

**HESPERIA CITY COUNCIL  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY  
HOUSING AUTHORITY  
COMMUNITY DEVELOPMENT COMMISSION  
FIRE PROTECTION DISTRICT  
WATER DISTRICT  
AGENDA**

*Regular Joint Meetings*  
*1<sup>st</sup> and 3<sup>rd</sup> Tuesday*

**Date: March 21, 2017**  
**REGULAR MEETING**

**Time: 5:30 P.M.** (Closed Session)  
**6:30 P.M.** (Regular Meeting)

**CITY COUNCIL MEMBERS**

Paul Russ, Mayor

Russell Blewett, Mayor Pro Tem

Larry Bird, Council Member

Bill Holland, Council Member

Rebekah Swanson, Council Member

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Nils Bentsen, City Manager

Eric L. Dunn, City Attorney



*City of Hesperia*

Council Chambers  
9700 Seventh Avenue  
Hesperia, CA 92345

City Clerk's Office: (760) 947-1007

**Agendas and Staff Reports are  
available on the City Website  
[www.cityofhesperia.us](http://www.cityofhesperia.us)**

Documents produced by the City and distributed less than 72 hours prior to the meeting, regarding items on the agendas, will be made available in the City Clerk's Office located at 9700 Seventh Avenue during normal business hours.



**NOTE: In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (760) 947-1007 or (760) 947-1056. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility.**

**REGULAR MEETING AGENDA  
HESPERIA CITY COUNCIL  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY  
HESPERIA HOUSING AUTHORITY  
HESPERIA COMMUNITY DEVELOPMENT COMMISSION  
HESPERIA FIRE PROTECTION DISTRICT  
HESPERIA WATER DISTRICT**

**As a courtesy, please silence your cell phones, pagers, and other electronic devices while the meeting is in session. Thank you.**

*Prior to action of the Council, any member of the audience will have the opportunity to address the legislative body on any item listed on the agenda, including those on the Consent Calendar. Comments are limited to three (3) minutes for Public Comments, Consent Calendar and New Business and five (5) minutes for Public Hearings. PLEASE SUBMIT A COMMENT CARD TO THE CITY CLERK WITH THE AGENDA ITEM NUMBER NOTED.*

**CLOSED SESSION - 5:30 PM**

**Roll Call**

*Mayor Paul Russ  
Mayor Pro Tem Russell Blewett  
Council Member Larry Bird  
Council Member Bill Holland  
Council Member Rebekah Swanson*

Conference with Legal Counsel - Potential Litigation:  
Government Code Section 54956.9(d)2

1. One (1) case

Conference with Legal Counsel – Existing Litigation  
Government Code Section 54956.9(d)1

1. Settlement of Workers' Compensation Claim - Johnny Alloway, CHPB-0039 and CHPC-0072

Conference with Labor Negotiator  
Government Code Section 54957.6

1. Negotiations between the City of Hesperia and the Teamster Local 1932 and non-represented employees with the City's Negotiator. (Staff person: Brian D. Johnson, Assistant City Manager/ Management Services)

**CALL TO ORDER - 6:30 PM**

- A. Invocation
- B. Pledge of Allegiance to the Flag
- C. Roll Call

*Mayor Paul Russ*

*Mayor Pro Tem Russell Blewett  
Council Member Larry Bird  
Council Member Bill Holland  
Council Member Rebekah Swanson*

**D. Agenda Revisions and Announcements by City Clerk**

**E. Closed Session Reports by City Attorney**

**ANNOUNCEMENTS/PRESENTATIONS**

1. Community Events Calendar by Mayor Paul Russ

**PUBLIC COMMENTS**

*Please complete a "Comment Card" and give it to the City Clerk. Comments are limited to three (3) minutes per individual. State your name for the record before making your presentation. Disclosure of your address is optional, but very helpful for the follow-up process.*

*Under the provisions of the Brown Act, the Council is prohibited from taking action on oral requests. However, Council/Agency/Authority/Commission/Board Members may respond briefly or refer the communication to staff. The Council/Agency/Authority/Commission/Board may also request the City Clerk to calendar an item related to your communication at a future meeting.*

- 1) City Council
- 2) Fire District
- 3) Water District

**JOINT CONSENT CALENDAR**

1. Page 9 Consideration of the Draft Minutes from the Regular Meeting held Tuesday, March 7, 2017

**Recommended Action:**

It is recommended that the City Council approve the Draft Minutes from the Regular Meeting held Tuesday, March 7, 2017.

**Staff Person:** City Clerk Melinda Sayre

**Attachments:** [Draft CC Min 2017-03-07](#)

2. Page 15 Warrant Run Report (City - Successor Agency - Housing Authority - Community Development Commission - Fire - Water)

**Recommended Action:**

It is recommended that the Council/Board ratify the warrant run and payroll report for the City, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, Fire District, and Water District.

**Staff Person:** Assistant City Manager/Management Services Brian Johnson

**Attachments:** [SR Warrant Run 3-21-2017](#)

[Attachment 1 - Warrant Runs](#)

3. Page 17 Treasurer's Cash Report for the unaudited period ended January 31, 2017

**Recommended Action:**

It is recommended that the Council/Board accept the Treasurer's Cash Report for the City, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, Fire District, and Water District.

**Staff Person:** Assistant City Manager/Management Services Brian Johnson

**Attachments:** [SR Treasurer's Report 3-21-2017](#)

[Attachment 1 - Investment Reports](#)

4. Page 27 Non-Represented Employees' Salaries, Benefits and Other Related Policies for the Period of January 1, 2017 through January 31, 2019

**Recommended Action:**

It is recommended that the City Council adopt Resolution No. 2017-011, the Commission of the Hesperia Housing Authority adopt Resolution HHA 2017-02, the Commission of the Community Development Commission adopt Resolution CDC 2017-03, and the Board of Directors of the Hesperia Water District adopt Resolution HWD 2017-05, approving the Non-Represented Employees' Salaries, Benefits and Other Related Policies.

**Staff Person:** Assistant City Manager/Management Services Brian Johnson

**Attachments:** [SR Non-Represented Agreement 3-21-2017](#)

[Attachment 1 - Non-Represented Agreement](#)

[Resolution 2017-011](#)

[Resolution HHA 2017-02](#)

[Resolution CDC 2017-03](#)

[Resolution HWD 2017-05](#)

5. Page 65 Amendment to Contract with Data Ticket, Inc. for collection services

**Recommended Action:**

It is recommended that the City Council approve an amendment in the amount of \$70,000 to the contract with Data Ticket, Inc. (PSA 2012-13-049) for a total contract amount of \$513,000; approve an extension through December 31, 2017; and authorize the City Manager to execute the amended contract with Data Ticket, Inc. for the management and collection of citations, cost recovery, appeals, as well as hearing officer services.

**Staff Person:** Director of Development Services Michael Blay and Administrative Analyst Tina Bulgarelli

**Attachments:** [SR Data Ticket Contract Amendment 3-21-2017](#)

6. Page 67 Award of Agreement for City-wide Office Supplies

**Recommended Action:**

It is recommended that the City Council authorize the City Manager to execute an agreement with Reliable Workplace Solutions in an amount not to exceed \$125,000 for City-wide general office supplies for the remainder of Fiscal Year 2016-17, and Fiscal Year 2017-18.

**Staff Person:** Assistant City Manager/Management Services Brian Johnson

**Attachments:** [SR City-wide Office Supplies 3-21-2017](#)  
[Attachment 1 - Bid Comparison](#)

7. Page 75 Equipment Procurement - Skip Loader Tractor

**Recommended Action:**

It is recommended that the City Council authorize the City Manager to approve the procurement of a new skip loader tractor and award the bid to Scott Equipment Inc. of Fontana, California in the not-to-exceed amount of \$77,903.

**Staff Person:** Public Works Manager Mark Faherty

**Attachments:** [SR Equipment Procurement 3-21-2017](#)  
[Attachment 1 - Bid Results](#)

8. Page 77 Approve a Mitigation Funding Guarantee with the U.S. Army Corps of Engineers for the Rancho Road & BNSF Grade Separation Project, C.O. No. 7046

**Recommended Action:**

It is recommended that the City Council approve a Mitigation Funding Guarantee in an amount not to exceed \$500,000, approve the establishment of a \$500,000 trust fund, and authorize the City Manager to execute a Mitigation Financial Assurance Agreement with the U.S. Army Corps of Engineers related to the Rancho Road & BNSF Grade Separation Project, C.O. No. 7046.

**Staff Person:** Director of Development Services Michael Blay

**Attachments:** [SR Mitigation Funding Agreement 3-21-2017](#)

**CONSENT ORDINANCES****WAIVE READING OF ORDINANCES**

*Approve the reading by title of all ordinances and declare that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.*

9. Page 81 Consideration of Development Code Amendment DCA17-00001, amending the special event and temporary use regulations; Applicant: City of Hesperia; Area affected: City-wide

**Recommended Action:**

Place on second reading and adopt by title waiving the text of Ordinance No. 2017-04 approving DCA17-00001, amending the special event and temporary use regulations.

**Staff Person:** Senior Planner Stan Liudahl

**Attachments:** [SR Special Event & Temporary Uses Ordinance 3-7-2017](#)

[Attachment 1 - Comparison Table](#)

[Ordinance 2017-04](#)

[Attachment 3 - Exhibit A](#)

### **PUBLIC HEARINGS**

*Please complete a "Comment Card" and give it to the City Clerk prior to the meeting. Comments are limited to five (5) minutes per individual. State your name for the record before making your presentation. Disclosure of your address is optional, but very helpful for the follow-up process.*

#### **WAIVE READING OF ORDINANCES**

*Approve the reading by title of all ordinances and declare that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.*

### **PUBLIC HEARING**

- 10.**      Page 93              By-District Election System and District Composition AB 350 Public Hearings

**Recommended Action:**

It is recommended that the City Council hold a public hearing as required by AB 350 and accept public testimony regarding the composition of districts to transition the City from an at-large election system to a by-district election system.

**Staff Person:** City Clerk Melinda Sayre

**Attachments:** [SR By-District Election System and District Composition 3-21-2017](#)

[Attachment 1 - Public Participation Kit](#)

- 11.**      Page 105              Repeal of Hesperia Municipal Code Section 16.16.072 relating to "Residential care facilities, group homes, and sex offender residency"

**Recommended Action:**

It is recommended that the City Council adopt Urgency Ordinance No. 2017-06, an urgency ordinance of the City Council of the City of Hesperia, California, repealing Hesperia Municipal Code Section 16.16.072, "Residential care facilities, group homes, and sex offender residency"

**Staff Person:** City Attorney Eric Dunn

**Attachments:** [SR Urgency Ordinance 3-21-2017](#)

[Urgency Ordinance 2017-06](#)

### **NEW BUSINESS**

### **NEW BUSINESS**

- 12.**      Page 109              Advance Disposal Rate Structures

**Recommended Action:**

It is recommended that the City Council approve new maximum rates for solid waste services in the City of Hesperia and allow for rate adjustments annually up to five years pending the outcome of a Proposition 218 public hearing, and provide any feedback on services provided to the City by the waste hauler.

**Staff Person:** Management Analyst Julie Ryan

**Attachments:** [SR Advance Disposal Rate Structures 3-21-2017](#)

[Attachment 1 - Rate Structure 1 - COLA and Tipping Fee Adjustment](#)

[Attachment 2 - Rate Structure 2 - New Service Type Requests](#)

[Attachment 3 - Rate Structure 3 - Changes in Rate Computation](#)

**13.** Page 121 Development Impact Fee Reduction Program Extension

**Recommended Action:**

It is recommended that the City Council review the information provided and extend the Development Impact Fee Program until the completion of the Development Impact Fee Nexus Study.

**Staff Person:** Director of Development Services Michael Blay and Administrative Analyst Tina Bulgarelli

**Attachments:** [SR DIF Reduction Program Extension 3-21-2017](#)

**14.** Page 123 Discussion on Marijuana Related Activities

**Recommended Action:**

It is recommended that the City Council receive and file this report and provide staff direction regarding marijuana related activities to be permitted and/or regulated within the City of Hesperia.

**Staff Person:** Principal Planner Dave Reno

**Attachments:** [SR Marijuana Related Activities 3-21-2017](#)

[Attachment 1 - Table of Medical and Adult Marijuana Uses](#)

[Attachment 2 - Ballot Summary of Proposition 64](#)

**15.** Page 144 Ad-Hoc Committee for District-Based Elections

**Recommended Action:**

It is recommended that the City Council give staff direction regarding the establishment of an Ad-Hoc Committee focused on planning the transition to district-based elections, and appoint two Council Members to participate on the Committee with staff.

**Staff Person:** City Clerk Melinda Sayre

**Attachments:** [SR Ad-Hoc Committee District-Based Elections 3-21-2017](#)

**COUNCIL COMMITTEE REPORTS AND COMMENTS**



*The Council may report on their activities as appointed representatives of the City on various Boards and Committees and/or may make comments of general interest or report on their activities as a representative of the City.*

### **CITY MANAGER/CITY ATTORNEY/STAFF REPORTS**

*The City Manager, City Attorney or staff may make announcements or reports concerning items of interest to the Council and the public.*

### **ADJOURNMENT**

*I, Melinda Sayre, City Clerk of the City of Hesperia, California do hereby certify that I caused to be posted the foregoing agenda on Wednesday, March 15, 2017 at 5:30 p.m. pursuant to California Government Code §54954.2.*

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*Melinda Sayre,  
City Clerk*

*Documents produced by the City and distributed less than 72 hours prior to the meeting regarding items on the agenda will be made available in the City Clerk's Office during normal business hours.*

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# City of Hesperia Meeting Minutes - Draft City Council

City Council Chambers  
9700 Seventh Ave.  
Hesperia CA, 92345

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Tuesday, March 7, 2017

6:30 PM

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**REGULAR MEETING AGENDA  
HESPERIA CITY COUNCIL  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY  
HESPERIA HOUSING AUTHORITY  
HESPERIA COMMUNITY DEVELOPMENT COMMISSION  
HESPERIA FIRE PROTECTION DISTRICT  
HESPERIA WATER DISTRICT**

**CLOSED SESSION - 5:30 PM**

**Roll Call**

**Present:** 5 - Mayor Russ, Mayor Pro Tem Blewett, Council Member Bird, Council Member Holland and Council Member Swanson

Conference with Legal Counsel – Existing Litigation  
Government Code Section 54956.9(d)1

1. Victor Valley Family Resource Center, et al. v. City of Hesperia et al.
2. Settlement of Workers' Compensation Claim - Johnny Alloway, CHPB-0039 and CHPC-0072

Conference with Labor Negotiator  
Government Code Section 54957.6

1. Negotiations between the City of Hesperia and the Teamster Local 1932 and non-represented employees with the City's Negotiator. (Staff person: Brian D. Johnson, Assistant City Manager/Management Services)

**CALL TO ORDER - 6:30 PM**

- A. Invocation by Travis Biglow of Victory Empowerment Center Church**
- B. Pledge of Allegiance to the Flag**
- C. Roll Call**

**Present:** 5 - Mayor Russ, Mayor Pro Tem Blewett, Council Member Bird, Council Member Holland and Council Member Swanson

- D. Agenda Revisions and Announcements by City Clerk – *An urgency ordinance item requiring immediate action arose after the posting of the agenda. Staff requested that the City Council add the item to the agenda. The item was added as 6b. to the agenda by a unanimous vote (5-0).***
- E. Closed Session Reports by City Attorney – *Existing Litigation item 2 was not discussed. Council was given direction on the remaining items in closed session, no reportable action was taken.***

## **ANNOUNCEMENTS/PRESENTATIONS**

1. Presentation to Employee of the Month for February to Osby Montes, Animal Control Officer by Michael Blay Director of Development Services
2. Presentation to Sultana High School Wrestling Team by Council Member Bird
3. Community Events Calendar by Mayor Paul Russ - *Community Clean up 4/8 8am-noon, High Desert Pirate Renaissance Fair at Hesperia Lakes 3/18-3/19, Daylight savings time reminder for Sunday 3/12.*

## **PUBLIC COMMENTS**

*Daniel Krist commented on missing persons.*

*Al Vogler commented on agreement on the addition of the urgency ordinance, districting process, and water purchase item.*

*Alexander Wolverton commented on safe access to medical cannabis.*

*Brad Letner commented on the City's support of the Hesperia Chamber of Commerce and procedures related to the urgency ordinance added to the agenda and item 7 and its impact on the community.*

## **JOINT CONSENT CALENDAR**

**A motion was made by Bird, seconded by Holland, that the consent calendar be approved. The motion carried by the following vote:**

**Aye:** 5 - Russ, Blewett, Bird, Holland and Swanson

**Nay:** 0

1. Consideration of the Draft Minutes from the Regular Meeting held Tuesday, February 21, 2017

### **Recommended Action:**

It is recommended that the City Council approve the Draft Minutes from the Regular Meeting held Tuesday, February 21, 2017.

**Sponsors:** City Clerk Melinda Sayre

2. Warrant Run Report (City - Successor Agency - Housing Authority - Community Development Commission - Fire - Water)

### **Recommended Action:**

It is recommended that the Council/Board ratify the warrant run and payroll report for the City, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, Fire District, and Water District.

**Sponsors:** Assistant City Manager/Management Services Brian Johnson

3. Parcel Map No. 19555

### **Recommended Action:**

It is recommended that the City Council adopt Resolution No. 2017-009 approving Parcel Map No. 19555 to create four parcels and a remainder from 21 gross acres and a site plan review to construct 19,548 square feet of retail/commercial on 4.36 acres within the Regional Commercial (RC) zone of the Main Street and Freeway Corridor Specific Plan located on the southwest corner of Main Street and Cataba Road (Applicant: Lewis Retail Centers; APN: 3064-601-06).

**Sponsors:** Director of Development Services Michael Blay

## **CONSENT ORDINANCES**

4. Consideration of Revision to Freeway Sign Regulations

**Recommended Action:**

Place on second reading and adopt by title waiving the text of Ordinance No. 2017-01, revising the City's freeway sign regulations.

**Sponsors:** Principal Planner Dave Reno

**A motion was made by Bird, seconded by Holland, that this item be approved. The motion carried by the following vote:**

**Aye:** 5 - Russ, Blewett, Bird, Holland and Swanson

**Nay:** 0

**PUBLIC HEARING**

5. Consideration of Development Code Amendment DCA17-00001, amending the special event and temporary use regulations; Applicant: City of Hesperia; Area affected: City-wide

**Recommended Action:**

The Planning Commission recommends that the City Council introduce and place on first reading Ordinance No. 2017-04 approving DCA17-00001, amending the special event and temporary use regulations.

**Sponsors:** Senior Planner Stan Liudahl

*The public hearing was opened. There being no public comment the hearing was closed.*

**A motion was made by Swanson, seconded by Blewett, that this item be approved. The motion carried by the following vote:**

**Aye:** 5 - Russ, Blewett, Bird, Holland and Swanson

**Nay:** 0

6. By-District Election System and District Composition AB 350 Public Hearings

**Recommended Action:**

It is recommended that the City Council receive and file the presentation provided by National Demographics Corporation Election Districting Consultant Douglas Johnson, hold a public hearing and accept public testimony regarding a series of public hearings at which the public is invited to provide input regarding the composition of districts to transition the City from an at-large election system to a by-district election system and provide direction to staff regarding the process of the transition.

**Sponsors:** City Clerk Melinda Sayre

*The public hearing was opened. There being no public comment the hearing was closed. Item received and filed by the City Council.*

6b. Consideration of Ordinance No. 2017-05 adopting an Urgency Interim Ordinance Pursuant to California Government Code Section 65858 imposing a moratorium on certain problematic uses

**Recommended Action:**

That the City Council adopt the interim urgency ordinance, as an urgency measure pursuant to California Government Code Section 65858, imposing a forty-five (45) day moratorium, to take effect immediately upon adoption, on the installation and establishment of the following problematic uses:

1. Gold exchange and pawnshop businesses;
2. Hydroponic stores;
3. Hookah lounges, smoking lounges, vape shops and smoke shops; and
4. Businesses that allow for the sale of drug paraphernalia.
5. Money service businesses.

**Sponsors:** Senior Planner Daniel Alcayaga

**A motion was made by Holland, seconded by Bird, that this item be approved. The motion carried by the following vote:**

**Aye:** 5 - Russ, Blewett, Bird, Holland and Swanson

**Nay:** 0

## **NEW BUSINESS**

### **7. Permanent Water Rights Purchase from Lounsbury/JPMorgan Chase**

#### **Recommended Action:**

It is recommended that the Board of Directors of the Hesperia Water District 1) authorize the purchase of 181 acre-feet of permanent Base Annual Production water rights in the Alto Subarea from Carolyn Lounsbury and JPMorgan Chase BK, National Association Co on behalf of Bank of America for \$4,200 per acre-foot; 2) authorize the lease of 145 acre-feet carryover rights for \$276 per acre-foot, for a combined total amount of \$800,220; and 3) authorize the City Manager to execute all documents related to the purchase and lease transactions.

**Sponsors:** Director of Development Services Michael Blay

**A motion was made by Bird, seconded by Holland, that this item be approved. The motion carried by the following vote:**

**Aye:** 5 - Russ, Blewett, Bird, Holland and Swanson

**Nay:** 0

### **8. Consideration of Annual Update of the City Council Procedures Manual and Adoption of Resolution No. 2017-007 amending the Public Safety Committee Schedule**

#### **Recommended Action:**

It is recommended that the City Council review the information provided herein and adopt the annual update of the City Council Procedures Manual, and adopt Resolution No. 2017-007 amending the Public Safety Committee (PSAC) meeting schedule.

**Sponsors:** City Clerk Melinda Sayre

*Bob Nelson commented on item 8 and his correspondence, and request that the City Council modify the Procedures Manual as he requested.*

*Eric Schmidt commented on item no 8.*

**A motion was made by Blewett, seconded by Holland, that this item be approved. The motion carried by the following vote:**

**Aye:** 5 - Russ, Blewett, Bird, Holland and Swanson

**Nay:** 0

### **COUNCIL COMMITTEE REPORTS AND COMMENTS**

*Council Member Bird thanked the Mayor for honoring the Sultana High School wrestling team. Council Member Bird also acknowledged and thanked Eric Schmidt, the President of Victor Valley College Foundation Board for the recognition event he attended. He also commented on his attendance at other school events throughout the City of Hesperia.*

*Council Member Holland commented on his attendance at three SANBAG meetings, and clarified SANBAG's HERO program, stating that the program should continue. Council Member Holland thanked and recognized the efforts of Detective Mark Rios regarding the recent aqueduct incident.*

*Council Member Swanson commented on the State of the County event and the upcoming Tri Agency meeting. Council Member Swanson commented on her attendance at the I Can Film Festival. Council Member Swanson announced her concerns with regard to the aqueduct crossing and asked if staff could direct the Public Safety Advisory Committee to look at it.*

*Mayor Pro Tem Blewett commented on his attendance at the ground breaking of the apartments. Mayor Pro Tem Blewett announced he would be attending the Citizens Advisory Committee in lieu of attending the State of the County. Mayor Pro Tem Blewett commented on his views with regard to open public talking issues currently taking place.*

*Mayor Russ commented on his attendance at the groundbreaking for the apartment buildings. Mayor Russ stated that he had nothing to report on his attendance at the Desert Mountain League of Cities, and the MDAQMD meetings. Mayor Russ commented on his attendance at the BIA luncheon regarding an upcoming Assembly Bill AB199. He asked the City Manager to prepare letters opposing the bill to the State and an emergency Resolution. Mayor Russ commented on his final speaking with the City's Public Works Department, thanking the staff for their hard work and dedication. Mayor Russ commented on his attendance at the Read Across America event, and announced the upcoming Relay for Life event taking place on May 6<sup>th</sup> and May 7<sup>th</sup>, 2017.*

### **CITY MANAGER/CITY ATTORNEY/STAFF REPORTS**

*The City Manager advised the City Council that the task of reviewing the aqueduct has been assigned to the City Engineer and he will be providing them with an update.*

### **ADJOURNMENT**

*In honor of the Estrada and Abbott families at 8:24 p.m.*

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# City of Hesperia STAFF REPORT



**DATE:** March 21, 2017

**TO:** Mayor and Council Members  
City Council, as Successor Agency to the Hesperia Community Redevelopment Agency  
Chair and Commissioners, Hesperia Housing Authority  
Chair and Commissioners, Community Development Commission  
Chair and Board Members, Hesperia Fire Protection District  
Chair and Board Members, Hesperia Water District

**FROM:** Nils Bentsen, City Manager

**BY:** Brian D. Johnson, Assistant City Manager/Management Services  
Anne Duke, Deputy Finance Director  
Virginia Villasenor, Senior Accountant

**SUBJECT:** Warrant Run Report (City – Successor Agency – Housing Authority – Community Development Commission – Fire – Water)

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## RECOMMENDED ACTION

It is recommended that the Council/Board ratify the warrant run and payroll report for the City, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, Fire District, and Water District.

## BACKGROUND

The Warrant Run totals represented below are for the period February 18, 2017 through March 3, 2017.

<u>Agency/District</u>	<u>Accounts Payable*</u>	<u>Payroll</u>	<u>Wires</u>	<u>Totals</u>
City of Hesperia	\$639,731.40	\$208,838.14	\$0.00	\$848,569.54
Successor Agency	3,486,852.86	0.00	0.00	3,486,852.86
Housing Authority	940.26	3,796.18	0.00	4,736.44
Community Development Commission	2,578.55	5,612.63	0.00	8,191.18
Fire	825,650.79	0.00	0.00	825,650.79
Water	300,295.42	86,453.51	46,269.24	433,018.17
<b>Totals</b>	<b>\$5,256,049.28</b>	<b>\$304,700.46</b>	<b>\$46,269.24</b>	<b>\$5,607,018.98</b>

\* Includes debt service payments made via Automated Clearing House (ACH) electronic deposit of funds.

The wires amount for the City of Hesperia is as follows:

- \$40,830.76 to Bank of America, N.A. for Hesperia Water Swap Interest Payment.
- \$4,950.40 to U.S. Bank Trust N.A. for Hesperia Water 1998 A Interest Payment.
- \$488.08 to U.S. Bank Trust N.A. for Hesperia Water 1998 B Interest Payment.

## ATTACHMENT(S)

1. Warrant Runs

**City of Hesperia**  
**WARRANT RUNS**  
**02/18/2017 - 03/03/2017**

FUND #	FUND NAME	W/E 2/24/2017	W/E 3/3/2017	WARRANT TOTALS	Wires	YEAR-TO DATE TOTALS *	PRIOR FY YTD DATE TOTALS
<b>Accounts Payable</b>							
100	GENERAL	\$ 70,627.55	\$ 62,295.22	\$ 132,922.77	\$ -	\$ 14,479,216.64	\$ 13,802,235.64
204	MEASURE I - RENEWAL	\$ -	\$ -	\$ -	\$ -	\$ 1,376,104.88	\$ 2,442,778.52
205	GAS TAX	\$ -	\$ -	\$ -	\$ -	\$ 1,173.46	\$ 439.51
207	LOCAL TRANSPORT-SB 325	\$ -	\$ -	\$ -	\$ -	\$ 321,361.28	\$ 590,054.95
251	CDBG	\$ 29,398.99	\$ 31,457.28	\$ 60,856.27	\$ -	\$ 963,254.41	\$ 350,911.09
253	CDBG - RLF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 133,089.35
254	AB2766 - TRANSIT	\$ -	\$ -	\$ -	\$ -	\$ 76,528.00	\$ 341,308.40
256	ENVIRONMENTAL PROGRAMS GRANT	\$ 1,507.01	\$ 6.00	\$ 1,513.01	\$ -	\$ 18,298.43	\$ 29,314.49
257	NEIGHBORHOOD STABILIZATION PROG	\$ 155.57	\$ 186.84	\$ 342.41	\$ -	\$ 18,670.56	\$ 27,822.87
260	DISASTER PREPARED GRANT	\$ -	\$ -	\$ -	\$ -	\$ 5,776.25	\$ 10,718.46
263	STREETS MAINTENANCE	\$ 18,448.89	\$ 243,080.55	\$ 261,529.44	\$ -	\$ 1,146,494.01	\$ 934,990.72
300	DEV. IMPACT FEES - STREET	\$ -	\$ -	\$ -	\$ -	\$ 52,540.93	\$ 122,931.47
301	DEV. IMPACT FEES - STORM DRAIN	\$ -	\$ -	\$ -	\$ -	\$ 67,267.81	\$ 5,000.00
400	2004 STREETS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,750,903.62
401	CITY DEBT SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
402	WATER RIGHTS ACQUISITION	\$ -	\$ -	\$ -	\$ -	\$ 1,014,549.43	\$ 1,011,704.04
403	2013 REFUNDING LEASE REV BONDS	\$ -	\$ -	\$ -	\$ -	\$ 519,436.69	\$ 504,071.60
504	CITY WIDE STREETS - CIP	\$ -	\$ -	\$ -	\$ -	\$ 15,145.40	\$ 12,541.35
800	EMPLOYEE BENEFITS	\$ 40,122.26	\$ 138,636.41	\$ 178,758.67	\$ -	\$ 4,482,358.83	\$ 4,553,084.93
801	TRUST/AGENCY	\$ 360.00	\$ 2,684.34	\$ 3,044.34	\$ -	\$ 608,288.62	\$ 407,850.75
802	AD 91-1 AGENCY	\$ -	\$ -	\$ -	\$ -	\$ 278.46	\$ 819,773.81
804	TRUST-INTEREST BEARING	\$ -	\$ 764.49	\$ 764.49	\$ -	\$ 33,003.09	\$ 95,129.74
807	CFD 2005-1	\$ -	\$ -	\$ -	\$ -	\$ 1,156,512.72	\$ 1,668,176.67
815	PLAN REVIEW TRUST - FRONTIER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>CITY</b>	\$ 160,620.27	\$ 479,111.13	\$ 639,731.40	\$ -	\$ 26,356,259.90	\$ 31,614,831.98
200	HESPERIA FIRE DISTRICT	\$ 3,040.52	\$ 822,610.27	\$ 825,650.79	\$ -	\$ 6,269,129.82	\$ 6,845,397.97
502	FIRE STATION BUILDING	\$ -	\$ -	\$ -	\$ -	\$ 134,863.80	\$ 559,739.79
	<b>FIRE</b>	\$ 3,040.52	\$ 822,610.27	\$ 825,650.79	\$ -	\$ 6,403,993.62	\$ 7,405,137.76
160	REDEVELOP OBLIG RETIREMENT - PA1	\$ 2,405,163.66	\$ -	\$ 2,405,163.66	\$ -	\$ 7,612,576.41	\$ 7,643,078.57
161	REDEVELOP OBLIG RETIREMENT - PA2	\$ 200,629.23	\$ -	\$ 200,629.23	\$ -	\$ 598,479.29	\$ 789,453.85
162	REDEVELOP OBLIG RETIREMENT-HOUSING	\$ 881,059.97	\$ -	\$ 881,059.97	\$ -	\$ 3,307,598.97	\$ 3,063,433.83
173	SUCCESSOR AGENCY ADMINISTRATION	\$ -	\$ -	\$ -	\$ -	\$ 2,242.59	\$ 22.48
	<b>SUCCESSOR AGENCY</b>	\$ 3,486,852.86	\$ -	\$ 3,486,852.86	\$ -	\$ 11,520,897.26	\$ 11,495,988.73
370	HOUSING AUTHORITY	\$ 35.00	\$ 905.26	\$ 940.26	\$ -	\$ 3,950,236.49	\$ 120,026.14
	<b>HOUSING AUTHORITY</b>	\$ 35.00	\$ 905.26	\$ 940.26	\$ -	\$ 3,950,236.49	\$ 120,026.14
170	COMMUNITY DEVELOPMENT COMMISSION	\$ 395.00	\$ 2,183.55	\$ 2,578.55	\$ -	\$ 218,873.43	\$ 357,191.74
	<b>COMMUNITY DEVELOPMENT COMMISSION</b>	\$ 395.00	\$ 2,183.55	\$ 2,578.55	\$ -	\$ 218,873.43	\$ 357,191.74
700	WATER OPERATING	\$ 20,327.01	\$ 36,836.14	\$ 57,163.15	\$ 46,269.24	\$ 4,495,297.70	\$ 4,304,606.86
701	WATER CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ 108,849.47	\$ 66,233.15
710	SEWER OPERATING	\$ 1,585.13	\$ 241,547.14	\$ 243,132.27	\$ -	\$ 1,666,402.14	\$ 1,925,076.02
711	SEWER CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ 432,760.00	\$ 6,199.60
	<b>WATER</b>	\$ 21,912.14	\$ 278,383.28	\$ 300,295.42	\$ 46,269.24	\$ 6,703,309.31	\$ 6,302,115.63
	<b>ACCOUNTS PAYABLE TOTAL</b>	\$ 3,672,855.79	\$ 1,583,193.49	\$ 5,256,049.28	\$ 46,269.24	\$ 55,153,570.01	\$ 57,295,291.98
<b>REG. PAYROLL</b>							
	City	\$ 208,838.14	\$ -	\$ 208,838.14	\$ -	\$ 3,641,155.45	\$ 4,011,224.91
	Housing Authority	\$ 3,796.18	\$ -	\$ 3,796.18	\$ -	\$ 67,910.75	\$ 52,831.58
	Community Development Commission	\$ 5,612.63	\$ -	\$ 5,612.63	\$ -	\$ 98,306.17	\$ 46,505.31
	Water	\$ 86,453.51	\$ -	\$ 86,453.51	\$ -	\$ 1,519,818.33	\$ 1,617,993.47
	<b>PAYROLL TOTAL</b>	\$ 304,700.46	\$ -	\$ 304,700.46	\$ -	\$ 5,327,190.70	\$ 5,728,555.27

\* The year to date totals for this Warrant Report are for the 2016-17 fiscal year starting July 1; however, the year to date totals do not include \$47,625.25 of wires issued on 07/01/16.

