, assessed at the rate set forth in Table 2 in Exhibit "B" to Resolution No. 8293, subject to annual increases beginning in Fiscal Year 2023-24 by the greater of 2% or the percentage increase in the Consumer Price Index as determined pursuant to the method of apportioning such special taxes set forth in said Exhibit "B" be approved?

YES	
NO	

CERTIFICATION

I, Jeanne Donaldson, City Clerk of the City of Redlands, do hereby certify that the foregoing resolution was regularly adopted by the City Council of said City at a regular meeting of said Council duly held on the 15th day of March, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of March, 2022.

_____
Jeanne Donaldson, City Clerk

RESOLUTION NO. 8314

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS DECLARING THE RESULTS OF THE SPECIAL ELECTION FOR COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS ON THE PROPOSITION OF THE ANNUAL LEVY OF SPECIAL TAXES WITHIN THE TERRITORY PROPOSED TO BE ANNEXED TO SAID COMMUNITY FACILITIES DISTRICT TO PAY THE COSTS OF CERTAIN SERVICES TO BE PROVIDED BY THE COMMUNITY FACILITIES DISTRICT, DETERMINING THAT THE TERRITORY PROPOSED TO BE ANNEXED IS ADDED TO AND PART OF SAID COMMUNITY FACILITIES DISTRICT WITH FULL LEGAL EFFECT, AND ORDERING THE RECORDING OF A MAP OF THE BOUNDARIES OF SAID COMMUNITY FACILITIES DISTRICT INCLUDING THE TERRITORY ANNEXED THERETO (ANNEXATION NO. 26)

WHEREAS, the City Council (the "City Council") of the City of Redlands (the "City") has heretofore conducted proceedings for the annexation of approximately 37.90 acres of land to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California (the "Community Facilities District"), including conducting a public hearing pursuant to Section 53339.5 of the Government Code; and

WHEREAS, at the conclusion of said public hearing, the City Council adopted a resolution calling a special election for March 15, 2022 and submitting to the qualified electors of the territory to be annexed to the Community Facilities District the question of levying special taxes within that territory to pay the costs of the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District and the costs associated with the determination of the amount of and levy and collection of special taxes which will be levied to provide the services and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District (the "Election Resolution"); and

WHEREAS, the City Council has received a statement from the City Clerk (the "City Clerk"), who pursuant to the Election Resolution was authorized to conduct such special election and act as the election official therefor, with respect to the canvass of the ballot returned in and the results of said special election, certifying that at least two-thirds of the votes cast upon the proposition submitted to the qualified electors in said special election were in favor of such proposition.

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

Section 1. Findings. The City Council finds that: (i) there are no registered voters residing within the territory proposed to be annexed to the Community Facilities District (the "Territory") at the time of the close of the public hearing on March 15, 2022 and pursuant to Section 53326 of the Government Code, the vote in said special election was, therefore, to be by the landowners owning land within the Territory, with each landowner having one vote for each acre or portion thereof of land that he or she owned within the Territory; (ii) pursuant to said

Section 53326 and the Election Resolution, the City Clerk caused to be delivered an official ballot for the special election to the owner of the land within the Territory, with return postage prepaid; (iii) said special election has been properly conducted in accordance with all statutory requirements and the provisions of the Election Resolution; (iv) pursuant to said Section 53326, Lennar Homes of California, LLC, the owner of all the land within the Territory, was entitled to thirty-eight (38) votes; (v) said landowner returned its ballot to the City Clerk prior to the time set by the City Clerk for the close of the election on March 15, 2022; (vi) the ballot returned to the City Clerk by said landowner voted all votes of said landowner in favor of the proposition set forth therein; (vii) at least two-thirds of the votes cast in such special election on said proposition were in favor thereof, and pursuant to Sections 53328 and 53329 of the Government Code, said proposition carried; (viii) pursuant to Section 53339.8 of the Government Code, the City Council is authorized to determine that the Territory to be annexed has been added to and become a part of the Community Facilities District with full legal effect; and (ix) the City Council is also authorized, pursuant to said Section 53339.8, to annually levy special taxes within the Territory to pay the costs of the services to be provided by the Community Facilities District.

Section 2. Declaration of Results. At least two-thirds of the votes voted in the special election on the proposition of the annual levy of special taxes within the Territory to pay the costs of the services to be provided by the Community Facilities District were voted in favor thereof, and such proposition carried.

Section 3. Annexation. The Territory is annexed and added to and is a part of the Community Facilities District with full legal effect, and the City Council shall annually levy special taxes within the Territory at the rates provided for Special Tax Rate Category "B", as specified in Resolution No. 8293 adopted by the City Council on February 1, 2022, to pay costs of certain services to be provided by the Community Facilities District. The boundaries of the Territory are shown on the map entitled, Annexation Map No. 26, Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California, which was recorded on February 3, 2022 in the office of the County Recorder of the County of San Bernardino as Document No. 2022-0047463.

Section 4. Pursuant to Section 53339.8 of the Government Code and Section 3117.5 of the Streets and Highways Code, the City Clerk shall cause to be filed with the County Recorder of the County of San Bernardino an amendment of the notice of special tax lien and a map of the amended boundaries of the Community Facilities District including the Territory.

ADOPTED this 15th day of March, 2022.

_____
Paul T. Barich, Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

CERTIFICATION

I, Jeanne Donaldson, City Clerk of the City of Redlands, do hereby certify that the foregoing resolution was regularly adopted by the City Council of said City at a regular meeting of said Council duly held on the 15th day of March, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of March, 2022.

_____
Jeanne Donaldson, City Clerk

NOTICE OF HEARING ON RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS AMENDING AND RESTATING RESOLUTION DECLARING INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS (ANNEXATION 26)

NOTICE IS HEREBY GIVEN that on February 1, 2022, the City Council of the City of Redlands adopted Resolution No. 8293, amending and restating the intention of the City Council to annex territory to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California, and fixing the time and place of a public hearing thereon for 6:00 p.m., or as soon thereafter as the matter may be heard, on March 15, 2022 in the Council Chambers at the City of Redlands Civic Center, 35 Cajon Street, Redlands, California, or via teleconference as directed by the City due to COVID-19 social distancing guidelines, at which time the City Council will hear the testimony of all interested persons for or against the annexation of said territory to the Community Facilities District or the levying of special taxes within such territory to pay the costs of providing certain services which are necessary to meet increased demands placed upon the City as a result of the development of said real property.

Resolution No. 8293 provides in summary as follows:

1. The City Council amended and restated its intention to conduct proceedings for the annexation to the Community Facilities District of the territory described in Exhibit "A" to Resolution No. 8293. The City Council determined that the public convenience and necessity require that such territory be annexed to the Community Facilities District.

2. The territory which is included in the Community Facilities District is described on the map of the Community Facilities District recorded on May 18, 2004 in Book 76 of Maps of Assessment and Community Facilities Districts, page 94, and as Instrument No 2004-0347327 in the official records of the County of San Bernardino. The territory proposed to be annexed to the Community Facilities District is described on the map thereof entitled "Annexation Map No. 26, Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California," which is on file with the City Clerk of the City of Redlands.

3. The types of public services to be provided within the Community Facilities District are as follows:

The services to be provided and financed by the Community Facilities District are the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District. The Community Facilities District shall also finance costs associated with the determination of the amount of and the levy and collection of special taxes which are levied to provide such services and costs otherwise incurred in order to carry out its authorized purposes. The services described above shall be provided, as needed, throughout the Community Facilities District and the territory proposed to be annexed thereto for the benefit of all owners of property and residents of the Community Facilities District and the territory proposed to be annexed thereto. All owners of taxable parcels of property within the Community Facilities District and the territory proposed to be annexed thereto shall pay special taxes to finance the annual cost of providing such services. The services to be provided and financed by

the Community Facilities District, are necessary to meet increased demands placed upon the City as a result of development occurring within the Community Facilities District and the territory to be annexed thereto.

4. Special taxes sufficient to pay the costs of the services described in Section 3 above and the annual administrative expenses of the City and the Community Facilities District in determining, apportioning, levying and collecting such special taxes, shall be annually levied within the territory proposed to be annexed to the Community Facilities District. The special taxes shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem taxes. The rates and method of apportionment of said special taxes shall be as set forth in Exhibit "B" to Resolution No. 8293. The property within the territory proposed to be annexed shall be assigned at the rate set forth for Special Tax Rate Category B as set forth in said Exhibit "B", for each Fiscal Year commencing Fiscal Year 2022-23, which will be assessed at the rate set forth in Table 2 in said Exhibit "B", subject to annual increases beginning in Fiscal Year 2023-24 by the greater of 2% or the percentage increase in the Consumer Price Index for Riverside-San Bernardino-Ontario as determined pursuant to the method of apportioning such special taxes set forth in said Exhibit "B" to Resolution No. 8293.

The maximum amounts of special taxes which may be annually levied are as follows:

ASSIGNMENT TO LAND USE CATEGORY

Parcels of Taxable Property in a Development shall be assigned to the appropriate Land Use Category contained in Table 1. Such Parcels shall also be assigned to the appropriate Special Tax Rate Category contained in Table 2, based on the estimated cost for providing the Additional Maintenance, if any, to the Development. The Special Tax shall be levied upon and collected from each such Parcel for each Fiscal Year based on the Benefit Units which are assigned to the Parcel as a result of its assignment to the appropriate Land Use Category and Special Tax Rate Category, as provided in Sections C and D.

TABLE 1
Land Use Category

Land Use Category	Description	Benefit Unit(s)
1	Single-family Residential	One (1) / Residence
2	Commercial	Five (5) / Acre
3	Industrial	Two (2) / Acre
4	Multi-family Residential	Six tenths (0.6) / Residential Unit
5	Religious Property	Two (2) / Acre

MAXIMUM SPECIAL TAX RATES

The Maximum Special Tax Rate per Benefit Unit for each Parcel for each Fiscal Year shall be the total of the Base Rate Per Benefit Unit plus the Additional Maintenance Rate Per Benefit Unit for the Special Tax Rate Category to which the Parcel is assigned. For Fiscal Year 2004-05 the Base Rate Per Benefit Unit and the Additional Maintenance Rate Per Benefit Unit for each Special Tax Category shall be the amounts set forth in Table 2 for such Special Tax Rate Category. The Base Rates Per Benefit Unit and the Additional Maintenance Rates Per Benefit Unit for all Parcels in all Special Tax Rate Categories shall be increased by the percentage increase in the Consumer Price Index (All Items) for Los Angeles – Riverside – Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or by two percent (2%), whichever is greater, on July 1, 2005 for Fiscal Year 2005-06 and on each subsequent July 1 for the Fiscal Year then commencing.

TABLE 2
Maximum Special Tax Rates

Special Tax Rate Category	Maximum Rates Per Benefit Unit Base Rate	Additional Maintenance Rate
A	$250	$0
B	$250	$100
C	$250	$200
D	$250	$300
E	$250	$400
F	$250	$500
G	$250	$600
H	$250	$700
I	$250	$800
J	$250	$900
K	$250	$1,000
L	$250	$1,100
M	$250	$1,200
N	$250	$1,300
O	$250	$1,400
P	$250	$1,500
Q	$250	$1,600
R	$250	$1,700
S	$250	$1,800
T	$250	$1,900
U	$250	$2,000
V	$250	$2,100
W	$250	$2,200
X	$250	$2,300
Y	$250	$2,400
Z	$250	$2,500

The Parcels which are to be included in the District at the time of its formation and which are identified in Table 3 shall be assigned to the Land Use Category and the Special Tax Rate Category specified in Table 3.

TABLE 3
Assignment to Land Use Category
and Special Tax Rate Category

Tract No.	Land Use Category	Special Tax Rate Category
16408	One (1)	K

METHOD OF APPORTIONMENT AND LEVY OF ANNUAL SPECIAL TAX

For each Fiscal Year, commencing with Fiscal Year 2004-05, the Council shall (a) determine the cost of providing the Basic Maintenance in the District and the amount of the Base Rate Per Benefit Unit to be levied on Parcels of Taxable Property in the District to pay the cost of the Basic Maintenance; (b) determine the cost of providing the Additional Maintenance, if any, for each Special Tax Rate Category, as then applicable, and the amount of the Additional Maintenance Rate Per Benefit Unit, if any, to be levied on Parcels of Taxable Property in each Special Tax Rate Category to pay the cost the Additional Maintenance therefor; and (c) levy the Special Tax on all Parcels of Taxable Property in each Special Tax Rate Category, as then applicable. The amount of the Special Tax to be levied on any Parcel of Taxable Property in any Fiscal Year shall be determined by multiplying the Benefit Units for the Parcel, depending on the Land Use Category to which it is assigned, by the Base Rate Per Benefit Unit and the Additional Maintenance Rate Per Benefit Unit, if any, determined pursuant to clauses (a) and (b) above, for the Special Tax Rate Category to which the Parcel is assigned.

No Special Tax shall be levied on property which, at the time of adoption of the Resolution of Formation for the District, is Exempt Property.