# City of Hesperia STAFF REPORT



**DATE:** March 21, 2017

**TO:** Mayor and Council Members  
City Council, as Successor Agency to the Hesperia Community Redevelopment Agency  
Chair and Commissioners, Hesperia Housing Authority  
Chair and Commissioners, Community Development Commission  
Chair and Board Members, Hesperia Fire Protection District  
Chair and Board Members, Hesperia Water District

**FROM:** Nils Bentsen, City Manager

**BY:** Brian D. Johnson, Assistant City Manager/Management Services  
Anne Duke, Deputy Finance Director  
Virginia Villasenor, Senior Accountant

**SUBJECT:** Treasurer's Cash Report for the unaudited period ended January 31, 2017

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## RECOMMENDED ACTION

It is recommended that the Council/Board accept the Treasurer's Cash Report for the City, Successor Agency to the Hesperia Community Redevelopment Agency, Hesperia Housing Authority, Community Development Commission, Fire District, and Water District.

## BACKGROUND

This report is presented to the City Council pursuant to Government Code Section 53646 (b) setting forth the City's investment portfolio.

## ISSUES/ANALYSIS

The Treasurer's Cash Reports are presented on the following pages for each agency.

## FISCAL IMPACT

These reports reflect unaudited cash balances as of January 31, 2017.

## ALTERNATIVE(S)

Provide alternative direction to staff.

## ATTACHMENT(S)

1. City of Hesperia Investment Report
2. Successor Agency to the Hesperia Community Redevelopment Agency Investment Report
3. Hesperia Housing Authority Investment Report
4. Community Development Commission Investment Report
5. Hesperia Fire Protection District Investment Report
6. Hesperia Water District Investment Report

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**CITY OF HESPERIA**

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<u>FUND</u>	<u>VALUE</u>
General Fund (100 & 800)	\$ 5,173,683.38
AB27666 - Transit (254)	(182,910.56)
AB3229 Supplemental Law (255)	88,465.16
AD No. 91-1 (802)	352,086.18
Beverage Recycling Grant (256)	110,469.88
CFD 2005-1 (807)	1,148,615.47
City Wide-Capital Projects (504)	(119,279.04)
Community Dev Block Grant (251, 252, & 253)	272,889.73
Development Impact Fund (300-304)	5,302,684.90
Disaster (260)	69,371.99
Gas Tax Fund (205)	371,543.41
Gas Tax Swap (206)	187,462.33
Local Transportation SB325 (207)	(1,839,994.64)
Measure I - Renewal (204)	1,569,432.92
2004 Streets Debt Serv 1993A Ref(400)	134,527.06
Neighborhood Stabilization Prog (257)	1,766,790.99
Public Works Street Maint (263)	873,646.10
Trust Fund (801, 803-806, & 815)	1,492,756.33
2012 Water Rights Acquisition (402)	1,607.52
2013 Refunding Lease Rev Bonds (403)	41,661.12
<b>TOTAL CITY FUNDS</b>	<b>\$ 16,815,510.23</b>

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

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<u>FUND</u>	<u>VALUE</u>
Successor Agency Administration (173)	\$ (2,242.58)
Redevelop Oblig Retirement - PA1 (160)	5,679,823.14
Redevelop Oblig Retirement - PA2 (161)	207,383.09
Redevelop Oblig Retirement-Housing (162)	1,018,339.17
<b>TOTAL SUCCESSOR AGENCY FUNDS</b>	<b>\$ 6,903,302.82</b>

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**HESPERIA HOUSING AUTHORITY**

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<u>FUND</u>	<u>VALUE</u>
Hesperia Housing Authority Fund (370)	\$ 2,870,263.66
VVEDA Housing Authority (371)	1,712,365.23
<b>TOTAL HOUSING AUTHORITY FUNDS</b>	<b><u>\$ 4,582,628.89</u></b>

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**COMMUNITY DEVELOPMENT COMMISSION**

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<u>FUND</u>	<u>VALUE</u>
Community Development Commission Fund (170)	<b><u>\$ (685,949.96)</u></b>

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**FIRE**

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<u>FUND</u>	<u>VALUE</u>
Fire District Fund (200)	\$ (105,838.40)
Fire Station Building (502)	6,036,673.79
<b>TOTAL WATER FUNDS</b>	<b><u>\$ 5,930,835.39</u></b>

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**WATER**

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<u>FUND</u>	<u>VALUE</u>
Water Operating (700)	\$ 6,671,315.47
Water Capital (701)	(12,125,634.35)
Sewer Operating (710)	9,979,299.41
Sewer Capital (711)	3,595,749.36
<b>TOTAL WATER FUNDS</b>	<b><u>\$ 8,120,729.89</u></b>

*City of Hesperia*  
**Investment Report**  
**Unaudited**

ATTACHMENT 1

January 31, 2017

<u>Type of Investment</u>	<u>Institution/ Fiscal Agent</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Account Description</u>
<b>Investments under the direction of the City:</b>								
Local Agency Investment Funds	State of Calif.	0.751%	31-Jan-17	Demand	\$ 13,229,893.09	13,229,893.09	13,229,893.09	
Money Market	Bank of the West	0.280%	31-Jan-17	Demand	3,049,814.54	3,049,814.54	3,049,814.54	
Citizens Business Bank Checking	Citizens Bus Bank	n/a	31-Jan-17	Demand	535,802.60	535,802.60	535,802.60	
<b>Total Unaudited Investments under the direction of the City</b>					<b>\$ 16,815,510.23</b>	<b>\$ 16,815,510.23</b>	<b>\$ 16,815,510.23</b>	

**Investments under the direction of fiscal agents:**

2012 Lease Revenue Bonds	Union	0.360%	31-Jan-17	Demand	58.36	58.36	58.36	2012 - Water Rights Revenue Fund
2012 Lease Revenue Bonds	Union	0.000%	31-Jan-17	Demand	-	-	-	2012 - Water Rights Interest Fund
2012 Lease Revenue Bonds	Union	0.000%	31-Jan-17	Demand	-	-	-	2012 - Water Rights Principal Fund
2012 Lease Revenue Bonds	Union	0.360%	31-Jan-17	Demand	1,453,325.72	1,453,325.72	1,453,325.72	2012 - Water Rights Reserve Fund
2013 Refunding Lease Revenue Bonds	Union	0.350%	31-Jan-17	Demand	39.50	39.50	39.50	2005 Civic Plaza - Revenue Fund
2013 Refunding Lease Revenue Bonds	Union	0.000%	31-Jan-17	Demand	-	-	-	2005 Civic Plaza - Interest Fund
2013 Refunding Lease Revenue Bonds	Union	0.000%	31-Jan-17	Demand	-	-	-	2005 Civic Plaza - Principal Fund
2013 Refunding Lease Revenue Bonds	Union	0.360%	31-Jan-17	Demand	1,150,695.73	1,150,695.73	1,150,695.73	2005 Civic Plaza - Reserve Fund
2014 CFD 2005-1 Refunding	Union	0.360%	18-Dec-14	Demand	57.96	57.96	57.96	2014 CFD 05-1 - Special Tax Fund
2014 CFD 2005-1 Refunding	Union	0.000%	18-Dec-14	Demand	-	-	-	2014 CFD 05-1 - Bond Fund
2014 CFD 2005-1 Refunding	Union	0.360%	18-Dec-14	Demand	1,429,912.20	1,429,912.20	1,429,912.20	2014 CFD 05-1 - Reserve Fund
2014 CFD 2005-1 Refunding	Union	0.360%	18-Dec-14	Demand	22,749.50	22,749.50	22,749.50	2014 CFD 05-1 Administrative Expense Bonds
Deposits W/Other Agencies	Various	n/a	31-Jan-17	n/a	-	-	-	GL 1350
Deposits - Workers' Comp	PERMA	n/a	31-Jan-17	n/a	834,968.13	834,968.13	834,968.13	GL 1352
<b>Total Unaudited Investments under the direction of fiscal agents</b>					<b>\$ 4,891,807.10</b>	<b>4,891,807.10</b>	<b>4,891,807.10</b>	

Please Note: All market value data is provided courtesy of the City's fiscal agents,  
Union Bank of California & Bank of New York (BNY) Trust Company.

***I certify that this investment portfolio is in compliance with the statement of investment policy of the City of Hesperia and the investment program provides sufficient liquidity to meet expenditure requirements for the next six months, as required by the California Government Code sections 53646(b)(2) and (3), respectively.***

\* Note: 2005 Certificates of Participation began in May 2005 for the financing of the Civic Plaza.

  
Virginia Villasenor, Senior Accountant

## Investment Report

## Unaudited

January 31, 2017

Type of Investment	Issuer/ Institution	Interest Rate	Date of Purchase	Date of Maturity	Par Value at Maturity	Book Value	Market Value	Account Description
<b>Investments under the direction of the City:</b>								
Local Agency Investment Funds	State of Calif.	0.751%	31-Jan-17	Demand	\$ 5,431,292.72	\$ 5,431,292.72	5,431,292.72	
Money Market	Bank of the West	0.280%	31-Jan-17	Demand	1,252,046.06	1,252,046.06	1,252,046.06	
Citizens Business Bank Checking	Citizens Bus Bank	n/a	31-Jan-17	Demand	219,964.04	219,964.04	219,964.04	
<b>Total Unaudited Investments under the direction of the City</b>					<b>\$ 6,903,302.82</b>	<b>\$ 6,903,302.82</b>	<b>\$ 6,903,302.82</b>	


## Investments under the direction of fiscal agents:

2005 Tax Allocation Bonds	Union	0.360%	31-Jan-17	Demand	27.97	27.97	27.97	2005A - Interest Account
2005 Tax Allocation Bonds	Union	0.360%	31-Jan-17	Demand	33.15	33.15	33.15	2005A - Principal Account
2005 Tax Allocation Bonds	Union	0.360%	31-Jan-17	Demand	2,284,890.14	2,284,890.14	2,284,890.14	2005A - Reserve Account
2005 Tax Allocation Bonds	Union	0.360%	31-Jan-17	Demand	253,877.67	253,877.67	253,877.67	2005A - Reserve Account
2005 Tax Allocation Bonds	Union	0.000%	31-Jan-17	Demand	-	-	-	2005B - Housing Projects
2005 Tax Allocation Bonds	Union	0.000%	31-Jan-17	Demand	-	-	-	2005B - Housing Principal Act
2005 Tax Allocation Bonds	Union	0.000%	31-Jan-17	Demand	-	-	-	2005B - Reserve Account
2007 Revenue Bonds	Union	0.000%	31-Jan-17	Demand	1.00	1.00	1.00	2007A - Revenue Account
2007 Revenue Bonds	Union	0.370%	31-Jan-17	Demand	95.76	95.76	95.76	2007A - Interest Account
2007 Revenue Bonds	Union	0.360%	31-Jan-17	Demand	67.34	67.34	67.34	2007A - Principal Account
2007 Revenue Bonds	Union	0.360%	31-Jan-17	Demand	6,041,340.36	6,041,340.36	6,041,340.36	2007A - Proj. 1 - Reserve Account
2007 Revenue Bonds	Union	0.360%	31-Jan-17	Demand	494,499.64	494,499.64	494,499.64	2007A - Proj. 2 - Reserve Account
2007 Revenue Bonds	Union	0.360%	31-Jan-17	Demand	3,217,929.52	3,217,929.52	3,217,929.52	2007A - Housing - Reserve Account
2007 Revenue Bonds	Union	0.000%	31-Jan-17	Demand	0.01	0.01	0.01	2007A - Proj. 1 - Sub-Acct.
2007 Revenue Bonds	Union	0.000%	31-Jan-17	Demand	0.72	0.72	0.72	2007A - Proj. 2 - Sub-Acct.
2007 Revenue Bonds	Union	0.000%	31-Jan-17	Demand	0.34	0.34	0.34	2007A - Housing Project Fund
2007 Revenue Bonds	Union	0.000%	31-Jan-17	Demand	1.00	1.00	1.00	2007B - Revenue Account
2007 Revenue Bonds	Union	0.220%	31-Jan-17	Demand	8.95	8.95	8.95	2007B - Interest Account
2007 Revenue Bonds	Union	0.360%	31-Jan-17	Demand	49.56	49.56	49.56	2007B - Principal Account
2007 Revenue Bonds	Union	0.330%	31-Jan-17	Demand	3.07	3.07	3.07	2007B - Proj. 1 - Reserve Account
2007 Revenue Bonds	Union	0.270%	31-Jan-17	Demand	3.76	3.76	3.76	2007B - Proj. 2 - Reserve Account
2007 Revenue Bonds	Union	0.360%	31-Jan-17	Demand	869,879.03	869,879.03	869,879.03	2007B - Housing - Reserve Account
2007 Revenue Bonds	Union	0.360%	31-Jan-17	Demand	113,813.65	113,813.65	113,813.65	2007B - Proj. 2 - Sub-Acct.
2007 Revenue Bonds	Union	0.380%	31-Jan-17	Demand	23.59	23.59	23.59	2007B - Housing Projects Account
Deposits w/Other Agencies	Various	n/a	31-Jan-17	Demand	-	-	-	GL 1350
<b>Total Unaudited Investments under the direction of fiscal agents</b>					<b>\$ 13,276,546.23</b>	<b>\$ 13,276,546.23</b>	<b>\$ 13,276,546.23</b>	

Please Note: All market value data is provided courtesy of the City's fiscal agent  
Union Bank of California.

I certify that this investment portfolio is in compliance with the statement of investment policy of the City of Hesperia and the investment program provides sufficient liquidity to meet expenditure requirements for the next six months, as required by the California Government Code sections 53646(b)(2) and (3), respectively.

\* Note: The 1994 A, B & C Notes were refinanced to 2005 Series Bonds in May 2005.

  
Virginia Villaenor, Senior Accountant

**Investment Report****Unaudited**January 31, 2017

<u>Type of Investment</u>	<u>Issuer/ Institution</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>
<b>Investments under the direction of the City:</b>							
Local Agency Investment Funds	State of California	0.751%	31-Jan-17	Demand	\$ 3,605,462.43	3,605,462.43	3,605,462.43
Money Market	Bank of the West	0.280%	31-Jan-17	Demand	831,147.44	831,147.44	831,147.44
Citizens Business Bank Checking	Citizens Business Bank	n/a	31-Jan-17	Demand	146,019.02	146,019.02	146,019.02
<b>Total Unaudited Investments under the direction of the City</b>					<b>\$ 4,582,628.89</b>	<b>\$ 4,582,628.89</b>	<b>\$ 4,582,628.89</b>

*I certify that this investment portfolio is in compliance with the statement of investment policy of the City of Hesperia and the investment program provides sufficient liquidity to meet expenditure requirements for the next six months, as required by the California Government Code sections 53646(b)(2) and (3), respectively.*

  
Virginia Villasenor, Senior Accountant



**Investment Report****Unaudited**January 31, 2017

<u>Type of Investment</u>	<u>Issuer/ Institution</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>
<b>Investments under the direction of the City:</b>							
Local Agency Investment Funds	State of California	0.751%	31-Jan-17	Demand	\$ (539,682.98)	(539,682.98)	(539,682.98)
Money Market	Bank of the West	0.280%	31-Jan-17	Demand	(124,410.15)	(124,410.15)	(124,410.15)
Citizens Business Bank Checking	Citizens Business Bank	n/a	31-Jan-17	Demand	(21,856.83)	(21,856.83)	(21,856.83)
<b>Total Unaudited Investments under the direction of the City</b>					<b>\$ (685,949.96)</b>	<b>\$ (685,949.96)</b>	<b>\$ (685,949.96)</b>

*I certify that this investment portfolio is in compliance with the statement of investment policy of the City of Hesperia and the investment program provides sufficient liquidity to meet expenditure requirements for the next six months, as required by the California Government Code sections 53646(b)(2) and (3), respectively.*

  
Virginia Villasenor, Senior Accountant

*Hesperia Fire District*  
**Investment Report**  
**Unaudited**  
January 31, 2017

ATTACHMENT 5

<u>Type of Investment</u>	<u>Issuer/ Institution</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>
<b>Investments under the direction of the City:</b>							
Local Agency Investment Funds	State of California	0.751%	31-Jan-17	Demand	\$ 4,666,187.17	4,666,187.17	4,666,187.17
Money Market	Bank of the West	0.280%	31-Jan-17	Demand	1,075,670.48	1,075,670.48	1,075,670.48
Citizens Business Bank Checking	Citizens Business Bank	n/a	31-Jan-17	Demand	188,977.74	188,977.74	188,977.74
<b>Total Unaudited Investments under the direction of the City</b>					<b>\$ 5,930,835.39</b>	<b>\$ 5,930,835.39</b>	<b>\$ 5,930,835.39</b>

*I certify that this investment portfolio is in compliance with the statement of investment policy of the City of Hesperia and the investment program provides sufficient liquidity to meet expenditure requirements for the next six months, as required by the California Government Code sections 53646(b)(2) and (3), respectively.*

  
 Virginia Villasenor, Senior Accountant

*Hesperia Water District*  
**Investment Report**  
**Unaudited**  
January 31, 2017

ATTACHMENT 6

<u>Type of Investment</u>	<u>Issuer/ Institution</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Account Description</u>
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**Investments under the direction of the City:**

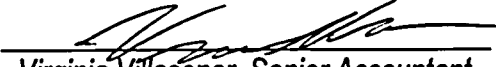
Local Agency Investment Funds	State of California	0.751%	31-Jan-17	Demand	\$ 6,389,124.49	6,389,124.49	6,389,124.49	
Money Market	Bank of the West	0.280%	31-Jan-17	Demand	1,472,849.75	1,472,849.75	1,472,849.75	
Citizens Business Bank Checking	Citizens Business Bank	n/a	31-Jan-17	Demand	258,755.65	258,755.65	258,755.65	
<b>Total Unaudited Investments under the direction of the City</b>					<b>\$ 8,120,729.89</b>	<b>\$ 8,120,729.89</b>	<b>\$ 8,120,729.89</b>	

**Investments under the direction of fiscal agents:**

1992 Certificates of Participation	BNY	0.000%	31-Jan-17	Demand	1.42	1.42	1.42	1992B - 421053
1992 Certificates of Participation	BNY	0.000%	31-Jan-17	Demand	-	-	-	1992B - 421056
1992 Certificates of Participation	BNY	0.000%	31-Jan-17	Demand	1.00	1.00	1.00	1992B - 421059
First American Treas - Money Market	US Bank	0.000%	31-Jan-17	Demand	8,854.60	8,854.60	8,854.60	98 A&B - 95453340
First American Treas - Money Market	US Bank	0.000%	31-Jan-17	Demand	30.95	31.95	30.95	98 A&B - 95453341
98 A & B Dep w/Trustee - Collateral	Bank of America	n/a	31-Jan-17	Demand	1,880,000.00	1,880,000.00	1,880,000.00	GL 1319
Deposits - Workers' Comp	PERMA	n/a	31-Jan-17	n/a	422,863.80	422,863.80	422,863.80	GL 1352
Deposits w/SB Co Central Store	SB Co.	n/a	31-Jan-17	n/a	0.00	0.00	0.00	GL 1351
Deposits w/Other Agencies	Various	n/a	31-Jan-17	n/a	0.00	0.00	0.00	GL 1350
<b>Total Unaudited Investments under the direction of fiscal agents</b>					<b>\$ 2,311,751.77</b>	<b>\$ 2,311,752.77</b>	<b>\$ 2,311,751.77</b>	

Please Note: All market value data is provided courtesy of the City's fiscal agents  
Bank of New York (BNY) Trust Company and US Bank.

*I certify that this investment portfolio is in compliance with the statement of investment policy of the City of Hesperia and the investment program provides sufficient liquidity to meet expenditure requirements for the next six months, as required by the California Government Code sections 53646(b)(2) and (3), respectively.*

  
Virginia Villasenor, Senior Accountant

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# CITY OF HESPERIA

## STAFF REPORT



**DATE:** March 21, 2017

**TO:** Mayor and Council Members  
Chair and Commission, Hesperia Housing Authority  
Chair and Commission, Community Development Commission  
Chair and Board Members, Hesperia Water District

**FROM:** Nils Bentsen, City Manager

**BY:** Brian D. Johnson, Assistant City Manager/Management Services

**SUBJECT:** Non-Represented Employees' Salaries, Benefits and Other Related Policies for the Period of January 1, 2017 through January 31, 2019

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### RECOMMENDED ACTION

It is recommended that the City Council adopt Resolution No. 2017-011, the Commission of the Hesperia Housing Authority adopt Resolution HHA 2017-02, the Commission of the Community Development Commission adopt Resolution CDC 2017-03, and the Board of Directors of the Hesperia Water District adopt Resolution HWD 2017-05, approving the Non-Represented Employees' Salaries, Benefits and Other Related Policies.

### BACKGROUND

The resolutions for Non-Represented Employees' Salaries, Benefits and Other Related Policies were effective from January 1, 2016 through December 31, 2016. The new updated proposed resolutions for Non-Represented Employees' Salaries, Benefits and Other Related Policies effective January 1, 2017 through January 31, 2019, and shall remain in effect until a successor resolution is developed.

### ISSUES/ANALYSIS

The changes included in the successor Non-Represented Employees' Salary, Benefits and Related Policies Resolutions are summarized as follows:

#### Salary (Sec. 2)

Effective the first full pay period starting on March 18, 2017 and ending March 31, 2017 to be paid on April 6, 2017, all salary ranges will reflect a base salary Cost of Living Adjustment (COLA) increase of no less than 1.0% and no more than 2.0% based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County) measured by the annualized CPI from February 2016 to February 2017. It should be noted that the actual COLA will be 1.8%, which is based on the Department of Labor releasing the February 2016 to February 2017 CPI on March 15, 2017.

Effective the first full pay period of Fiscal Year 2018-19, all salary ranges will reflect a base salary Cost of Living Adjustment (COLA) increase of no less than 1.0% and no more than 3.0% based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County) measured by the annualized CPI from February 2017 to February 2018.

The City will establish a Bonus Program for Non Represented employees on Step 11 of their eleven step range based on exceptional merit. The Bonus program will be submitted to the City Council for approval prior to implementation.

The resolutions approving Exhibit A include a salary increase from range 24 to range 26 for the Office Assistant Classification, and two new positions titled the Budget/Finance Specialist and Senior Economic Development Specialist. When the resolutions approving Exhibit A are approved, Exhibit A will be updated to include these two new class titles and the Office Assistant's new salary range.

### **Three-Tiered Management Program (Sec. 3)**

Effective July 1, 2017 the Professional/Supervisory employees will receive a maximum of 55 Administrative Leave hours per fiscal year and Management employees will receive a maximum of 65 Administrative Leave hours per fiscal year. Senior Management and Elected Officials shall receive a \$600 per month Automobile Allowance effective April 1, 2017. Elected Officials may select to receive their Automobile Allowance amount up to \$600 per month.

### **401(a) Pension Program (Sec. 4)**

Effective the April 6, 2017 pay date, the Non-Represented General employees will receive a City paid contribution of 1% of their Base Salary and Non-Represented Management employees will receive a City paid contribution of 3% of their Base Salary. Professional/Supervisory and Senior Management employees will continue to receive their 2% and 4% contributions respectively.

### **Health Insurance (Sec. 8)**

California Public Employee's Retirement System (CalPERS) health provider will no longer be named as the City's health provider in Exhibit A. The City will make available comparable health insurance plan(s) for all full-time regular employees. Please note that at this time the City does not plan to change from CalPERS health, however if more cost effective, comparable plans become available, the City will have the ability to pursue alternative options.

Effective April 1, 2017 for the May 2017 premiums, the City shall pay up to \$928 per month, the employee shall be responsible for paying the difference, or the amount greater than \$928, through payroll deduction.

Effective July 1, 2018 for the August 2018 premiums, the City shall pay up to \$1,013 per month, the employee shall be responsible for paying the difference, or the amount greater than \$1,013, through payroll deduction.

Other procedural changes related to the Affordable Care Act and updated legislation were made.

### **Dental Insurance (Sec.9) and Optical Insurance (Sec. 10)**

Effective April 1, 2017 for the May 2017 Dental and Optical Insurance premiums, the City will pay the single party premium rate for dental insurance and optical insurance. If the employee selected group plan costs more than the single party premium, the employee will be responsible for paying the additional cost from the City's contribution in Section 8.

### **Duration (Sec. 36)**

The term of the Non-Represented Employees' Salaries, Benefits and Other Related Policies Resolutions shall be from January 1, 2017 through January 31, 2019 or two years and one month.

## **Other**

Changes were included in the Non Rep. resolutions and Exhibit A to include:

- Non-Represented Classifications/Other (Sec. 1) – Updated section to add new Job classifications included in the 2016-17 Budget, 2016-17 Budget Review, and this new Non-Represented Employees' Salaries, Benefits and Other Related Policies resolution.
- Confidential Employees (Sec. 4) – Updated classification titles included.
- Holidays (Sec. 5) – New pre approval requirements for vacation or sick leave for a day off prior to or following a Holiday.
- Vacation (Sec. 7) – Effective July 1, 2017 the minimum vacation balance required to cash out vacation is increased from 40 hours to 80 hours.
- Sick Leave (Sec. 13) – Effective July 1, 2017 a minimum balance of 40 sick leave hours will be required before using 18 hours of sick leave as personal time. A new Sick Leave conversion program is provided which will allow 18 hours and 9 hours of sick leave to be converted to vacation hours on a limited basis once annually.
- Education Reimbursement (Sec. 14) – The Tuition Reimbursement maximum amount is increased from \$2,500 to \$3,000 per fiscal year, and for employees working for the City more than five years the maximum is increased to \$4,000 per fiscal year.
- Uniforms and Boot Reimbursement (Sec. 17) – The boot allowance is increased from \$200 to \$300 annually.
- Cell Phone Allowance (Sec. 22) – Effective April 1, 2017, Professional/Supervisory and Management employees may receive a \$100.00 monthly cell phone allowance in their role of Public Information Officer and Emergency Responders as approved and designated by the City Manager.
- Bereavement and Sick Leave (Sec. 30) – Effective April 1, 2017 Bereavement leave is increased from 27 hours to 44 hours for immediate family members.
- Smoking (Sec. 31) – The City's no smoking policy also includes e-cigarettes and all tobacco products.

## **FISCAL IMPACT**

The total projected cost of implementing the Non-Represented employees' changes in compensation is \$258,232 and the annualized net on-going costs are summarized as follows:

<b>Non-Represented Summary</b>	<b>Medical Increase \$844 to \$928</b>	<b>Employee Dental &amp; Vision Coverage</b>	<b>2.0% COLA Increase</b>	<b>Net Projected Annual Cost</b>
General Fund	\$25,532	\$37,625	\$107,500	\$170,657
Streets Maintenance	5,938	3,806	13,133	22,877
Econ. Development	594	3,120	10,166	13,880
Total Water & Sewer	11,281	9,736	29,801	50,818
<b>Total City Cost</b>	<b>\$43,345</b>	<b>\$54,287</b>	<b>\$160,600</b>	<b>\$258,232</b>

The table assumes the maximum COLA for 2%. It should be noted that the actual COLA will be 1.8%, which is based on the Department of Labor releasing the February 2016 to February 2017 CPI on March 15, 2017. Due to the late releasing of the CPI figures, which is the basis of the COLA, there was not adequate time to calculate the actual COLA of 1.8%.

**ALTERNATIVE(S)**

Provide alternative direction to staff.

**ATTACHMENT(S)**

1. Non-Represented Employees' Salaries, Benefits and Other Related Policies, 1/1/17-1/31/19
2. Resolution No. 2017-011
3. Resolution HHA 2017-02
4. Resolution CDC 2017-03
5. Resolution HWD 2017-05



## EXHIBIT A

to Resolutions:

Resolution No. 2017-011

Resolution HHA 2017-02

Resolution CDC 2017-03

Resolution HWD 2017-05

### **Non-Represented Employees'**

### **Salaries, Benefits and Related Policies**

**January 1, 2017 through January 31, 2019**

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## **SECTION 1: Non-Represented Classifications/Other**

The non-represented job classifications include all job classifications and employees not represented by a recognized employee organization as approved by the Hesperia City Council.

The non-exclusive listing of classifications that are non-represented includes the City Council as Elected Officials, the City Manager, full-time, part-time, temporary employees and any other employees to include the following full-time classifications:

### **FULL-TIME POSITIONS**

#### **GENERAL**

Accountant  
Accounting Technician  
Administrative Aide  
Administrative Secretary  
Construction Inspector  
Deputy City Clerk  
Executive Secretary  
Facility Electrician  
Facility Maintenance Technician  
Geographical Information Systems Technician  
Information Systems Technician  
Maintenance Crew Supervisor  
Office Assistant  
Payroll Analyst  
Personnel Technician  
Purchasing Analyst  
Senior Code Enforcement Officer  
Senior Community Development Technician  
Senior Engineering Technician  
Senior Office Assistant  
Senior Office Specialist

#### **PROFESSIONAL/SUPERVISORY**

Administrative Analyst  
Animal Control Supervisor  
Assistant City Clerk  
Assistant Engineer  
Assistant Planner  
Associate Planner  
Building Inspection Supervisor  
Building and Safety Supervisor  
Code Enforcement Supervisor  
Community Development Coordinator  
Community Development Supervisor  
Construction Inspection Supervisor  
Customer Service Supervisor  
Emergency Services Coordinator  
Environmental Programs Coordinator  
Facilities Supervisor  
Financial Analyst  
Human Resource Analyst  
Human Resources Specialist  
Management Analyst  
Plans Examiner  
Public Works Supervisor/Water  
Secretary to the City Manager & City Council  
Shelter Supervisor

#### **MANAGEMENT**

Animal Services Manager  
Assistant to the City Manager  
Budget/Finance Manager  
Building & Safety Manager  
Code Compliance Manager  
Community Relations and Media Coordinator  
Geographical Information Systems Manager  
Human Resources Manager  
Information Systems Manager  
Information Systems Specialist  
Principal Planner  
Project Construction Manager  
Public Works Manager  
Purchasing Supervisor  
Senior Accountant  
Senior Engineer  
Senior Financial Analyst  
Senior Human Resources Analyst  
Senior Management Analyst  
Senior Planner  
Senior Plans Examiner

#### **SENIOR MANAGEMENT**

City Engineer  
Deputy Director of Development Services/Community Development  
Deputy Director of Economic Development  
Deputy Finance Director  
Deputy Human Resources/Risk Management Director  
Economic Development Director  
Public Works Director

#### **AT-WILL SENIOR MANAGEMENT**

Assistant City Manager-Management Services (Unclassified/At-Will)  
Deputy City Manager (Unclassified/At-Will)  
City Clerk (Unclassified/At-Will)  
Director of Development Services (Unclassified/At-Will)  
Economic Development Manager (Unclassified/At-Will)

## **SECTION 2: Salary**

### **A. Salary Provisions**

The salary provisions are effective as follows:

1. Effective the first full pay period after July 1, 2010, salary ranges and step increases will be frozen. (July 1, 2010 through June 30, 2016)
2. Effective July 1, 2016, the salary ranges will be unfrozen. All employees (other than those on Step 11) are eligible to advance step(s) based on merit on their anniversary date. The City's Personnel Rules, Rule 1, Section 7 (2) define anniversary date as "the date an employee is appointed promoted, demoted, or reinstated to a position within the classified service.
3. For the first full pay period of Fiscal Year 2016-17, all salary ranges will reflect in base salary a 2.5% increase plus an additional, Cost of Living Adjustment (COLA) increase of no less than 0.5% and no more than 1.5% and will be provided based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County) measured by the annualized CPI from February 2015 to February 2016. Salary ranges will reflect a 3.9% (2.5% plus 1.4% CPI) COLA increase in base salary.
4. Effective for the pay period starting on March 18, 2017 and ending March 31, 2017 to be paid on April 6, 2017, all salary ranges will reflect in base salary a Cost of Living Adjustment (COLA) increase of no less than 1.0% and no more than 2.0% and will be provided based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County) measured by the annualized CPI from February 2016 to February 2017.
5. For the first full pay period of Fiscal Year 2018-19, all salary ranges will reflect in base salary a Cost of Living Adjustment (COLA) increase of no less than 1.0% and no more than 3.0% and will be provided based on the Consumer Price Index (CPI) – All Urban Consumers (Area: Los Angeles-Riverside-Orange County) measured by the annualized CPI from February 2017 to February 2018.
6. The City will establish a Bonus Program for employees on Step 11 based on merit on their anniversary date. The Bonus Program will be submitted to the City Council for approval prior to implementation.

**GREEN SHEET ITEM 4, ATTACHMENT 1 - EXHIBIT A****NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES****B. Range Table****NON-REPRESENTED FULL-TIME & PART-TIME POSITIONS  
2016-17 Fiscal Year 1.8% COLA, Effective Pay Period Beginning 3/18/2017**

RANGE #	1	2	3	4	5	6	7	8	9	10	11
23	2,917	2,975	3,035	3,096	3,158	3,221	3,285	3,351	3,418	3,486	3,556
24	3,062	3,123	3,186	3,250	3,315	3,381	3,449	3,518	3,588	3,660	3,733
25	3,216	3,280	3,346	3,413	3,481	3,551	3,622	3,694	3,768	3,843	3,920
26	3,377	3,445	3,514	3,584	3,656	3,729	3,804	3,880	3,958	4,037	4,118
27	3,546	3,617	3,689	3,763	3,838	3,915	3,993	4,073	4,155	4,238	4,323
28	3,723	3,798	3,874	3,952	4,031	4,112	4,194	4,278	4,364	4,451	4,540
29	3,909	3,987	4,067	4,148	4,231	4,316	4,402	4,490	4,580	4,672	4,765
30	4,105	4,187	4,271	4,356	4,443	4,532	4,623	4,716	4,810	4,906	5,004
31	4,310	4,396	4,484	4,574	4,666	4,759	4,854	4,951	5,050	5,151	5,254
32	4,526	4,617	4,709	4,803	4,899	4,997	5,097	5,199	5,303	5,409	5,517
33	4,752	4,847	4,944	5,043	5,144	5,247	5,352	5,459	5,568	5,679	5,793
34	4,990	5,090	5,192	5,296	5,402	5,510	5,620	5,732	5,847	5,964	6,083
35	5,240	5,345	5,452	5,561	5,672	5,785	5,901	6,019	6,139	6,262	6,387
36	5,502	5,612	5,724	5,839	5,956	6,075	6,197	6,321	6,447	6,576	6,708
37	5,777	5,893	6,011	6,131	6,254	6,379	6,507	6,637	6,770	6,905	7,043
38	6,066	6,187	6,311	6,437	6,566	6,697	6,831	6,968	7,107	7,249	7,394
39	6,370	6,497	6,627	6,760	6,895	7,033	7,174	7,318	7,464	7,613	7,765
40	6,688	6,822	6,958	7,097	7,239	7,384	7,532	7,683	7,837	7,994	8,154
41	7,022	7,162	7,305	7,451	7,600	7,752	7,907	8,065	8,226	8,391	8,559
42	7,373	7,521	7,671	7,824	7,981	8,141	8,304	8,470	8,639	8,812	8,988
43	7,743	7,898	8,056	8,217	8,381	8,549	8,720	8,894	9,072	9,253	9,438
44	8,130	8,293	8,459	8,628	8,801	8,977	9,157	9,340	9,527	9,718	9,912
45	8,536	8,707	8,881	9,059	9,240	9,425	9,614	9,806	10,002	10,202	10,406
46	8,964	9,143	9,326	9,513	9,703	9,897	10,095	10,297	10,503	10,713	10,927
47	9,411	9,599	9,791	9,987	10,187	10,391	10,599	10,811	11,027	11,248	11,473
48	9,882	10,080	10,282	10,488	10,698	10,912	11,130	11,353	11,580	11,812	12,048
49	10,377	10,585	10,797	11,013	11,233	11,458	11,687	11,921	12,159	12,402	12,650
50	10,896	11,114	11,336	11,563	11,794	12,030	12,271	12,516	12,766	13,021	13,281
51	11,440	11,669	11,902	12,140	12,383	12,631	12,884	13,142	13,405	13,673	13,947
52	12,012	12,252	12,497	12,747	13,002	13,262	13,527	13,798	14,074	14,356	14,643

**PART-TIME POSITIONS (HOURLY)**

RANGE #	1	2	3	4	5	6	7	8	9	10	11
6	16.60	17.43	18.30	19.22	20.18						
8	18.30	19.22	20.18	21.19	22.25						
10	20.18	21.19	22.25	23.37	24.54						
17	28.44	29.83	31.32	32.89	34.54						
24	17.67	18.02	18.38	18.75	19.13	19.51	19.90	20.30	20.70	21.12	21.54
27	20.46	20.87	21.28	21.71	22.14	22.59	23.04	23.50	23.97	24.45	24.94
32	26.11	26.64	27.17	27.71	28.26	28.83	29.41	29.99	30.59	31.21	31.83
34	28.79	29.37	29.95	30.55	31.17	31.79	32.42	33.07	33.73	34.41	35.09
35	30.23	30.84	31.45	32.08	32.72	33.38	34.04	34.73	35.42	36.13	36.85
Al	12.00	13.00	14.00	15.00							

**GREEN SHEET ITEM 4, ATTACHMENT 1- EXHIBIT A****NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES****C. Assignment of Position Classifications to Pay Ranges (Monthly Amounts):****NON-REPRESENTED FULL-TIME & PART-TIME POSITIONS  
2016-17 Fiscal Year 1.8% COLA, Effective Pay Period Beginning 3/18/2017**

<u>CLASSIFICATION TITLE</u>	<u>RANGE#</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
<b><u>GENERAL</u></b>												
Accountant	33	4,752	4,847	4,944	5,043	5,144	5,247	5,352	5,459	5,568	5,679	5,793
Accounting Technician	31	4,310	4,396	4,484	4,574	4,666	4,759	4,854	4,951	5,050	5,151	5,254
Administrative Aide	27	3,546	3,617	3,689	3,763	3,838	3,915	3,993	4,073	4,155	4,238	4,323
Administrative Secretary	30	4,105	4,187	4,271	4,356	4,443	4,532	4,623	4,716	4,810	4,906	5,004
Construction Inspector	34	4,990	5,090	5,192	5,296	5,402	5,510	5,620	5,732	5,847	5,964	6,083
Executive Secretary	33	4,752	4,847	4,944	5,043	5,144	5,247	5,352	5,459	5,568	5,679	5,793
Facilities Electrician	35	5,240	5,345	5,452	5,561	5,672	5,785	5,901	6,019	6,139	6,262	6,387
Facilities Maintenance Technician	32	4,526	4,617	4,709	4,803	4,899	4,997	5,097	5,199	5,303	5,409	5,517
Geographical Information Systems Technician	31	4,310	4,396	4,484	4,574	4,666	4,759	4,854	4,951	5,050	5,151	5,254
Information Systems Technician	31	4,310	4,396	4,484	4,574	4,666	4,759	4,854	4,951	5,050	5,151	5,254
Maintenance Crew Supervisor	36	5,502	5,612	5,724	5,839	5,956	6,075	6,197	6,321	6,447	6,576	6,708
Office Assistant	24	3,062	3,123	3,186	3,250	3,315	3,381	3,449	3,518	3,588	3,660	3,733
Personnel Technician	32	4,526	4,617	4,709	4,803	4,899	4,997	5,097	5,199	5,303	5,409	5,517
Senior Code Enforcement Officer	34	4,990	5,090	5,192	5,296	5,402	5,510	5,620	5,732	5,847	5,964	6,083
Senior Community Development Technician	32	4,526	4,617	4,709	4,803	4,899	4,997	5,097	5,199	5,303	5,409	5,517
Senior Office Assistant	28	3,723	3,798	3,874	3,952	4,031	4,112	4,194	4,278	4,364	4,451	4,540
Senior Office Specialist	28	3,723	3,798	3,874	3,952	4,031	4,112	4,194	4,278	4,364	4,451	4,540
<b><u>PROFESSIONAL/SUPERVISORY</u></b>												
Administrative Analyst	34	4,990	5,090	5,192	5,296	5,402	5,510	5,620	5,732	5,847	5,964	6,083
Assistant City Clerk	35	5,240	5,345	5,452	5,561	5,672	5,785	5,901	6,019	6,139	6,262	6,387
Assistant Engineer	38	6,066	6,187	6,311	6,437	6,566	6,697	6,831	6,968	7,107	7,249	7,394
Associate Planner	38	6,066	6,187	6,311	6,437	6,566	6,697	6,831	6,968	7,107	7,249	7,394
Code Enforcement Supervisor	36	5,502	5,612	5,724	5,839	5,956	6,075	6,197	6,321	6,447	6,576	6,708
Community Development Supervisor	38	6,066	6,187	6,311	6,437	6,566	6,697	6,831	6,968	7,107	7,249	7,394
Construction Inspection Supervisor	39	6,370	6,497	6,627	6,760	6,895	7,033	7,174	7,318	7,464	7,613	7,765
Customer Service Supervisor	36	5,502	5,612	5,724	5,839	5,956	6,075	6,197	6,321	6,447	6,576	6,708
Environmental Programs Coordinator	34	4,990	5,090	5,192	5,296	5,402	5,510	5,620	5,732	5,847	5,964	6,083
Facilities Supervisor	36	5,502	5,612	5,724	5,839	5,956	6,075	6,197	6,321	6,447	6,576	6,708
Financial Analyst	35	5,240	5,345	5,452	5,561	5,672	5,785	5,901	6,019	6,139	6,262	6,387
Human Resources Specialist	35	5,240	5,345	5,452	5,561	5,672	5,785	5,901	6,019	6,139	6,262	6,387
Management Analyst	37	5,777	5,893	6,011	6,131	6,254	6,379	6,507	6,637	6,770	6,905	7,043
Plans Examiner	37	5,777	5,893	6,011	6,131	6,254	6,379	6,507	6,637	6,770	6,905	7,043
Public Works Supervisor/Water	40	6,688	6,822	6,958	7,097	7,239	7,384	7,532	7,683	7,837	7,994	8,154
Secretary to the City Manager and City Council	35	5,240	5,345	5,452	5,561	5,672	5,785	5,901	6,019	6,139	6,262	6,387
<b><u>MANAGEMENT</u></b>												
Animal Services Manager	41	7,022	7,162	7,305	7,451	7,600	7,752	7,907	8,065	8,226	8,391	8,559
Assistant to the City Manager	43	7,743	7,898	8,056	8,217	8,381	8,549	8,720	8,894	9,072	9,253	9,438
Budget/Finance Manager	43	7,743	7,898	8,056	8,217	8,381	8,549	8,720	8,894	9,072	9,253	9,438
Building and Safety Manager	43	7,743	7,898	8,056	8,217	8,381	8,549	8,720	8,894	9,072	9,253	9,438
Geographical Information Systems Manager	41	7,022	7,162	7,305	7,451	7,600	7,752	7,907	8,065	8,226	8,391	8,559
Human Resources Manager	43	7,743	7,898	8,056	8,217	8,381	8,549	8,720	8,894	9,072	9,253	9,438
Information Systems Manager	43	7,743	7,898	8,056	8,217	8,381	8,549	8,720	8,894	9,072	9,253	9,438
Information Systems Specialist	37	5,777	5,893	6,011	6,131	6,254	6,379	6,507	6,637	6,770	6,905	7,043
Principal Planner	44	8,130	8,293	8,459	8,628	8,801	8,977	9,157	9,340	9,527	9,718	9,912
Project Construction Manager	43	7,743	7,898	8,056	8,217	8,381	8,549	8,720	8,894	9,072	9,253	9,438
Public Works Manager	43	7,743	7,898	8,056	8,217	8,381	8,549	8,720	8,894	9,072	9,253	9,438
Senior Accountant	38	6,066	6,187	6,311	6,437	6,566	6,697	6,831	6,968	7,107	7,249	7,394
Senior Financial Analyst	40	6,688	6,822	6,958	7,097	7,239	7,384	7,532	7,683	7,837	7,994	8,154
Senior Management Analyst	40	6,688	6,822	6,958	7,097	7,239	7,384	7,532	7,683	7,837	7,994	8,154
Senior Planner	41	7,022	7,162	7,305	7,451	7,600	7,752	7,907	8,065	8,226	8,391	8,559

**GREEN SHEET ITEM 4, ATTACHMENT 1- EXHIBIT A****NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND RELATED POLICIES****C. Assignment of Position Classifications to Pay Ranges (Monthly Amounts Continued):****NON-REPRESENTED FULL-TIME & PART-TIME POSITIONS  
2016-17 Fiscal Year 1.8% COLA, Effective Pay Period Beginning 3/18/2017**

<u>CLASSIFICATION TITLE</u>	<u>RANGE#</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
<b><u>SENIOR MANAGEMENT</u></b>												
Deputy Finance Director	46	8,964	9,143	9,326	9,513	9,703	9,897	10,095	10,297	10,503	10,713	10,927
<b><u>AT WILL SENIOR MANAGEMENT</u></b>												
Assistant City Manager/Management Services	52	12,012	12,252	12,497	12,747	13,002	13,262	13,527	13,798	14,074	14,356	14,643
City Clerk	45	8,536	8,707	8,881	9,059	9,240	9,425	9,614	9,806	10,002	10,202	10,406
Director of Development Services	51	11,440	11,669	11,902	12,140	12,383	12,631	12,884	13,142	13,405	13,673	13,947
Economic Development Manager	44	8,130	8,293	8,459	8,628	8,801	8,977	9,157	9,340	9,527	9,718	9,912
<b><u>PART-TIME (HOURLY AMOUNTS)</u></b>												
Administrative Intern-Part-Time	AI	12.00	13.00	14.00	15.00							
Administrative Aide - Part-Time	27	20.46	20.87	21.28	21.71	22.14	22.59	23.04	23.50	23.97	24.45	24.94
Administrative Analyst - Part-Time	34	28.79	29.37	29.95	30.55	31.17	31.79	32.42	33.07	33.73	34.41	35.09
Animal Care Technician - Part-Time	8	18.30	19.22	20.18	21.19	22.25						
Building Inspector - Part-Time	17	28.44	29.83	31.32	32.89	34.54						
Custodian - Part-Time	8	18.30	19.22	20.18	21.19	22.25						
Customer Service Representative - Part-Time	10	20.18	21.19	22.25	23.37	24.54						
Facilities Electrician - Part-Time	35	30.23	30.84	31.45	32.08	32.72	33.38	34.04	34.73	35.42	36.13	36.85
Facilities Maintenance Technician - Part-Time	32	26.11	26.64	27.17	27.71	28.26	28.83	29.41	29.99	30.59	31.21	31.83
Maintenance Worker - Part-Time	10	20.18	21.19	22.25	23.37	24.54						
Office Assistant - Part-Time	24	17.67	18.02	18.38	18.75	19.13	19.51	19.90	20.30	20.70	21.12	21.54
Receptionist - Part-Time	6	16.60	17.43	18.30	19.22	20.18						

### **SECTION 3: Three-Tiered Management Program**

Employees designated as either Professional/Supervisory, Management or Senior Management are not eligible for overtime pay or compensatory time for working hours over and above the normal daily work schedule. Employees so designated shall be entitled to all benefits provided to general employees and the following:

#### **Professional/Supervisory**

1. Administrative leave of a maximum of forty-four (44) hours per fiscal year at the discretion of appropriate supervisor. Effective July 1, 2017 a maximum of fifty-five (55) hours per fiscal year at the discretion of appropriate supervisor.

#### **Management**

1. Administrative leave of a maximum of sixty (60) hours per fiscal year at the discretion of appropriate supervisor. Effective July 1, 2017 a maximum of sixty-five (65) hours per fiscal year at the discretion of appropriate supervisor.

#### **Senior Management**

1. Administrative Leave to a maximum of eighty-four (84) hours per fiscal year at the discretion of appropriate supervisor.
2. Automobile allowance of \$600 per month is provided to Senior Management employees, including Elected Officials, if a City vehicle is not provided, effective April 1, 2017. Elected Officials may select to receive an amount up to \$600 per month. The City Engineer, Deputy Finance Director, and Deputy Human Resources/Risk Management Director effective October 1, 2005 are in the Senior Management category, however do not receive the Automobile Allowance monthly payment.

New employees' accrual of administrative leave shall be prorated to the end of the fiscal year. Administrative leave is intended to be used in the fiscal year. If an employee separates from employment, however, the employee will be compensated for any accrued, but unused, administrative leave. During the last full pay period of the fiscal year, any unused administrative leave may be converted to vacation hours with the written approval of the department head or City Manager

### **Section 4: 401 (a) Program**

The City will provide to all Non-Represented employees a 401 (a) program with contributions every pay period beginning with the April 6, 2017 pay date as follows:

**General** – One percent of base salary

**Professional/Supervisory** – Two percent of base salary

**Management** – Three percent of base salary

**Senior Management** – Four percent of base salary



## **SECTION 5: Confidential Employees**

Confidential employees are designated as such when an employee, in the course of his or her duties, has access to information relating to the City's administration of employer-employee relations. Employees designated as confidential employees may not represent any employee organization which represents other City employees concerning the wages, hours or other terms and conditions of employment of such other employees. The employees designated as confidential employees are as follows:

Budget/Finance Manager  
Executive Secretary  
Human Resources Manager  
Human Resources Specialist  
Personnel Technician  
Secretary to the City Manager/City Council

## **SECTION 6: Holidays**

The City offices shall be closed on the following days. All full-time continuous salaried employees shall be compensated at the regular rate for these days:

1. Independence Day
2. Labor Day
3. Veteran's Day
4. Thanksgiving Day
5. Day after Thanksgiving
6. Christmas Eve
7. Christmas Day
8. New Year's Day
9. Martin Luther King Jr. Day
10. President's Day
11. Memorial Day

Whenever a holiday falls on a Sunday, the following Monday shall be observed as a holiday. Whenever a holiday falls on a Saturday, the preceding Friday shall be observed.

City facilities will be closed between Christmas Day and New Year's Day in what was a regular work week. For example, in 2013 the City shall be closed December 26, 27, 30 and 31 and in subsequent years, dates could be different based on the calendar. Each employee shall be paid for those days for the same amount of hours for which the employee would have been regularly scheduled and would have worked if the City were not closed on those dates. Emergency service employees may not be eligible for this closure but shall be eligible for overtime if worked.

Effective July 1, 2017 for employees to be compensated (vacation or sick leave) for a day off prior to or following a Holiday, the employee must request and have approved the time off prior to the Holiday. If the employee does not have written approval for the absence, the employee must provide the City with a certification of absence from a physician for the absence or the absence will result in a non-paid leave.

The floating holiday benefit is eliminated.

## **SECTION 7: Vacation**

All full-time employees shall, with continuous service, accrue working hours of vacation monthly according to the following schedule:

<u>Years of Service</u>	<u>Annual Hours Accrued</u>
1	80
2	88
3	96
4	104
5	112
6	120
7-9	128
10	136
11-13	144
14	152
15+	160

Employees may use up to forty (40) hours of accrued vacation after six (6) months of service.

Employees will have a maximum of 500 hours carry-over of vacation per fiscal year. On June 30, if an employee exceeds the maximum accrual allowable, the vacation accrual will stop until such time as the employee is at or below the maximum allowable, as long as the employee has not been denied vacation time off. This will be evaluated on a fiscal year basis.

Employees shall be allowed to cash out twenty (20) or more hours of vacation during any pay period in the fiscal year through the last full pay period during the fiscal year, as long as the employee has forty (40) hours of vacation remaining on the books. Effective July 1, 2017 employee must have at least eighty (80) hours of vacation remaining on the books in order to cash out twenty (20) or more hours.

All accrued but unused vacation shall be paid out to the employee upon separation of employment.

## **SECTION 8: Health Insurance**

All employees must enroll in an available City health insurance plan unless they opt out with proof of alternate group coverage.

1. **Health Insurance Provider:**

The City will make available a comparable health insurance plan(s) for all full-time regular employees and elected officials.

2. **City Contributions:**

The City contributions for full-time regular employees and elected officials are exclusively for the premiums of health, dental and optical only.

a. **Full-time Regular Employees and Elected Officials Contributions:**

- Effective July 1, 2016 for the August 2016 insurance premiums, the City shall pay up to \$844 per month, the employee shall be responsible for paying the difference, or the amount greater than \$844, through payroll deduction.
- Effective April 1, 2017, for the May 2017 insurance premiums, the City shall pay up to \$928 per month; the employee shall be responsible for paying the difference, or the amount greater than \$928, through payroll deduction.

## **SECTION 8: Health Insurance (Continued)**

- Effective July 1, 2018, for the August 2018 insurance premiums, the City shall pay up to \$1,013 per month; the employee shall be responsible for paying the difference, or the amount greater than \$1,013, through payroll deduction.
- Cash Back Provision: Should the employee/elected official select plans that total premium cost less than the City Contribution, the employee/elected official can elect to have the difference up to \$665 per month placed into a deferred compensation plan or paid out in cash. The City's payment above \$665 will be paid for insurance costs only, with no difference available as cash. Cash payments shall be subject to taxation. This cash back provision shall not be available to employees hired on or after January 1, 2013.

b. Opt-out of City Health Coverage Contribution:

Full-time regular employees and elected officials who opt-out of the City's health insurance with proof of alternate group coverage and hired before January 1, 2013 are eligible to receive the difference less the mandatory dental and vision plan selections up to \$665. The cash back provision is not available to employees hired on or after January 1, 2013.

In order to opt out, an employee must provide the following: (1) proof that the employee and all individuals for whom the employee intends to claim a personal exemption deduction for the taxable year or years that begin or end in or with the City's plan year to which the opt out applies ("tax family"), have or will have minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year to which the opt out arrangement applies ("opt out period"); and (2) the employee must sign an attestation that the employee and his/her tax family have or will have such minimum essential coverage for the opt out period. An employee must provide the attestation every plan year at open enrollment. The opt-out payment cannot be made and the City will not in fact make payment if the employer knows that the employee or tax family member doesn't have such alternative coverage, or if the conditions in this paragraph are not otherwise satisfied.

c. Retiree Health Contribution:

The City shall provide each employee who retires with a \$50 per month contribution toward a health care plan selected by the retiree. Said contribution shall terminate upon the retiree's sixty-fifth (65<sup>th</sup>) birthday.

3. Affordable Care Act (ACA) Anti-Retaliation

- a. Prohibition on Retaliation: It is the City's policy to comply in full with Section 1558 of the U.S. Patient Protection and Affordable Care Act (ACA), which prohibits retaliation against employees who report violations of Title I of ACA or who receive tax credits or cost-sharing reductions (under section 36B of the Internal Revenue Code or section 1402 of ACA) in connection with participation in the health insurance exchange.

## **SECTION 8: Health Insurance (Continued)**

### **b. Protected Activity**

- i. **“Whistleblowing” re Violations of Title I of ACA:** ACA protects an employee, former employee, or applicant who reports, testifies (or is about to testify) in a proceeding, assists or participates (or is about to assist or participate) in a proceeding, objects to, or refuses to participate in any activity, policy, practice, or assigned task that the employee (or other person) reasonably believed to be in violation of Title I of ACA, including any order, rule, regulation, standard or ban under Title I of ACA.
- ii. Title I of ACA includes but is not limited to consumer protections such as the following:
  1. Elimination of lifetime and annual limits on benefits by 2014;
  2. Prohibition on rescissions of coverage;
  3. Elimination of pre-existing conditions exclusions;
  4. Coverage of preventive services and immunizations;
  5. Extension of dependent coverage up to age 26;
  6. Development of uniform coverage documents; and
  7. Implementation of appeals processes for consumers.
- iii. **Receipt of Affordability Assistance:** ACA also protects an employee, former employee, or applicant who receives a tax credit under Section 36B of the Internal Revenue Code or a cost-sharing reduction under Section 1402 of the Act as a result of enrolling in a qualified health plan offered by the health insurance exchange. In California, this state-run marketplace is known as “Covered California.”

### **c. Prohibited Retaliatory Conduct**

Prohibited conduct includes but is not limited to discharge or otherwise retaliatory conduct, including intimidating, restraining, coercing, blacklisting, or disciplining an employee, former employee, or applicant with respect to compensation or any other terms, conditions or privileges of employment as a result of that individual’s participation in a protected activity as defined in paragraph 2 above.

### **d. Complaint Procedure**

Any City employee, former employee, or applicant who wishes to report a violation of Title I of ACA, or who believes he or she has been subject to retaliation in violation of this policy should immediately notify either his or her supervisor, Human Resources staff, or the City Manager. It is the City’s policy that no City employee shall retaliate against any person who participates in a protected activity as defined by Section 1558 of ACA.

An employee, former employee, or applicant who believes that he or she has been retaliated against under this policy may file or have filed by any person on his or her behalf, a complaint with United States Department of Labor, Occupational Safety & Health Administration (OSHA) within 180 days after an alleged violation occurs. For more information on filing an OSHA complaint, visit [www.osha.gov](http://www.osha.gov)

### **SECTION 9: Dental Insurance**

The City shall provide group dental insurance coverage. Full-time regular employees and elected officials are required to enroll in group dental coverage at the minimum single-party rate. Effective April 1, 2017 for the May 2017 premium the City will pay the single party rate of the dental plan and if the selected dental plan is higher, then the employee shall be responsible for paying the difference, which shall be paid from the City's contributions as set forth in Section 8.

### **SECTION 10: Optical Insurance**

The City shall provide group optical insurance coverage. Full-time regular employees and elected officials are required to enroll in group optical coverage at the minimum single-party rate. Effective April 1, 2017 for the May 2017 premium the City will pay the single party rate of the optical plan and if the selected optical plan is higher, then the employee shall be responsible for paying the difference, which shall be paid for from the City's contributions as set forth in Section 8.

### **SECTION 11: Long Term Disability Insurance**

The City agrees to provide access to a short-term/long-term disability insurance policy or coverage. Employees are required to pay for this short-term/long-term disability insurance.

### **SECTION 12: Life Insurance**

The City will provide a life insurance plan. All non-represented employees shall be provided coverage amounts of one time their annual salary. Elected officials will continue to receive life insurance coverage of \$50,000. The City shall continue to pay the life insurance premiums for all non-represented full-time, continuous salaried employees and elected officials.

### **SECTION 13: Sick Leave**

All full-time employees will accrue sick leave at the rate of eight (8) hours per month, ninety-six (96) hours per year. Sick leave can be accrued without limit. Eighteen (18) hours of sick leave per fiscal year may be utilized for personal time. Effective July 1, 2017 as long as the employee has forty (40) hours of sick leave accrued, employee may use eighteen (18) hours of sick leave per fiscal year for personal time. Personal time hours must be requested prior to the time of use and used during the fiscal year and can be neither cashed out nor carried over into the new fiscal year. If not used during the fiscal year any remaining personal time hours shall be lost.

The City will establish a Sick Leave Conversion Program which will allow a full-time employee with a sick leave accrual balance of 268 hours to convert sick leave hours to their vacation accrual balances once during the pay periods in October 2017, under the following conditions:

1. Eighteen (18) hours may be converted if the full-time employee reported to work each day during the prior fiscal year and did not call in sick.
2. Nine (9) hours may be converted if the full-time employee called in sick once during the prior fiscal year.

Pre scheduled sick leave use will not be considered as "not calling in sick" in numbers 1. and 2. above. Please refer to Sick Leave Conversion Program for further details.

There will be no buyout or conversion of unused sick leave upon termination of employment.

### **SECTION 13: Sick Leave (Continued)**

Effective July 1, 2015, the following only applies to all part-time, temporary, and seasonal employees and Administrative Interns, in accordance with California's Paid Sick Leave law the City of Hesperia is required to provide paid sick leave with the following conditions:

- A. Three (3) days or twenty-four (24) hours of paid sick leave at the beginning of each twelve (12) month period beginning on the first date of employment or July 1, 2015, whichever is later. An employee is not eligible to begin using any accrued paid sick leave until after 90 days of employment with the City.
- B. An employee may use sick leave for one of the following reasons:
  - a. For the employee's own diagnosis, care, or treatment of an existing health condition or preventative care.
  - b. For the diagnosis, care, or treatment of an existing health condition or preventative care for an employee's family member, including:
    - i. Child (including a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis.)
    - ii. Spouse or Registered Domestic Partner
    - iii. Parent (including biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.)
    - iv. Grandparent
    - v. Grandchild
    - vi. Sibling
  - c. To obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:
    - i. A temporary restraining order or restraining order.
    - ii. Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
    - iii. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
    - iv. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
    - v. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
    - vi. To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

### **SECTION 13: Sick Leave (Continued)**

- C. An employee shall provide reasonable advance notification of their need to use accrued paid sick leave to their supervisor if the need for paid sick leave use is foreseeable (e.g., doctor's appointment scheduled in advance). If the need for paid sick leave use is unforeseeable, the employee shall provide notice of the need for the leave to their supervisor as soon as is practicable.
- D. An employee who uses paid sick leave must do so with a minimum increment of two (2) hours of sick leave.
- E. Paid sick leave will not be considered hours worked for purposes of overtime calculation. An employee will not receive compensation for unused accrued paid sick leave upon termination, resignation, retirement, or other separation from employment from the City.
- F. If an employee separates from City employment and is re-hired by the City within one year of the date of separation, previously accrued and unused paid sick leave hours shall be reinstated. However, if a rehired employee had not yet worked the requisite 90 days of employment to use paid sick leave at the time of separation, the employee must still satisfy the 90 days of employment requirement collectively over the periods of employment with the City before any paid sick leave can be used.

### **SECTION 14: Education Reimbursement/Certification Incentive Pay**

The City's Tuition Reimbursement Policy for non-represented employees shall provide a maximum of \$2,500 reimbursement per fiscal year per non-represented full-time employees. Effective Fiscal Year 2017-18, the City shall provide all full-time non-represented employees a maximum of \$3,000 reimbursement per fiscal year. For full-time non-represented employees with five consecutive years of employment based on an employee's hire date, the City shall provide \$4,000 reimbursement per fiscal year.

In all other respects, the Tuition Reimbursement Policy shall remain in full force and effect.

When the City determines that a reclassification of a position requires the incumbent to obtain a specialized license or certificate, or if such a requirement is established for the position by a federal or state agency during an employee's employment in the position, the City agrees to assume the cost for such certification or license. The City may pay directly or reimburse the employee if proof of cost is presented by the employee.

All employees who hold or earn certifications in excess of those certifications required as part of the employee's job description shall receive a one-time "Certification Incentive" payment of \$100 each year.