5. A public hearing on the annexation of said territory to the Community Facilities District shall be held at 6:00 p.m., or as soon thereafter as the matter may be heard, on March 15, 2022, in the Council Chambers at the City of Redlands Civic Center, 35 Cajon Street, Redlands, California, or vi teleconference as directed by the City due to COVID-19 social distancing guidelines..

6. The City Clerk shall publish a notice of the time and place of said hearing and shall also give notice of the time and place of said hearing by first-class mail to each registered voter and landowner within the territory proposed to be annexed to the Community Facilities District. Said notice shall be published at least seven (7) days and mailed at least 15 days before the date of the hearing.

7. The voting procedures to be followed in conducting the election on the proposition with respect to the levy of special taxes within the territory proposed to be annexed

to the Community Facilities District to pay the costs of services to be financed by the community facilities district shall be as follows:

(a) If at the time of the close of the public or protest hearing at least 12 persons are registered to vote within the territory proposed to be annexed to the Community Facilities District, the election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council, and the ballots for the election shall be distributed to the qualified electors of the territory proposed to be annexed to the Community Facilities District by mail with return postage prepaid and the election shall be conducted as a mail ballot election.

(b) If at the time of the close of the protest hearing, and for at least the preceding 90 days, less than 12 persons have been registered to vote within the territory proposed to be annexed to the Community Facilities District, and the vote is therefore to be by the landowners of that territory, with each landowner of record at the close of the protest hearing having one vote for each acre or portion of an acre of land that he or she owns, the election shall be conducted by the City Clerk as follows:

(1) The election shall be held on the earliest date following the conclusion of the protest hearing upon which it can be held which may be selected by the City Council, or such earlier date as the owners of land within the territory proposed to be annexed to the Community Facilities District and the City Clerk agree and concur is acceptable.

(2) The election may be held earlier than 90 days following the close of the protest hearing if the qualified electors of the territory proposed to be annexed to the Community Facilities District waive the time limits for conducting the election by unanimous written consent and the City Clerk concurs in such earlier election date as shall be consented to by the qualified electors.

(3) Ballots for the election shall be distributed to the qualified electors by the City Clerk by mail with return postage prepaid.

(4) The City Clerk shall mail to each qualified elector an official ballot, and shall also mail to all such qualified electors other required election documents, including a return identification envelope with prepaid postage thereon addressed to the City Clerk for the return of voted official ballots.

(5) The information-to-voter form to be mailed by the City Clerk to the landowner-voters shall inform them that the official ballots shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 5:00 o'clock p.m. on the date of the election.

(6) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the election, the City Clerk

shall canvass the votes cast in the election, and shall file a statement with the City Council at its next regular meeting regarding the results of such canvass and the election.

Resolution No. 8293 contains other provisions which are not summarized above. A copy of Resolution No. 8293 may be reviewed or obtained at the office of the City Clerk of the City of Redlands located at 35 Cajon Street, Redlands, California.

NOTICE IS FURTHER GIVEN that at the time and place of said hearing, all persons interested for or against the annexation of said territory to the Community Facilities District or the levying of special taxes within such territory to pay the costs of providing certain services within the territory proposed to be annexed to the Community Facilities District will be heard. At the hearing, protests against the proposals described in Resolution No. 8293 may be made by any interested person. Any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities or defects to which objection is made. All written protests shall be filed with the City Clerk prior to the time fixed for the hearing. The City Council may waive any irregularities in the form or content of any written protests and at the hearing may correct minor defects in the proceedings. Written protests may be withdrawn in writing at any time before the conclusion of the hearing.

If the owners of one-half or more of the area of land in the territory included in the existing district, or if the owners of one-half or more of the area of land in the territory proposed to be annexed to the Community Facilities District file written protests against the proposed annexation of such territory to the Community Facilities District, and protests are not withdrawn so as to reduce the protest to less than a majority, no further proceedings shall be undertaken for a period of one year from the date of decision of the City Council on the issues discussed at the hearing.

The hearing may be continued from time to time, but shall be completed within 30 days. At the conclusion of the hearing, the City Council may abandon the proceedings or may, after passing upon all protests, submit the question of levying the special tax within the area proposed to be annexed to the Community Facilities District to the qualified electors of the area proposed to be annexed.

DATED: February 1, 2022

Jeanne Donaldson, City Clerk
City of Redlands, County of San Bernardino

Conformed Copy

ANNEXATION MAP NO. 26

COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA

THIS MAP SHOWS THE BOUNDARIES OF AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA. THE BOUNDARIES OF WHICH COMMUNITY FACILITIES DISTRICT ARE SHOWN AND DESCRIBED ON THE MAP THEREOF WHICH WAS PREVIOUSLY RECORDED ON MAY 18, 2004 BOOK 76 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE 94 AND AS INSTRUMENT NO. 2004-0347327 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA.

I HEREBY CERTIFY THAT THE WITHIN MAP OF THE AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF REDLANDS AT A REGULAR MEETING THEREOF, HELD ON THE 1ST DAY OF FEBRUARY, 2022, BY IT'S RESOLUTION NO. 8293.

Jeanne Donaldson
CITY CLERK OF THE CITY OF REDLANDS

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF REDLANDS THIS 3rd DAY OF FEBRUARY, 2022.

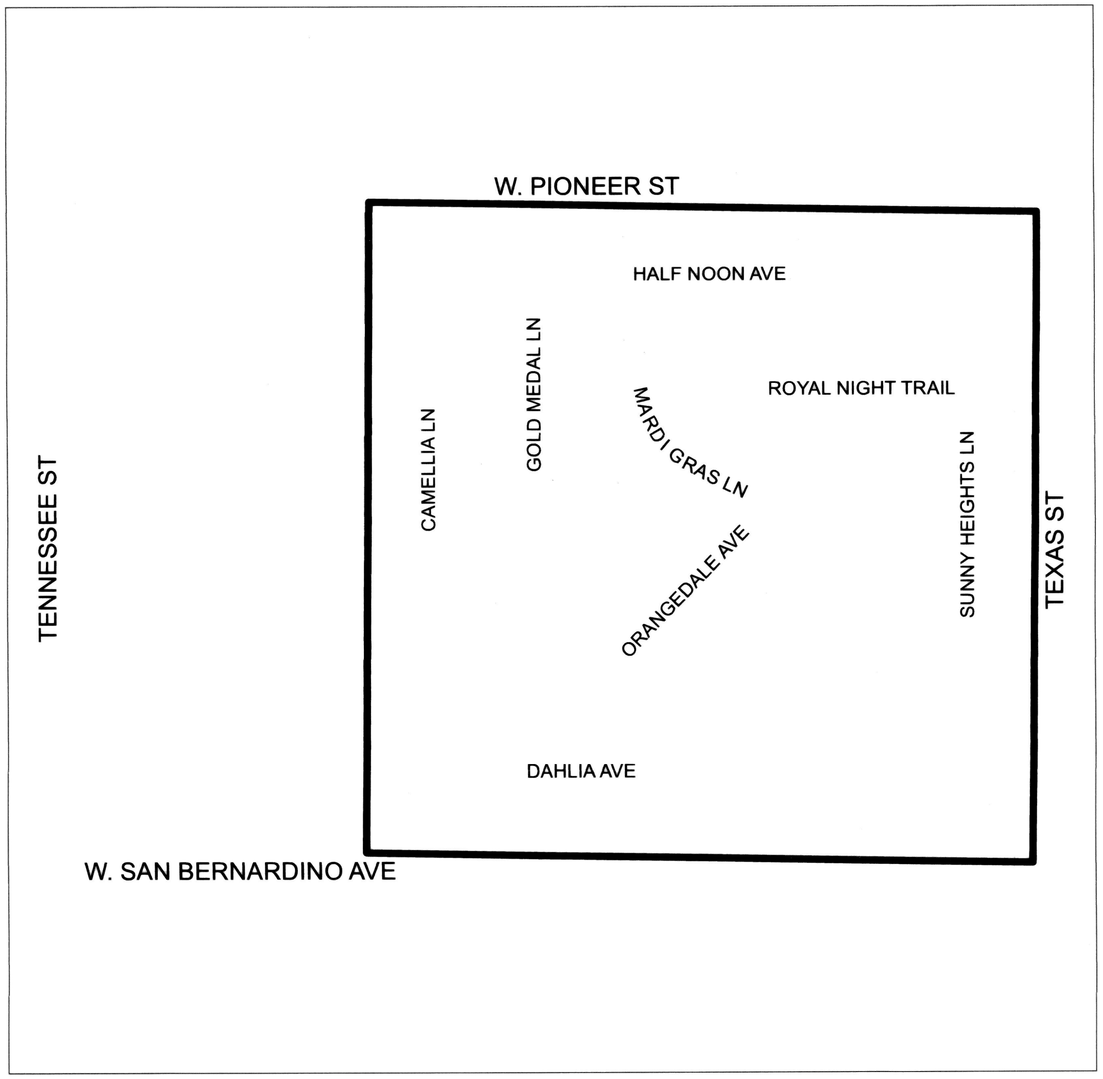
BY: Jeanne Donaldson
CITY CLERK OF THE CITY OF REDLANDS

SAN BERNARDINO COUNTY RECORDER'S CERTIFICATE

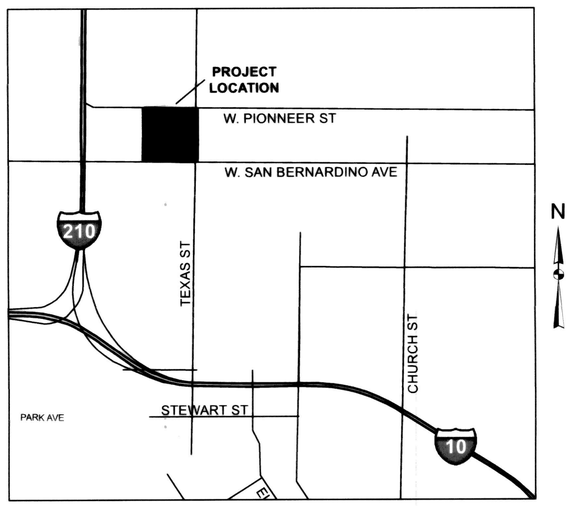
THIS MAP HAS BEEN FILED UNDER DOCUMENT NUMBER 2022-0047463 THIS 3rd DAY OF February, 2022, AT THE HOUR OF 3:09 O'CLOCK P. M., IN BOOK 90 OF Boundary Maps, PAGE 5. AT THE REQUEST OF City of Redlands IN THE AMOUNT OF $ 17.60.

BOB DUTTON
ASSESSOR-RECORDER
COUNTY OF SAN BERNARDINO

BY: Carla Dunn
DEPUTY RECORDER



VICINITY MAP
NOT TO SCALE



LEGEND

———	ANNEXATION BOUNDARY
———	PARCEL BOUNDARY
XXXX-XXX-XX-XXXX	ASSESSOR'S PARCEL NUMBER

N

0 500
Feet

THIS ANNEXATION MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2021-2022.

Webb MUNICIPAL FINANCE

APNs				
0167-462-01-0000	0167-463-11-0000	0167-463-54-0000	0167-473-27-0000	0167-473-70-0000
0167-462-02-0000	0167-463-12-0000	0167-463-55-0000	0167-473-28-0000	0167-473-71-0000
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0167-462-08-0000	0167-463-18-0000	0167-463-61-0000	0167-473-34-0000	0167-474-05-0000
0167-462-09-0000	0167-463-19-0000	0167-463-62-0000	0167-473-35-0000	0167-474-06-0000
0167-462-10-0000	0167-463-20-0000	0167-463-63-0000	0167-473-36-0000	0167-474-07-0000
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0167-462-16-0000	0167-463-26-0000	0167-463-69-0000	0167-473-42-0000	0167-474-13-0000
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0167-463-01-0000	0167-463-44-0000	0167-473-17-0000	0167-473-60-0000	0167-474-31-0000
0167-463-02-0000	0167-463-45-0000	0167-473-18-0000	0167-473-61-0000	0167-474-32-0000
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0167-463-04-0000	0167-463-47-0000	0167-473-20-0000	0167-473-63-0000	0167-474-34-0000
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0167-463-07-0000	0167-463-50-0000	0167-473-23-0000	0167-473-66-0000	0167-474-37-0000
0167-463-08-0000	0167-463-51-0000	0167-473-24-0000	0167-473-67-0000	0167-474-38-0000
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0167-463-10-0000	0167-463-53-0000	0167-473-26-0000	0167-473-69-0000	

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RECEIVED

FEB 24 2022

Redlands City Clerk

Proof of Publication of

STATE OF CALIFORNIA
County of San Bemardino
ss.