The Certification Incentive payment shall be made no later than February 1st each year for those employees who already hold the certification or thirty (30) days after the employee submits the required documentation demonstrating he/she has earned the certification. In order to qualify for the Certification Incentive pay, the following must apply:

- A. The certification must be related to the employee's job performance. Satisfactory completion of at least one semester of coursework (3 semester units is equivalent to 36 hours of coursework) with a grade of "C" or better is required. Also, one year of full-time directly related job experience, and/or passing of a written examination, if required by applicable certification program is necessary. Some certificates will require more coursework than others.

Certification and their applicable job classification are as follows:

#### **SECTION 14: Education Reimbursement/Certification Incentive Pay (Continued)**

1. Administrative Assistant Certificate (requires 29 units) for Senior Office Assistant, Executive Secretary and Secretary to the City Manager.
  2. Building Construction Certificate (requires 31 units) for Senior Building Inspector, Plans Examiner and Senior Plans Examiner.
- B. No employee may earn Certification Incentive Pay of more than \$100 per year, regardless of the number of certifications held or obtained.
- C. An employee earning Certification Incentive Pay cannot use that fact to assert that the employee is working out of class and is therefore entitled to reclassification.
- D. The employee must maintain the certification for the entire year after the Certification Incentive Pay is earned. No employee shall be eligible for Certification Incentive Pay if his/her certification is due to expire in less than one year as of the time the payment is to be made. The employee must first be re-certified in order to earn payment.

#### **SECTION 15: CalPERS Retirement Plan**

The City has amended its contract with the Board of Administration of CalPERS to provide the 2.7%@55 full retirement formula, which increased the employee's rate of contribution to 8% of reportable earnings.

The City has elected and continues to elect to be subject to the following optional retirement provisions:

- a. Section 20042 (One-Year Final Compensation).
- b. Section 20903 (Two Years Additional Service Credit).
- c. Section 21574 (Fourth Level of 1959 Survivor Benefits. The City funds the Employer and Employee contribution of the Survivor Benefits. The Survivor "Employee Contribution" is not credited to the member's account and is not refundable.
- d. Section 21024 (Military Service Credit as Public Service).

Effective July 1, 2010, the City's funding contribution towards CalPERS local miscellaneous members' contribution rate will be 3% of reportable earnings, and each local miscellaneous member shall fund 5% of the 8% of the individual member employee contribution rate by payroll deduction.

Effective the first full pay period after July 1, 2012, the City's contribution towards the local miscellaneous member's contribution will be zero percent of reportable earnings, and each local miscellaneous member's contribution shall be 8% of the individual member's reportable earnings.

Employees hired by the City on or after January 1, 2013, who qualify as "new members" as that term is defined in the Public Employee Pension Reform Act (AB 340) shall be subject to the Act including but not limited to:

- a. 2% at 62 retirement formula
- b. Pension benefit is based on the highest annual final compensation during a consecutive 36 month period.
- c. CalPERS contribution of 50% of the CalPERS "normal cost" as that term is defined in the Act.



### **SECTION 15: CalPERS Retirement Plan (Continued)**

In addition to paying the full CalPERS member contribution, each employee covered by the CalPERS 2.7% @ 55 full retirement formula shall, effective the first full pay period after July 1, 2015, pay one percent of reportable earnings by payroll deduction as cost sharing of the City's normal costs pursuant to Government Code sections 7522.30 (e) and 20516 (f).

### **SECTION 16: Stand-by Duty**

Employees required to standby to handle overtime work which may arise shall be compensated at the rate of one-hundred fifty dollars (\$150) per seven (7) day period. Effective the standby schedule beginning on Thursday, June 30, 2016, employees required to standby shall be compensated at the rate of two hundred dollars (\$200) per seven (7) day period.

Standby status is defined as time in which an employee can be reached at his/her residence or by pager and be able to respond in thirty minutes.

Standby time is not considered hours worked under the Fair Labor Standards Act and will not be compensated except as set forth above. Time compensated in this manner shall not constitute hours worked for purpose of FLSA.

### **SECTION 17: Uniforms and Boot Reimbursement**

Affected employees will receive eleven (11) sets of uniforms rented by the City. The City will pay for the cleaning of these uniforms. Maintenance Crew Supervisors and Construction Inspectors may be reimbursed up to \$250 per fiscal year for purchasing their uniforms based upon a policy to be established by the City Manager.

In accordance with CalPERS regulations, any "Classic" employee required to wear a full uniform that is rented and maintained by a uniform vendor through a contract with the City shall have the monetary value of the City-provided uniforms reported to CalPERS as special compensation. The monetary value is based on the pricing for the rental and maintaining (i.e. laundering) the eleven (11) sets of uniforms provided to each employee. The current monetary value that will be reported bi-weekly to CalPERS is \$7.30; however, should a new contract between the City and a uniform vendor be approved, which results in a change to the monetary value, the new amount will be reported to CalPERS. The pricing will be specified in the contract between the City and the uniform vendor and will be adjusted accordingly when a change in the cost of renting and maintaining (i.e. laundering) of uniforms occurs. The uniform vendor contract will remain on file with the City Clerk's office and is selected via a formal bid process.

In accordance with CalPERS PEPPRA regulations, any "New Member" employees required to wear a full uniform that is rented and maintained by a uniform vendor through a contract with the City shall not have the monetary value of the City-provided uniforms reported to CalPERS as special compensation.

In addition, each affected employee will be allowed reimbursement of up to \$200 for boot purchases made during each fiscal year. Effective July 1, 2017 each affected employee will be allowed reimbursement of up to \$300 for boot purchases made during each fiscal year. A second pair of boots may be reimbursed in a fiscal year with the supervisor's approval prior to the purchase. Affected employees must purchase boots which meet applicable requirements and specifications as set forth in the American National Standard for personal protection protective boot wear, Z41 1991 and must purchase the boots at a City approved store if the employee wants the store to bill the City directly.

Any portion of this reimbursement which is not used to purchase boots may be used to purchase boot accessories such as laces and inserts. Reimbursement for these expenses shall occur at the same time reimbursement occurs for boot purchases and the total shall not exceed the amount as stated above.

## **SECTION 18: Compensatory Time Flexibility**

In lieu of receiving overtime pay pursuant to this article, an employee may elect to receive compensatory time off on a time and one-half basis. No employee shall accrue more than eighty (80) hours of such compensatory time. Should any employee exceed eighty (80) hours of accrued compensatory time, he/she shall be paid at time and one-half his/her regular rate for all hours in excess of eighty (80) hours.

An employee may use such compensatory time within a reasonable period after making the request if the use of compensatory time does not unduly disrupt the operations of the department.

On June 30th of each year, all employees accrued compensatory time shall be paid down to zero.

Employees designated as professional/supervisory, management, or senior management are excluded from this provision.

## **SECTION 19: Overtime Pay**

### **A. Overtime Calculation**

All employees required to perform in excess of forty (40) hours in a seven (7) day cycle or in excess of their regularly scheduled workday, shall receive compensation at the rate of time and one-half his/her regular rate of pay.

In determining an employee's eligibility for overtime, the below listed paid leaves of absence shall be included in the total hours worked. Excluded are duty-free lunches, travel time to and from work, and time spent conducting bona fide volunteer activities. Paid leaves of absence include the following:

- Holiday Leave
- Jury Duty
- Bereavement Leave

There shall be no pyramiding of overtime. Hours worked by an employee in any workday or workweek in which premium rates have once been allowed shall not be used again in any other overtime calculation other than computing total actual hours worked.

Time worked shall be computed by rounding the nearest quarter of an hour.

### **B. Overtime Authorization**

All overtime requests must have the prior authorization of a supervisor prior to the commencement of such overtime work. Where prior written authorization is not feasible, explicit verbal authorization must be obtained. Calls for service beyond the end of the duty time are considered as authorized.

An employee's failure to obtain prior approval may result in the denial of the overtime request.

Employees designated as professional/supervisory, management, or senior management are excluded from this provision.

## **Section 20: Out of Class and Acting Assignment Pay**

Out-of-class pay may be provided to non-represented employees whenever the needs of the City make it necessary to require an employee to temporarily perform the duties of a higher classification. Situations where out-of-class pay may be necessary usually are due to a higher classification employee being on a leave of absence, medical leave, or other non-routine circumstances, or when a higher classification position is vacant. Generally, out-of-class pay is not provided to an employee while filling in for a higher classification for less than two workweeks or vacation and is not required for longer time periods.

The employee approved to receive out of class pay shall receive five percent (5%) or more salary than the salary (step) of his/her current salary, but in no case shall such salary exceeds the top step of the higher classification. The employee approved to receive out-of-class pay shall be eligible to receive merit increases in his/her regular position during the out-of-class pay assignment. Benefits will be calculated using the current base salary of the employee's regular position during the out-of-class pay assignment. When the out-of-class pay assignment is ended, the employee will receive his/her original salary rate. Out-of-class pay must be requested by a department head and approved by the City Manager.

Acting assignment pay is for short-term assignments, special projects or specific purpose and/or programs which will terminate in a given period of time, usually six months or less. A non-represented employee approved for an acting assignment is being compensated for performing duties at a level higher than their current classification level. The acting assignment pay is five (5) percent or more salary than the salary step of his/her current salary, but in no case shall exceed twenty (20) percent.

The employee approved to receive acting assignment pay shall be eligible to receive merit increases in his/her regular position during the assignment. Benefits will be calculated using the current base salary of the employee's regular position during the acting assignment pay assignment. When the acting assignment pay is ended, the employee will receive his/her original salary rate. Acting assignment pay must be requested in writing by the department head and approved by the City Manager.

## **SECTION 21: Bilingual Pay**

The City has established a Bilingual Pay Program which compensates designated employees who provide translation to and from a foreign language and related services. Department heads will recommend which classifications and employees to be considered for bilingual pay, and the City Manager will approve assignment recommendations based on the customer services needs of the City. Eligible employees will be required to pass a test that shall be administered by a qualified agency or individual. Employees who pass the test and are assigned to provide bilingual translation services will receive \$75 per month as compensation. If the employee is reassigned to no longer provide bilingual translation services, the \$75 bilingual pay will be discontinued and will not be paid in the following month. It should be noted that regardless of whether or not an employee is receiving bilingual pay, all employees having bilingual capability shall be expected to reasonably respond to non-English inquiries directed to them in their capacity as a City employee.

## **Section 22: Cell Phone Allowance**

The City shall provide a cell phone allowance of \$100 per month (24 pay periods per year) to Senior Management employees as designated by the City Manager, effective July 1, 2016.

The City Manager may designate employees in the role of Public Information Officer and Emergency Responders in the Management and Professional Supervisory Tier to receive a Cell Phone allowance of \$100 per month (24 pay periods per year), effective April 1, 2017.

### **SECTION 23: Management Structure**

All employees work for the City Manager, however they have supervisors assigned to them based upon the organizational structure included in the annual budget and as determined by the City Manager.

### **SECTION 24: Outside Employment**

It is the policy of the City of Hesperia to allow employees to hold a second job as long as the second job does not present a conflict of interest to their position with the City. In addition, it is required that a second job be reported to the Management Services Department.

### **SECTION 25: Promotions and Step Placement**

Any promotion requires a one (1) year probationary period. Once an employee receives regular full-time status at a position and then is promoted, the employee may not be terminated in the event they are unable to successfully fulfill the requirements of the position promoted to, but may be reassigned to an equivalent position within the organization in which they served prior to being promoted.

Upon promotion, the employee will receive a minimum of five percent (5%) salary increase or the beginning of the classification range, whichever is greater.

The City Manager is authorized to change an employee's step to a higher step on the employee's position classification range in recognition of special accomplishments, retention, or any other circumstances which merit an increase in salary.

### **SECTION 26: Employer/Employee Relations**

The City has an Employer/Employee Relations Resolution adopted which provides the guidelines for forming recognized Employee Associations. (See Resolution No. 90-37).

### **SECTION 27: Workers' Compensation**

The City provides certain supplementary Workers' Compensation benefits for temporary disabilities other than Police and Fire. (See Resolution No. 90-36).

### **SECTION 28: Jury Duty**

Rule VI, Section 3 (1), "Jury Duty" of the Personnel Rules and Regulations is superseded to provide that employees who are summoned to appear and serve for jury duty shall be entitled to up to eighty (80) hours leave.

### **SECTION 29: Leave Without Pay**

Rule VI, Section 4, "Leave of Absence Without Pay" of the Personnel Rules and Regulations is superseded to provide that such maximum leave shall be eighty (80) working hours rather than ten (10) working days.

### **SECTION 30: Bereavement and Sick Leave**

Rule VI, Leave, Section 7, Sick Leave, Subsection 8, Bereavement Leave, of the Personnel Rules and Regulations is revised to provide that any eligible employee who is absent from work by reason of a death in their immediate family will be allowed a leave of absence with pay up to five (5) cumulative working days (44 hours) per occurrence or a death of their blood relative, will be allowed a leave of absence with pay up to three (3) cumulative working days (27 hours) per occurrence, effective April 1, 2017. Additional time may be requested by the eligible employee, however, this additional time will be deducted from the employee's leave accrual, e.g. sick (up to 13 hours); vacation.

For the purpose of this section, "immediate family" is defined as employee's spouse or registered domestic partner, employee's parents, employee's spouse's parents, employee's child, step-child, step-parent, grandparent, grandchild, brother, sister, step-brother, and step-sister. "Blood relative" is defined as, aunt, uncle, niece, nephew, brother-in-law, sister-in-law, legal guardian, employee's ex-spouse who is parent of employee's children, domestic partner as defined under California Family Code Section 297, and/or any other individual living in the same household as the City employee. The department head and the City Manager shall approve such bereavement leave with their signature.

The Bereavement Leave change will be retroactive to January 1, 2004, with applicable employee's sick leave hours used to Bereavement Leave restored to their sick leave accrual balance.

### **SECTION 31: Smoking**

The City has a no smoking policy to include all tobacco products, including e-cigarettes, vapors exhalants, etc, effective April 1, 2017. Employees are prohibited from use of products in all City buildings including passenger vehicles and equipment owned or leased by the City. Use of the products will also be prohibited within 20 feet of all vehicles, equipment and entrances, exits, operable windows and ventilation ducts of City buildings.

### **SECTION 32: Employee Assistance Program**

The City shall provide an Employee Assistance Program for all full-time continuous salaried employees, elected officials, and dependent coverage.

### **SECTION 33: Alternate Work Schedule**

The City has instituted a 9/80 workweek effective January 1996. City Hall shall close alternate Fridays.

Employees may switch to a 4/10 work week on a seasonal basis and for temporary periods of time to meet particular work needs with the City Manager's approval. At the end of such periods, the employees shall revert to a 9/80 schedule.

For purposes of continuing the alternate workweek schedule without the City incurring any increased costs or the employees receiving any increase in benefits, the following shall apply:

1. General Agreement - Whenever any oral or written practice, procedure, or policy provides employee economic benefits in terms of days, all such provisions shall be converted to provide such economic benefits in terms of hours and any such practice, procedure, or policy which previously was phrased in terms of days is hereby converted to eight (8) hours for each day.
2. Workweek - The following shall amend Rule XI, Paragraph 1, Subparagraph 1 of the Personnel Rules and Regulations, for the purposes of the non-represented employees. The workweek for employees assigned to an alternate workweek shall begin and end as follows:

### **SECTION 33: Alternate Work Schedule (Continued)**

- a. For employees assigned to work four (4) days per week, ten (10) hours per day (the "4/10"), their workweek shall begin at 12:01 AM each Monday morning and end the following Sunday night at 12:00 PM midnight.
3. Holidays - Paid holidays will be at nine (9) hours for holidays falling Monday-Thursday, and eight (8) hours if falling on Friday. Effective July 1, 2016, paid holidays will be paid at the same number of hours of the employee approved alternate work schedule. For example, employees working a 4/10 schedule: paid holiday will be at ten (10) hours per holiday.

An employee's normal work schedule may be adjusted during a workweek, with time off on an hour-for-hour basis in lieu of overtime during the same workweek.

Management is authorized to change normal work schedules for employees to include closed Fridays to serve the customer service needs of the City and save overtime costs. Reasonable notice of two weeks must be provided unless the normal work schedule change is mutually agreed to by the supervisor and employee.

### **SECTION 34: Benefit Amendment Clause**

Any other employee benefit expressed in terms of days earned, not specifically mentioned above, is hereby amended to provide eight (8) hours accrued benefit in lieu of days.

### **SECTION 35: Disciplinary Appeals**

This Advisory Arbitration Provision amends the City of Hesperia Personnel Rules and Regulations, Rule XI, "Appeal Procedures," by deleting all current text on Pages 60 and 61, and substituting the following language:

#### **Appeal Procedures**

Any permanent employee in the classified service shall have the right to appeal any termination, suspension of forty (40) hours or more, reduction in salary, or non-probationary demotion. The appeal process shall not be applicable to those positions which may be deemed exempt or to probationary employees. The appeal process shall not be applicable to verbal and written reprimands, suspensions of less than forty (40) hours, probationary demotions, performance evaluations and denial of merit increases. An employee desiring to appeal the appointing authority's decision shall have ten (10) calendar days after receipt of the response to file an appeal. The employee's request for appeal must be addressed to the Assistant City Manager/Management Services, and received in the Management Services Department so that same is date stamped by the Management Services Department within the ten (10) day period.

If, within the ten (10) day appeal period, the employee involved does not file said appeal, unless good cause for failure is shown, the action of the appointing authority shall be considered conclusive and shall take effect as prescribed. If within the ten (10) day appeal period, the employee involved files such notice of appeal by giving written notice of appeal to the Management Services Department, an appeal hearing shall be established as follows:

### **SECTION 35: Disciplinary Appeals (Continued)**

- A. The American Arbitration Association shall be requested to submit a list of seven (7) persons qualified to act as hearing officers to the City and the employee. Within ten (10) days following receipt of the list of hearing officers, the parties shall meet to select the hearing officer. The parties shall alternately strike one (1) name from the list of hearing officers (the right to strike the first name to be determined by lots) until one (1) name remains, and that person shall be the hearing officer.
- B. Where practicable, the date for a hearing shall not be less than twenty (20) calendar days, nor more than sixty (60) calendar days, from the date of filing of the appeal with the Assistant City Manager/Management Services. The parties may stipulate to a longer or shorter period of time in which to hear the appeal. All interested parties shall be notified in writing of the date, time, and place of the hearing.
- C. All hearings shall be private provided, however, that the hearing officer shall, at the request of the employee, open the hearing to the public.
- D. Subpoenas and subpoenas duces tecum pertaining to a hearing shall be issued at the request of party, not less than seven (7) calendar days, prior to the commencement of such hearing. After the commencement of such hearing, subpoenas shall be issued only at the discretion of the hearing officers.
- E. The hearing need not be conducted in accordance with technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which reasonable persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rules which might make improper admission of such evidence over objection in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence, but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions. The rules of privilege shall be effective to the same extent that they are now or hereafter may be recognized in civil actions, and irrelevant and unduly repetitious evidence shall be excluded. The hearing officer shall not be bound by technical rules of evidence.
- F. Each party shall have their rights: To be represented by legal counsel or other person of his/her choice; to call and examine witnesses; to introduce evidence; to cross-examine opposing witnesses on any matter relevant to the issues, even though that matter was not covered in the direct examination; to impeach any witness regardless of which party first called him/her to testify; and to rebut the evidence against him/her. If the employee does not testify in his/her own behalf, he/she may be called and examined -as if under cross-examination. Oral evidence shall be taken only on oath or affirmation. A court reporter will be engaged to record the hearing, unless the parties (City, hearing officer, employee/employee representative) mutually agree that same is not necessary.
- G. The hearing shall proceed in the following order, unless the hearing officer, for special reason, otherwise directs:
  - 1. The party imposing discipline shall be permitted to make an opening statement;
  - 2. The appealing party shall then be permitted to make an opening statement;
  - 3. The party imposing disciplinary action shall produce the evidence on his/her part; the City bears the burden of proof and burden of producing evidence;
  - 4. The party appealing from such disciplinary action may then open his/her defense and offer his/her evidence in support thereof; the employee bears the burden of proof and the burden of producing evidence for any affirmative defenses asserted;

### **SECTION 35: Disciplinary Appeals (Continued)**

5. The parties may then, in order, respectively offer rebutting evidence only, unless the hearing officer for good reason permits them to offer evidence upon their original case;
  6. Closing arguments shall be permitted and written briefs may be permitted at the discretion of the hearing officer.
- H. The hearing officer shall determine relevancy, weight, and credibility of testimony and evidence. He/she shall base his/her findings on the preponderance of evidence. During the examination of a witness, all other witnesses, except the parties, shall be excluded from the hearing unless the hearing officer, in his/her discretion, for good cause otherwise directs. No still photographs, moving pictures, or television pictures shall be taken in the hearing chamber during a hearing. The hearing officer, prior to or during a hearing, may grant a continuance for any reason he/she believes to be important to reaching a fair and proper decision. The hearing officer shall render his/her judgment as soon after the conclusion of the hearing as possible and in no event later than thirty (30) days after conducting the hearing. His/her decision shall set forth which charges, if any, are sustained and the reasons therefore. The opinion shall set forth findings of fact and conclusions.
- I. The hearing officer may recommend sustaining or rejecting any or all of the charges filed against the employee. He/she may recommend sustaining, rejecting, or modifying the disciplinary action invoked against the employee. He/she may not recommend for discipline more stringent than that issued by the department head.

The hearing officer's opinion and recommendation shall be filed with the City Manager, with a copy sent to the charged employee and the Assistant City Manager, Management Services, and shall set forth his/her findings and recommendations. If it is a dismissal hearing and a dismissal is not the hearing officer's recommendation, the opinion shall set forth the date the employee is recommended to be reinstated and/or other recommended action. The reinstatement date, if appropriate, may be any time on or after the date of disciplinary action.

- J. Within thirty (30) days of the receipt of the hearing officer's findings and recommendation, and transcript (which is optional only by the mutual consent of the City and the employee), whichever date is later, the City Manager, or his/her designee, shall adopt, amend, modify, or reject the recommended findings, conclusions, and/or opinions of the hearing officer. Prior to making a decision which modifies or rejects the recommendation of the hearing officer, the City Manager, or his/her designee, shall order and read the transcript of the Third Party Advisory Process. Prior to making a decision which supports the hearing officer, the City Manager, or his/her designee, shall not conduct a de novo hearing. The City Manager, or his/her designee, may, at his/her option, allow limited oral arguments and/or may request and review written statements from either side. The decision of the City Manager, or his/her designee, shall be final and conclusive. Copies of the City Manager's or his/her designee's decision, including the hearing officer's recommendation(s), shall be filed where appropriate, including the employee's personnel file, unless no discipline is upheld by the City Manager.
- K. The decision of the City Manager, or his/her designee, shall be final and conclusive. Copies of the City Manager's, or his/her designee's decision, including the hearing officer's recommendation(s) shall be filed where appropriate, including the employee's personnel file, unless no discipline is upheld by the City Manager, or his/her designee.



### **SECTION 35: Disciplinary Appeals (Continued)**

- L. Each party shall bear equally the cost of facilities, fees and expenses of the hearing officer, including the court reporter and transcripts. Each party shall bear its own witness and attorney fees. If either party unilaterally cancels or postpones a scheduled hearing, thereby resulting in a fee charged by the hearing officer or court reporter, then the party responsible for the cancellation or postponement shall be solely responsible for payment of that fee. This process shall not apply to mutual settlements by the parties which result in an arbitration fee.
- M. In the case of suspension, demotion, reduction in salary, or dismissal prescribed by the City Manager, the time of such suspension, demotion or dismissal shall be effective from the first day after such delivery of said decision or shall relate back to and be effective as of the date the employee was disciplined pending hearing before and decision by the City Manager, or his/her designee, whichever is applicable. If discipline imposed resulted in loss of pay, and the decision results in reduction or elimination of loss of pay, the pay loss shall be restored to the employee based on the number of standard work hours lost computed at his/her then base hourly rate.
- N. The provisions of Section 1094.6 of the Code of Civil Procedure shall be applicable to proceedings under this Section.

#### **Appeals of Suspensions Less Than Forty (40) Hours**

A permanent employee shall have the right to appeal a suspension less than forty (40) hours in the following manner:

- 1. The appointing authority shall cause to be served on the employee affected, by registered mail or personal delivery, a statement signed by the appointing authority of the specific action against the employee. This statement shall clearly inform the employee that he/she has the right, within five (5) working days after receipt of this notice, to request an informal hearing on the action by filing the request with the appointing authority.
- 2. If within the five-day appeal period the employee involved does not file said appeal, unless good cause for the failure is shown, the action of the City shall be considered conclusive and shall take effect as prescribed.
- 3. If within the five-day appeal period the employee involved files such notice of the appeal by giving written notice of appeal to the appointing authority, a time for an appeal hearing before the City Manager, or his/her designee, shall be established. The date for a hearing shall not be less than ten (10) days, nor more than thirty (30) days, from the date of the filing of the appeal, unless the parties stipulate to a different date. All interested parties shall be notified in writing of the date, time, and place of the hearing at least seven (7) calendar days prior to the hearing.
- 4. The City Manager, or his/her designee, shall conduct an informal hearing on the appeal. Each party shall have the opportunity to present all relevant information in support of its respective position. These proceedings may be electronically recorded and either party shall have the right to cause them to be reported by a certified shorthand reporter at the party's expense.

Within ten (10) working days after the conclusion of the hearing, the City Manager, or his/her designee, shall deliver to the employee a written decision which shall either (a) affirm the decision, (b) modify it by (1) holding that certain charges were not established by a preponderance of the evidence and/or (2) reducing the penalty or (3) overturn the decision in its entirety. Said decision shall be final and binding on the parties, subject to their right to seek judicial review pursuant to 1094.5 and 1094.6 of the California Code of Civil Procedure.

### **SECTION 36: Layoffs**

Amend City of Hesperia Personnel Rules and Regulations (9/15/88), Rule VIII, Section 3, Reduction in Force by Layoff, by deleting all current text on Page 49 and substituting the following language.

- A. Advance Notice. Employees separated by reason of a reduction in force shall be given at least 30 days prior notice of separation and the reasons therefore. If one or more employee to be separated is represented by a duly recognized employee organization, the City will, on request, meet with such organization concerning the impact of the layoff.
- B. Bumping. An employee whose position has been abolished and who would be laid off shall have the right to "bump" into a classification the employee previously held with the City if such position receives the same or lower salary, and is determined by the City Manager or designee to be qualified for such position at the time, based upon the applicable job description.
- C. Offer of Reassignment. An employee's appointment shall not be terminated as a result of a reduction in force procedure before the employee has been made a reasonable offer of reassignment, if such offer is possible.
- D. Offer of Vacant Position. An employee whose position has been abolished and who would otherwise be laid off shall be offered the opportunity to transfer, without examination, to any then currently existing vacant position with the same or lower salary if the employee meets the minimum qualifications for such position, as determined by the City Manager or designee based upon the applicable job description and new application. If two or more employees are eligible for appointment to a vacancy, the criteria set forth in the paragraph entitled Order of Separation shall be applied to determine which employee shall be offered the vacant position.
- E. Laid Off Employee on Reemployment Register. The names of regular employees who have been laid off due to reduction in force shall be placed on an appropriate lay off reemployment list according to date and order separated and shall be eligible for reemployment.

Each employee on a lay off reemployment list shall remain on that list for one (1) year. Employees whose name appears on a lay off reemployment list shall be considered for reemployment in the class from which the employee was laid off prior to using any other available employment eligible list to fill regular vacancies in the subject class. The Personnel Officer can extend the active period of reemployment lists or individual employees eligibility on such lists for six (6) month periods as he/she determines to be in the best interest of the City.

- 1. Notice. The City will notify, by certified mail to the laid off or displaced employee's last known address, of all vacancies for which the employee is eligible for employment under this provision. Such notice shall be given for all such positions which arise for one (1) year from the date of layoff or displacement. A laid off or displaced employee who fails to report for appointment within two (2) workweeks of notice shall be deemed to have rejected appointment and shall be automatically removed from the reemployment register list.
  - 2. Reappointment. An employee who is laid off or displaced to a lower classification under this provision shall be entitled to automatic appointment to any vacant position from which he/she was laid off or displaced or for which he/she is qualified if such employee reports for duty on receiving notice. Appointments shall be made in the reverse order of layoffs, that is, the last laid off shall be the first offered reappointment.
- F. Order of Separation.

Selection for retention shall be based primarily upon seniority of service with performance being taken into account.

### **SECTION 36: Layoffs (Continued)**

While seniority is the primary factor in determining order of separation, it is not in and of itself the only determining factor.

Therefore, this policy does not preclude the retention of members which have less seniority to other members within the class for which the reduction in force action may be taken. The following criteria shall be considered in evaluating performance:

1. The employee's written performance evaluations.
2. The history of an employee's written disciplinary actions.
3. The employee's written record of attendance including patterns of sick leave usage, tardiness and unexcused absences.

All newly hired employees serving an initial probationary period, part-time, temporary, seasonal, or emergency employees, in classifications affected by layoff, shall be laid off before any permanent employee is laid off.

### **Section 37: Provisions of Law**

It is understood that this non-represented employees' salaries, benefits and related policies resolution is subject to all current and future applicable federal and state laws, federal and state regulations. If any section or provision of the resolution is in conflict or inconsistent with such above applicable laws, rules and regulations, or is otherwise held to be invalid or unenforceable by any competent jurisdiction, such section or provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this resolution shall not be affected thereby

### **Section 38: Duration and Implementation**

This non-represented employees' salaries, benefits and related policies resolution shall remain in full force and effect up to and including January 31, 2019. However if a successor non-represented employees' resolution is not approved by January 31, 2019, this resolution shall remain in force until a successor resolution is approved.

## **RESOLUTION NO. 2017-011**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, APPROVING THE NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND OTHER RELATED POLICIES**

**WHEREAS**, the City Council of the City of Hesperia establishes salaries, benefits and other related policies for employees not represented by an employee labor relations organization; and

**WHEREAS**, the City Council of the City of Hesperia recognizes that it competes in a marketplace to obtain qualified personnel to perform and provide municipal services, and that compensation and conditions of employment must be sufficiently attractive to recruit and retain qualified employees; and

**WHEREAS**, Exhibit A prescribes the salaries, benefits, and other related policies for employees of the City of Hesperia not represented and commonly called Non-Represented Employees; and

**WHEREAS**, the City Council has reviewed and approves of the provisions included in Exhibit A to this Resolution.

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

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

Section 2. That the City Council approves the salaries, benefits and other related policies included in Exhibit A for non-represented employees, effective January 1, 2017 through January 31, 2019.

Section 3. That the City Council approves the following position classification changes included in Exhibit A as follows:

Section 3a. That the City Council approves the new classification title of Budget/Finance Specialist, which is in the General classification and is a non-represented position with a salary range of 33.

Section 3b. That the City Council approves the new classification of Senior Economic Development Specialist, which is in the Professional/Supervisory classification and is a non-represented position with a salary range of 38.

Section 3c. That the City Council approves the change of the salary for the Office Assistant Classification from range 24 to range 26, which are in the General classification and is a non-represented position.

Section 4. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

**ADOPTED AND APPROVED** this 21<sup>st</sup> day of March 2017.

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Paul Russ, Mayor

ATTEST:

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Melinda Sayre, City Clerk

**RESOLUTION HHA NO. 2017-02**

**A RESOLUTION OF THE HESPERIA HOUSING AUTHORITY OF THE CITY  
OF HESPERIA, CALIFORNIA, APPROVING THE NON-REPRESENTED  
EMPLOYEES' SALARIES, BENEFITS AND OTHER RELATED POLICIES**

**WHEREAS**, the Executive Director of the Hesperia Housing Authority establishes salaries, benefits and other related policies for employees not represented by an employee labor relations organization; and

**WHEREAS**, the Board of Directors of the Hesperia Housing Authority recognizes that it competes in a marketplace to obtain qualified personnel to perform and provide municipal services, and that compensation and conditions of employment must be sufficiently attractive to recruit and retain qualified employees; and

**WHEREAS**, Exhibit A prescribes the salaries, benefits, and other related policies for employees of the Housing Authority not represented and commonly called Non-Represented Employees; and

**WHEREAS**, the Board of Directors has reviewed and approves of the provisions included in Exhibit A to this Resolution.

**NOW THEREFORE**, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA HOUSING AUTHORITY OF THE CITY OF HESPERIA AS FOLLOWS:

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

Section 2. That the Executive Director approves the salaries, benefits and other related policies included in Exhibit A for non-represented employees, effective January 1, 2017 through January 31, 2019.

Section 3. That the Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

**ADOPTED AND APPROVED** this 21<sup>st</sup> day of March 2017.

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Paul Russ, Chair

ATTEST:

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Melinda Sayre, Secretary

## **RESOLUTION CDC NO. 2017-03**

### **A RESOLUTION OF THE HESPERIA COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HESPERIA, CALIFORNIA, APPROVING THE NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND OTHER RELATED POLICIES**

**WHEREAS**, the Executive Director of the Hesperia Community Development Commission establishes salaries, benefits and other related policies for employees not represented by an employee labor relations organization; and

**WHEREAS**, the Hesperia Community Development Commission recognizes that it competes in a marketplace to obtain qualified personnel to perform and provide municipal services, and that compensation and conditions of employment must be sufficiently attractive to recruit and retain qualified employees; and

**WHEREAS**, Exhibit A prescribes the salaries, benefits, and other related policies for employees of the Hesperia Community Development Commission not represented and commonly called Non-Represented Employees; and

**WHEREAS**, the Executive Director has reviewed and approves of the provisions included in Exhibit A to this Resolution.

**NOW THEREFORE**, BE IT RESOLVED BY HESPERIA COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HESPERIA AS FOLLOWS:

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

Section 2. That the Executive Director approves the salaries, benefits and other related policies included in Exhibit A for non-represented employees, effective January 1, 2017 through January 31, 2019.

Section 3. That the City Council approves the following position classification change included in Exhibit A as follows:

Section 3a. That the City Council approves the new classification of Senior Economic Development Specialist, which is in Professional/Supervisory classification and is a non-represented position with a salary range of 38.

Section 4. That the Secretary of the Board of the Commission shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

**ADOPTED AND APPROVED** this 21<sup>st</sup> day of March 2017.

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Paul Russ, Chairman

ATTEST:

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Melinda Sayre, Secretary



## **RESOLUTION HWD NO. 2017-05**

### **A RESOLUTION OF THE HESPERIA WATER DISTRICT OF THE CITY OF HESPERIA, CALIFORNIA, APPROVING THE NON-REPRESENTED EMPLOYEES' SALARIES, BENEFITS AND OTHER RELATED POLICIES**

**WHEREAS**, the Board of Directors of the Hesperia Water District establishes salaries, benefits and other related policies for employees not represented by an employee labor relations organization; and

**WHEREAS**, the Board of Directors of the Hesperia Water District recognizes that it competes in a marketplace to obtain qualified personnel to perform and provide municipal services, and that compensation and conditions of employment must be sufficiently attractive to recruit and retain qualified employees; and

**WHEREAS**, Exhibit A prescribes the salaries, benefits, and other related policies for employees of the Hesperia Water District not represented and commonly called Non-Represented Employees; and

**WHEREAS**, the Board of Directors of the Hesperia Water District has reviewed and approves of the provisions included in Exhibit A to this Resolution.

**NOW THEREFORE**, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT AS FOLLOWS:

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

Section 2. That the Board of Directors of the Hesperia Water District approves the salaries, benefits and other related policies included in Exhibit A for non-represented employees, effective January 1, 2017 through January 31, 2019.

Section 3. That the City Council approves the following position classification changes included in Exhibit A as follows:

Section 3b. That the City Council approves the change of the salary for the Office Assistant Classification from range 24 to range 26, which are in the General classification and is a non-represented position.

Section 4. That the Board Secretary shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

**ADOPTED AND APPROVED** this 21<sup>st</sup> day of March 2017.

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Paul Russ, Chair

ATTEST:

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Melinda Sayre, Secretary to the Board

# City of Hesperia STAFF REPORT



**DATE:** March 21, 2017  
**TO:** Mayor and Council Members  
**FROM:** Nils Bentsen, City Manager  
**BY:** Mike Blay, Director of Development Services  
Tina Bulgarelli, Administrative Analyst  
**SUBJECT:** Amendment to Contract with Data Ticket, Inc. for collection services

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## RECOMMENDED ACTION

It is recommended that the City Council approve an amendment in the amount of \$70,000 to the contract with Data Ticket, Inc. (PSA 2012-13-049) for a total contract amount of \$513,000; approve an extension through December 31, 2017; and authorize the City Manager to execute the amended contract with Data Ticket, Inc. for the management and collection of citations, cost recovery, appeals, as well as hearing officer services.

## BACKGROUND

In 2012, the City contracted with Data Ticket, Inc. (Data Ticket) to provide for the management and collection of citations, cost recovery, appeals and hearing officer services. In 2015, the City also re-instituted the use of the special assessment program offered by the County of San Bernardino for collection of outstanding fines. These two programs are used in conjunction to collect fines and fees due from enforcement procedures.

Data Ticket expenditures from January 1, 2013, which represented the first month of activity, through January 31, 2017, which represents the most recent month billed, totaled \$432,450. On August 15, 2015, the City Council authorized a contract amendment in the amount of \$293,000, bringing the current contract amount to \$443,000.

## ISSUES/ANALYSIS

Collections from Data Ticket have resulted in revenue from administrative citations, parking citations, DUI fees, the Crime Free Rental Housing Program, and the Police Multiple Response Program. The revenue for these programs is summarized in the table below:

<b>Data Ticket Revenue by Program January 1, 2013 through January 31, 2017</b>	
Citations (Animal Control, Building and Safety, Code Enforcement)	\$ 333,465
Crime Free Rental Housing	\$ 29,729
Case Completion Costs (Staff Time/Abatements)	\$ 129,936
DUI Fees	\$ 11,299
Police Multiple Response Program	\$ 61,928
Parking Citations	\$ 794,710
<b>Total Revenue</b>	<b>\$1,361,067</b>

The Data Ticket contract is unique in that the City and Data Ticket have a joint escrow account through which revenue and payments are passed through. Data Ticket collects fines on behalf of the City and each month reconciles the amount due to the City after payment of their fees. As such, there are budgeted funds each year to pay the Data Ticket invoices.

Staff intends to continue using Data Ticket, Inc. to provide hearing officer services, parking citation processing and processing of citations for the Crime Free Rental Housing Program, Police Multiple Response Program, DUI fee collection, Building and Safety Administrative Fines, and special cases in Animal Control and Code Enforcement where collection through means besides the special assessment program is the most appropriate means of collection of fines.

Parking citation processing must be adjudicated and serviced by an agency able to make inquiries with the Department of Motor Vehicles; Data Ticket has that authority. Further, unpaid parking citations are recovered through the DMV registration process, which typically occurs on an annual basis. There are available funds approved in the Fiscal Year 2016-17 Budget to accommodate the continued reconciliation of Data Ticket expenditures.

#### **FISCAL IMPACT**

The necessary funds for Fiscal Year 2016-17 were approved by the City Council under the annual Budget adoption.

Funding for citation processing during Fiscal Year 2017-18 will be presented to the City Council for approval during the annual Budget Review process.

#### **ALTERNATIVE(S)**

1. Provide alternate direction to staff.

#### **ATTACHMENT(S)**

None

# City of Hesperia STAFF REPORT



**DATE:** March 21, 2017

**TO:** Mayor and Council Members  
Chair and Commission, Hesperia Housing Authority  
Chair and Commission, Community Development Commission  
Chair and Board Members, Hesperia Fire Protection District  
Chair and Board Members, Hesperia Water District

**FROM:** Nils Bentsen, City Manager

**BY:** Brian D. Johnson, Assistant City Manager/Director of Management Services  
Anne Duke, Deputy Finance Director  
Keith Cheong, Financial Analyst

**SUBJECT:** Award of Agreement for City-wide Office Supplies

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## RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to execute an agreement with Reliable Workplace Solutions in an amount not to exceed \$125,000 for City-wide general office supplies for the remainder of Fiscal Year 2016-17, and Fiscal Year 2017-18.

## BACKGROUND

FY 2016-17 is the third year of a three-year agreement for City-wide office supplies. In February 2017, the City was informed that the current contracted office supplies vendor would no longer be able to comply with the agreement by honoring the contracted item pricing.

Currently, office supplies are ordered by individual departments on an as-needed basis, where assigned staff have the ability to place their general office supply orders online for direct delivery to the requesting department. Desktop ordering through the City-wide office supply agreement allows staff to operate more efficiently by reducing extensive time spent obtaining individual bids for each office supply order. All office supply orders are expensed to the respective department's purchase order and related City-wide general office supply agreement, which is administered by the City's purchasing staff.

## ISSUES/ANALYSIS

On February 16, 2017, Finance-Purchasing staff issued a formal bid, on behalf of the City for general office supplies. The City published a notice inviting bids in the newspaper, posted the solicitation on the City's website, and notified forty (40) vendors from the City's registered bidders list. On March 6, 2017, the City held a public bid opening where the City received one (1) bid from Reliable Workplace Solutions, which was deemed to be a responsible, responsive bidder.

The items identified in the bid document are items that are commonly used by City staff. As there may be a need for additional office supply items in the future, which were not specifically identified in the bid, the agreement will include a provision that will allow the City the option to purchase additional office supply items, based upon the needs of the City.

**FISCAL IMPACT**

The remaining budgeted funding from the agreement with the previous contracted vendor will be utilized to provide funding for this requested agreement. Sufficient funding will be included in the various departments/divisions/programs of the City in the proposed Fiscal Year 2017-18 budget.

**ALTERNATIVE(S)**

Provide alternative direction to staff.

**ATTACHMENT(S)**

1. Bid Comparison

Bid Comparison Type: **Taxable**  
 Bid Comparison Completed By: **Purchasing**  
 Date: **3/6/2017**

Item No.	UOM	Est. Annual Qty	Description	Reliable Workplace Solutions Riverside, CA	
				Unit Cost	Extended Amount
1	DZ	40	PENCIL, #2, UNIVERSAL, YELLOW BARREL, DOZEN	\$1.03	\$41.20
2	DZ	10	PEN STYLE PERMANENT MARKERS, FINE POINT, BLACK, DOZEN	\$8.06	\$80.60
3	DZ	100	PEN, COMFORT, GRIP, RETRACTABLE, FINE, BLACK INK, DOZEN	\$7.24	\$724.00
4	DZ	100	PEN, COMFORT, GRIP, RETRACTABLE, MEDIUM, BLACK INK, DOZEN	\$5.78	\$578.00
5	DZ	40	PEN, ROLLER BALL RETRACTABLE GEL, RED INK, MEDIUM, DOZEN	\$2.80	\$112.00
6	EA	20	PEN, ROLLER BALL, ERGONOMIC CUSHION, Dr. GRIP, GEL, RETRACTABLE, FINE, BLACK INK	\$5.88	\$117.60
7	DZ	100	PEN, ROLLER BALL, RETRACTABLE, G2, GEL INK, BLACK, .7mm FINE, DOZEN	\$16.24	\$1,624.00
8	DZ	100	PEN, ROLLER BALL, RETRACTABLE, G2, GEL INK, BLUE, .7mm FINE, DOZEN	\$16.24	\$1,624.00
9	EA	10	JETSTREAM BALLPOINT STICK PEN, BLACK INK, BOLD	\$24.53	\$245.30
10	EA	10	JETSTREAM BALLPOINT STICK PEN, BLACK INK, MEDIUM	\$19.76	\$197.60
11	EA	10	JETSTREAM BALLPOINT STICK PEN, BLUE INK, MEDIUM	\$19.76	\$197.60
12	EA	20	PRESTO! MULTIPURPOSE CORRECTION PEN, 12ml, White	\$2.37	\$47.40
13	DZ	10	R.S.V.P BALLPOINT STICK PEN, BLACK INK, MEDIUM, DOZEN	\$6.53	\$65.30
14	PK	20	REFILL FOR G2 GEL, Dr. GRIP GEL/LTD., EXECUGEL G6, Q7, FINE TIP, BLACK, 2/PACK	\$1.53	\$30.60
15	PK	20	REFILL FOR G2 GEL, DR. GRIP GEL/LTD., EXECUGEL G6, Q7, FINE TIP, BLUE, 2/PACK	\$1.53	\$30.60
16	DZ	20	RETRACTABLE PEN, GEL, ROLLER BALL, VELOCITY, BLACK INK, MEDIUM, DOZEN	\$7.41	\$148.20
17	DZ	20	RETRACTABLE PEN, GEL, ROLLER BALL, VELOCITY, BLUE INK, MEDIUM, DOZEN	\$7.41	\$148.20
18	DZ	10	Z-GRIP RETRACTABLE BALLPOINT PEN, BLUE INK, MEDIUM, DOZEN	\$4.28	\$42.80
19	DZ	10	PERMANENT MARKER, FINE POINT, BLACK, DOZEN	\$8.00	\$80.00
20	DZ	10	DESK HIGHLIGHTER, CHISEL TIP, FLUORESCENT PINK, 12/PACK	\$3.83	\$38.30
21	DZ	10	DESK HIGHLIGHTER, CHISEL TIP, FLUORESCENT YELLOW, 12/PACK	\$4.09	\$40.90
22	EA	5	DRY ERASE ERASER, SYNTHETIC WOOL FELT, 5w x 1-3/4d x 1h	\$2.32	\$11.60
23	EA	5	DRY ERASE SPRAY CLEANER, 8 OZ SPRAY BOTTLE	\$2.90	\$14.50
24	EA	5	OPTIMA DESKTOP STAPLER, 70-SHEET CAPACITY, SILVER/ORANGE/BLACK	\$21.88	\$109.40
25	EA	5	EXECUTIVE FULL STRIP STAPLER, 20-SHEET CAPACITY, BLACK	\$26.25	\$131.25
26	EA	5	PREMIUM BLADE STYLE STAPLE REMOVER, SATIN CHROME FINISH	\$2.87	\$14.35
27	BX	10	STANDARD CHISEL POINT 210 STRIP COUNT STAPLES, 5,000/BOX	\$0.60	\$6.00
28	PK	10	ENVELOPE/PACKAGE SEALING TAPE STRIPS, 2" x 6", CLEAR, 50/PACK	\$4.28	\$42.80
29	RL	50	3850 HEAVY-DUTY PACKAGING TAPE IN SURE START DISPENSER 1.88" x 22.2yds., CLEAR	\$2.57	\$128.50
30	PK	20	INVISIBLE TAPE, 3/4" x 1000", 1" CORE, CLEAR, 6/PACK	\$14.59	\$291.80
31	PK	20	WRITE-OUT EZ CORRECT CORRECTION TAPE, NON-REFILLABLE, 1/6" x 472", 2/PACK	\$4.32	\$86.40
32	PK	20	ARROW MESSAGE 1/2" FLAGS, "SIGN HERE", 4 COLORS with DISPENSERS, 120 PACK	\$9.97	\$199.40
33	PK	20	ARROW PAGE FLAGS, "SIGN HERE", YELLOW/RED, 2 DISPENSER of 50 FLAGS/PACK	\$4.82	\$96.40
34	PD	20	POP-UP NOTE REFILLS, 3 x 3, CANARY YELLOW, 100-SHEET PAD	\$13.05	\$261.00
35	PK	10	SELF-STICK NOTES, 1-1/2 x 2, 4 PASTEL COLORS, 12 100-SHEET PAD/PACK	\$6.26	\$62.60
36	PK	40	STANDARD SELF-STICK NOTES, 1-1/2 x 2, YELLOW, 12 100-SHEET PAD/PACK	\$1.54	\$61.60
37	PK	10	STANDARD SELF-STICK NOTES, 3 x 3, YELLOW, 12 100-SHEET PADS/PACK	\$2.65	\$26.50
38	PK	5	SUPER STICKY NOTES, 1-7/8" x 1-7/8", CANARY YELLOW, 10 90-SHEET PADS/PACK	\$6.35	\$31.75
39	PK	5	UTRA COLOR NOTES, 4 x 6, LINED, THREE COLORS, 3 100-SHEET PADS/PACK	\$8.72	\$43.60
40	PK	20	SMALL FLAGS in DISPENSERS, FOUR COLORS, 35/COLOR, 4 DISPENSERS/PACK	\$1.95	\$39.00
41	RM	10	COLORLED PAPER - CANARY, 20 lb 8-1/2 x 11, 500 SHEETS PER REAM	\$4.85	\$48.50
42	RM	10	COLORLED PAPER- BLUE, 20 lb 8-1/2 x 11, 500 SHEETS PER REAM	\$4.85	\$48.50
43	RM	10	COLORLED PAPER- GOLDENROD, 20 lb 8-1/2 x 11, 500 SHEETS PER REAM	\$4.85	\$48.50
44	RM	10	COLORLED PAPER- GREEN, 20 lb 8-1/2 x 11, 500 SHEETS PER REAM	\$4.85	\$48.50
45	RM	10	COLORLED PAPER- PINK, 20 lb 8-1/2 x 11, 500 SHEETS PER REAM	\$4.85	\$48.50

Item No.	UOM	Est. Annual Qty	Description	Reliable Workplace Solutions Riverside, CA	
				Unit Cost	Extended Amount
46	CT	3	COPY PAPER- White, 92 BRIGHTNESS, 20 lb 11 x 17, 2,500 SHEETS/CARTON	\$38.75	\$116.25
47	CT	270	COPY PAPER- White, 92 BRIGHTNESS, 20 lb 8-1/2 x 11, 5,000 SHEETS/CARTON	\$29.99	\$8,097.30
48	CT	3	COPY PAPER -White, 92 BRIGHTNESS, 20 lb 8-1/2 x 14, 5,000 SHEETS/CARTON	\$48.43	\$145.29
49	PK	20	EVERYDAY PHOTO PAPER, GLOSSY, 8-1/2 x 11, 100SHEETS/PACK	\$19.60	\$392.00
50	EA	70	MEMO BOOK, NARROW RULE, WIREBOUND, 3 x 5, WHITE, 60 SHEETS/PAD	\$4.25	\$297.50
51	EA	20	MONEY/RENT RECEIPT BOOK, 2-3/4 x 7-1/8, THREE-PART CARBONLESS, 100 SETS/BOOK	\$19.51	\$390.20
52	PK	5	ORIGINAL PADS in NEON COLORS, 4 x 6, LINED, 3 NEON COLORS, 3 100-SHEET PADS/PACK	\$12.49	\$62.45
53	DZ	5	PERFORATED EDGE WRITING PAD, Jr. LEGAL RULED, LETTER, 5 x 8 WHITE, 50-SHEET, DOZEN	\$6.06	\$30.30
54	DZ	5	PERFORATED EDGE WRITING PAD, LEGAL RULED, LETTER, WHITE, 50- SHEET, DOZEN	\$8.73	\$43.65
55	PK	5	POLY STRING & BUTTON BOOKLET ENVELOPE, 9-3/4 x 11-5/8 x 1-1/4, BLUE, 5/PACK	\$5.74	\$28.70
56	EA	40	STANDARD SPIRAL STENO BOOK, GREGG RULE, 6 X 9, GREEN, 60 SHEETS/PAD	\$1.33	\$53.20
57	PK	5	STENO BOOK with ASSORTED COLORED COVER, 6 x 9, WHITE PAPER, 4 80-SHEET PADS/PACK	\$10.68	\$53.40
58	EA	60	STENO BOOK, GREGG RULE, 6 X 9, GREEN, 60SHEETS PAD	\$1.13	\$67.80
59	PK	20	PAPERCLIPS, #1, SMOOTH FINISH, SILVER, 1,000/PK	\$1.74	\$34.80
60	PK	20	PAPERCLIPS, JUMBO, SMOOTH, SILVER, 100/BOX, 10BOXES/PACK	\$5.11	\$102.20
61	DZ	50	CLIP, BINDER, MINI, STEEL WIRE, 1/4" CAPACITY, 1/2" WIDE, BLACK/SILVER, DOZEN	\$0.19	\$9.50
62	DZ	50	CLIP, BINDER, SMALL, STEEL WIRE, 3/8" CAPACITY, 3/4" WIDE, BLACK/SILVER, DOZEN	\$0.22	\$11.00
63	DZ	50	CLIP, BINDER, SMALL, STEEL WIRE, 5/16" CAPACITY, 3/4" WIDE, BLACK/SILVER, DOZEN	\$0.43	\$21.50
64	DZ	50	CLIP, BINDER, MEDIUM, STEEL WIRE, 5/8" CAPACITY, 1-1/4" WIDE, BLACK/SILVER, DOZEN	\$1.03	\$51.50
65	DZ	50	CLIP, BINDER, MEDIUM, STEEL WIRE, 5/8" CAPACITY, 1-1/4" WIDE, BLACK/SILVER, DOZEN	\$1.03	\$51.50
66	PK	10	CLIP, BINDER, MEDIUM, STEEL WIRE, 5/8" CAPACITY, 1-1/4" WIDE, BLACK/SILVER, 36/PACK	\$1.03	\$10.30
67	DZ	50	CLIP, BINDER, LARGE, STEEL WIRE, 1" CAPACITY, 2" WIDE, BLACK/SILVER, DOZEN	\$2.76	\$138.00
68	EA	10	BINDER, ROUND RING ECONOMY VINYL VIEW, 1" CAPACITY, WHITE	\$1.50	\$15.00
69	EA	10	BINDER, ROUND RING ECONOMY VINYL VIEW, 1-1/2" CAPACITY, WHITE	\$2.26	\$22.60
70	EA	10	BINDER, ROUND RING ECONOMY VINYL VIEW, 2" CAPACITY, WHITE	\$2.62	\$26.20
71	EA	10	BINDER, ROUND RING ECONOMY VINYL VIEW, 2" CAPACITY, BLACK	\$2.62	\$26.20
72	EA	10	ECONOMY VIEW BINDER with ROUND RINGS, 1/2" CAPACITY, WHITE	\$1.50	\$15.00
73	EA	25	ECONOMY VIEW BINDER with ROUND RINGS, 1-1/2" CAPACITY, WHITE	\$2.26	\$56.50
74	EA	10	ECONOMY VINYL ROUND RING VIEW BINDER, 11 x 8-1/2, 3" CAPACITY, WHITE	\$3.75	\$37.50
75	EA	10	BINDER, ROUND RING ECONOMY VINYL VIEW, 1" CAPACITY, WHITE	\$1.50	\$15.00
76	EA	10	BINDER, ROUND RING ECONOMY VINYL VIEW, 1-1/2" CAPACITY, WHITE	\$2.26	\$22.60
77	EA	10	BINDER, ROUND RING ECONOMY VINYL VIEW, 2" CAPACITY, WHITE	\$2.62	\$26.20
78	EA	10	BINDER, ROUND RING ECONOMY VINYL VIEW, 2" CAPACITY, BLACK	\$2.62	\$26.20
79	EA	10	ECONOMY VIEW BINDER with ROUND RINGS, 1/2" CAPACITY, WHITE	\$1.50	\$15.00
80	EA	25	ECONOMY VIEW BINDER with ROUND RINGS, 1-1/2" CAPACITY, WHITE	\$2.26	\$56.50
81	EA	10	ECONOMY VINYL ROUND RING VIEW BINDER, 11 x 8-1/2, 3" CAPACITY, WHITE	\$3.75	\$37.50
82	EA	20	ZIPPERED RING BINDER POCKET, 6 x 9-1/2, CLEAR/WHITE	\$0.59	\$11.80
83	EA	20	ZIPPERED RING BINDER POCKET, 6 x 9-1/2, CLEAR/WHITE	\$0.59	\$11.80
84	EA	10	EXTRA WIDE EXPANDING WALLET with ELASTIC CORD, LEGAL, 5 1/4 INCH EXPENSION, RED	\$4.96	\$49.60
85	EA	100	PRESSBOARD REPORT COVER, 2 PRONG FASTENER, LETTER, 3" CAPACITY, DARK BLUE	\$1.68	\$168.00
86	BX	20	3 1/4" ACCORDIAN EXPANSION FILE TUFF POCKETS, STRAIGHT TAB, LTR, REDROPE, 10/BOX	\$23.55	\$471.00
87	BX	20	5 1/4" ACCORDIAN EXPANSION FILE TUFF POCKETS, STRAIGHT TAB, LTR, REDROPE, 10/BOX	\$22.72	\$454.40
88	BX	10	7" ACCORDIAN EXPANSION FILE TUFF POCKETS, STRAIGHT TAB, LTR, REDROPE, 5/BOX	\$22.72	\$227.20
89	BX	10	TOP-LOAD POLY SHEET PROTECTORS, STANDARD GAUGE, CLEAR, LETTER, 50/BOX	\$2.18	\$21.80
90	BX	10	FOLDER, FILE, LETTER, 1/3 CUT ASSORTED, ONE-PLY TOP TAB, MANILA, 100/BOX	\$6.74	\$67.40
91	BX	10	VIEW-TAB TRANSPARENT INDEX DIVIDERS, 8 TAB, SQUARE, LETTER, ASSORTED, 5 SETS/BOX	\$0.62	\$6.20
92	BX	10	MANILLA REINFORCED SHELF FOLDER, LETTER, 100/BOX	\$15.88	\$158.80
93	CT	10	STORE/FILE STORAGE BOX, LETTER/LEGAL, LIFT-OFF LID, WHITE/BLUE, 12/CARTON	\$25.41	\$254.10
94	BX	5	INDEX MAKER CLEAR LABEL UNPUNCHED DIVIDER, 8-TAB, LETTER, WHITE, 25 SETS	\$4.12	\$20.60



Item No.	UOM	Est. Annual Qty	Description	Reliable Workplace Solutions Riverside, CA	
				Unit Cost	Extended Amount
95	BX	5	INDEX MAKER CLEAR LABEL DIVIDERS, EASY APPLY LABEL STRIP, 5 TAB, 5 SETS/BOX	\$19.01	\$95.05
96	BX	5	PRESSBOARD CLASSIFICATION FOLDERS, LETTER, FOUR-SECTION, GRAY/GREEN, 10/BOX	\$26.03	\$130.15
97	BX	5	FOLDERS, STRAIGHT CUT, SINGLE-PLY EXTENDED END TAB, LETTER, MANILA, 100/BOX	\$19.14	\$95.70
98	BX	10	SELF-TAB CARD GUIDES, BLANK, 1/3 TAB, MANILA, 5 x 8, 100/BOX	\$15.24	\$152.40
99	BX	5	INDEX MAKER CLEAR LABEL UNPUNCHED DIVIDER, 5-TAB, LETTER, WHITE, 25 SETS	\$77.24	\$386.20
100	PK	5	MULTI-PAGE TOP-LOAD SHEET PROTECTORS, HEAVY GAUGE, LETTER, CLEAR, 25/PACK	\$5.35	\$26.75
101	BX	5	EASY PEEL LASER ADDRESS LABELS, 1 x 2-5/8, WHITE, 3,000/BOX	\$29.25	\$146.25
102	BX	5	LIGHT BROWN KRAFT STRING & BUTTON INTEROFFICE ENVELOPE, 10 x 13 100/BOX	\$20.04	\$100.20
103	BX	5	CD/DVD ENVELOPES, CLEAR WINDOW, WHITE, 50/BOX	\$20.13	\$100.65
104	BX	10	KRAFT CLASP ENVELOPE, SIDE SEAM, 28LB, 6-1/2 x 9-1/2, LIGHT BROWN, 100/BOX	\$8.87	\$88.70
105	BX	10	KRAFT CLASP ENVELOPE, SIDE SEAM, 28LB, 9 x 12, LIGHT BROWN, 100/BOX	\$8.56	\$85.60
106	CT	10	POWERSHRED SHREDDER WASTE BAGS,14-20 GAL CAPACITY, 50 BAGS/CARTON	\$19.82	\$198.20
107	CT	10	HIGH-DENSITY SHREDDER BAGS, 40-45 GAL CAPACITY, 100 BAGS/CARTON	\$29.53	\$295.30
108	BX	20	BATTERY ,ALKALINE, INDUSTRIAL, D, 12/BOX	\$10.15	\$203.00
109	BX	20	BATTERY, ALKALINE, INDUSTRIAL, AA, 24/BOX	\$23.83	\$476.60
110	BX	20	BATTERY, ALKALINE, INDUSTRIAL, C, 12/BOX	\$8.06	\$161.20
111	BX	20	BATTERY, ALKALINE,INDUSTRIAL, 9V, 12/BOX	\$19.59	\$391.80
112	BX	20	BATTERY, ALKALINE,INDUSTRIAL, AAA, 24/BOX	\$9.26	\$185.20
113	BX	1	Toner, HP - Color LaserJet - CP2025 - BLACK	\$121.47	\$121.47
114	EA	1	Toner, HP - Color LaserJet - CP2025 - CYAN	\$119.75	\$119.75
115	EA	1	Toner, HP - Color LaserJet - CP2025 - YELLOW	\$119.75	\$119.75
116	EA	1	Toner, HP - Color LaserJet - CP2025 - MAGENTA	\$119.75	\$119.75
117	EA	1	HP Color LaserJet - CP2025 FUSER KIT	\$0.00	\$0.00
118	EA	1	HP Color LaserJet - CP2025 TRANSFER KIT	\$0.00	\$0.00
119	EA	1	HP Color LaserJet - CP2025 FUSER	\$0.00	\$0.00
120	EA	1	HP Color LaserJet - CP2025 TONER CARTRIDGE COLLECTION UNIT	\$15.13	\$15.13
121	EA	2	Toner, HP - Color LaserJet - M651DN - BLACK	\$202.81	\$405.62
122	EA	2	Toner, HP - Color LaserJet - M651DN - CYAN	\$371.69	\$743.38
123	EA	2	Toner, HP - Color LaserJet - M651DN - YELLOW	\$371.69	\$743.38
124	EA	2	Toner, HP - Color LaserJet - M651DN - MAGENTA	\$371.69	\$743.38
125	EA	2	HP Color LaserJet - M651DN FUSER KIT	\$307.29	\$614.58
126	EA	2	HP Color LaserJet - M651DN TRANSFER KIT	\$338.16	\$676.32
127	EA	2	HP Color LaserJet - M651DN FUSER	\$307.29	\$614.58
128	EA	2	HP Color LaserJet - M651DN TONER CARTRIDGE COLLECTION UNIT	\$18.93	\$37.86
129	EA	1	Toner, HP - Color LaserJet - M651N - BLACK	\$202.81	\$202.81
130	EA	1	Toner, HP - Color LaserJet - M651N - CYAN	\$329.46	\$329.46
131	EA	1	Toner, HP - Color LaserJet - M651N - YELLOW	\$371.69	\$371.69
132	EA	1	Toner, HP - Color LaserJet - M651N - MAGENTA	\$329.46	\$329.46
133	EA	1	HP Color LaserJet - M651N FUSER KIT	\$307.29	\$307.29
134	EA	1	HP Color LaserJet - M651N TRANSFER KIT	\$338.16	\$338.16
135	EA	1	HP Color LaserJet - M651N FUSER	\$307.29	\$307.29
136	EA	1	HP Color LaserJet - M651N TONER CARTRIDGE COLLECTION UNIT	\$18.93	\$18.93
137	EA	9	Toner, HP - Color LaserJet CP4520 - BLACK	\$156.82	\$1,411.38
138	EA	9	Toner, HP - Color LaserJet CP4520 - CYAN	\$284.23	\$2,558.07
139	EA	9	Toner, HP - Color LaserJet CP4520 - YELLOW	\$284.23	\$2,558.07
140	EA	9	Toner, HP - Color LaserJet CP4520 - MAGENTA	\$284.23	\$2,558.07
141	EA	9	HP Color LaserJet CP4520 FUSER KIT	\$307.29	\$2,765.61
142	EA	9	HP Color LaserJet CP4520 TRANSFER KIT	\$338.16	\$3,043.44
143	EA	9	HP Color LaserJet CP4520 FUSER	\$307.29	\$2,765.61