The undersigned hereby certifies as follows:

I am a citizen of the United States and a resident of the County aforesaid. I am over the age of twenty-one years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Redlands Daily Facts, a newspaper of general circulation, published daily in the City of Redlands, County of San Bernardino, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of San Bernardino, State of California, under the date of October 10, 1927, Case Number 26980; that the notice, of which the annexed is a true printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on each of the following dates, to-wit:

2/12

all in the year 2022

I certify under the penalty of perjury that the foregoing is true and correct:

Pamela S. Harris

Signature

Executed on the 12 day of Feb 2022 at Redlands, in the County of San Bernardino, State of California.

PROOF OF PUBLICATION

(2015.5 C.C.P.)

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NOTICE OF HEARING ON RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS AMENDING AND RESTATING RESOLUTION DECLARING INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS (ANNEXATION 26)

NOTICE IS HEREBY GIVEN that on February 1, 2022, the City Council of the City of Redlands adopted Resolution No. 8293, amending and restating the intention of the City Council to annex territory to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California, and fixing the time and place of a public hearing thereon for 6:00 p.m., or as soon thereafter as the matter may be heard, on March 15, 2022 in the Council Chambers at the City of Redlands Civic Center, 35 Cajon Street, Redlands, California, or via teleconference as directed by the City due to COVID-19 social distancing guidelines, at which time the City Council will hear the testimony of all interested persons for or against the annexation of said territory to the Community Facilities District or the levying of special taxes within such territory to pay the costs of providing certain services which are necessary to meet increased demands placed upon the City as a result of the development of said real property.

Resolution No. 8293 provides in summary as follows:

1. The City Council amended and restated its intention to conduct proceedings for the annexation to the Community Facilities District of the territory described in Exhibit "A" to Resolution No. 8293. The City Council determined that the public convenience and necessity require that such territory be annexed to the Community Facilities District.

2. The territory which is included in the Community Facilities District is described on the map of the Community Facilities District recorded on May 18, 2004 in Book 76 of Maps of Assessment and Community Facilities Districts, page 94, and as Instrument No 2004-0347327 in the official records of the County of San Bernardino. The territory proposed to be annexed to the Community Facilities District is described on the map thereof entitled "Annexation Map No. 26, Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California," which is on file with the City Clerk of the City of Redlands.

3. The types of public services to be provided within the Community Facilities District are as follows:

The services to be provided and financed by the Community Facilities District are the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District. The Community Facilities District shall also finance costs associated with the determination of the amount of and the levy and collection of special taxes which are levied to provide such services and costs otherwise incurred in order to carry out its authorized purposes. The services described above shall be provided, as needed, throughout the Community Facilities District and the territory proposed to be annexed thereto for the benefit of all owners of property and residents of the Community Facilities District and the territory proposed to be annexed thereto. All owners of taxable parcels of property within the Community Facilities District and the territory proposed to be annexed thereto shall pay special taxes to finance the annual cost of providing such services. The services to be provided and financed by the Community Facilities District, are necessary to meet increased demands placed upon the City as a result of development occurring within the Community Facilities District and the territory to be annexed thereto.

4. Special taxes sufficient to pay the costs of the services described in Section 3 above and the annual administrative expenses of the City and the Community Facilities District in determining, apportioning, levying and collecting such special taxes, shall be annually levied within the territory proposed to be annexed to the Community Facilities District. The special taxes shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem taxes. The rates and method of apportionment of said special taxes shall be as set forth in Exhibit "B" to Resolution No. 8293. The property within the territory proposed to be annexed shall be assigned at the rate set forth for Special Tax Rate Category B as set forth in said Exhibit "B" for each Fiscal Year commencing Fiscal Year 2022-23, which will be assessed at the rate set forth in Table 2 in said Exhibit "B", subject to annual increases beginning in Fiscal Year 2023-24 by the greater of 2% or the percentage increase in the Consumer Price Index for Riverside-San Bernardino-Ontario as determined pursuant to the method of apportioning such special taxes set forth in said Exhibit "B" to Resolution No. 8293.

The maximum amounts of special taxes which may be annually levied are as follows:

ASSIGNMENT TO LAND USE CATEGORY

Parcels of Taxable Property in a Development shall be assigned to the appropriate Land Use Category contained in Table 1. Such Parcels shall also be assigned to the appropriate Special Tax Rate Category contained in Table 2, based on the estimated cost for providing the Additional Maintenance, if any, to the Development. The Special Tax shall be levied upon and collected from each such Parcel for each Fiscal Year based on the Benefit Units which are assigned to the Parcel as a result of its assignment to the appropriate Land Use Category and Special Tax Rate Category, as provided in Sections C and D.

TABLE 1
Land Use Category

Land Use Category	Description	Benefit Unit(s)
1	Single-family Residential	One (1)/Residence
2	Commercial	Five (5) / Acre
3	Industrial	Two (2)/Acre
4	Multi-family Residential	Six tenths (0.6)/ Residential Unit
5	Religious Property	Two (2) / Acre

MAXIMUM SPECIAL TAX RATES

The Maximum Special Tax Rate per Benefit Unit for each Parcel for each Fiscal Year shall be the total of the Base Rate Per Benefit Unit plus the Additional Maintenance Rate Per Benefit Unit for the Special Tax Rate Category to which the Parcel is assigned. For Fiscal Year 2004-05 the Base Rate Per Benefit Unit and the Additional Maintenance Rate Per Benefit Unit for each Special Tax Category shall be the amounts set forth in Table 2 for such Special Tax Rate Category. The Base Rates Per Benefit Unit and the Additional Maintenance Rates Per Benefit Unit for all Parcels in all Special Tax Rate Categories shall be increased by the percentage increase in the Consumer Price Index (All Items) for Los Angeles – Riverside – Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or by two percent (2%), whichever is greater, on July 1, 2005 for Fiscal Year 2005-06 and on each subsequent July 1 for the Fiscal Year then commencing.

TABLE 2
Maximum Special Tax Rates

Special Tax Rate Category	Maximum Rates Per Benefit Unit	
	Base Rate	Additional Maintenance Rate
A	$250	$0
B	$250	$100
C	$250	$200
D	$250	$300
E	$250	$400
F	$250	$500
G	$250	$600
H	$250	$700
I	$250	$800
J	$250	$900
K	$250	$1,000
L	$250	$1,100
M	$250	$1,200
N	$250	$1,300

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O	$250	$1,400
P	$250	$1,500
Q	$250	$1,600
R	$250	$1,700
S	$250	$1,800
T	$250	$1,900
U	$250	$2,000
V	$250	$2,100
W	$250	$2,200
X	$250	$2,300
Y	$250	$2,400
Z	$250	$2,500

The Parcels which are to be included in the District at the time of its formation and which are identified in Table 3 shall be assigned to the Land Use Category and the Special Tax Rate Category specified in Table 3.

TABLE 3
Assignment to Land Use Category and Special Tax Rate Category

Tract No.	Land Use Category	Special Tax Rate Category
16408	One (1)	K

METHOD OF APPORTIONMENT AND LEVY OF ANNUAL SPECIAL TAX

For each Fiscal Year, commencing with Fiscal Year 2004-05, the Council shall (a) determine the cost of providing the Basic Maintenance in the District and the amount of the Base Rate Per Benefit Unit to be levied on Parcels of Taxable Property in the District to pay the cost of the Basic Maintenance; (b) determine the cost of providing the Additional Maintenance, if any, for each Special Tax Rate Category, as then applicable, and the amount of the Additional Maintenance Rate Per Benefit Unit, if any, to be levied on Parcels of Taxable Property in each Special Tax Rate Category to pay the cost the Additional Maintenance therefor; and (c) levy the Special Tax on all Parcels of Taxable Property in each Special Tax Rate Category, as then applicable. The amount of the Special Tax to be levied on any Parcel of Taxable Property in any Fiscal Year shall be determined by multiplying the Benefit Units for the Parcel, depending on the Land Use Category to which it is assigned, by the Base Rate Per Benefit Unit and the Additional Maintenance Rate Per Benefit Unit, if any, determined pursuant to clauses (a) and (b) above, for the Special Tax Rate Category to which the Parcel is assigned.
No Special Tax shall be levied on property which, at the time of adoption of the Resolution of Formation for the District, is Exempt Property.
5. A public hearing on the annexation of said territory to the Community Facilities District shall be held at 6:00 p.m., or as soon thereafter as the matter may be heard, on March 15, 2022, in the Council Chambers at the City of Redlands Civic Center, 35 Cajon Street, Redlands, California, or via teleconference as directed by the City due to COVID-19 social distancing guidelines.
6. The City Clerk shall publish a notice of the time and place of said hearing and shall also give notice of the time and place of said hearing by first-class mail to each registered voter and landowner within the territory proposed to be annexed to the Community Facilities District. Said notice shall be published at least seven (7) days and mailed at least 15 days before the date of the hearing.
7. The voting procedures to be followed in conducting the election on the proposition with respect to the levy of special taxes within the territory proposed to be annexed to the Community Facilities District to pay the costs of services to be financed by the community facilities district shall be as follows:
(a) If at the time of the close of the public or protest hearing at least 12 persons are registered to vote within the territory proposed to be annexed to the Community Facilities District, the election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council, and the ballots for the election shall be distributed to the qualified electors of the territory proposed to be annexed to the Community Facilities District by mail with return postage prepaid and the election shall be conducted as a mail ballot election.
(b) If at the time of the close of the protest hearing, and for at least the preceding 90 days, less than 12 persons have been registered to vote within the territory proposed to be annexed to the Community Facilities District, and the vote is therefore to be by the landowners of that territory, with each landowner of record at the close of the protest hearing having one vote for each acre or portion of an acre of land that he or she owns, the election shall be conducted by the City Clerk as follows:
(1) The election shall be held on the earliest date following the conclusion of the protest hearing upon which it can be held which may be selected by the City Council, or such earlier date as the owners of land within the territory proposed to be annexed to the Community Facilities District and the City Clerk agree and concur is acceptable.
(2) The election may be held earlier than 90 days following the close of the protest hearing if the qualified electors of the territory proposed to be annexed to the Community Facilities District waive the time limits for conducting the election by unanimous written consent and the City Clerk concurs in such earlier election date as shall be consented to by the qualified electors.
(3) Ballots for the election shall be distributed to the qualified electors by the City Clerk by mail with return postage prepaid.
(4) The City Clerk shall mail to each qualified elector an official ballot, and shall also mail to all such qualified electors other required election documents, including a return identification envelope with prepaid postage thereon addressed to the City Clerk for the return of voted official ballots.
(5) The information-to-voter form to be mailed by the City Clerk to the landowner-voters shall inform them that the official ballots shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 5:00 o'clock p.m. on the date of the election.
(6) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the election, the City Clerk shall canvass the votes cast in the election, and shall file a statement with the City Council at its next regular meeting regarding the results of such canvass and the election.
Resolution No. 8293 contains other provisions which are not summarized above. A copy of Resolution No. 8293 may be reviewed or obtained at the office of the City Clerk of the City of Redlands located at 35 Cajon Street, Redlands, California.

NOTICE IS FURTHER GIVEN that at the time and place of said hearing, all persons interested for or against the annexation of said territory to the Community Facilities District or the levying of special taxes within such territory to pay the costs of providing certain services within the territory proposed to be annexed to the Community Facilities District will be heard. At the hearing, protests against the proposals described in Resolution No. 8293 may be made by any interested person. Any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities or defects to which objection is made. All written protests shall be filed with the City Clerk prior to the time fixed for the hearing. The City Council may waive any irregularities in the form or content of any written protests and at the hearing may correct minor defects in the proceedings. Written protests may be withdrawn in writing at any time before the conclusion of the hearing.
If the owners of one-half or more of the area of land in the territory included in the existing district, or if the owners of one-half or more of the area of land in the territory proposed to be annexed to the Community Facilities District file written protests against the proposed annexation of such territory to the Community Facilities District, and protests are not withdrawn so as to reduce the protest to less than a majority, no further proceedings shall be undertaken for a period of one year from the date of decision of the City Council on the issues discussed at the hearing.
The hearing may be continued from time to time, but shall be completed within 30 days. At the conclusion of the hearing, the City Council may abandon the proceedings or may, after passing upon all protests, submit the question of levying the special tax within the area proposed to be annexed to the Community Facilities District to the qualified electors of the area proposed to be annexed.
DATED: February 1, 2022
/s/Jeanne Donaldson, City Clerk, City of Redlands, County of San Bernardino
Redlands Daily Facts, 2/12/2022 #11517004

WAIVER OF CERTAIN ELECTION PROCEDURES WITH RESPECT TO LANDOWNER-VOTER ELECTION ON LEVY OF TAXES WITHIN TERRITORY TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS

The undersigned, on behalf of Lennar Homes of California, LLC, a California limited liability company, (the "Owner"), hereby certifies to the City of Redlands (the "City") as follows:

1. The undersigned is authorized and possesses all authority necessary to execute this waiver on behalf of the Owner and to vote on behalf of the Owner in the special election to be held within the territory proposed to be annexed to Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California (the "Community Facilities District").

2. The Owner is the owner of the land proposed to be annexed to the Community Facilities District, consisting of 37.90 acres, identified in Exhibit "A" attached hereto and incorporated herein by reference (the "Territory").