Item No.	UOM	Est. Annual Qty	Description	Reliable Workplace Solutions Riverside, CA	
				Unit Cost	Extended Amount
144	EA	9	HP Color LaserJet CP4520 TONER CARTRIDGE COLLECTION UNIT	\$18.93	\$170.37
145	EA	1	Toner, HP - Color LaserJet CP6015 - BLACK	\$223.24	\$223.24
146	EA	1	Toner, HP - Color LaserJet CP6015 - CYAN	\$349.46	\$349.46
147	EA	1	Toner, HP - Color LaserJet CP6015 - YELLOW	\$349.46	\$349.46
148	EA	1	Toner, HP - Color LaserJet CP6015 - MAGENTA	\$349.46	\$349.46
149	EA	1	HP Color LaserJet CP6015 FUSER KIT	\$186.99	\$186.99
150	EA	1	HP Color LaserJet CP6015 TRANSFER KIT	\$281.45	\$281.45
151	EA	1	HP Color LaserJet CP6015 FUSER	\$186.99	\$186.99
152	EA	1	HP Color LaserJet CP6015 TONER CARTRIDGE COLLECTION UNIT	\$18.93	\$18.93
153	EA	10	Toner, HP - Color Laserjet Pro M452DW - BLACK	\$140.24	\$1,402.40
154	EA	10	Toner, HP - Color Laserjet Pro M452DW - CYAN	\$187.72	\$1,877.20
155	EA	10	Toner, HP - Color Laserjet Pro M452DW - YELLOW	\$187.72	\$1,877.20
156	EA	10	Toner, HP - Color Laserjet Pro M452DW - MAGENTA	\$187.72	\$1,877.20
157	EA	10	HP Color Laserjet Pro M452DW FUSER KIT	\$307.29	\$3,072.90
158	EA	10	HP Color Laserjet Pro M452DW TRANSFER KIT	\$205.36	\$2,053.60
159	EA	10	HP Color Laserjet Pro M452DW FUSER	\$307.29	\$3,072.90
160	EA	10	HP Color Laserjet Pro M452DW TONER CARTRIDGE COLLECTION UNIT	\$18.93	\$189.30
161	EA	1	Toner, HP - Laserjet 9050 - BLACK	\$302.14	\$302.14
162	EA	1	HP Laserjet 9050 FUSER KIT	\$751.00	\$751.00
163	EA	1	HP Laserjet 9050 TRANSFER KIT	\$430.58	\$430.58
164	EA	1	HP Laserjet 9050 FUSER	\$222.70	\$222.70
165	EA	1	HP Laserjet 9050 TONER CARTRIDGE COLLECTION UNIT	\$0.00	\$0.00
166	EA	1	Toner, HP - Laserjet Color - P4015N - BLACK	\$169.70	\$169.70
167	EA	1	HP Laserjet Color - P4015N FUSER KIT	\$336.58	\$336.58
168	EA	1	HP Laserjet Color - P4015N TRANSFER KIT	\$336.58	\$336.58
169	EA	1	HP Laserjet Color - P4015N FUSER	\$336.58	\$336.58
170	EA	1	HP Laserjet Color - P4015N TONER CARTRIDGE COLLECTION UNIT	\$0.00	\$0.00
171	EA	3	Toner, HP - Laserjet Color - 4700DN - BLACK	\$214.31	\$642.93
172	EA	3	Toner, HP - Laserjet Color - 4700DN - CYAN	\$304.75	\$914.25
173	EA	3	Toner, HP - Laserjet Color - 4700DN - YELLOW	\$304.75	\$914.25
174	EA	3	Toner, HP - Laserjet Color - 4700DN - MAGENTA	\$304.75	\$914.25
175	EA	3	HP Laserjet Color - 4700DN FUSER KIT	\$346.65	\$1,039.95
176	EA	3	HP Laserjet Color - 4700DN TRANSFER KIT	\$318.86	\$956.58
177	EA	3	HP Laserjet Color - 4700DN FUSER	\$346.65	\$1,039.95
178	EA	3	HP Laserjet Color - 4700DN TONER CARTRIDGE COLLECTION UNIT	\$0.00	\$0.00
179	EA	5	Toner, HP - LaserJet Color - CP4525DN - BLACK	\$248.05	\$1,240.25
180	EA	5	Toner, HP - LaserJet Color - CP4525DN - CYAN	\$284.23	\$1,421.15
181	EA	5	Toner, HP - LaserJet Color - CP4525DN - YELLOW	\$284.23	\$1,421.15
182	EA	5	Toner, HP - LaserJet Color - CP4525DN - MAGENTA	\$284.23	\$1,421.15
183	EA	5	HP LaserJet Color - CP4525DN FUSER KIT	\$307.29	\$1,536.45
184	EA	5	HP LaserJet Color - CP4525DN TRANSFER KIT	\$338.16	\$1,690.80
185	EA	5	HP LaserJet Color - CP4525DN FUSER	\$307.29	\$1,536.45
186	EA	5	HP LaserJet Color - CP4525DN TONER CARTRIDGE COLLECTION UNIT	\$18.93	\$94.65
187	EA	1	Toner, HP - LaserJet P3010 Series - BLACK	\$144.00	\$144.00
188	EA	1	HP LaserJet P3010 Series FUSER KIT	\$0.00	\$0.00
189	EA	1	HP LaserJet P3010 Series TRANSFER KIT	\$0.00	\$0.00
190	EA	1	HP LaserJet P3010 Series FUSER	\$0.00	\$0.00
191	EA	1	HP LaserJet P3010 Series TONER CARTRIDGE COLLECTION UNIT	\$15.13	\$15.13
192	EA	2	Toner, HP - LaserJet Pro 400 - M451DN - BLACK	\$82.55	\$165.10

Item No.	UOM	Est. Annual Qty	Description	Reliable Workplace Solutions Riverside, CA	
				Unit Cost	Extended Amount
193	EA	2	Toner, HP - LaserJet Pro 400 - M451DN - CYAN	\$117.61	\$235.22
194	EA	2	Toner, HP - LaserJet Pro 400 - M451DN - YELLOW	\$117.61	\$235.22
195	EA	2	Toner, HP - LaserJet Pro 400 - M451DN - MAGENTA	\$117.61	\$235.22
196	EA	2	HP LaserJet Pro 400 FUSER KIT	\$0.00	\$0.00
197	EA	2	HP LaserJet Pro 400 TRANSFER KIT	\$0.00	\$0.00
198	EA	2	HP LaserJet Pro 400 FUSER	\$0.00	\$0.00
199	EA	2	HP LaserJet Pro 400 TONER CARTRIDGE COLLECTION UNIT	\$0.00	\$0.00
200	EA	1	Toner, HP - LaserJet - M603DN Printer - Laser Mono - BLACK	\$283.47	\$283.47
201	EA	1	HP LaserJet - M603DN Printer FUSER KIT	\$335.60	\$335.60
202	EA	1	HP LaserJet - M603DN Printer TRANSFER KIT	\$281.45	\$281.45
203	EA	1	HP LaserJet - M603DN Printer FUSER	\$335.60	\$335.60
204	EA	1	HP LaserJet - M603DN Printer TONER CARTRIDGE COLLECTION UNIT	\$18.93	\$18.93
205	EA	1	Toner, HP - LaserJet Pro 500 color MFP M570dn - BLACK	\$146.27	\$146.27
206	EA	1	Toner, HP - LaserJet Pro 500 color MFP M570dn - CYAN	\$217.89	\$217.89
207	EA	1	Toner, HP - LaserJet Pro 500 color MFP M570dn - YELLOW	\$217.89	\$217.89
208	EA	1	Toner, HP - LaserJet Pro 500 color MFP M570dn - MAGENTA	\$217.89	\$217.89
209	EA	1	HP LaserJet Pro 500 color MFP M570dn FUSER KIT	\$205.36	\$205.36
210	EA	1	HP LaserJet Pro 500 color MFP M570dn TRANSFER KIT	\$0.00	\$0.00
211	EA	1	HP LaserJet Pro 500 color MFP M570dn FUSER	\$205.36	\$205.36
212	EA	1	HP LaserJet Pro 500 color MFP M570dn TONER CARTRIDGE COLLECTION UNIT	\$15.13	\$15.13
213	EA	1	Toner, Kyocera - FS-C262MFP Printer - Multifunction - BLACK	\$86.63	\$86.63
214	EA	1	Toner, Kyocera - FS-C262MFP Printer - Multifunction - CYAN	\$88.11	\$88.11
215	EA	1	Toner, Kyocera - FS-C262MFP Printer - Multifunction - YELLOW	\$88.11	\$88.11
216	EA	1	Toner, Kyocera - FS-C262MFP Printer - Multifunction - MAGENTA	\$88.11	\$88.11
217	EA	1	Kyocera - FS-C262MFP Printer FUSER KIT	\$90.65	\$90.65
218	EA	1	Kyocera - FS-C262MFP Printer TRANSFER KIT	\$126.50	\$126.50
219	EA	1	Kyocera - FS-C262MFP Printer FUSER	\$90.65	\$90.65
220	EA	1	Kyocera - FS-C262MFP Printer TONER CARTRIDGE COLLECTION UNIT	\$10.46	\$10.46
221	EA	1	Toner, HP - Envy 5540 Printer - Ink-Jet Color - TRI-COLOR	\$23.65	\$23.65
222	EA	1	HP Envy 5540 FUSER KIT	\$186.99	\$186.99
223	EA	1	HP Envy 5540 TRANSFER KIT	\$378.00	\$378.00
224	EA	1	HP Envy 5540 FUSER	\$186.99	\$186.99
225	EA	1	HP Envy 5540 TONER CARTRIDGE COLLECTION UNIT	\$186.99	\$186.99
226	EA	8	Toner, HP - OfficeJet 100 Mobile Printer - TRI-COLOR	\$67.41	\$539.28
227	EA	8	Toner, HP - OfficeJet 100 Mobile Printer - BLACK	\$30.70	\$245.60
228	EA	8	HP OfficeJet 100 Mobile FUSER KIT	\$0.00	\$0.00
229	EA	8	HP OfficeJet 100 Mobile TRANSFER KIT	\$0.00	\$0.00
230	EA	8	HP OfficeJet 100 Mobile FUSER	\$0.00	\$0.00
231	EA	8	HP OfficeJet 100 Mobile TONER CARTRIDGE COLLECTION UNIT	\$0.00	\$0.00
				Subtotal (Taxable)	\$92,040.00
				Sales Tax	\$7,133.10
				<b>Total Bid</b>	<b>\$99,173.10</b>
				Submitted Bid	\$94,673.83
				Difference	\$4,499.27

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# City of Hesperia

## STAFF REPORT



**DATE:** March 21, 2017  
**TO:** Mayor and Council Members  
**FROM:** Nils Bentsen, City Manager  
**BY:** Mark Faherty, Public Works Manager  
**SUBJECT:** Equipment Procurement – Skip Loader Tractor

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### RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to approve the procurement of a new skip loader tractor and award the bid to Scott Equipment Inc. of Fontana, California in the not-to-exceed amount of \$77,903.

### BACKGROUND

The Street Division of Public Works is responsible for maintaining the dirt shoulder adjacent to the 558 miles of paved roadways within the City and has requested a new skip loader tractor. The new skip loader tractor will allow staff to work more efficiently and cost effectively while grading the dirt shoulders. The current skip loader utilized by staff has over 9,700 hours, is beyond its service life and is in need of replacement.

### ISSUES/ANALYSIS

The Finance-Purchasing Division solicited bids (from the City's registered bidders list) both locally and out of the area in order to maximize the bid response. The City received two (2) bids, from Sonray Machinery and Scott Equipment (2 options included). The City has selected Scott Equipment's bid of a New Holland U80C with the PTO Ready option. The bid amount is \$77,902.17. Upon researching, City staff determined the New Holland U80C meets all the specifications of the bid.

### FISCAL IMPACT

Funding for the equipment is included in the Fiscal Year 2016-17 budget under Public Works Streets fund 263-29-310-3150-8440 in the amount of \$92,000.

### ALTERNATIVE(S)

1. Provide alternative direction to staff.

### ATTACHMENT(S)

1. RFB 2016-17-009 Bid Results

**RFB 2016-17-009 Case Tractor Loader  
Bid Comparison**

Bid Comparison Type: Taxable  
Bid Comparison Completed By: Purchasing  
Date: 3/1/2017

				Sonsray Machinery Fontana, CA				Scott Equipment Fontana, CA				Scott Equipment Fontana, CA			
Item No.	UOM	Qty	Description	Make/Model #	Unit Cost	Extended Amount	Bidder Part #	Unit Cost	Extended Amount	Bidder Part #	Unit Cost	Extended Amount	Extended Amount		
1	EA	1	New/Unused CASE 570N EP (Efficient Power) Tier 4 Final General Specifications (Four-Wheel Drive)Tractor Loader	Case 570N	\$79,250.000	\$79,250.00	New Holland U80C*	\$73,817.000	\$73,817.00	New Holland U80C**	\$72,299.000	\$72,299.00	\$72,299.00		
					Subtotal	\$79,250.00		Subtotal	\$73,817.00		Subtotal	\$72,299.00			
					Sales Tax (7.75%)	\$6,141.88		Sales Tax (7.75%)	\$5,720.82		Sales Tax (7.75%)	\$5,603.17			
					TOTAL BID	\$85,391.88		TOTAL BID	\$79,537.82		TOTAL BID	\$77,902.17			
					Submitted Bid Amount	\$85,285.94		Submitted Bid Amount	\$79,537.82		Submitted Bid Amount	\$77,902.17			
					Difference	\$125.93		Difference	(\$0.00)		Difference	\$0.00			
													**with PTO installed Option		
													**with PTO Ready Option		

\*\*with PTO Ready Option

\*with PTO installed Option

# City of Hesperia

## STAFF REPORT



**DATE:** March 21, 2017

**TO:** Mayor and Council Members

**FROM:** Nils Bentsen, City Manager

**BY:** Michael Blay, Director of Development Services  
David Burkett, Project Construction Manager

**SUBJECT:** Approve a Mitigation Funding Guarantee with the U.S. Army Corps of Engineers for the Ranchero Road & BNSF Grade Separation Project, C.O. No. 7046

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### RECOMMENDED ACTION

It is recommended that the City Council approve a Mitigation Funding Guarantee in an amount not to exceed \$500,000, approve the establishment of a \$500,000 trust fund, and authorize the City Manager to execute a Mitigation Financial Assurance Agreement with the U.S. Army Corps of Engineers related to the Ranchero Road & BNSF Grade Separation Project, C.O. No. 7046.

### BACKGROUND

The City pursued construction of a grade separation of the BNSF Railroad at Ranchero Road since incorporation. In May 2009 the City received authorization from Caltrans to proceed with right of way acquisition necessary for construction of the project. Staff proceeded with the acquisition process and completed this phase of the work in December 2010. Caltrans signed the Right of Way Certification in January 2011. Concurrently with acquiring right of way, staff worked with the design engineer to finalize the plans and secure City approval of the street improvements and BNSF approval of the bridge plans.

With completion of the right of way phase, the project was able to move into the construction phase. Staff completed all forms and submitted a Request for Authorization to Proceed with Construction (RFA-CON) to Caltrans in January 2011. After several reviews by Caltrans and resubmittals of the RFA-CON package, the City received final authorization to proceed with construction of the Ranchero Road & BNSF Grade Separation Project (Project) from the federal government in June 2011. The Project was released for bids in June 2011, bids were opened in July 2011, and at its August 2, 2011 meeting the City Council awarded the bid to Riverside Construction Company, Inc. (RCC) for construction of the Project. Construction commenced in August 2011 and was completed in June 2013.

Staff also worked with the various resource permitting agencies in order to secure a U.S. Army Corps of Engineers Section 404 Permit, a California Department of Fish & Game Section 1602 Permit, a State Water Resources Control Board Section 401 Permit, a San Bernardino County Flood Control District Permit, and approval from the Mojave Water Agency to construct a roadway over their pipe line. The City was responsible for obtaining all regulatory permits from these outside agencies and ensuring compliance with these permits throughout the project.

## ISSUES/ANALYSIS

Staff has been in discussions with the Army Corps of Engineers (ACOE) over the final requirements being imposed under the "Section 404" permit issued for the Project under the federal Clean Water Act. Under this permit, mitigation involving replacement of habitat and its restoration was to be provided along the embankment constructed as a part of the Project. A majority of this restoration work was to occur on property owned by the San Bernardino County Flood Control District (SBCFCD). However, the SBCFCD would not issue the City a permit to perform this mitigation work as they felt such restoration work would interfere with maintenance and proper operation of the flood control facilities constructed on their property.

After months of unsuccessful efforts to resolve the impasse with the SBCFCD, the City approached the ACOE with a request to replace the onsite mitigation requirements with mitigation at an existing offsite location. A site owned by the City was identified as an ideal location to perform this offsite restoration work as mitigation for the Rancho Road & I-15 Interchange project was already being done on a portion of the property.

Initially the City was required to restore an area the size of 0.49 acres at the site, but when performing mitigation work at an offsite location the ACOE requires a larger area of mitigation, in this case an area the size of 3.05 acres. In addition to performing the initial mitigation work after completion of construction, the ACOE permit requires us to monitor the site for 5 years to ensure the restoration work is successful. The City contracted with Parsons to perform this mitigation work (planting, site restoration, signage, etc.) at a cost of \$230,300. This amount will need to be amended in the future to compensate Parsons for their additional efforts related to relocation of the mitigation site. The cost of this mitigation must be guaranteed with a "financial assurance" instrument. The ACOE has agreed to allow the City to maintain a separate "trust fund" with Finance that would be accessible in the event the City fails to meet the mitigation requirements.

In addition to mitigation restoration, the City must include the cost for an alternate site (beyond the selected mitigation site) to be included in the financial assurance, as required by Code of Federal Regulations section 33 CFR 332.3(n)(2). This is to cover the costs of purchasing an alternate site in the event mitigation efforts are unsuccessful at the selected site. Comparable property values have been estimated at approximately \$164,872. This amount, together with the \$230,300 mitigation and ACOE Costs and contingencies, brings the financial mitigation assurance amount to \$500,000.

This amount exceeds the financial threshold that can be approved by the City Manager. Consequently, staff requests that the City Council authorize the City Manager to execute the Mitigation Financial Assurance Agreement with a not-to-exceed amount of \$500,000.



## **FISCAL IMPACT**

On June 21, 2016 the City Council approved the Fiscal Year 2016-17 Capital Improvement Program (CIP) Budget that contained the Ranchero Road & BNSF Grade Separation Project (C.O. No. 7046) and included funding for the proposed \$500,000 trust fund and the required mitigation work.

## **ALTERNATIVE(S)**

1. Provide alternative direction to staff.

## **ATTACHMENT(S)**

None

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# City of Hesperia STAFF REPORT



**DATE:** March 7, 2017

**TO:** Mayor and Council Members

**FROM:** Nils Bentsen, City Manager **SECOND READING AND ADOPTION**

**BY:** Dave Reno, Principal Planner  
Stan Liudahl, AICP, Senior Planner

**SUBJECT:** Consideration of Development Code Amendment DCA17-00001, amending the special event and temporary use regulations; Applicant: City of Hesperia; Area affected: City-wide

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## RECOMMENDED ACTION

The Planning Commission recommends that the City Council introduce and place on first reading Ordinance No. 2017-04 approving DCA17-00001, amending the special event and temporary use regulations.

## BACKGROUND

**Proposal:** An amendment to the special event and temporary use ordinance providing regulations specific to major special events as well as to modify the existing special event and temporary use regulations to reflect current practices. The proposed amendment is also part of an overall goal to update the Permits and Procedures (16.12) Chapter of the Development Code, which outlines the process for permitting development projects and land uses in the City.

On February 9, 2017, the Planning Commission unanimously (5-0) forwarded this item to the City Council with a recommendation for approval. The Commission's only concern was the reason that the amendment was initiated. Staff explained that the current special event application procedures didn't afford staff sufficient time to process a recently proposed annual bicycle tour. There were no comments received during the public comment period or public hearing.

## ISSUES/ANALYSIS

**Land Use:** This Development Code Amendment (DCA) has been filed by the City specifically to amend the existing regulations to include new application procedures for major special events (Attachment 2). Currently, the application procedure does not differentiate between large and small special events. A recent bicycle tour requiring multiple street closures and a church procession requiring a partial street closure illustrated the need to amend the application procedures. These events typically require the use of public services or facilities, require additional security for crowd control, or necessitate the presence of fire or police for safety or medical response purposes. In addition, this DCA will amend portions of the special event and temporary use regulations to reflect current practice.

Staff researched six jurisdictions to determine how applications for special events and temporary uses are processed (Attachment 1). Based upon this data, staff recommends that applications for major events be submitted at least 60 days prior to the event. Current practice requires that all special event applications be filed a minimum of two weeks prior to the event. The data also suggests that major events be defined as events which have between 200 and 1,000 attendees. Staff recommends that major events be those events which will have approximately 500 attendees or requires a partial or complete street closure. Additionally, staff recommends that any event which requires police and/or fire staff onsite will also be processed as a major event. The number and duration of events in these six jurisdictions are comparable to the City's regulations, which allow four events per year not to exceed 21 days per quarter. As such, staff does not recommend that the number or duration of special events within Chapter 16.12 be changed.

**Environmental:** Approval of the Development Code Amendment is exempt from the requirements of the California Environmental Quality Act per Section 15061(b)(3), where it can be seen with certainty that there is no significant effect on the environment. The proposed Development Code Amendment is also exempt from the requirements of the California Environmental Quality Act by Section 16.12.415(B)(10) of the City's CEQA Guidelines, as Development Code Amendments are exempt if they do not propose to increase the density or intensity allowed in the General Plan.

**Conclusion:** Staff supports the Development Code Amendment, as it will provide application procedures specific to major special events as well as to codify current practices pertaining to special events and temporary uses.

#### **FISCAL IMPACT**

None.

#### **ALTERNATIVE(S)**

1. The City Council could define major special events as those events with 1,000 persons or greater in attendance instead of 500. Unless the venue is located at a facility with a large number of parking spaces, such as the Civic Plaza Park, the impact of 1,000 attendees will likely have a significant negative impact upon the site of the event and surrounding properties. Many sites, including churches contain approximately 125 parking spaces, which is an approximate number of spaces needed for 500 persons. Any event which requires police and/or fire staff onsite will also be processed as a major event. Therefore, staff does not support this alternative.
2. The City Council may increase or decrease the number of days prior to filing an application to consider a major special event. Current practice requires that special event applications be submitted at least two weeks prior to the event. The bicycle tour and the procession required street closures, which require additional time to process. Consequently, staff recommends that applications for major events be filed at least 60 days prior to the event. Therefore, staff does not support this alternative.
3. Provide alternative direction to staff.

#### **ATTACHMENT(S)**

1. Temporary Use Ordinance Comparison Table
2. Ordinance No. 2017-04
3. Exhibit "A" to Ordinance 2017-04

# ATTACHMENT 1

## TEMPORARY USE ORDINANCE COMPARISON

Jurisdiction	Filing Time Frame	Type of Temporary Use	Maximum Allowable Time Frame	Approval Body
Apple Valley	10 days prior to the public hearing	Major special event <sup>1</sup>	4 events/year not to exceed 14 days/event	Town Council
		Minor special event <sup>2</sup>		Planning Director
	NA <sup>3</sup>	Parking lot/sidewalk sales	4 events/year not to exceed 7 days for grand openings and 3 days for other promotions	
Banning	10 days prior to the public hearing	Special Temporary Event	15 days	City Council
	NA <sup>3</sup>	Parking lot/sidewalk sales	2 events per calendar year not to exceed three consecutive days	Community Development Director
Hesperia	14 days prior to event per division policy	Temporary Special event	4 events/year not to exceed 21 continuous days/event or more than 4 consecutive weekends	Development Services Director or designee
Indio	30 days prior to event	Major Music Festival Event Permit required	5 events/year not to exceed 3 events occurring in consecutive weekends	City Council
		Temporary Use Permit	10 days/year not to exceed 7 consecutive days	
	15 days prior to event	Parking lot/sidewalk sales	6 events/year not to exceed 10 days	Community Development Director
Lancaster	60 days prior to event <sup>4</sup>	Any event with 50 or more participants	12 events/year from January 15th to November 15th	Planning Director
		Parking lot/sidewalk sales		
Palmdale	NA <sup>3</sup>	Temporary Use Permit <sup>5</sup>	15 days/180 day period not to exceed 3 events in consecutive weekends <sup>6</sup>	Planning Director
	Accessory use	Parking lot/sidewalk sales	10 (one-day) events per 90 day period <sup>7</sup>	
Victorville	15 days prior to event	Major temporary uses	90 <sup>8</sup> days/year without approval of CUP	Zoning Administrator
		Parking lot/sidewalk sales	6 periods/year for not more than 18 days	

<sup>1</sup> Major special events are temporary uses with more than 1,000 participants at one time.

<sup>2</sup> Minor special events are temporary uses with between 200 and 1,000 participants at one time.

<sup>3</sup> Not Applicable.

<sup>4</sup> The Planning Director may accept an application less than 60 days prior to the event.

<sup>5</sup> Approval of a Temporary Use Permit is required for circuses, carnivals, rodeos, concerts and similar enterprises.

<sup>6</sup> Approval of a Conditional Use Permit is required to exceed 15 days/180 day period.

<sup>7</sup> Approval of a Temporary Use Permit is required for individual events which occur over one day. Grand openings are restricted to a one-day event per year.

<sup>8</sup> Initially, the temporary use may be approved for up to 30 days. The Zoning Administrator may grant up to two 30-day extensions to a maximum of 90 days for any calendar year.

**ORDINANCE NO. 2017-04**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HESPERIA,  
CALIFORNIA, ADOPTING A DEVELOPMENT CODE AMENDMENT TO  
AMEND THE SPECIAL EVENT AND TEMPORARY USE REGULATIONS  
(DCA17-00001)**

**WHEREAS**, on January 5, 1998, the City Council of the City of Hesperia adopted Ordinance No. 250, thereby adopting the Hesperia Municipal Code; and

**WHEREAS**, the City proposes to amend Article XI of Chapter 16.12 of the City of Hesperia Development Code regulations which pertain to special events and temporary uses; and

**WHEREAS**, the City finds that it is necessary to amend the special event and temporary use regulations to provide additional requirements for major special events and to amend the temporary use regulations consistent with current policies; and

**WHEREAS**, the proposed Development Code amendment is exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3), where it can be seen with certainty that there is no significant effect on the environment. The proposed Development Code Amendment is also exempt from the requirements of the California Environmental Quality Act by Section 16.12.415(B)(10) of the City's CEQA Guidelines, as Development Code Amendments are exempt if they do not propose to increase the density or intensity allowed in the General Plan; and

**WHEREAS**, on February 9, 2017, the Planning Commission of the City of Hesperia conducted a duly noticed public hearing pertaining to the proposed Development Code Amendment and concluded said hearing on that date; and

**WHEREAS**, on March 7, 2017, the City Council of the City of Hesperia conducted a hearing on the Application and concluded said hearing on that date; and

**WHEREAS**, all legal prerequisites to the adoption of this Ordinance have occurred.

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

Section 1. The City Council hereby specifically finds that all of the facts set forth in this Ordinance are true and correct.

Section 2. Based upon substantial evidence presented to the City Council, including written and oral staff reports, this Council specifically finds that the proposed Ordinance is consistent with the goals and objectives of the adopted General Plan.

Section 3. Based on the findings and conclusions set forth in this Ordinance, this Council hereby adopts Development Code Amendment DCA17-00001, amending the special event and temporary use regulations as shown on Exhibit "A."

Section 4. This Ordinance shall take effect thirty (30) days from the date of adoption.

Section 5. The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be posted in three (3) public places within the City of Hesperia pursuant to the provisions of Resolution No. 2007-101.

**ADOPTED AND APPROVED** on this 21<sup>st</sup> day of March 2017.

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Paul Russ, Mayor

ATTEST:

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Melinda Sayre, City Clerk

# EXHIBIT “A”

The following are modifications to Chapter 16.12 (additions are in underlined red text and deletions are shown with ~~red and strikethrough~~):

## Chapter 16.12

### PERMITS AND PROCEDURES

#### ARTICLE XI. - SPECIAL EVENTS AND TEMPORARY USES

##### 16.12.370 - Purpose of provisions.

The purpose of this article is to control and regulate special events and other land use activities of a temporary or recurring nature that may adversely affect the public health, safety, and welfare. The intent is to ensure that these events and uses will be compatible with surrounding land uses, to protect the rights of adjacent residences and landowners, and to minimize any adverse effects on surrounding properties and the environment.

(Ord. 2002-11 Exh. A (part), 2002)

(Ord. No. 2012-14, § 3(Exh. A), 8-7-12)

##### 16.12.375 - General provisions.

- A. A temporary use or structure which does not have a valid and current use permit as specified herein is declared to be a public nuisance, subject to the enforcement provisions of the development code and other applicable laws.
- B. A change in ownership or operator of a use or structure subject to a permit as specified in this article, or a change of structure or modification of the structure or use allowed on a parcel subject to such a permit, shall not affect the time periods established by this article to allow such temporary uses, special events or structures.
- C. Noncompliance with the conditions set forth in approving the permit shall be grounds for the reviewing authority to cancel and void any use permit for a temporary use. Except in the case of a demonstrated emergency, the reviewing authority shall give prior notice of such an action to the permittee. The permittee may appeal such a decision by filing an appeal as allowed and specified in Section 16.12.055. The revocation shall be considered in accordance with Section 16.12.075.
- D. Unless otherwise specified in this article, the development services director, or his or her designee, is authorized to approve, conditionally approve with reasonable conditions, or to deny a permit for a temporary use or special event. The approval may establish conditions and limitations, including but not limited to: days and hours of operation, provision of parking areas, signing and lighting, traffic circulation and access, temporary or permanent site improvements, and other measures necessary to minimize detrimental effects on surrounding properties.
- E. The development services director, or his or her designee, may require a cash deposit or cash bond to defray the costs of cleanup of a site by the city in the event the applicant fails to leave the property in a presentable and satisfactory condition, or to guarantee removal and/or reconversion of any temporary use to a permanent use allowed in the subject land use designation.

(Ord. 2002-11 Exh. A (part), 2002)

(Ord. No. 2012-14, § 3(Exh. A), 8-7-12)



**16.12.380 - Special event permits.**

- A. All special events shall be subject to the following requirements, as applicable:
1. The approval period for any special event shall be for the time period specified on the approval but in no circumstances shall it exceed more than twenty-one (21) continuous days, or more than four consecutive weekends of operation in any ninety-day period.
  2. Adequate provisions for traffic circulation, off-street parking, and pedestrian safety shall be provided to the satisfaction of the development services director, or his or her designee.
  3. Sanitation facilities shall be provided for the duration of the event; the number and location to be determined by the reviewing authority.
  4. Security personnel shall be provided as required by the city police department.
  5. Parking accommodations for amusement enterprise workers and support vehicles shall be provided as required by the reviewing authority.
  6. Noise attenuation for generators and carnival rides shall be provided as approved by the reviewing authority.
  7. Adequate emergency access shall be provided as approved by the fire department.
  8. A certificate of insurance shall be submitted to the planning division, naming the city as co-insured, for not less than one million dollars (\$1,000,000.00) of general liability coverage, prior to issuance of any permits. This requirement may be waived for small events entirely on private property with no impacts to public facilities.
  9. Adequate staging area shall be provided as approved by the development services director, or his or her designee.
  10. Any platforms, stages, tents, or screening devices erected for the event shall be constructed to the satisfaction of the building official and/or fire marshal. The structure shall be removed from the site immediately following the event.
  11. If involvement by government personnel (public works, fire, and police) is required, a deposit to cover estimated costs shall be submitted prior to issuance of the permit. Upon completion of the event, the city will, within twenty (20) working days, either refund any unused portion of the initial deposit, or require payment of any additional expenses incurred.
  12. In cases where food and/or alcohol products will be sold to the general public in conjunction with the event, proof that permits were obtained from the county department of environmental health services and other applicable agencies shall be submitted prior to issuance of any permits.
  13. Portable searchlights may be permitted, provided that the beam, when lit, shall not be at an angle of less than sixty (60) degrees from the horizontal, and that no advertising is located on the searchlight or its supporting structure.
  14. Inflatable signs, balloons or bounce houses may be permitted provided that they are securely tethered. Insurance as specified in subsection (9) shall be required for any event using such inflatable devices.
- B. Special Event Permits. A special event permit shall be required for the following uses, including but not limited to:
1. Parking lot and sidewalk sales for businesses located within a commercially designated property. Any special event for the sale of automobiles, boats, recreational vehicles, pools, spas, trucks, heavy equipment, mobile homes, sheds, modular buildings or similar items shall be limited to businesses with their primary establishment within the Victor Valley, including the town of Apple Valley and the

cities of Adelanto, Hesperia and Victorville. The city may, at its option, issue a permit to an applicant with a primary business establishment out of this area, should no special event to sell the proposed items have occurred within the previous three months. The applicant is required to establish the point of sale for the event to be within the city for sales tax purposes. Prior to approval of a permit, the city shall receive a copy of the seller's permit evidencing that the point of sale is within the city.

2. Swap meets, outdoor art and craft shows and exhibits.
3. Fairs, concerts, or festivals, held outdoors or in temporary enclosures.
4. Circuses, carnivals, rodeos, pony riding, or similar traveling amusement enterprises.
5. Parades and other events conducted within the public right-of-way.
6. Auctions or distress sales.
7. Special events for charitable organizations on facilities they occupy on a continual basis.

(Ord. No. 2012-14, § 3(Exh. A), 8-7-12)

#### **16.12.382 - Temporary uses.**

A. A temporary occupancy permit, temporary special event and/or building permit shall be required for the following uses:

1. A temporary special event permit is required for food and drink carts located on the property adjacent to established commercial or industrial uses hosting the event. In addition, the use shall have obtained permits from the county department of environmental health services. The regulations within Section 16.16.061 entitled "mobile food vehicle regulations" will apply if the cart meets the definition within Section 16.08.532.
2. Christmas tree lots or pumpkin patches shall obtain approval of a temporary special event subject to the following guidelines and conditions:
  - a. Christmas tree lots may operate during the week before Thanksgiving through December 25th. This time does not include reasonable setup or teardown activities. Pumpkin patches may operate during the last week of September through October 31st. Such uses shall be located on unoccupied portions of corner lots abutting at least one road designated on the city's master plan of arterial highways. The sale of Christmas trees may also occur on developed commercial sites occupied by existing retailers that sell trees and plants.
  - b. All lighting shall be directed away from and shielded from adjacent residential areas.
  - c. Adequate provisions for traffic circulation, off-street parking, and pedestrian safety shall be provided as approved by the development services director, or his or her designee.
  - d. All requirements of the city, fire and police departments shall be met for the duration of the use.
3. Trailer coaches, motor homes, or mobile homes may be placed on active construction sites, for use as temporary living quarters for security personnel, or as a temporary residence for the subject property owner with approval of a temporary occupancy permit. The following restrictions shall apply:

- a. The development services director may approve a temporary vehicle for the duration of the construction project, or for a specified period, but not for more than one year. If exceptional circumstances exist, a one-year extension may be granted; provided, that the building permit for the first permanent dwelling or structure on the same site has also been extended.
  - b. Installation of these vehicles may occur only after a valid building permit has been issued by the building division.
  - c. Vehicles permitted pursuant to this section shall not exceed a maximum gross square footage of six hundred fifty (650) square feet in size (tongue not included), and shall have a minimum of two hundred fifty (250) square feet for one or two persons, or a minimum of six hundred (600) square feet for occupancy by three or more persons. The unit must have a valid California vehicle license. Pickup campers shall not be permitted.
  - d. The temporary vehicle installation must meet all requirements of the county department of environmental health services and the city building and safety division.
  - e. Any permit issued pursuant to this section in conjunction with a construction project shall become invalid upon cancellation or completion of the building permit for which this use has been approved, or the expiration of the time for which the approval has been granted.
  - f. The permitted vehicle shall be removed from the site within thirty (30) days of the final approval of the building permit. A motor home, fifth-wheel trailer, or other recreational vehicle permitted under this section shall be disconnected from all utilities at the time of final approval.
  - g. Any vehicle permitted under this section shall be connected to approved sewage, electrical and water facilities at all times when the vehicle is authorized by a temporary occupancy permit
  - h. A building permit for the installation of a mobile home to be used as a temporary residence permitted under this section shall not be issued, if more than ten years have elapsed between the date of manufacture and the date of the application for the issuance of the permit to install the mobile home.
4. Temporary Office Modules. Temporary structures, such as office trailers or prefabricated structures for use as interim offices, classrooms or for security personnel shall require approval of a temporary occupancy permit. The temporary structure shall be allowed in any designation that allows the use pursuant to Section 16.12.085. Recreational vehicles, cargo containers, and mobile homes shall not be used for this purpose. The location of such structures shall be fully screened from the public right-of-way or adjacent residential properties. The city may limit the time allowed for the use of such temporary structures, where it is feasible for such offices, classrooms or security facilities to be integrated into permanent structures.
5. Model Homes. Model homes may be used as offices solely for the sale of homes within a recorded tract with approval of a temporary occupancy permit, subject to the following conditions:
- a. The sales office may be located in the garage of one of the model homes, a temporary office trailer, or within the livable portion of one of the models.
  - b. Approval shall be for a three-year period, at which time the sales office shall be terminated, and if applicable, the structure remodeled to a single-family dwelling. Extensions may be granted by the building official in one-year

increments, but no extension shall be granted if over ninety (90) percent of the development is sold.

c. A cash deposit, letter of credit, or other security approved by the city shall be submitted to the city, in an amount to be set by the city, to ensure the restoration or removal of the structure.

d. The sales office is to be used only for transactions involving the sale, rent, or lease of lots and/or structures within the tract in which the sales office is located, contiguous tracts, or a planned community. However, the planning commission may consider off-site model homes sales offices where permitted by the land use designation, subject to the granting of a temporary occupancy permit as specified in Section 16.12.382.

e. Failure to terminate the sales office and remodel the structure, or failure to apply for an extension on or before the expiration date, will result in forfeiture of the cash deposit, a halt in further construction or inspection activity on the project site, and enforcement action to ensure the remodeling of the structure.

f. Street improvements and temporary off-street parking at a rate of two spaces per model shall be completed as approved by the planning division, prior to commencement of sales activities or the display of model homes. Access to the parking area shall be prohibited from the rear of double frontage lots. Future street right-of-way along the front or street side yard, with a fully paved surface, may be used for no more than five of the required parking spaces, prior to the time that said right-of-way is accepted by the city for public use.

g. All fences proposed in conjunction with the model homes and sales office shall be located outside the public right-of-way.

h. Flags, pennants, or other on-site and off-site advertising shall be regulated pursuant to Chapter 16.36 of the Development Code.

i. Use of signs shall require submission of a sign permit application for review and approval prior to installation.

6. Off-Site Model Homes. A model home sales office, when not located within one of the three circumstances identified in item Section 16.12.382(A)(5)(d), shall be considered an off-site model home sales office, requiring approval of a temporary occupancy permit. The following criteria shall apply:

a. A sales office may only be located within the dwelling itself, or within the garage. Trailers, modular units, or any similar temporary structure shall not be permitted.

b. The structure shall be constructed pursuant to the minimum requirements of the land use designation in which it is located.

c. Paved parking areas shall provide for at least five spaces and shall be located in proximity to the model home sales office. This off-street parking area shall be completed prior to the commencement of activities or display of model homes and shall include applicable handicapped parking spaces, signs and pavement markings.

d. All fences proposed in conjunction with the model home sales office shall be located outside of the public right-of-way.

e. Adequate on-site lighting shall be provided to ensure a safe and secure environment, while at the same time being designed and placed in such a manner as to prevent stray light or glare from becoming a nuisance factor for

adjacent residentially designated properties and abutting roadways. The lighting design employed shall be a low-level type of system and is not intended to provide the same level of lighting as a comparable commercial or office use. A detailed lighting plan shall be submitted for review and approval to the building division.

f. The temporary occupancy permit shall be for a five-year period. Time extensions may be granted up to a maximum of another two years. Any requests for extension of this temporary use permit beyond the maximum of seven years would require the approval of a conditional use permit, pursuant to Article III of this chapter.

g. Adequate access from a public right-of-way shall be provided to the structure. A twenty-six (26) foot wide driveway shall be provided as approved by the city engineer.

h. The structure shall meet all requirements of the city building division, including but not limited to the installation of handicapped accessible restroom facilities, and adequate utility facilities.

i. With the exception of the paved parking and signs, an off-site model home shall be developed and landscaped as a single-family residence. Full landscaping, utilizing drought-resistant type materials, shall include a permanent, underground irrigation system, specimen size trees, and the use of shrubbery, ground cover, non-plant landscape materials, to produce an efficient yet pleasing outdoor environment.

j. When the temporary occupancy permit allowing a model home has expired, the home shall be converted and/or remodeled to conform to all requirements for single-family homes, including a two-car garage. A detached garage may be constructed to meet this requirement.

k. A city business license shall be required.

(Ord. 2002-11 Exh. A (part), 2002)

(Ord. No. 2012-14, § 3(Exh. A), 8-7-12)

#### **16.12.385 - Application procedure.**

Applications for temporary use permits and special event permits shall be filed with the planning division in a manner prescribed by the city, along with a fee as adopted by resolution of the city council at least 14 days prior to the event for minor events unless a shorter time frame is authorized by the Director of Development Services. Any special event permit which requires a partial or complete street closure or which may be attended by approximately 500 people shall be considered a major event. Major special events may require approval of a traffic control plan and/or other study, use of police and/or fire personnel, and/or providing a surety as required by the review authority. Major events shall be filed with the city at least 60 days prior to the event unless a shorter time frame is authorized by the Director of Development Services. Special events with fewer attendees may also be considered a major event if the event requires that police and/or fire personnel be onsite or if the site or facilities may not accommodate the number of expected participants.

(Ord. 2002-11 Exh. A (part), 2002)

(Ord. No. 2012-14, § 3(Exh. A), 8-7-12)

#### **16.12.390 - New application following denial.**

Following the denial of a permit application for a temporary use, no application for the same or substantially the same use on the same or substantially the same site shall be filed within one year of the date of denial.

(Ord. 2002-11 Exh. A (part), 2002)

(Ord. No. 2012-14, § 3(Exh. A), 8-7-12)



**DATE:** March 7, 2017  
**TO:** Mayor and City Council Members  
**FROM:** Nils Bentsen, City Manager  
**BY:** Melinda Sayre, City Clerk  
**SUBJECT:** By-District Election System Transition AB350 Public Hearings

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### **RECOMMENDED ACTION**

It is recommended that the City Council hold a public hearing as required by AB 350 and accept public testimony regarding the composition of districts to transition the City from an at-large election system to a by-district election system.

### **BACKGROUND**

The City is in the process of transitioning from an at-large election system to by-district elections which requires a series of public hearings at which members of the public can provide input regarding the composition of districts.

The City has engaged with National Demographics Corporation (NDC), to facilitate the districting process. NDC provided the City with public participation kits (attached for reference) which the public can use to draw and propose district maps. Participation kits can be accessed on the City's website and at all City facilities.

Notice of the districting process has been advertised in the local Resorter newspaper, the City's social media sites and a dedicated webpage on the City's website. The public has been asked to submit draft maps for inclusion on the initial report to the City Council by March 21, 2017.

The City Council held the first districting public hearing on Tuesday, March 7, 2017. No public testimony was received.

### **ALTERNATIVES**

Provide Alternative Direction to Staff

### **ATTACHMENTS**

1. Public participation kit



# City of Hesperia

Gateway to the High Desert

The City of Hesperia is transitioning from an at-large to by-district election system and we want you to be part of the process!

Fill out the attached public participation kit and submit draft maps to the address provided or to the City Clerk's Office by March 27, 2017! Kits are also available electronically on the City's website.

## Proposed and Tentative Districting Schedule and Public Participation Kit

Date	Action	Description
March 7	Council Discussion, Public Hearing & Action on Resolution	Kick-off discussion of schedule, opportunities/tools for public participation, highlighting of outreach efforts (including how to use "public participation kit".) 1 <sup>st</sup> City Council Public Hearing "at which the public is invited to provide input regarding the composition of the districts," per AB350 requirement.
March 21	Council Hearing	2 <sup>nd</sup> City Council Hearing "at which the public is invited to provide input regarding the composition of the districts."
March 27	Public deadline	Deadline for public to submit draft maps for inclusion in initial report to Council
March 30	Report	Summary of public input, all public maps, and NDC Draft Maps posted to City website
April 18	Council Hearing	1 <sup>st</sup> City Council Hearing "at which the public is invited to provide input regarding the content of the draft map or maps and the proposed sequence of elections," per AB350.
May 2	Council Hearing	2 <sup>nd</sup> City Council Hearing "at which the public is invited to provide input regarding the content of the draft map or maps and the proposed sequence of elections." Possible Council direction on preferred Draft Map for inclusion in draft ordinance.
May 16	Council Hearing & Action	City Council public hearing followed by vote to introduce ordinance
June 6	Council Action	Council 2 <sup>nd</sup> reading and adoption of Ordinance
June/July	Administrative	NDC and City work with County Registrar to implement district map

For more information visit the City's website at [www.cityofhesperia.us](http://www.cityofhesperia.us) or contact the City Clerk's Office at 760-947-1007 or 760-947-1056



## City of Hesperia Public Participation Districting Kit

### **Printed Contents** (in the Acrobat PDF file)

1. This information and instruction page.
2. Listing of (draft) criteria for district development.
3. Summary of City demographics.
4. Map with total population by population unit.
5. Map with population unit ID numbers.
6. Listing of demographic elements by population unit (to be used with item 5).
7. Three Population Unit maps on which to mark and submit proposed plan(s).

### **Electronic Contents** (in the Microsoft Excel file)

1. A worksheet providing instructions on how to use the file.
2. A worksheet containing a data listing of demographic elements by population unit, with a blank column for district number entry.
3. A summary worksheet showing the demographics for each entered district and for any remaining unassigned area(s).

### **Instructions**

1. Use the maps with the total population counts printed on them to aggregate the population in the population units to develop five council districts that are equal in population. An ideal district population is 18,035 persons (the total population of the City – 90,173 – divided by the number of council districts in the plan [five]). To be within the absolute maximum deviation of 5 percent of the ideal, each district must contain between 17,133 and 18,936 people.
2. Be careful not to split unnecessarily any obvious community of interest. Use the thematic maps and your knowledge of communities to identify these areas.
3. We encourage, but do not require, you to include an explanation of the goals, emphasis, and/or key communities of interest you focused on in developing the proposed plan.
4. **Paper submission:** Transfer your final map lines to a citywide map of population units using a thick black marking pen. Do not submit colored maps, as they will not fax, unless you can scan and email them. Submit your map to the City's consultant, National Demographics, by mail (PO Box 5271, Glendale, California, 91221) or by fax (818-254-1221).
5. **Electronic submission:** email the Excel file containing your district assignments to [djohnson@NDCresearch.com](mailto:djohnson@NDCresearch.com).
6. If you have any questions, please contact Douglas Johnson or Justin Levitt, NDC consultants, at (818) 254-1221.

**(DRAFT) Hesperia Redistricting Criteria**

1. Each Council District shall contain a nearly equal number of inhabitants; and
2. Council District borders shall be drawn in a manner that avoids racial gerrymandering and complies with the Federal Voting Rights Act; and
3. Council districts shall respect communities of interest as much as possible; and
4. Council districts shall consist of contiguous territory in as compact form as possible; and
5. Council district borders shall follow visible natural and man-made geographical and topographical features as much as possible; and
6. District borders shall respect the previous choices of city voters by avoiding the creation of head-to-head contests between Councilmembers previously elected by the voters of the City, insofar as this does not conflict with Federal or State Law.

City of Hesperia					
Race/Ethnic Profile	Count	Percent	ACS Profile	Count	Percent
Total Population	90,173		ACS Total Population	92,296	2%
Latino	44,091	49%	Age 0 - 19	31,062	34%
NH White	37,027	41%	Age 20 - 60	47,389	51%
NH Black/African-American	5,269	6%	Age 60+	13,845	15%
NH Native American	759	1%			
NH Asian-American	2,158	2%	Immigrant	13,895	15%
NH Pacific Islander	291	0%	Naturalized (pct of total immigrants)	6,495	47%
NH Other	218	0%	Age 5+	85,131	
NH Multi-Race	360	0%	Speak English at home	58,667	69%
Voting Age Population total	61,017		Speak Spanish at home	24,695	29%
VAP Latino	26,399	43%	Speak an Asian language at home	904	1%
VAP NH White	28,669	47%	Speak other language at home	865	1%
VAP NH Black/African-American	3,271	5%	Speak English only "well" or less	9,465	11%
VAP NH Native American	606	1%	Age 25+	54,058	
VAP NH Asian-American	1,525	2%	Age 25+, no HS degree	12,390	23%
VAP NH Pacific Islander	179	0%	Age 25+, HS degree (only)	36,423	67%
VAP NH Other	150	0%	Age 25+, bachelor degree (only)	3,371	6%
VAP NH Multi-Race	218	0%	Age 25+, graduate degree (only)	1,875	3%
Citizen VAP total	56,973		Households	26,424	
CVAP Latino	23,891	42%	Child under 18 in Household	10,065	38%
CVAP NH White	27,114	48%	Income \$0-25k	7,216	27%
CVAP NH African-American	3,893	7%	Income \$25-50k	7,236	27%
CVAP NH Asian & Pacific Islander	995	2%	Income \$50-75k	5,134	19%
CVAP Other (incl. Nat. Amer. & Pac. Is)	1,079	2%	Income \$75-200k	6,431	24%
Voter Registration (Nov. 2014)	37,031		Income \$200k+	407	2%
Latino Reg	13,138	35%	Housing units	28,898	
Asian-Surnamed Reg.	364	1%	Single-Family	25,121	87%
Filipino-Surnamed Reg.	291	1%	Multi-Family	3,776	13%
Est. NH White Reg.	20,569	56%	Vacant	2,473	9%
Est. African-Amer. Reg	2,438	7%	Occupied	26,424	91%
Democratic Reg.	12,532	34%	Rented	9,916	38%
Republican Reg.	13,519	37%	Owned	16,509	62%
Other/No Party Reg.	10,980	30%			
Voters Casting Ballots (Nov. 2014)	11,709	32%	Voters Casting Ballots (Nov. 2012)	23,428	65%
Latino voters	2,706	23%	Latino voters	6,776	29%
Asian-Surnamed voters	95	1%	Asian-Surnamed voters	180	1%
Filipino-Surnamed voters	80	1%	Filipino-Surnamed voters	150	1%
Est. NH White voters	7,911	68%	Est. NH White voters	14,505	62%
Est. African-Amer. Reg	818	7%	Est. African-Amer. Reg	1,654	7%
Democratic voters	3,741	32%			
Republican voters	5,715	49%			
Other/No Party voters	2,253	19%			

Sources: 2010 Census, California Statewide Database (2012 and 2014 November elections), 2011-2015 American Community Survey Special Tabulation of Citizen Voting Age data, and 2011-2015 American Community Survey data. "Latino" registration and turnout numbers are Spanish-surnamed data adjusted with US Census

# City of Hesperia 2017 Districting

## Directions:

Draw your neighborhood, draw your district, or draw a full 5-district map of the entire City. The choice is up to you.  
Each district must be as close to 18,035 people as possible, with no more than 18,936 and no fewer than 17,133.

Numbers shown are the total 2010 Census population of each PopUnit.

Submit your completed map at any time at City Hall or email a scan or digital photograph to [info@NDCresearch.com](mailto:info@NDCresearch.com).

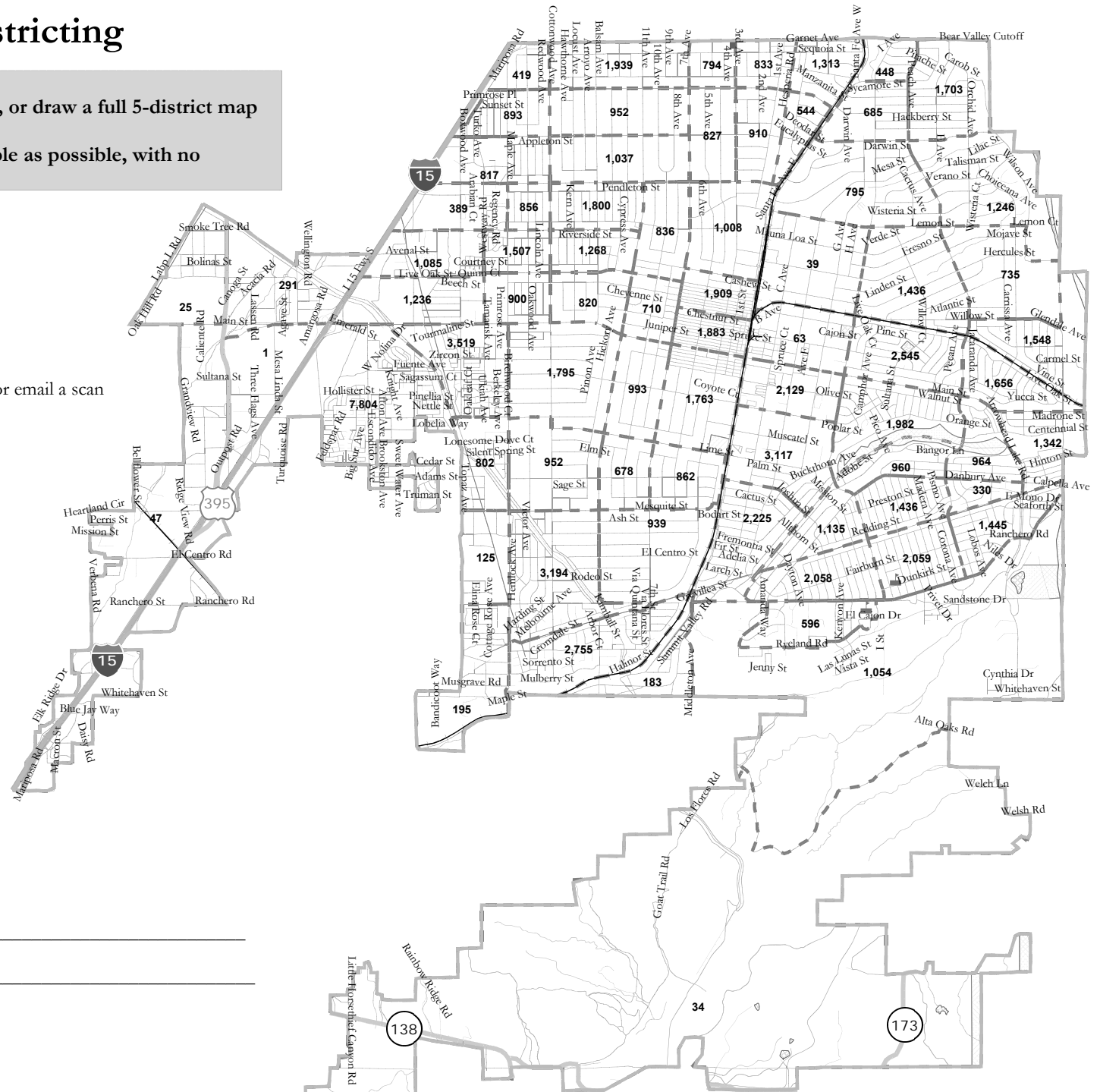
## For General Questions:

Call or email the City at:  
760-947-1007

[msayre@cityofhesperia.us](mailto:msayre@cityofhesperia.us)

## For Technical Questions:

Call or email NDC at:  
[info@NDCresearch.com](mailto:info@NDCresearch.com)  
818-254-1221



Submitter's name and contact information:  
(Optional, but recommended)

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# City of Hesperia 2017 Districting

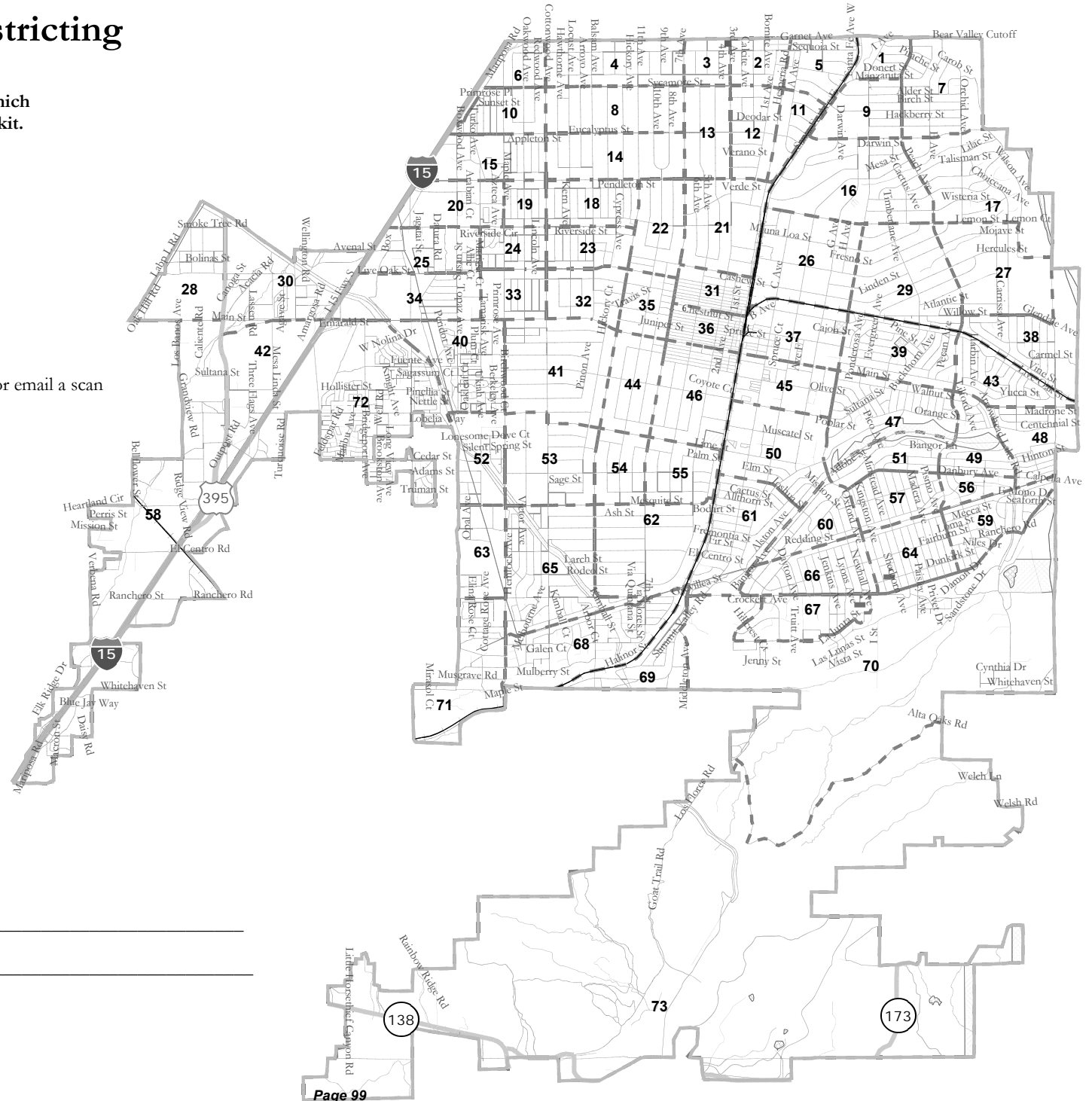
Numbers shown are the PopUnit ID numbers, which you can match with the demographic data in the kit.

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**NDC****Population Unit Data**

Pop Unit	Total Population					Voting Age Population					Citizen Voting Age Population					Nov. 2014 Registration				Nov. 2014 Voters			
	Tot. Pop.	Hisp	NH Wht	NH Blk	NH Asn	total	Hisp	NH Wht	NH Blk	NH Asn	tot	Hisp	NH Wht	NH Blk	NH Asn	tot	latino	asn	fil	tot	latino	asn	fil
1	448	218	196	23	5	307	124	154	19	4	304	96	142	58	0	190	64	2	1	65	15	1	0
2	833	501	213	63	12	520	287	164	36	11	609	404	122	53	4	240	112	0	3	63	18	0	1
3	794	488	230	69	1	525	292	181	45	1	298	117	151	16	3	231	108	0	3	61	17	0	1
4	1,939	1,172	461	238	47	1,286	708	377	146	38	1,270	620	400	215	35	739	334	9	8	202	66	1	2
5	1,313	682	376	212	20	820	393	284	118	12	771	366	237	113	0	343	161	1	4	90	26	0	2
6	419	253	128	22	8	289	157	105	16	7	279	171	71	35	0	242	112	3	3	68	23	0	1
7	1,703	765	798	70	45	1,191	474	623	45	32	1,125	385	630	85	0	721	226	5	3	252	55	3	1
8	952	609	275	38	13	674	382	238	27	10	565	344	217	0	4	365	169	4	4	102	35	0	1
9	685	335	273	41	27	476	211	219	22	19	440	164	203	67	0	280	95	3	2	95	22	2	0
10	893	470	330	52	28	610	288	258	34	21	571	314	174	75	0	297	137	4	4	83	29	0	1
11	544	307	175	34	12	357	176	136	23	11	354	164	113	22	0	168	79	0	2	44	13	0	1
12	910	544	298	32	22	590	321	231	15	17	671	451	173	22	6	312	146	1	4	82	23	0	2
13	827	518	253	37	11	589	334	215	26	9	407	133	179	9	23	314	147	1	4	83	23	0	2
14	1,037	597	362	48	18	724	379	295	29	13	615	341	268	0	6	478	206	5	5	143	44	1	2
15	817	440	315	35	3	572	274	254	22	3	587	274	299	13	0	371	144	3	4	120	32	2	2
16	795	404	337	27	7	543	232	276	15	6	478	183	285	10	0	359	116	3	2	124	27	2	0
17	1,246	419	724	62	7	884	256	557	39	7	802	202	575	25	0	613	171	3	1	221	45	2	0
18	1,800	979	707	47	46	1,223	613	534	25	36	1,140	608	429	71	15	690	300	4	10	195	59	1	3
19	856	505	315	15	4	585	312	245	12	4	577	312	238	22	5	341	158	1	5	95	30	0	0
20	389	226	126	24	12	260	136	94	19	10	258	136	111	12	0	141	55	1	1	46	12	1	1
21	1,008	597	330	49	16	700	379	270	31	9	620	265	305	50	0	426	214	2	2	103	33	0	0
22	836	439	347	28	4	564	258	269	20	3	520	201	311	7	2	332	140	2	5	104	30	1	2
23	1,268	686	516	29	22	878	431	406	19	11	824	427	326	54	4	550	242	4	11	153	47	2	4
24	1,507	882	518	78	12	1,011	527	404	62	8	1,042	528	392	113	9	493	203	4	3	132	31	0	0
25	1,085	651	241	104	68	666	375	178	60	41	580	273	200	72	9	458	187	5	3	114	30	0	0
26	39	13	24	1	1	29	12	17	0	0	26	9	17	0	0	8	2	0	0	3	1	0	0
27	735	266	411	40	5	562	181	341	26	4	462	187	256	0	0	408	121	2	0	174	38	1	0
28	25	5	18	2	0	19	5	12	2	0	14	5	6	3	0	12	6	0	0	3	0	0	0
29	1,436	693	613	51	44	996	420	486	36	27	904	316	491	78	4	642	214	3	3	210	48	0	1
30	291	47	214	7	7	251	34	196	5	4	145	31	104	7	3	136	24	1	5	55	4	0	0
31	1,909	1,283	426	142	19	1,184	743	319	83	16	1,140	630	355	145	0	463	232	2	3	111	36	0	0
32	820	431	334	34	10	546	262	249	20	6	502	204	288	7	4	304	134	2	6	85	26	1	2
33	900	520	315	33	21	625	332	248	20	15	557	242	279	24	3	355	147	3	2	98	22	1	0
34	1,236	683	388	112	19	795	390	294	70	12	727	284	331	84	3	363	148	4	3	90	24	0	0
35	710	321	293	68	18	556	206	265	62	15	497	160	306	21	9	341	136	1	3	119	32	1	1
36	1,883	1,291	375	149	34	1,125	696	296	85	24	990	590	305	40	10	341	171	2	2	82	27	0	0
37	63	33	27	2	0	37	13	22	1	0	34	10	22	2	0	94	35	0	1	29	6	0	0
38	1,548	699	758	32	13	1,017	401	551	19	12	883	413	414	0	0	685	230	2	4	225	52	0	1
39	2,545	1,278	1,024	137	36	1,751	781	798	98	26	1,815	985	615	200	0	1,009	380	3	7	312	69	0	2
40	3,519	1,764	1,040	373	283	2,273	1,048	786	197	203	1,956	717	875	225	124	1,275	498	48	12	302	79	4	0
41	1,795	932	725	46	48	1,243	570	573	35	31	1,321	598	645	26	52	743	300	5	3	242	60	2	1
42	1	0	1	0	0	1	0	1	0	0	1	0	1	0	0	1	0	0	0	0	0	0	0
43	1,656	759	741	99	35	1,149	471	578	60	23	855	240	595	0	0	662	222	2	4	217	50	0	1
44	993	473	397	67	25	684	287	312	47	22	546	255	219	40	22	418	149	3	2	123	30	0	1
45	2,129	961	860	252	29	1,415	536	703	131	21	1,575	495	830	210	25	692	199	8	7	175	35	1	0
46	1,763	988	625	103	23	1,095	556	457	51	13	889	448	435	7	0	586	210	3	2	168	43	0	2
47	1,982	761	1,067	77	35	1,467	463	882	60	26	1,340	430	710	0	100	945	245	9	6	376	68	3	4
48	1,342	464	796	30	21	1,000	295	636	27	16	921	210	685	16	6	597	156	4	3	217	40	1	1
49	964	361	541	24	16	715	231	433	23	12	649	165	467	14	4	512	135	3	2	185	35	1	0
50	3,117	1,394	1,226	339	92	1,973	816	871	193	50	1,780	570	505	585	0	1,215	402	14	12	332	75	5	2
51	960	351	512	46	28	716	217	425	32	23	658	162	472	0	0	495	128	5	5	204	40	1	5
52	802	452	271	45	34	518	268	198	26	26	449	183	220	30	16	296	119	5	2	110	31	4	1
53	952	343	539	38	16	703	211	440	32	8	754	222	495	24	13	480	182	4	3	167	43	2	1
54	678	252	387	22	10	487	152	309	12	8	374	135	216	10	8	381	124	3	2	130	25	0	1
55	862	402	392	37	17	596	238	308	26	14	524	216	301	3	4	371	113	2	1	132	23	0	0
56	330	95	217	11	3	253	51	184	11	3	244	46	189	3	0	179	37	2	1	70	9	1	1
57	1,436	531	827	51	14	1,006	307	638	39	13	937	228	708	0	0	722	178	4	3	277	41	1	2
58	47	9	36	0	2	38	5	31	0	2	37	7	30	0	1	20	3	0	0	8	0	0	0