3. The Owner received mailed notice of the public hearing to be held by the City Council of the City (the "City Council") regarding the annexation of the Territory to the Community Facilities District, the levy of special taxes within the Territory to pay the costs of the maintenance of perimeter lettered lots, retention basins, and street trees adjacent to Tract Map No. 20257, including but not limited to, landscape maintenance in the area of the Property and the Community Facilities District (the "Services"), and the costs associated with the determination of the amount of and levy and collection of special taxes which will be levied to provide the services and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District (the "Incidental Costs").

4. The Owner has received necessary and relevant information from the City regarding the annexation of the Territory to the Community Facilities District, and the City has made available to the Owner adequate opportunity to obtain such information. The Owner has received a copy of Resolution No. 8293 of the City Council, with all exhibits attached thereto, including Exhibit "B", the "Rate and Method of Apportionment of the Special Tax."

5. The undersigned is informed and understands that in order for the Territory to be annexed to the Community Facilities District and for the City Council to thereafter annually levy special taxes therein to pay the costs of the Services and the Incidental Costs, it is necessary that a special election be held within the Territory on the proposition of whether the City shall levy special taxes on taxable property within the Community Facilities District to pay the costs of the Services and the Incidental Costs, and that two-thirds of the votes cast upon such question must be in favor thereof.

6. The undersigned is further informed and understands that pursuant to Section 53326 of the California Government Code elections on such a proposition must be held at the next general election or in a special election to be held at least 90 days but not more than 180 days following the close of the public hearing on March 15, 2022 unless such time limits are waived with the unanimous consent of the qualified electors of the Territory and the concurrence of the City Clerk. The Owner desires that the time limit for conducting said election set forth in said Section 53326 be waived, and that said election be held as soon as possible and not later than March 15, 2022.

7. The Owner waives the time limits set forth in Section 53326 of the California Government Code with respect to said election and consents to the holding of said election on any date on or after March 15, 2022 which is acceptable to the City Clerk. The Owner further consents

to the holding of said election less than 10 days after the mailing or delivery of a sample ballot to the Owner and without compliance with other formal requirements of the California Elections Code.

8. The Owner waives the publication and mailing by the City Clerk to the Owner of a notice of said election and a sample ballot pursuant to Sections 4101 and 4102 of the Elections Code, and compliance with other applicable notice requirements of the California Elections Code.

9. The Owner further waives an impartial analysis by the City Attorney on the ballot measure to be contained in the Official Ballot for said election pursuant to Section 9280 of the California Elections Code, and further waives ballot arguments and rebuttals pursuant to Sections 9281 to 9287, inclusive, and 9295 of the California Elections Code. The Owner also waives compliance with and the mailing to the Owner by the City of a statement pursuant to Section 9401 of the California Elections Code.

10. California Election Code Section 13119 requires that any ballot measure imposing a tax or raising the rate of a tax include a statement of the measure, which among other things requires the City to state the amount of money to be raised annually and duration of the tax to be levied. Owner expressly waives any requirements to include a statement as required by Election Code Section 13119 and hereby acknowledges that Owner has previously received information regarding the annual Special Tax levy and duration of the Special Tax.

11. The Owner further waives mailing of the official ballot by the tenth (10th) day before the date of said election pursuant to Section 4101 of the Elections Code and receipt of a ballot pamphlet as required by Section 3023 of the California Elections Code, and consents to the City Clerk delivering to the Owner the official ballot to be voted on its behalf on any date prior to the date of said election.

12. The undersigned hereby represents that compliance with the procedural requirements for conducting said election, including the receipt of ballot arguments and the time limitations which apply in connection with scheduling of and mailing notices for said election are unnecessary in light of the fact that the Owner has received sufficient information regarding the annexation of the Territory to the Community Facilities District and the levy of the special taxes within the Territory to pay the costs of providing the Services and the Incidental Costs to enable the Owner to properly vote the Official Ballot for such election on the proposition mentioned in paragraph 5 above.

The undersigned certifies that the foregoing is true and that he executed this document on February 8th, 2022, at 11:35 am, California.

LENNAR HOMES OF CALIFORNIA, LLC
a California limited liability company

By: Geoffrey L. Smith
Its: Vice President

EXHIBIT "A"

PROPERTY LEGAL DESCRIPTION

That property located in the City of Redlands, County of San Bernardino, State of California, identified as the following San Bernardino County Assessor's Parcel Numbers:

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0167462030000	0167463080000	0167463460000
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WRITTEN CONSENT TO CORPORATE ACTION BY BOARD OF DIRECTORS AND SHAREHOLDER OF LENNAR HOMES OF CALIFORNIA, INC.

JANUARY 31, 2022

The undersigned, being all the members of the Board of Directors of LENNAR HOMES OF CALIFORNIA, INC., a California corporation (the "Corporation"), and all the members of the Board of Directors of U.S. HOME CORPORATION, a Delaware corporation ("Shareholder") and the sole shareholder of the Corporation, joined by the undersigned Vice President of Shareholder on its behalf, do hereby waive any and all requirements for notice of the time, place and purpose of a special meeting of the Board of Directors and shareholders of the Corporation and do hereby unanimously agree and consent, pursuant to the provisions of 307(b) of the California General Corporation Law, to the adoption of, and do hereby adopt, the following preamble, resolutions and the actions specified therein:

WHEREAS, the Board of Directors of the Corporation have recommended to Shareholder that the Corporation be converted into a California limited liability company under the name "LENNAR HOMES OF CALIFORNIA, LLC" (the "Converted Entity") substantially upon the terms and conditions set forth in the Plan of Conversion (the "Plan of Conversion") annexed hereto as Exhibit "A", pursuant to which all the issued and outstanding shares of the common stock of the Corporation will be converted into the sole membership interest in the Converted Entity and the sole shareholder of the Corporation shall become the sole member of the Converted Entity (the "Equity Conversion");

NOW, THEREFORE, it is

RESOLVED, that the conversion of the Corporation into the Converted Entity, the Plan of Conversion and the Equity Conversion, be, and they hereby are, approved, authorized and adopted in all respects, and that the Chief Executive Officer, President, Chief Operating Officer and Vice Presidents of the Corporation (each, individually, an "Authorized Officer", and, as to two or more, the "Authorized Officers"), and each them, be, and each hereby is, authorized, empowered and directed to execute and deliver in the name and on behalf of the Corporation, and under its corporate seal or otherwise, the Plan of Conversion, and such other agreements, instruments, documents, consents, certificates, notices, applications and requests, including, without limitation, a Certificate of Conversion of the Corporation and Certificate of Formation of the Converted Entity for filing with the Secretary of State of the State of California, all in such form and upon such terms and conditions as shall be approved in such Authorized Officer's or Authorized Officers' discretion as being in substantive conformity with the terms and conditions of the Plan of Conversion, and to do or take all such acts, actions and things, and to pay such costs, expenses and taxes, as contemplated by the Plan of Conversion or as in such Authorized Officer's or Authorized Officers' discretion

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may be deemed necessary, desirable or appropriate in connection with, incidental to, in furtherance of or to effectuate the conversion of the Corporation into the Converted Entity;

RESOLVED, that the taking of any action or the execution and delivery of any document authorized by the foregoing resolution in the name and on behalf of the Corporation, including as the Converted Entity, by any Authorized Officer thereof be deemed, and it hereby is authorized and empowered to be deemed, conclusive proof of the approval thereof by the Board of Directors and Shareholder, including in its capacity as the member of the Converted Entity;

AND, RESOLVED, that the authorities hereby conferred shall be deemed retroactive, and any and all acts authorized herein that were performed prior to the passage of these resolutions be, and they hereby are, approved, ratified and confirmed in all respects.

This Written Consent may be executed in several counterparts or in counterpart signature pages, and all so executed shall constitute one Written Consent, notwithstanding that all of the undersigned are not signatories to the original or the same counterpart or counterpart signature page. A facsimile of a signature to this Written Consent shall be deemed and treated for all purposes of execution to be as valid as an original signature thereto.

[SIGNATURES ON FOLLOWING PAGE.]

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IN WITNESS WHEREOF, the undersigned have executed this Written Consent in order to give their consent thereto effective as of the 31st day of January 2022.

DIRECTORS:

DocuSigned by:
Diane Bessette
0E1FEF43CCEE4DB...

Diane Bessette

DocuSigned by:
Mark Sustana
147E737ED065476...

Mark Sustana

SOLE SHAREHOLDER:

U.S. HOME CORPORATION,
a Delaware corporation

By: DocuSigned by:
Mark Sustana
147E737ED065476...

Name: Mark Sustana
Title: Vice President

777 East Rialto Avenue, San Bernardino, CA 92415 | Phone: 909.387.8300 Fax: 909.387.2022
www.SBCounty.gov

SAN BERNARDINO COUNTY

Registrar of Voters

Bob Page
Registrar of Voters

December 27, 2021

City of Redlands
PO Box 3005
Redlands, CA 92373

Attention: Jeanne Donaldson

To Whom It May Concern:

On December 15, 2021, the San Bernardino County Registrar of Voters received a request to provide the number of registered voters residing within proposed Annexation No. 26 to Community Facilities District No. 2004-1 of the City of Redlands.

After examining the voter registration records within the area, the Registrar of Voters certifies the following information as of December 27, 2021:

Registered voters within the area: 0

An invoice for services rendered for this request will be provided later.

If you have any questions, please contact the Registrar of Voters at (909) 387-8300.

Sincerely,

Melissa Eickman
Media Specialist

BOARD OF SUPERVISORS
Col. Paul Cook (Ret.) First District | Janice Rutherford Second District | Dawn Rowe Vice Chair, Third District | Curt Hagman Chairman, Fourth District | Joe Baca, Jr. Fifth District
Leonard X. Hernandez Chief Executive Officer

CFD 2004-1 Annexations List

In August 2004 Council approved the establishment of community facilities district (CFD) No. 2004-1, for Tract No. 16408, the Centex tract located at the southwest corner of Fifth Avenue and Wabash Avenue in the City of Redlands. The CFD was developed to cover the ongoing cost of maintenance of street trees, citrus groves landscaping and other appurtenances located along Fifth Avenue and Wabash Avenue.

In May 2006 Council approved Annexation No. 1 (Tract No. 16287) to the CFD, located at Occidental Drive and Crystal Court for the maintenance of landscaping and water quality treatment devices in the open space lots. During this last year, Annexation No. 1 subdivided the properties on site from two lots to twelve lots.

Annexation No. 2 (Tentative Tract No. 16586), located north of I-10 and both sides of the proposed Wabash Street alignment has been on hold since October 2006.

In July 2006 Council approved Annexation No. 3 (Tentative Tract No. 17253) to the CFD, located at the southwest corner of Lugonia Avenue and Church Street for the maintenance of the landscape and the associated irrigation equipment on Lugonia Avenue parkway frontages. This project has not yet begun construction.

In October 2008 Council approved Annexation No. 4 (Parcel Map No. 17353) to the CFD, located at Ford Street and Interstate 10 for the maintenance of the landscape in the median island and the associated irrigation equipment.

In October 2008 Council approved Annexation No. 5 (Commission Review and Approval No. 826) to the CFD, located at California Street and Orange Tree Lane for the maintenance of the landscape in the median island and the associated irrigation equipment on California Street and the parkway frontages along both streets.

Annexation No. 6 (Tract No 14790-1), located adjacent to Sunset Hills Lane, west of Alessandro Road did not receive sufficient votes needed to annex into the CFD in June 2009.

Annexation No. 7 (Parcel 2 of Parcel Map No. 15573), located at the northeast corner of San Bernardino Avenue and Mountain View Avenue, has been on hold since February 2011.

In February 2011 Council approved Annexation No. 8 (Tract No. 16806) to the CFD, located at southeast corner of Pennsylvania Avenue and Texas Street for the maintenance of the landscape and the associated irrigation equipment on Pennsylvania Avenue and Texas Street parkway frontages. This project has not yet begun construction.

In November 2012 Council approved Annexation No. 9 (Parcel Map No, 18208) to the CFD located at the southeast corner of Redlands Boulevard and Nevada Street for the maintenance of landscaping and the associated irrigation equipment on Redlands

Boulevard and Nevada Street parkway frontages and the Redlands Boulevard raised center median.

Annexation No. 10 (Tract No. 18762-1), located at the northeast corner of Orange Street and Lugonia Avenue, has been completed since July 2016. Annexation No. 10 is dormant because the property owners have agreed to be responsible for all landscaping and irrigation efforts themselves; therefore the annexations are not being assessed.

In June 2014 Council approved Annexation No. 11 (Parcel Map No. 19371) to the CFD located at the northwest corner of Lugonia Avenue and Wabash Avenue for the maintenance of landscaping and the associated irrigation equipment on Lugonia Avenue and Wabash Avenue Street parkway frontages. Annexation No. 11 is dormant because the property owners have agreed to be responsible for all landscaping and irrigation efforts themselves; therefore the annexations are not being assessed.

In June 2014 Council approved Annexation No. 12 (Tract Map Nos. 16465 and 16627) to the CFD located at the southwest and southeast corners of Pioneer Avenue and Judson Street, respectively, for the maintenance of landscaping and the associated irrigation equipment on Pioneer Avenue and Judson Street parkway frontages, maintenance of landscaping and water quality treatment devices in the open space lots, and for the maintenance of landscaping and the associated irrigation equipment on the common area lots. Annexation No. 12a (Tract No. 16465) is nearly complete. A 50% assessment is being proposed to establish a reserve fund. Annexation No. 12b was completed in July 2016 and is being assessed. Annexation No. 12c (Tract Map Nos. 18979 and 19975) located east of Tract Map No. 16627 and between Pioneer Avenue and Pennsylvania Avenue was approved by City Council in June 2016. A 50% assessment is being proposed to establish a reserve fund. Annexation No. 12d (Tract Map No. 20079) was approved by Council in May 2018. A 50% assessment is being proposed to establish a reserve fund.

In June 2014 Council approved Annexation No. 13 (Tract Map No. 18882) to the CFD located at the southwest corner of San Bernardino Avenue and Dearborn Street, respectively, for the maintenance of landscaping and the associated irrigation equipment on San Bernardino Avenue and Dearborn Street parkway frontages and for the maintenance of landscaping and the associated irrigation equipment on the common area lots with the exception of Lot B. Annexation No. 13 is dormant because the property owners have agreed to be responsible for all landscaping and irrigation efforts themselves; therefore the annexation is not being assessed.

In September 2015 Council approved Annexation No. 14 (Parcel Map No. 19496) to the CFD located at the northeast corner of California Street and Lugonia Avenue for the maintenance of landscaping and associated irrigation equipment on the California Street center median. The maintenance of landscaping and associated irrigation equipment on California Street and Lugonia Avenue parkway frontages will be maintained by the property owner and will not be assessed.

In December 2017 Council approved Annexation No. 15 (Parcel Map No. 18535-1) to the CFD located at the northwest corner of Eureka Street and Stuart Avenue for the maintenance of street trees, landscaping and irrigation in the rights-of-way and landscape maintenance along the property frontage. Annexation No. 15 will be dormant because the property owners have agreed to be responsible for all landscaping and irrigation efforts themselves; therefore the annexation is not being assessed.

In April 2017 Council approved Annexation No, 16 (Tract Map No. 18988) to the CFD located on the north side of Pioneer Avenue, east of Texas Street for the maintenance of parks, slopes, parkways, median, open space, shade and seating structures, and monuments within and adjacent to said tract.

In July 2017 Council approved Annexation No. 17 (Tract Map No. 17022) to the CFD located at the northeast corner of Pioneer Avenue and Texas Street for the maintenance of slopes, parkways, open space and citrus trees within and adjacent to the tract. This project has not yet begun construction.

In May 2018 Council approved Annexation No. 18 (Parcel Map No. 19465) to the CFD located at the southeast corner of Alabama Street and Park Avenue for the maintenance of street trees, landscaping and irrigation in the rights-of-way and landscape maintenance easement along the property frontage within and in the parcel map. The maintenance of landscaping and associated irrigation equipment on Alabama Street and Park Avenue parkway frontages and landscape maintenance easement will be maintained by the property owner and will not be assessed.

In January 2020 Council approved Annexation No. 19 (Tract Map No.19942) to the CFD located at the northeast corner of Wabash Avenue and Sylvan Boulevard for the maintenance of parks, slopes, parkways, and open space within and adjacent to the tract.

In May 2019 Council approved Annexation No. 20 (Tract Map No. 19956) to the CFD located at the southeast corner of Wabash Avenue and Citrus Avenue for the maintenance of slopes, parkways, and open space within and adjacent to the tract.

In September 2019 City Council approved Annexation No. 21 (Tract Map No. 20126) to the CFD located on the north side of Lugonia Avenue, south of Pennsylvania Avenue, east of Judson Street for the maintenance of parks, slopes, parkways, open space, and citrus groves within and adjacent to the tract.

In September 2020 City Council approved Annexation No. 22 (Parcel Map No. 19981) to the CFD located at the northwest corner of Alabama Street and Park Avenue for the maintenance of parkways.

In April 2021 City Council approved Annexation No. 23 (Parcel Map No. 18536) to the CFD located at the southwest Corner of Stuart Avenue and Eureka Street for maintenance of parkways.

In January 2021 City Council approved Annexation No. 24 (CUP No. 1129) to the CFD located at the southeast corner of Eureka Street and Stuart Avenue for the maintenance of parkways.

"A City That Works"

City Council Meeting **L. 1.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Consideration of an agreement for professional auditing services with The Pun Group to provide auditing services for fiscal years ending June 30, 2022, 2023 and 2024 with the option to extend to 2025 and 2026 with a total agreement amount not-to-exceed $318,549 (Management Services/Finance Director Garcia)

MOTION(S):

I move to approve the agreement for Professional Auditing Services with The Pun Group for a term of three years with the option to extend for two optional one-year terms.

RECOMMENDATION:

Staff recommends the approval of the Agreement for Professional Auditing Services with The Pun Group for fiscal years ending June 30, 2022, 2023 and 2024 with an option to extend for 2025 and 2026 with a total agreement amount not-to-exceed $318,549.

DISCUSSION:

The Pun Group was one of seven firms that responded to the City's request for proposal for Professional Auditing Services bid that was posted on December 20, 2021. Written proposals were evaluated and ranked on a 100 point system. The Pun Group was chosen based on the firms' qualifications, experience, and responsiveness to the requirements of the city's request for proposal for Professional Auditing Services.

Other factors included, overall evaluation points, as well as a very impressive proposal that highlighted the firm's expertise in the audit of local governments, The Pun Group was selected as the firm most qualified to perform the services requested by the city in its request for Proposal for Professional Auditing Services. The Pun Group included in its proposal the preparation of the State

Controller's Office Financial Transaction Report, single audit report, management letter of reportable conditions, and financial statement audit for the Annual Comprehensive Financial Report. See financial breakdown below.

	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Requested Services					
City Audit and Related Reports	$51,500	$53,045	$54,636	$56,275	$57,964
Single Audit - 1 Major Program	5,000	5,150	5,305	5,464	5,628
GANN	500	515	530	546	563
State Controller's Reports (City)	3,000	3,090	3,183	3,278	3,377
Total	$60,000	$61,800	$63,654	$65,564	$67,531

ALTERNATIVES:

Do not approve the Agreement for Professional Audit Services with The Pun Group.

STRATEGIC PLAN:

Not applicable.

SUBMITTED BY:
Danielle Garcia, Management Services/Finance Director

RECOMMENDED BY:
Charles M. Duggan, City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney
Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director
Dana Abramovitz-Daniel, Procurement Manager

PREPARED BY:
Faith Nobles, Management Analyst

Fiscal Impact

Fiscal Year: 2021-2022

Revenue Generating: No
Appropriation Required Y/N: No
Amount: 60,000
Budgeted Y/N: Y
Account No.: 101130
Discussion:
The Pun Group will perform Professional Audit Services for the City of Redlands for based upon the following fee schedule:
FY2021-22 $60,000.00
FY2022-23 $61,800.00
FY2023-24 $63,654.00
FY2024-25 $65,564.00 (optional)
FY2025-26 $67,531.00 (optional)
The total cost of auditing services over the five-year period will be $318,549.00.

Attachments

Firms Submitting Proposals
Auditing Services Agreement

Auditing Services – Firms Submitting Proposals

1. Badawi and Associates, CPA
2. Eadie and Payne, LLP
3. Rogers, Anderson, Malody & Scott
4. The Pun Group
5. Van Lant & Frankhel, LLP
6. Moss, Levy & Hartzheim
7. Lance, Soll & Lunghard, LLP

AGREEMENT TO PERFORM PROFESSIONAL SERVICES

This agreement for the provision of professional auditing services ("Agreement") is made and entered in this 15th day of March, 2022 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and The Pun Group, LLP, a California limited liability partnership ("Consultant"). City and Consultant are sometimes individually referred to herein as a "Party" and, together, as the "Parties." In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 – ENGAGEMENT OF CONSULTANT

1.1 City hereby engages Consultant to provide professional auditing services for City (the "Services").

1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of Services.

ARTICLE 2 – SERVICES OF CONSULTANT

2.1 The Services that Consultant shall perform are more particularly described in Exhibit "A," titled "Scope of Services," which is attached hereto and incorporated herein by this reference. Consultant shall perform and complete the Services in a prompt and diligent manner.

2.2 Consultant shall comply with applicable federal, state and local laws and regulations in the performance of this Agreement including, but not limited to, any applicable State prevailing wage laws.

ARTICLE 3 – RESPONSIBILITIES OF CITY

3.1 City designates Danielle Garcia, Management Services/Finance Director, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to performance of the Services.

ARTICLE 4 – PERFORMANCE OF SERVICES

4.1 The initial term of this Agreement shall be for a period of three (3) years from the Effective Date of this Agreement (the "Initial Term"). The City shall have the option to extend the Initial Term of this Agreement by two (2), additional, one-year terms (each, an "Extended Term"), on the same terms and conditions hereof, by providing written notice to Consultant at least thirty (30) days prior to the expiration of the Initial Term or any Extended Term. The Initial Term and any Extended Terms are collectively defined to herein as the "Term" of this Agreement.

4.2 If Consultant's Services include deliverable electronic visual presentation materials, such materials shall be delivered in a form, and made available to City, consistent with City Council-adopted policy for the same. It shall be the obligation of Consultant to obtain a copy of such policy from City staff.

ARTICLE 5 – PAYMENTS TO CONSULTANT

5.1 The compensation for Consultant's performance of the Services shall not exceed the amount of one hundred eighty five thousand four hundred fifty four dollars ($185,454) for the Services provided during the Initial Term. Should this Agreement be extended, the compensation for Consultant's performance for the Services shall not exceed the amount of sixty five thousand five hundred sixty four dollars ($65,564) for the first Extended Term; and sixty seven thousand five hundred thirty one dollars ($67,531) for the second Extended Term, bringing the total possible amount of compensation to a not-to-exceed amount of three hundred thousand five hundred forty nine dollars ($318,549). For the Initial Term and each Extended Term, City shall pay Consultant on a time and materials basis up to the not to not-to-exceed amount in accordance with the rates specified in Exhibit "B," titled "Cost Proposal," which is attached hereto and incorporated herein by this reference.

5.2 Consultant shall submit monthly invoices to City describing the Services performed during the preceding month. Consultant's invoices shall include a brief description of the Services performed, the dates the Services were performed, the number of hours spent and by whom, and a description of reimbursable expenses related to the Services. City shall pay Consultant no later than thirty (30) days after receipt and approval by City of Consultant's invoice.

5.3 Any notice or other communication required, or which may be given, pursuant to this Agreement, shall be in writing. Any such notice shall be deemed delivered (i) on the date of delivery in person; (ii) five (5) days after deposit in first class registered mail, with return receipt requested; (iii) on the actual delivery date if deposited with an overnight courier; or (iv) on the date sent by facsimile or electronic mail transmission (including PDF), if confirmed with a copy sent contemporaneously by first class, certified, registered or express mail; in each case properly posted and fully prepaid to the appropriate address set forth below, or such other address as a Party may provide notice in accordance with this section:

CITY:	CONSULTANT:
City Clerk	Kenneth H. Pun
City of Redlands	The Pun Group
35 Cajon Street	200 E. Sandpointe Avenue, Suite 600
P.O. Box 3005 (mailing)	Santa Ana, CA 92707
Redlands, CA 92373	ken.pun@pungroup.com
jdonaldson@cityofredlands.org	949-777-8801
Phone: (909) 798-7531	949-777-8850

ARTICLE 6 – INSURANCE AND INDEMNIFICATION

6.1 The following insurance coverage required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not perform any Services unless and until the required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. Insurance policies shall include a provision prohibiting cancellation or modification of the policy except upon thirty (30) days prior written notice to City.

A. Workers' Compensation and Employer's Liability insurance in the amount that meets statutory requirements with an insurance carrier acceptable to City, or certification to City that Consultant is self-insured or exempt from the workers' compensation laws of the State of California. Consultant shall execute and provide City with Exhibit "C," titled "Workers' Compensation Insurance Certification," which is attached hereto and incorporated herein by this reference, prior to performance of the Services.

B. Comprehensive General Liability insurance with carriers acceptable to City in the minimum amount of One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate, for public liability, property damage and personal injury is required. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

C. Consultant shall secure and maintain professional liability insurance throughout the term of this Agreement in the amount of One Million Dollars ($1,000,000) per claim made.

D. Business Auto Liability coverage, with minimum limits of One Million Dollars ($1,000,000) per occurrence, combined single limit bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used in connection with Consultant's provision of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. City shall be named as an additional insured and such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City.

E. Consultant is expressly prohibited from assigning or subcontracting any of the Services without the prior written consent of City. In the event of mutual agreement by the Parties to assign or subcontract a portion of the Services, Consultant shall add such assignee or subcontractor as an additional insured to the insurance policies required hereby and provide City with the insurance endorsements prior to any Services being performed by the assignee or subcontractor.

6.2 Consultant shall defend, indemnify and hold harmless City and its elected and appointed officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property

occasioned by any negligent act or omission by, or the willful misconduct of, Consultant, or its officers, employees and agents in performing the Services.

ARTICLE 7 – CONFLICTS OF INTEREST

7.1 Consultant covenants and represents that it does not have any investment or interest in any real property that may be the subject of this Agreement or any other source of income, interest in real property or investment that would be affected in any manner or degree by the performance of Consultant's Services. Consultant further covenants and represents that in the performance of its duties hereunder, no person having any such interest shall perform any Services under this Agreement.

7.2 Consultant agrees it is not a designated employee within the meaning of the Political Reform Act because Consultant:

A. Does not make a governmental decision whether to:

(i) approve a rate, rule or regulation, or adopt or enforce a City law;
(ii) issue, deny, suspend or revoke any City permit, license, application, certification, approval, order or similar authorization or entitlement;
(iii) authorize City to enter into, modify or renew a contract;
(iv) grant City approval to a contract that requires City approval and to which City is a party, or to the specifications for such a contract;
(v) grant City approval to a plan, design, report, study or similar item;
(vi) adopt, or grant City approval of, policies, standards or guidelines for City or for any subdivision thereof.

B. Does not serve in a staff capacity with City and in that capacity, participate in making a governmental decision or otherwise perform the same or substantially the same duties for City that would otherwise be performed by an individual holding a position specified in City's Conflict of Interest Code under Government Code section 87302.

7.3 In the event City determines that Consultant must disclose its financial interests, Consultant shall complete and file a Fair Political Practices Commission Form 700, Statement of Economic Interests, with the City Clerk's office pursuant to the written instructions provided by the City Clerk.

ARTICLE 8 – GENERAL CONSIDERATIONS

8.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.

8.2 Consultant shall not assign any of the Services, except with the prior written approval of City and in strict compliance with the terms and conditions of this Agreement. Any assignment or attempted assignment without such prior written consent may, in the sole discretion of City, result in City's immediate termination of this Agreement.

8.3 Consultant is for all purposes under this Agreement an independent contractor and shall perform the Services as an independent contractor. Neither City nor any its agents shall have control over the conduct of Consultant or Consultant's employees, except as herein set forth. Consultant shall supply all necessary tools and instrumentalities required to perform the Services. Assigned personnel employed by Consultant are for its account only, and in no event shall Consultant or personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City. Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent, nor shall Consultant have any authority, express or implied, to bind City to any obligation.

8.4 This Agreement may be terminated by City, in its sole discretion, by providing not less than five (5) days prior written notice to Consultant of City's intent to terminate. If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed Services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant. Upon receipt of a termination notice, Consultant shall immediately discontinue its provision of the Services and, within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of project related data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services. Consultant shall be compensated on a pro-rata basis for Services completed up to the date of termination.

8.5 Consultant shall maintain books, ledgers, invoices, accounts and other records and documents evidencing costs and expenses related to the Services for a period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement. Such books shall be available at reasonable times for examination by City at the office of Consultant.

8.6 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Except as otherwise provided for herein, any amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.

8.7 This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflicts of laws provisions. The Parties agree that all actions or proceedings arising in connection with this Agreement shall be tried

and litigated only in the state courts located in San Bernardino County, California, and the federal courts located in Riverside County, California.

8.8 If one or more of the sentences, clauses, paragraphs or sections contained in this Agreement is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate the remaining sentences, clauses, paragraphs or sections contained herein, unless to do so would deprive a Party of a material benefit of its bargain under this Agreement.

IN WITNESS WHEREOF, duly authorized representatives of City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

By: _____
Paul T. Barich, Mayor

THE PUN GROUP, LLP

By: _____
Kenneth H. Pun, Managing Partner

ATTEST:

_____
Jeanne Donaldson, City Clerk

EXHIBIT "A"

SCOPE OF SERVICES

Provided By Client (PBC) Lists: They will be provided for both interim and final audits according to an agreed-upon timeline between the engagement team and the City in order to be reasonably prepared for a field audit. The engagement team will meet with the City's management during the initial planning stage to discuss audit schedules and review prior year audit findings (if any). We will deliver a list of all documents to be provided by the City's staff. Once such materials are agreed upon by the engagement team and City's finance personnel, no other schedules will be requested unless new information comes to light in the course of test work.

Attendance at Meetings and Hearings: The engagement team will participate in as many meetings with staff as needed to perform the work scope tasks, present the audit plan prior to beginning fieldwork, and discuss the draft audit reports. The team will attend public meetings to present and discuss its findings and recommendations. Once all issues of discussion are resolved, the completed Financial Reports, Single Audit report (if applicable), and other reports will be delivered to the City according to the agreed-upon schedule.

Proposed Audit Adjustments: All proposed adjusting journal entries by the Firm will be discussed and explained in a timely manner with the designated Finance Department personnel. Such proposed adjustments will be in a format that shows the lowest level of posting detail needed for data entry in the general ledger systems.

Supplemental Reports, Audits, or Agreed-Upon Procedures: Other services, such as agreed-upon procedures, may be deemed necessary. These services will be performed at agreed-upon rates and will be added in a written agreement before commencing audit work. The Firm and the City of Redlands will discuss and approve the scope and associated costs of these tasks.

Advice and Consultation: Will be provided throughout the year on matters relating to accounting and financial reporting. Such services do not include any task that entails significant research or a formal report.

GASB Implementation: The Firm will provide technical assistance and training in the implementation of applicable GASB pronouncements not yet in effect. We have a dedicated partner, Mr. Gary Caporicci, who will be responsible for providing advice and consultation for the implementation of these new standards. The Firm will advise the City on the applicability of accounting and reporting standards and other accounting issues and provide guidance on new note disclosures, GASB implementations, and other reporting requirements. We will also provide training, resources, and information on topics relevant to the City's financial reporting and operations. (*Based on the scope, additional charges may apply.)*

Report of all Irregularities and Illegal Acts: The Firm will make an immediate written report of all irregularities and illegal acts or indications of illegal actions of which we may become aware to the City Manager, Director of Management Services/Finance, and City Attorney.

The engagement team will also make all communications to the City required by the audit standards under which the engagement is performed. Those communications include, but are not limited to:

A. The auditor's responsibility under generally accepted auditing standards.
B. Significant accounting policies.
C. Management judgment and accounting estimates.
D. Significant audit adjustments.
E. Other information in documents containing audited financial statements.
F. Disagreements with management.
G. Management consultation with other accountants.
H. Major issues discussed with management prior to retention.
I. Difficulties encountered in performing the audit.

Working Paper Retention and Access to Working Papers: The Firm will retain, at its own expense, all working papers and reports for a minimum of seven (7) years, unless the City of Redlands notifies the Firm in writing of the need to extend the retention period. The Firm will make working papers available to the City or any government agencies included in the audit of federal grants.

Also, we will comply with reasonable requests from successor auditors and allow them to review working papers that relate to matters of continuing accounting significance.

Methodology and Segmentation of Engagement

The Firm's audit approach consists of six phases: Engagement Acceptance and General Planning, Planning and Internal Control Evaluation, Fieldwork, Post Fieldwork, Report Preparation and Review, and Final Production.

1. Engagement Acceptance and General Planning: The engagement partner and manager will meet with City's management to obtain an update on current City policies and procedures, help identify risk areas and new operations, and establish any specific requirements they may have. Our team will work on the identification of unique transactions, implementation of new GASB pronouncements, and develop the audit work plan for the engagement. (Proposed Timeline: around April/May)

2. Planning and Internal Control Evaluation: The engagement team, including the engagement partner, will assess accounting policies adopted by the City in order to obtain an understanding of its structure and its operating environment. Also, our team will review internal controls on all significant transaction classes, perform walkthroughs and/or tests of internal controls, perform preliminary analytical procedures, develop initial risk assessment, evaluate Single Audit compliance, identify any audit issues, and prepare confirmation correspondence. The engagement team and City's Management will establish expectations, including responsibilities and assignments for the year-end fieldwork, and will hold a progress status meeting at the end of the interim phase. (Proposed Timeline: by June)

3. Fieldwork: The engagement team, including the engagement partner, will conduct audit procedures on account balances in the general ledger, finish confirmation procedures, perform

data analysis using our AI tools, search for unrecorded liabilities, perform substantial analytical review procedures, complete work on compliance with Federal Assistance, and conclude fieldwork. The engagement team and City's Management will hold an exit conference at year-end. Periodic update meetings will be held to communicate audit progress to management. (Proposed Timeline: September)

4. Post Fieldwork: During the phase, the engagement team, including the engagement partner, will review all documents and evaluate commitments and contingencies. The team will perform an assessment of the going concern and jointly plan for the next steps. (Proposed Timeline: September – October)

5. Report Preparation and Review: The Firm will review and prepare audit reports and perform quality control procedures following the Quality Control Standards issued by the AICPA. We will also examine reports for compliance with GFOA reporting guidelines at no additional cost. Any comments will be recorded in a letter to management. At the City's request, the engagement partner and manager will present the audit to City's Management and other governing bodies. (Proposed Timeline: mid to late November)

6. Final Production: The final phase of our approach entails obtaining the management representation letter and final financial statement report, which may include a final presentation to the City's Management and other governing bodies (if applicable). (Proposed Timeline: mid-December, prior to City close for holidays))

The Firm will complete the audit fieldwork and issue all reports within the established timeframe, assuming no internal circumstances within the City causes delays in the audit.

Sample Size and the Extent to Which Statistical Sampling is to be Used in this Engagement
In our audit approach, random and statistical sampling is used in conjunction with our skilled judgment and knowledge of each situation. When designing an audit sample, our auditors consider the purpose of the audit procedure and the characteristics of the population from which the sample will be drawn. We determine a sample size sufficient to reduce sampling risk to an acceptably low level and select items for such a task in a way that we can reasonably expect it to be representative of the relevant sample and likely to provide the auditor with a reasonable basis for conclusions about the population.

Enhancing Auditing Quality with Artificial Intelligence
There are plenty of challenges with established audit practices. Outdated CAAT tools, sampling practices, and the explosive growth of big data are some of the examples, and they all present significant barriers to detecting anomalies, intentional or otherwise, in financial data. The Pun Group deploys a comprehensive, risk-based approach, complemented by using MindBridge™'s Artificial Intelligence Platform, to conduct our audit. Through this tool, we can seamlessly analyze thousands and thousands of financial and operating data and records, identifying and cataloging significant risks in mere seconds.

The AI Auditor platform works by our side, augmenting our capacity to detect errors or fraud in the collected data not only by analyzing the entire set but by cross-correlating dozens of testing criteria against pre-established data points, and presenting us with a view of every user, vendor,

and transaction, by risk. All are happening within moments of ingesting analyzed data, which is something standard audit procedures simply cannot accomplish.

We utilize these tools to allow our audit team to increase efficiency in the audit process, to enhance the existing quality of our work, to provide directed testing in areas subject to the highest risk, and to quickly assimilate large amounts of data your staff would typically be asked to gather. The tools also help us to meet our professional requirements regarding fraud and internal control, allowing us to:

- Run Benford's analysis to check for fraud in transactions.
- Increase the value of audit findings with complete, 100% data coverage.
- Isolate risk and control issues before they impact your operations.
- Improve productivity by automating procedures and eliminating manual tasks.
- Conduct more direct, efficient, and effective audits to improve overall service quality.

Our engagement team easily imports data in a secure environment from the City's financial software and extracts useful data for testing and analytical procedures particular to the following areas:

- Successful Fraud Test
- Questionable Invoices
- Phantom Vendor Schemes
- Kickback or Conflict-of-Interest Schemes
- Dormant Account Schemes
- Money Laundering Schemes

Type and Extent of Analytical Procedures to be used in the Engagement

Analytical procedures are one of many financial audit processes that help an auditor understand the client's operation and changes in the environment and identify potential risk areas to plan other audit procedures. Such procedures include a comparison of financial information on prior periods, budget, forecast, and industry benchmark. We use trend and ratio analysis to identify any uncertain or unusual events. To perform these analyses, our Firm surveys cities and counties and develops benchmarks on specific vital financial indicators, such as the cost of services to tax revenues ratios, average general fund balance, capital assets, debt-to-capital, general fund unassigned fund balance to total general fund expenditures, etc. Our engagement members have extensive experience in successfully implanting analytical procedures to the City's benefit.

Our analytical procedures process is performed during three stages of audit: (a) at the start, (b) in the middle, and
(c) at the end. These three stages are risk assessment procedures, substantive analytical procedures, and final analytical procedures:

- Risk assessment procedures are used to assist the auditor in understanding the business better and to plan the nature, timing, and extent of audit procedures.
- Substantive analytical procedures are used to obtain evidential matters about particular assertions related to the account balances or classes of transactions. During the interim phase, our engagement team will set up expectations for the year-to-date results and balances and compare them with budgeted and prior-year amounts. This process allows us to forecast year-end amounts, reducing the workload during the year-end phase and allowing us to focus on areas of concern.

• Final analytical procedures are used as an overall review of the financial information in the last review stage of the audit. The Engagement Partner(s) and Manager(s) will perform a high-level analytical analysis of the financial information, comparing its data both quantitatively and qualitatively to ensure the amounts are fairly presented in all material respect in the financial statements.

Approach to be Taken to Gain and Document an Understanding of the Internal Control Structure

Audit risk assessment is established by an internal control review, combined with the engagement team's understanding of the City's operations and accounting software. Using the Committee of Sponsoring Organizations (COSO) Framework, staff members will evaluate the City's processes and identify any control deficiencies. These diagnostic review procedures allow the engagement team to assess the City's systems and controls and to provide constructive feedback to management.

During our initial planning phase of the audit, our engagement team, including the engagement Partner and Manager, will obtain an understanding of the entity and its environment. It is an essential aspect of performing an audit under generally accepted auditing standards. That understanding establishes a frame of reference within which the auditor plans the procedures and exercises professional judgment about assessing risks of material misstatement of the financial statements and responding to those risks throughout the examination.

During the interim phase of the audit, our engagement team will perform a walkthrough of all significant accounting systems, including processes for financial reporting, revenue recognition and cash receipts, purchasing/contract management and cash disbursements, payroll, and related liabilities, and others. Our auditors will obtain the written policies and procedures, inquiring accounting personnel, and document the process in either a flowchart or narrative summary format. After gaining an understanding of the accounting and internal control systems, our auditor will make a preliminary assessment of control risk, at the assertion level, for each material account balance or class of transactions.

The form and extent of this documentation are influenced by the size and complexity of the entity and the nature of its accounting and internal control systems. Generally, the more complex the entity's accounting and internal control systems and the more extensive the auditor's procedures, the broader our documentation will need to be.

Approach to be Taken in Determining Laws and Regulations that Will be Subject to Audit Test Work

The Firm stays continually up to date with audit requirements—including new regulations, compliance supplements, state guidelines, and related contracts—to ensure that we conduct audits under applicable laws and regulations. We test transactions for compliance with the Single Audit Act, California Government Code, GANN Appropriations Limit, provisions of applicable grant guidelines, requirements of local measures, and others.

For example, the Single Audit Act requires that we determine which grants to include in our audit and select transactions from those grants for detailed testing. While most items will be

tested as part of the Interim phase, we cannot determine which grants will be selected for the Single Audit until the year-end/fieldwork stage of the audit.

Our compliance audits of cash, investments, debt covenants, and other areas will be performed following the California Government Code, which has many provisions and regulations covering investments.

Approach to be Taken in Drawing Audit Samples for Purposes of Tests of Compliance

To test compliance, we will follow the AICPA's Audit Sampling Considerations of Uniform Guidance Compliance Audits. We will select an appropriate sample size based on our professional judgment and knowledge. Any deviations from control and compliance requirements will be documented.

Identification of Anticipated Potential Audit Problems

While we do not expect any problems with the audit, we will carefully investigate and monitor the following relevant accounting issues:

Investments:

• Compliance with GASB 31 and GASB 34
• Authorization and approval process for City investments
• Controls to assure City's compliance with investment limitations and types of specific investments
• Monitoring by the City of its investments

Financial Reporting:
• Compliance with current reporting and disclosure requirements issued by GASB
• Compliance with the various GASBs in effect
• Perform valuations of OPEB benefits to determine the liability for all benefits promised to active, retired, and inactive plan members as of each valuation date
• Compliance with Governmental Accounting Standards Board (GASB) Statements 74 and 75
• Compliance with infrastructure obligations and regulatory provisions

Internal Control Structure:

• City's internal control functions and compliance with proper internal control philosophies
• Computer-system processes and controls, and adequacy of the control environment

We cannot speculate at this time on the contents of the auditor's reports. However, we expect to be able to discuss the tentative content of the auditor's reports well in advance of the issuance of such reports

EXHIBIT "B"

COST PROPOSAL

Total All-Inclusive Maximum Price

Our proposed fees (1) (2) for Professional Auditing Services for the fiscal years ending June 30, 2022 through June 30, 2024 with an option to extend for two (2) subsequent fiscal years, are as follows:

	FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Requested Services					
City Audit and Related Reports	$51,500	$53,045	$54,636	$56,275	$57,964
Single Audit - 1 Major Program	5,000	5,150	5,305	5,464	5,628
GANN	500	515	530	546	563
State Controller's Reports (City)	3,000	3,090	3,183	3,278	3,377
Total	$60,000	$61,800	$63,654	$65,564	$67,531

(1) Single Audit fees based on one (1) major program. The fee to audit additional major programs will be $5,000 each. The number of programs determined to be "major" will be based on OMB Uniform Guidance. The Engagement Team will discuss this with the City of Redlands's Management before starting Single Audit work.

(2) Services related to the implementation of GASB 87, *Leases*, and Implementation of Guide No. 2019-3, Leases may require additional charges. The Engagement Team will discuss details with the City of Redlands's Management before starting GASB 87 implementation work.

EXHIBIT "C"

WORKERS' COMPENSATION INSURANCE CERTIFICATION

Every employer, except the State, shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.

(b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

CHECK ONE

_____I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work and activities required or permitted under this Agreement. (Labor Code §1861).

_____I affirm that at all times, in performing the work and activities required or permitted under this Agreement, I shall not employ any person in any manner such that I become subject to the workers' compensation laws of California. However, at any time, if I employ any person such that I become subject to the workers' compensation laws of California, immediately I shall provide the City with a certificate of consent to self-insure, or a certification of workers' compensation insurance.

I certify under penalty of perjury under the laws of the State of California that the information and representations made in this certificate are true and correct.

THE PUN GROUP, LLP

By:_____ Date: _____

Kenneth H. Pun, Managing Partner

"A City That Works"

City Council Meeting **L. 2.**

DATE: 03/15/2022

TO: Honorable Mayor and City Council Members

SUBJECT: Consideration of a contract with R-Dependable Construction Inc. in the amount of $888,800.00 for the 2021 CDBG Joslyn Center Renovation Project No.FCS10252021ER, designate $164,551.27 from the Parks and Recreation category of the Nevada Palmetto Grove Proceeds, approve an additional appropriation in the amount of $563,695.49, and determine that the project is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act (Assistant City Manager Boatman)

MOTION(S):

If the City Council determines that staff's recommendations are appropriate, the following motions are provided:

1. I move that the City Council determine approval of the non-professional services agreement with R-Dependable Construction Inc. is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act; and

2. I move that the City Council designate $164,551.27 from the Parks and Recreation category of the Nevada Palmetto Grove Proceeds; and

3. I move that the City Council approve an additional appropriation of $563,695.49; and

4. I move that the City Council approve an award of contract to R-Dependable Construction Inc. in the amount of $888,800 for the 2021 CDBG Joslyn Center Renovation Project No. FCS10252021ER.

RECOMMENDATION:

COMMISSION RECOMMENDATION

On February 10, 2022, the Parks and Recreation Advisory Commission voted unanimously to recommend to City Council the use of Nevada-Palmetto Grove proceeds in the amount of $258,493.27 to fund the remaining portion of Joslyn Center Renovation Project.

STAFF RECOMMENDATION

Staff recommends that the City Council approve an award of contract to R-Dependable Construction in the amount of $888,800.00 for the 2021 CDBG Joslyn Center Renovation Project No.FCS10252021ER which consists of the construction of a commercial kitchen, renovation of existing restroom facilities, installation of a grease interceptor, minor site improvements, selective demolition, connection to existing utilities, structural shoring, roof equipment replacement and roof repair, designate $164,551.27 from the Parks and Recreation category of the Nevada Palmetto Grove Proceeds, approve an additional appropriation in the amount of $563,695.49, and determine that the project is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act.

DISCUSSION:

This project started in 2017 as a commercial kitchen remodel and is also listed on the Parks and Recreation Commission list of priority projects. A combination of County funds and City funds was secured for this project; however, when the project was put out to bid the bids received significantly exceeded funds available and the project was delayed. Since this time, staff has worked with the County to obtain additional funding for the project. Although the original intent of this project began as a kitchen remodel, the project was expanded to include a host of additional much-needed upgrades. The project now includes complete bathroom renovations, installation of additional fixtures, ADA upgrades to the parking areas, commercial-grade kitchen remodel, installation of a grease interceptor, minor site improvements, roof equipment replacement and roof repair. Plans have been revised accordingly and subsequently approved by the City and County.

Improvements included within this project scope are necessary to meet requirements and compliance with the Federal Americans with Disabilities Act and the California Building Code. In addition, the kitchen renovation and expansion portion of the project is necessary to meet the San Bernardino County Health Department regulations for food preparation and handling. Furthermore, this project will provide a greater efficiency in food preparation and

capacity for daily meals within our current programs such as Meals on Wheels and the Family Services Association's program. These daily meal services combined currently provide 120 meals a day to our senior community. With the renovations included in this project, these programs will be able to expand and become more efficient. These renovations will also open the door for opportunities for future programs and events to assist in expanding the services to the City's senior community.

On December 20, 2021, the City received three bids for the Joslyn Senior Center Kitchen Remodel. Staff reviewed the bids and identified R-Dependable Construction Inc. as the lowest responsive bidder. This project, if funded will provide commercial kitchen, ADA upgrades, renovation of existing restroom facilities, installation of a grease interceptor, minor site improvements, selective demolition, connection to existing utilities, structural shoring, roof equipment replacement and roof repair. On February 24, 2022 the City received a letter from R-Dependable Construction Inc. requesting a 10% increase to the contract amount as a result of increasing subcontractors' and material supplier's prices since the opening of the bid. The additional cost would result in a total of $888,800.00 for the project with R-Depndable Construction Inc. remaining as the lowest responsive bidder.

BID OPENING REPORT SUMMARY	
Bidder	**Bid Schedule Total Price**
1. R-Dependable Construction Inc., San Bernardino, CA	$808,000.00
2. Corner Keystone Construction Corp., Walnut, CA	$1,177,000.00
3. MLC Constructors, Corona, CA	$1,265,823.00

ALTERNATIVES:

The City Council may elect to not approve the award of contract and direct staff accordingly.

STRATEGIC PLAN:

Focus Area C: Infrastructure

SUBMITTED BY:
Chris Boatman, Assistant City Manager

RECOMMENDED BY:
Charles M. Duggan Jr., City Manager

REVIEWED BY:
Daniel J. McHugh, City Attorney

Janice McConnell, Assistant City Manager
Danielle Garcia, Management Services/Finance Director

PREPARED BY:
Joe Bierma, Administrative Analyst

Fiscal Impact

Fiscal Year:	FY 2021-22
Revenue Generating:	N
Appropriation Required Y/N:	Y
Amount:	$888,800.00
Budgeted Y/N:	Y
Account No.:	Various

Discussion:

There is currently $813,128.73 in funds available for this project, which include $413,984.51 from the County Community Development Block Grant, $305,202.22 in donated funds and $93,942.00 from the Nevada Palmetto Grove Fund that was designated in 2017 for this project. A total of $977,680.00 is needed to complete the project ($888,800 plus a 10% contingency of $88,880) which equates to a funding shortfall of $164,551.27. On February 10th, 2022, the Parks and Recreation Commission recommended the City Council designated the remaining $164,551.27 from the Nevada Palmetto Grove Proceeds to close this gap. The current balance in the unappropriated balance of the Parks and Recreation Category of the Nevada Palmetto Grove account is $703,015.00.

PROJECT FUNDING	
Community Development Block Grant Funds	$413,984.51
Joslyn Center Donation Funds	$305,202.22
Nevada Palmetto Grove Fund	$258,493.27
TOTAL	**$977,680.00**

Attachments

Contract
A. Additional Appropriation Form
B. Bid Opening Report
C. Bid Analysis

PUBLIC WORK CONSTRUCTION CONTRACT

This Public Work Construction contract ("Contract") is made and entered into this 15th day of March, 2022, by and between the City of Redlands, a municipal corporation, organized and existing under the laws of the State of California (hereinafter "City"), and R. Dependable Construction (hereinafter "Contractor"). City and Contractor are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

In consideration of the mutual promises contained herein, City and Contractor agree as follows:

1. **SCOPE OF WORK:** Contractor shall furnish all materials and will perform all of the work for the following: 2021 CDBG Joslyn Center Renovation, Project FCS10252021ER, complete all items as required by the Contract Documents (as herein defined) and Specifications for City's 2021 CDBG Joslyn Center Renovation, Project FCS10252021ER (the "Work").

2. **CONTRACT SUM:** City shall pay Contractor the sum of eight hundred eight thousand dollars ($888,800) as consideration for its performance of the Work in accordance with the terms and conditions set forth in the Contract Documents. Pursuant to Public Contract Code Section 22300, Contractor has the option to deposit securities with an escrow agent as a substitute for retention of earnings required to be withheld by City pursuant to an escrow agreement as set forth in Public Contract Code section 22300.

3. **TIME FOR COMPLETION:** The Work shall be completed within ninety (90) calendar days from and after the date of City's issuance of a Notice to Proceed to Contractor.

4. **LIQUIDATED DAMAGES:** Contractor's failure to complete the Work within the time allowed will result in damages being sustained by City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. Accordingly, Contractor shall pay to City, or have withheld from monies due to Contractor, the sum of one thousand five hundred dollars ($1,500.00) for each consecutive calendar day in excess of the specified time for completion of the Work. Execution of this Contract shall constitute agreement by City and Contractor that one thousand five hundred dollars ($1,500.00) per day is the estimated damage to City caused by the failure of the Contractor to complete the work within the allowed time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due the Contractor if such delay occurs.

5. **CONTRACT DOCUMENTS:** This Contract incorporates by reference the following: Notice Inviting Bids, Instructions to Bidders, Contractor's Proposal, Bid Bond, Agreement, Performance Bond, Labor and Material Bond, Plans, General Conditions, Special Provisions and Specifications, and any addenda thereto (collectively, the "Contract Documents").

6. **ATTORNEYS' FEES:** In the event any action is commenced to enforce or interpret the terms or conditions of this Contract, or the Contract Documents, the prevailing Party in such action, in addition to any costs and other relief, shall be entitled to recover its reasonable attorneys' fees, including fees for use of in-house counsel by a Party.

7. **RESOLUTION OF CONSTRUCTION CLAIMS:** Claims by Contractor in the amount of three hundred seventy five thousand dollars ($375,000) or less shall be made by Contractor and processed by the City pursuant to the provisions of Part 3, Chapter 1, Article 1.5 of the Public Contract Code (commencing with Section 20104). All claims shall be in writing and include the

documents necessary to substantiate the claim. Nothing in subdivision (a) of Public Contract Code Section 20104.2 shall extend the time limit or supersede the notice requirements provided in this case from filing claims by Contractor.

8. **ELIGIBILITY OF CONTRACTOR/SUBCONTRACTOR:** Contractor and all of its subcontractors shall abide by California Public Contract Code, Section 6109, and California Labor Code Sections 1777.1 and/or 1777.7, and certify that they are not debarred and are eligible to work on this project.

9. **ASSIGNMENT OF AGREEMENT:** No assignment by a Party of any rights or interests under this Contract shall be binding on another Party without the written consent of the Party sought to be bound.

10. **SUCCESSORS AND ASSIGNS:** City and Contractor each binds itself and their respective successors and assigns in respect to all covenants, agreements, and obligations contained in the Contract Documents.

11. **SEVERABILITY:** Any provision or part of the Contract Documents held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon City and Contractor.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract the day and year first written above.

CITY OF REDLANDS

(SEAL)

By:_____
Paul T. Barich, Mayor

ATTEST:

_____
Jeanne Donaldson, City Clerk

(SEAL)

_____
Name of Contractor

By:_____
Signature of Authorized Agent

_____
Title

_____
Signature of Authorized Agent (if necessary)

_____
Title

_____
Contractor's License No.

WORKER'S COMPENSATION INSURANCE CERTIFICATION

Description of Contract: City of Redlands
Facilities and Community Services Department
2021 CDBG Joslyn Senior Center Renovation
Project Number FCS10252021ER

Every employer, except the State, shall secure the payment of compensation in one or more of the following ways:

a. By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.
b. By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

CHECK ONE

_____I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work and activities required or permitted under this Agreement. (Labor Code §1861).

_____I affirm that at all times, in performing the work and activities required or permitted under this Agreement, I shall not employ any person in any manner such that I become subject to the workers' compensation laws of California. However, at any time, if I employ any person such that I become subject to the workers' compensation laws of California, immediately I shall provide the City with a certificate of consent to self-insure, or a certification of workers' compensation insurance.

I certify under penalty of perjury under the laws of the State of California that the information and representations made in this certificate are true and correct.

Dated this _____ day of _____, 2022.

_____
(Contractor)

_____
(Signature)

_____
(Official Title)

(SEAL)

(Labor Code Section 1861 provides that the above certificate must be signed and filed by the Contractor with the Owner prior to performing the work of the contract.)

FAITHFUL PERFORMANCE BOND

Whereas, the City of Redlands ("City"), State of California, and R. Dependable Construction (hereinafter designated as "Principal") have entered into an agreement dated March 15, 2022 ("Agreement") whereby Principal agrees to install and complete certain public improvements (the "Work"), which said Agreement is identified as 2021 CDBG Joslyn Senior Center Renovation, Project Number FCS10252021ER and is hereby referred to and made a part hereof; and

Whereas, said Principal is required under the terms of the Agreement to furnish a bond for the faithful performance of the Work, now, therefore, we, the Principal and, _____, as Surety, are held and firmly bound unto the City in the penal sum of eight hundred eighty eight thousand eight hundred dollars ($888,800) lawful money of the United States, for the payment of which sum we bind ourselves, and our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bounded Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the Agreement and any alteration thereof made as therein provided, on his or its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall faithfully fulfill the one-year guarantee of all materials and workmanship, and shall defend, indemnify and save harmless the City and its elected officials, officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by the City in successfully enforcing such obligations, all to be taxed as costs and included in the judgment rendered.

As a condition precedent to the satisfactory completion of the Work, the above obligation shall hold good for a period of one (1) year or longer if required by the Agreement after the acceptance of the work by the City, during which time if the Principal shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage made evident during this period from the date of completion of the Work, and resulting from or caused by defective materials or faulty workmanship, the above obligation in penal sum thereof shall remain in full force and effect. The obligations of Surety hereunder shall continue so long as any obligation of the Principal remains.

Whenever the Principal shall be, and is declared by the City to be, in default under the Agreement, the City having performed the City obligations thereunder, the Surety shall promptly remedy the default, or shall promptly, at the City's option:

1. Complete the Work in accordance with its terms and conditions; or

2. Obtain a bid or bids for completing the Work in accordance with its terms and conditions, and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a contract between such bidder and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Work less the balance of the Agreement price,

but not exceeding, including other costs and damages for which Surety may be liable hereunder, the amount set forth above. The term "balance of the Agreement price," as used in this paragraph, shall mean the total amount payable to the Principal by the City under the Agreement and any modifications thereto, less the amount previously properly paid by the City to the Principal.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Principal.

Surety shall not utilize the Principal in completing the Work nor shall Surety accept a bid from the Principal for completion of the Work if the City, when declaring the Principal in default, notifies Surety of the City's objection to the Principal's further participation in the completion of the Work.

No right of action shall accrue on the bond to or for the use of any person or corporation other than the City named herein or the successors or assigns of the City. Any suit under this bond must be instituted within the applicable statute of limitations period.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or to the work to be performed thereunder or the Specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement or to the work or to the specifications.

No final settlement between the City and the Principal shall abridge the right of any beneficiary hereunder whose claim may be unsatisfied.

The Principal and Surety agree that if the City is required to engage the services of any attorney in connection with the enforcement of this bond, each shall pay the City's reasonable attorneys' fees incurred, with or without suit, in addition to the above sum.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on _____, 2022.

(SEAL)	(SEAL)
_____	_____
(Contractor)	(Surety)
_____	BY: _____
(Signature)	(Signature)
	Address:_____
	_____
(Seal and Notarial Acknowledgment of Surety)	Telephone ( )_____

LABOR AND MATERIAL BOND

Whereas, the City Council of the City of Redlands, State of California, and R. Dependable Construction (hereinafter designated as "Principal") have entered into an agreement (the "Agreement") whereby Principal agrees to install and complete certain designated public improvements (the "Work"), which said agreement, dated March 15th, 2022, and identified as 2021 CDBG Joslyn Senior Center Renovation, Project Number FCS10252021ER is hereby referred to and made a part hereof; and

Whereas, under the terms of the Agreement, Principal is required before commending the performance of the Work, to file a good and sufficient Labor and Material bond with the City of Redlands to secure the claims to which reference is made in Title 3 (commencing with Section 9550) of Part 6 of Division 4 of the Civil Code of the State of California.

Now, therefore, said Principal and the undersigned as corporate surety, are held firmly bound unto the City and all contractors, subcontractors, laborers, material men and other persons employed in the performance of the Agreement and referred to in the aforesaid Code of Civil Procedure in the sum of eight hundred eighty eight thousand eight hundred dollars ($888,800) for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by the City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall insure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 3 (commencing with Section 9550) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or the specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition.

In witness whereof, this instrument has been duly executed by the Principal and surety above named, on _____, 2022.

(SEAL)	(SEAL)
_____	_____
(Contractor)	(Surety)
_____	BY: _____
(Signature)	(Signature)
	Address: _____
(Seal and Notarial Acknowledgement of Surety)	_____
	Telephone: ( )_____

L:\ca\djm\Agreements\R. Dependable Construction Contract.PW-3.1.FY21-0082.doc.jn

CITY OF REDLANDS
REQUEST FOR ADDITIONAL APPROPRIATION

DATE OF REQUEST: 3.15.22

FINANCE USE ONLY
TRANSACTION NO:
ACCOUNTING PERIOD:

An additional appropriation is hereby requested as follows:

Department: FCS

EXPENDITURE APPROPRIATION INCREASE (if applicable)				
Account Description	**Orgkey**	**Object Code**	**Job Ledger (If applicable)**	**Amount**
Rec and Senior Services	101309	8501		$ 563,695.49
				$ $ 563,695.49

REVENUE APPROPRIATION INCREASE (if applicable)				
Account Description	**Orgkey**	**Object Code**	**Job Ledger (If applicable)**	**Amount**
				$ 0.00
				$ $ 0.00

JUSTIFICATION: Palmetto Grove proceeds to fund a portion of the cost of the 2021 CDBG Joslyn Senior Center renovation project. $164,551.27 of additional appropriation. $93,942 of re-appropriation, previously appropriated at the July 5th, 2017, City Council Meeting. $305,202.22 will be funded by Rec donation accounts.

Requested By: _____
Department Head

Recommended By Finance Director:

Yes _____ No _____ Signed _____

Recommended: _____
City Manager

Comments: _____

Approved by City Council:

Date: _____

Signed: _____
City Clerk

CITY OF REDLANDS
OFFICE OF THE CITY CLERK
BID OPENING REPORT

The following bids were opened on the **20th of December at 2:00 p.m.** on behalf of the Facilities and Community Services Department for **2021 CDBG Joslyn Center Renovation Project FCS10252021ER.** The bid amounts have not been checked and are subject to correction after the bids have been completely reviewed.

No.	Plan Holder's Name	Bid Signed	Bid Bond	Addenda Acknowledged (1)	Total Bid Amount
1	R. Dependable Construction, San Bernardino CA	Yes	Yes	Yes	$945,000.00
2	Corner Keystone Construction Corp., Walnut CA	Yes	Yes	Yes	$1,177,000.00
3	MLC Constructors, Corona CA	Yes	Yes	Yes	$1,265,823.00

Jeanne Donaldson, City Clerk
City of Redlands, California

Emailed: Councilmembers,
City Manager, City Treasurer, PIO, Press
Department Head: Chris Boatman
Staff: Tabitha Kevari

2021 CDBG JOSLYN CENTER RENOVATION PROJECT
FCS10252021ER

Item No.	Bid Item	Qty.	CORNER KEYSTONE CONSTRUCTION		MLC CONSTRUCTORS		R. DEPENDABLE CONSTRUCTION	
			Unit Price	Item Price	Unit Price	Item Price	Unit Price	Item Price
BASE BID								
			$1,085,000.00	$1,085,000.00	$1,215,823.00	$1,215,823.00	$808,000.00	$808,000.00
	TOTAL BID PRICE WHEN ADDED			$1,085,000.00		$1,215,823.00		$808,000.00
	TOTAL ON SUBCONTRACTOR's WRITTEN BID PRICE			$1,177,000.00		$1,265,823.00		$945,000.00
	DIFFERENCE BETWEEN THE TWO			-$92,000.00		-$50,000.00		-$137,000.00
	ADDITIVES IF ANY							
	Additive 1		$92,000.00	$92,000.00	$50,000.00	$50,000.00	$137,000.00	$137,000.00
	BASE BID PRICE		$1,085,000.00	$1,085,000.00	$1,215,823.00	$1,215,823.00	$808,000.00	$808,000.00
	Additive 1		$92,000.00	$92,000.00	$50,000.00	$50,000.00	$137,000.00	$137,000.00
	TOTAL BID PRICE PLUS ADDITIVE(s)			**$1,177,000.00**		**$1,265,823.00**		**$945,000.00**