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	Tot. Pop.	Hisp	NH Wht	NH Blk	NH Asn	total	Hisp	NH Wht	NH Blk	NH Asn	tot	Hisp	NH Wht	NH Blk	NH Asn	tot	latino	asn	fil	tot	latino	asn	fil
59	1,445	456	834	74	49	1,013	280	624	54	31	931	254	641	12	0	727	145	6	9	292	34	3	3
60	1,135	435	648	17	25	789	271	481	10	19	550	210	320	20	0	520	141	3	2	185	37	0	0
61	2,225	1,070	1,018	75	28	1,547	644	799	59	15	1,290	545	635	20	55	987	322	5	4	286	61	2	1
62	939	375	484	31	24	690	238	405	14	14	712	287	420	0	6	438	128	1	0	159	26	0	0
63	125	48	70	1	6	91	30	54	1	6	81	31	46	1	3	48	12	0	0	20	5	0	0
64	2,059	755	1,184	60	21	1,446	464	904	37	15	1,455	785	655	0	0	1,023	295	11	5	413	76	5	2
65	3,194	1,509	1,523	62	43	2,223	930	1,174	40	34	2,370	940	1,250	100	30	1,450	497	13	9	495	110	4	0
66	2,058	737	1,216	50	25	1,470	443	949	34	22	1,694	280	1,350	35	4	1,054	261	6	5	419	57	3	2
67	596	170	385	20	14	449	114	307	15	8	453	165	261	14	13	285	57	2	0	121	19	0	0
68	2,755	1,156	1,382	107	49	1,868	707	1,018	71	37	1,490	600	790	0	70	1,294	412	9	8	438	107	5	2
69	183	52	121	2	6	134	32	95	1	4	135	46	81	1	7	105	17	1	0	48	6	0	0
70	1,054	272	716	49	11	764	161	559	30	9	751	233	475	28	15	670	131	2	6	293	51	1	3
71	195	73	96	15	3	148	48	84	9	3	172	65	73	35	0	103	26	0	0	42	10	0	0
72	7,804	4,434	2,059	759	426	4,686	2,514	1,366	442	290	4,641	2,571	1,157	605	152	2,863	1,282	86	35	621	213	23	7
73	34	7	27	0	0	30	6	24	0	0	31	7	24	0	0	19	4	0	0	7	0	0	0
Totals	90,173	44,091	37,027	5,269	2,158	61,017	26,399	28,669	3,271	1,525	56,973	23,891	27,114	3,893	890	37,031	13,138	364	291	11,709	2,706	95	80

# City of Hesperia 2017 Districting

## Directions:

Draw your neighborhood, draw your district, or draw a full 5-district map of the entire City. The choice is up to you.

Each district must be as close to 18,035 people as possible, with no more than 18,936 and no fewer than 17,133.

Numbers shown are the total 2010 Census population of each PopUnit.

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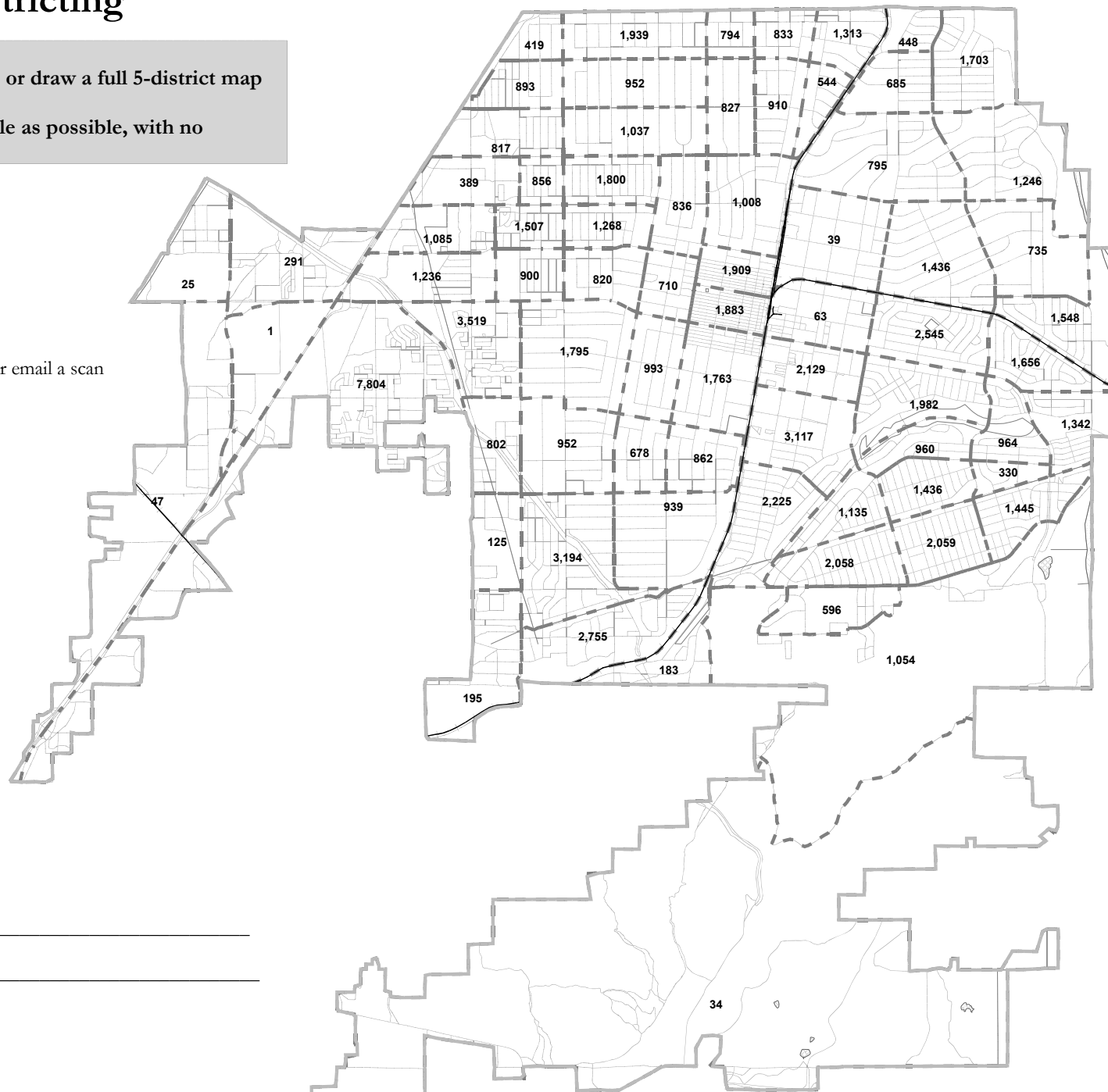
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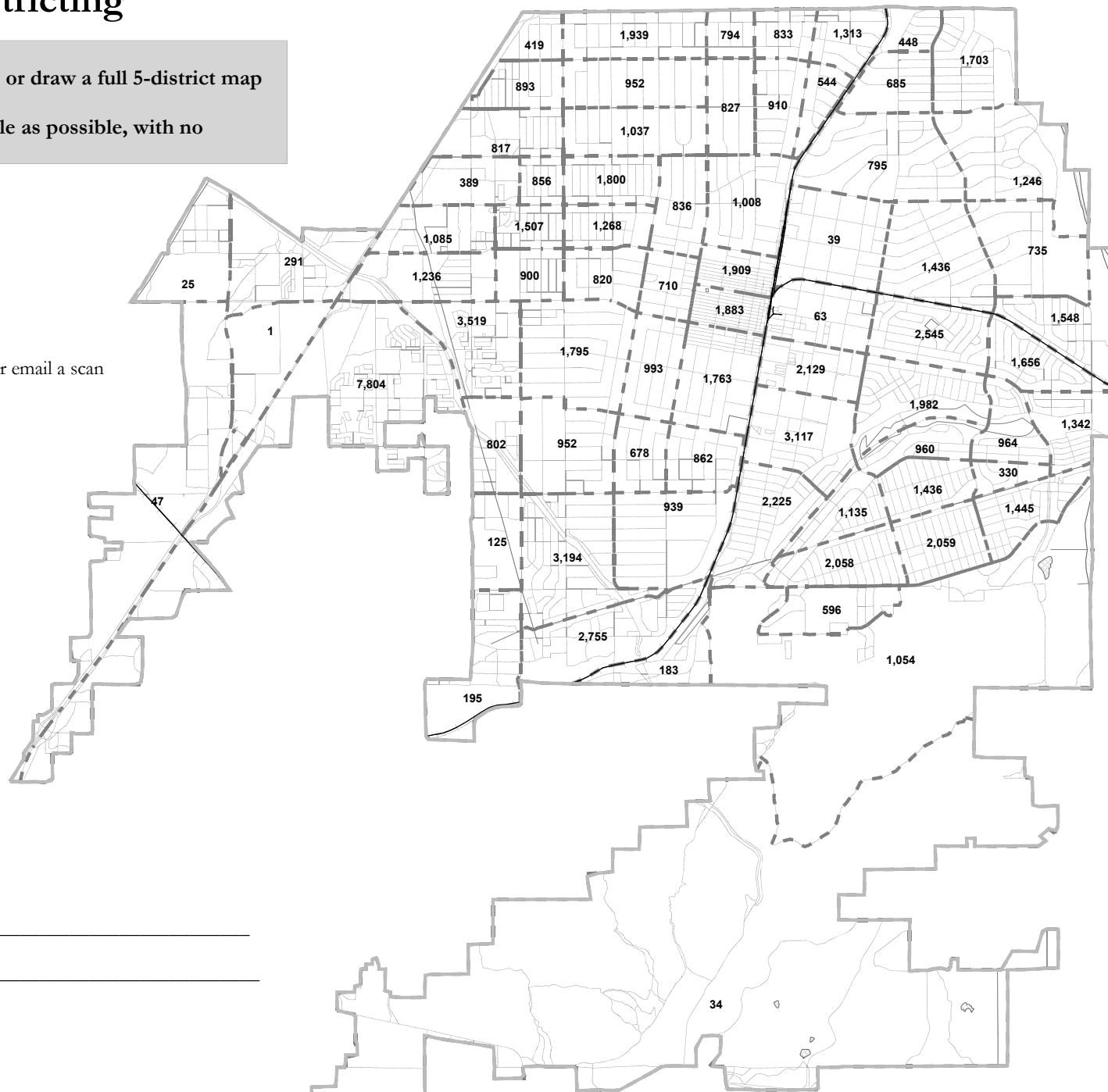
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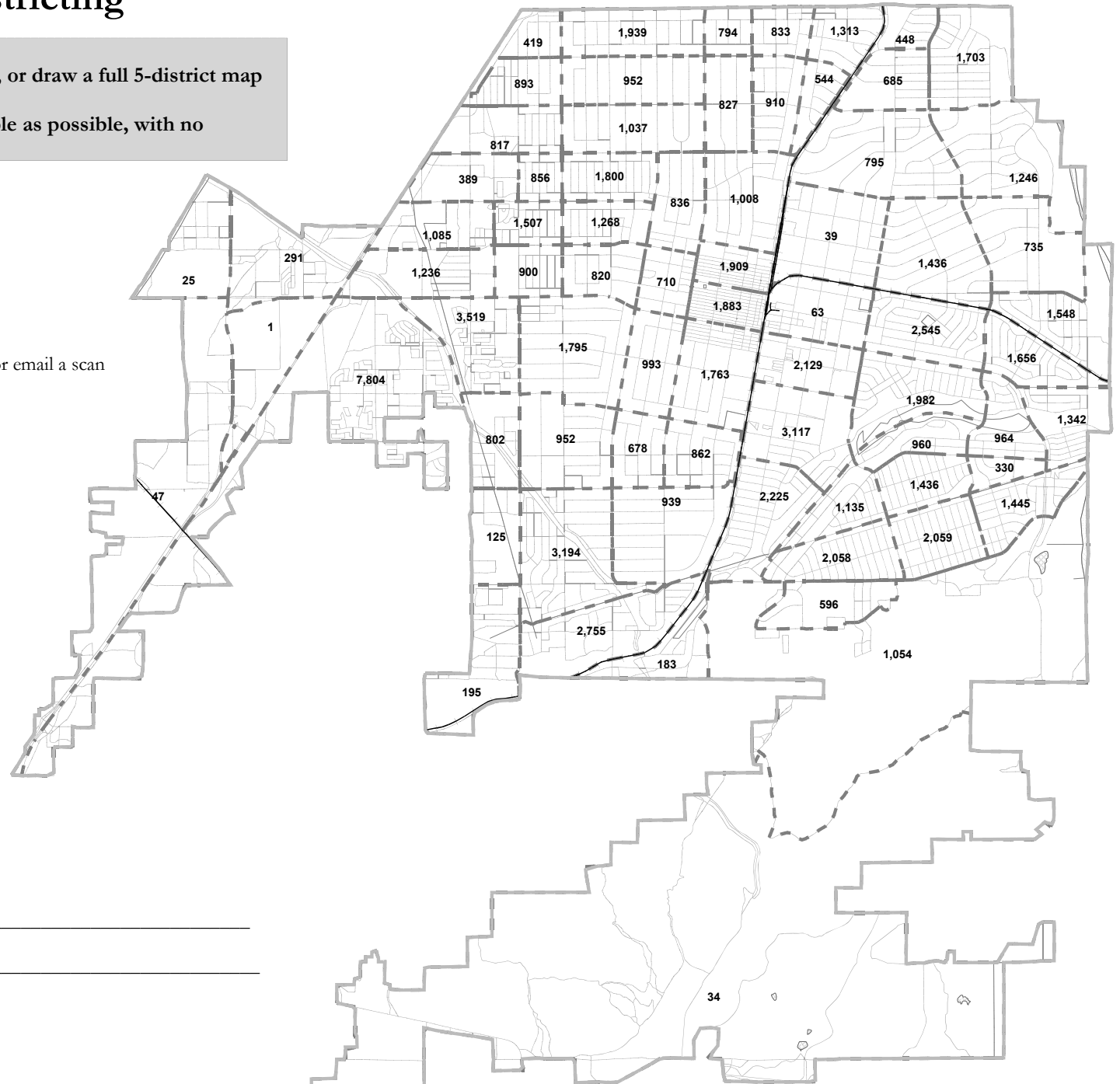
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City of Hesperia  
STAFF REPORT



**DATE:** March 21, 2017  
**TO:** Mayor and Council Members  
**FROM:** Nils Bentsen, City Manager  
**BY:** Eric L. Dunn, City Attorney  
**SUBJECT:** Repeal of Hesperia Municipal Code Section 16.16.072 relating to “Residential care facilities, group homes, and sex offender residency”

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## RECOMMENDED ACTION

It is recommended that the City Council adopt Urgency Ordinance No. 2017-06, an urgency ordinance of the City Council of the City of Hesperia, California, repealing Hesperia Municipal Code Section 16.16.072, “Residential care facilities, group homes, and sex offender residency”

## BACKGROUND

On or about May 5, 2016, a lawsuit, entitled *Victor Valley Family Resource Center, et al. v. City of Hesperia, et al*, Case No 5:16-CV-00903, was filed against the City of Hesperia in the United State District Court – Central District (“VVFRC Case”). The plaintiffs in the VVFRC Case allege that Hesperia Municipal Code Section 16.16.072, “Residential care facilities, group homes, and sex offender residency” (“Group Home Ordinance”) violated State and federal laws.

On July 1, 2016, the Court issued a preliminary injunction preventing enforcement of the Group Home Ordinance, and questioning the constitutionality of the Group Home Ordinance. Since that time, the plaintiffs have expanded the number of potential plaintiffs and have moved to make the VVFRC Case a class action.

Regardless of whether or not the Group Home Ordinances violates State or federal law, the legal costs of continuing to defend the VVFRC Case could be so substantial that such costs would be to the detriment of public peace, health, and safety of City residents, because the City’s ability to fund public, health, and safety-related services such as police, fire, building & safety enforcement, code enforcement, and other enforcement activities would be detrimentally affected.

If adopted, this urgency ordinance would immediately repeal the Group Home Ordinance and, therefore, result in the mooted of a significant portion of the allegations in the VVFRC Case. This could result in substantial savings to the City in terms of litigation costs.

Therefore, the City Council, in the interest of preserving the fiscal stability of the City of Hesperia, is asked to adopt this urgency ordinance that repeals the Group Home Ordinance.

**FISCAL IMPACT**

If the City Council does not adopt this urgency ordinance, then the ongoing costs of litigation will continue to increase. If the City Council does adopt this urgency ordinance, then it is anticipated that the costs of litigation will go down; however, estimating those costs are difficult due to the uncertainty of potentially litigating the remaining issues.

**ALTERNATIVE(S)**

1. Provide alternative direction to staff.

**ATTACHMENT(S)**

1. Ordinance No. 2017-06: AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, REPEALING HESPERIA MUNICIPAL CODE SECTION 16.16.072, "RESIDENTIAL CARE FACILITIES, GROUP HOMES, AND SEX OFFENDER RESIDENCY"

**ORDINANCE NO. 2017 - 06**

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF  
THE CITY OF HESPERIA, CALIFORNIA, REPEALING  
HESPERIA MUNICIPAL CODE SECTION 16.16.072,  
“RESIDENTIAL CARE FACILITIES, GROUP HOMES, AND  
SEX OFFENDER RESIDENCY”**

**WHEREAS**, on or about May 5, 2016, a lawsuit, entitled *Victor Valley Family Resource Center, et al. v. City of Hesperia, et al*, Case No 5:16-CV-00903, was filed against the City of Hesperia in the United States District Court – Central District (“VVFRC Case”);

**WHEREAS**, the plaintiffs in the VVFRC Case, among other claims, allege that Hesperia Municipal Code Section 16.16.072, “Residential care facilities, group homes, and sex offender residency” (“Group Home Ordinance”) violated State and federal laws;

**WHEREAS**, the City of Hesperia takes a contrary position from the plaintiffs in the VVFRC Case and, on that basis, has defended against the plaintiff’s claims;

**WHEREAS**, on July 1, 2016, the Court issued a preliminary injunction preventing enforcement of the Group Home Ordinance, and questioning the constitutionality of the Ordinance;

**WHEREAS**, regardless of whether or not the Group Home Ordinance violates State or federal law, the City of Hesperia estimates that its legal costs for defending the VVFRC Case could be so substantial that such costs would be to the detriment of public peace, health, and safety of its residents, because the City’s ability to fund public, health, and safety-related services such as police, fire, building & safety enforcement, code enforcement, and other enforcement activities would be detrimentally affected;

**WHEREAS**, the City Council, in the interest of preserving the fiscal stability of the City of Hesperia, now desires to adopt this Urgency Ordinance repealing the Group Home Ordinance for the purposes of avoiding costly litigation.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HESPERIA DOES HEREBY ORDAIN AS FOLLOWS.**

**SECTION 1.** All of the above recitals are true and correct and incorporated herein.

**SECTION 2.** This Urgency Ordinance is enacted pursuant to the authority conferred upon the City Council of the City of Hesperia by Government Code Sections 36934 and 36937 and shall be in full force and effect immediately upon its adoption by a four-fifths (4/5) vote of the City Council as if and to the same extent that such ordinance had been adopted pursuant to each of the individual sections set forth hereinabove. **This Urgency Ordinance shall take effect immediately upon adoption and shall become operative on March 21, 2017.**

**SECTION 3.** Urgency Findings. That the adoption of this Urgency Ordinance is necessary for the immediate preservation of the public peace, health, or safety, as those terms are defined in Government Code Section 36937(b), in at least the following respects: the City anticipates that the

costs of litigating the VVFCRC Case may be such that they would be detrimental to the fiscal stability of the City. This could result in the public peace, health, and safety being detrimentally affected, because the City will be less able to provide services such as police, fire, building & safety enforcement, code enforcement, and other enforcement activities. Accordingly, this ordinance shall take effect immediately upon adoption.

**SECTION 4.** Hesperia Municipal Code Section 16.16.072, “Residential care Facilities, group homes, and sex offender residency,” is hereby repealed in its entirety.

**SECTION 5.** If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining sections, subsections, sentences, clauses, phrase, or portions of this ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

**SECTION 6.** The City Clerk shall certify to the adoption of this Ordinance and shall cause a copy of the same to be published in a manner prescribed by law.

**PASSED, APPROVED AND ADOPTED by the City Council of the City of Hesperia, California, at a regular meeting held on this 21st day of March, 2017.**

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Paul Russ, Mayor

ATTEST:

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Melinda Sayre, City Clerk

APPROVED AS TO FORM

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Eric Dunn, City Attorney

# City of Hesperia

## STAFF REPORT



**DATE:** March 21, 2017

**TO:** Mayor and Council Members

**FROM:** Nils Bentsen, City Manager

**BY:** Rachel Molina, Assistant to the City Manager  
Casey Brooksher, Senior Financial Analyst  
Julie Ryan, Management Analyst

**SUBJECT:** Advance Disposal Rate Structures

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### RECOMMENDED ACTION

It is recommended that the City Council approve new maximum rates for solid waste services in the City of Hesperia and allow for rate adjustments annually up to five years pending the outcome of a Proposition 218 public hearing, and provide any feedback on services provided to the City by the waste hauler.

### BACKGROUND

On February 21, 2012, a Proposition 218 hearing was held where the City Council approved the "Amended and Restated Exclusive Franchise Agreement" (Franchise Agreement) with Advance Disposal for the collecting, hauling and processing of all solid waste in the City of Hesperia and approved the maximum rate structure with automatic adjustments to occur annually for five years, which sunset occurred on February 21, 2017. As detailed in the Franchise Agreement, Advance Disposal has the right to request a Cost of Living Adjustment (COLA) to its rates on each anniversary of the Franchise Agreement and pass-through to rate payers any increase in tipping fees charged by the County of San Bernardino. As stated in the Franchise Agreement, rate adjustments can continue as approved by a Proposition 218 hearing, on an annual basis for up to five years. Any further adjustments will be subject to a new Proposition 218 process.

### ISSUES/ANALYSIS

Annually, the Franchise Agreement allows Advance Disposal the opportunity to request increases to the current rate. Two adjustments to the current rate structure are being requested, with the first being an increase to the annual inflationary increases or Cost of Living Adjustment (COLA) and the second is the increase of the landfill tipping fees charged by the County of San Bernardino. In addition, by increasing the COLA and tipping fee, the franchise fee will increase.

The adjustments for annual inflationary increases, or COLA, accounts for the increased cost of providing refuse services and reflects increases in, among other things, the cost of labor, electricity, supplies, equipment and gasoline. As outlined in the Franchise Agreement, the COLA is based on the Consumer Price Index (CPI) for Los Angeles-Anaheim-Riverside-Orange-County with the index dates of September to August of the preceding year. The CPI increase for the period outlined is 1.7%. By increasing the service component of the residential

rate by 1.7%, the increase will be \$0.31 per month, while the increase in the commercial rate for the three cubic yard bin will be \$2.08 per month.

The landfill tipping fee charged to Advance Disposal by the County of San Bernardino is the cost of delivering refuse to a County landfill. In FY 2016-17, the County of San Bernardino tipping fee was \$37 per ton, while the FY 2017-18 tipping fee will be \$37.13, which equates to a 0.351% increase to the disposal component. As a result, the regular residential rate will increase by \$0.02 per month and a commercial rate customer using a three cubic yard bin will experience an increase of \$.08 per month.

The final increase is the calculation of the franchise fee paid to the City. The franchise fee is calculated on 10% of Advance Disposal's gross revenue, with an exclusion of the Material Recovery Facility (MRF) expansion rate. By using the example of the residential rate, the COLA and tipping fee increase totaled \$0.33 per month, the franchise fee equates to \$0.04 increase per month. Moreover, the total increase to the commercial rate for the three cubic yard is \$2.16 per month, which equates to a franchise fee increase of \$0.22 per month.

The rate structure in Attachment 1 lists the new maximum residential rates as modified by the 1.7% COLA and the \$0.13 pass-through tipping fee increase. If approved, the maximum regular residential monthly rate will increase from \$26.96 to \$27.33.

In addition to the annual request for COLA and tipping fee adjustments, Advance Disposal is requesting new service rates for service types not previously listed on the rate structure. These proposed rates are included as Attachment 2 and Attachment 3.

The City Attorney's office has advised that water, sewer and solid waste fee increases are subject to Proposition 218 notice, hearing, and majority protest procedures in accordance with the California Supreme Court's decision in *Bighorn v. Verjil*, which was decided in July, 2006. Prior to the *Bighorn* case the prevailing view was that water, sewer and solid waste fees were not "property-related" fees subject to Proposition 218, but this view has now been rejected by the Court. Although the Bighorn case dealt specifically with water rates, the City Attorney's office believes the Court would likely treat sewer and solid waste fees the same, and thus recommends a conservative approach.

Proposition 218 requirements include a public hearing not less than 45 days after mailing a notice to each property owner. At the hearing, the City Council must consider any protests against the fee increases. If written protests are presented by a majority of owners, the fee increase cannot be imposed. The recommended Proposition 218 hearing will include rate adjustments annually for up to five years.

Although the proposed increase is contractually provided for in the Franchise, the COLA adjustment, pass-through of the tipping fee and the increase of the franchise fee request is an action requiring Council ratification and resolution. If the City Council approves the proposed rate increases, staff will initiate the mailed notice and set a public hearing for a future Council meeting. The notice will also include the new service rates and new service types noted on Attachment 2 and Attachment 3.



## **FISCAL IMPACT**

There is no negative fiscal impact to the City associated with this action. Franchise fees will move upward with the associated increase in rates.

## **ALTERNATIVE(S)**

1. As the proposed increase is contractually provided for in the Franchise Agreement, the COLA adjustment and pass-through request is an action requiring Council ratification. A vote to not approve the adjustments could result in a possible breach of contract action.
2. The Council may provide alternative direction to staff.

## **ATTACHMENT(S)**

1. Rate Structure 1: COLA and Tipping Fee Adjustment
2. Rate Structure 2: New Service Type Requests
3. Rate Structure 3: Changes in Rate Computation

SERVICE TYPE	Current Basic Rate	Cola & Tipping Fee Adjustment	Total Rate
<b><u>RESIDENTIAL MONTHLY RATE BILLED EVERY TWO MONTHS</u></b>			
Regular Residential Service (2 carts)	26.96	0.37	27.33
Low Volume Service (1 cart)	24.87	0.35	25.22
Hardship Service	8.12	0.13	8.25
Duplex Multi-Family (carts)	52.94	0.71	53.65
Triplex Multi-Family (carts)	79.01	1.06	80.07
Fourplex Multi-Family (carts)	104.99	1.40	106.39
Bulky Item Pickup (over 4 pickups or 8 items per year)	36.74	0.54	37.28
Burnt or Damaged Carts	54.60	0.81	55.41
Additional Tan 95 Gallon Barrel	3.18	0.06	3.24
Redelivery Fee (for non-payment)	26.53	0.46	26.99
Special Pick-up (at customer request or frequent missed )	26.53	0.46	26.99

**RESIDENTIAL BIN RATES:**

Size	Frequency			
1.5YD	1 Per Week	76.12	1.03	77.15
1.5YD	1 Per Week -- Customer Shared	76.12	1.03	77.15
1.5YD	2 Per Week	146.06	1.94	148.00
1.5YD	3 Per Week	221.29	2.94	224.23
2 YD	1 Per Week	97.59	1.30	98.89
2YD	1 Per Week -- Customer Shared	97.59	1.30	98.89
2YD	2 Per Week	186.56	2.49	189.05
2YD	3 Per Week	273.64	3.63	277.27
3 YD	1 Per Week	141.65	1.89	143.54
3YD	1 Per Week -- Customer Shared	141.65	1.89	143.54
3YD	2 Per Week	270.08	3.59	273.67
3YD	3 Per Week	396.79	5.26	402.05
Bulky Item Pickup - Multi Family (over 10 times per year for each time of service received per week)		36.74	0.54	37.28

**COMMERCIAL RATES BILLED MONTHLY BASED ON SERVICE LEVEL:**

**NON-FOOD HANDLING**

Commercial Waste Wheeler	51.12	0.72	51.84
<b>1.5 Cubic Yards</b>			
<b>1) One Service Weekly</b>			
a) Uncompacted	89.69	1.25	90.94
b) Compacted	130.65	1.82	132.47

SERVICE TYPE		Current Basic Rate	Cola & Tipping Fee Adjustment	Total Rate
2)	<b>Two Services Weekly</b>			
	a) Uncompacted	177.13	2.46	179.59
	b) Compacted	259.32	3.58	262.90
<b>2.0 Cubic Yards</b>				
1)	<b>One Service Weekly</b>			
	a) Uncompacted	116.45	1.61	118.06
	b) Compacted	170.61	2.37	172.98
2)	<b>Two Services Weekly</b>			
	a) Uncompacted	227.79	3.15	230.94
	b) Compacted	333.30	4.60	337.90
3)	<b>Three Services Weekly</b>			
	a) Uncompacted	336.01	4.64	340.65
	b) Compacted	492.08	6.79	498.87
<b>3.0 Cubic Yards</b>				
1)	<b>One Service Weekly</b>			
	a) Uncompacted	171.41	2.38	173.79
	b) Compacted	251.59	3.48	255.07
2)	<b>Two Services Weekly</b>			
	a) Uncompacted	331.48	4.58	336.06
	b) Compacted	485.25	6.69	491.94
3)	<b>Three Services Weekly</b>			
	a) Uncompacted	481.72	6.65	488.37
	b) Compacted	708.90	9.78	718.68
4)	<b>Four Services Weekly</b>			
	a) Uncompacted	633.18	8.74	641.92
	b) Compacted	936.10	12.91	949.01
5)	<b>Five Services Weekly</b>			
	a) Uncompacted	784.65	10.82	795.47
	b) Compacted	1,163.33	16.03	1,179.36
6)	<b>Six Services Weekly</b>			
	a) Uncompacted	936.10	12.91	949.01
	b) Compacted	1,390.45	19.17	1,409.62

SERVICE TYPE		Current Basic Rate	Cola & Tipping Fee Adjustment	Total Rate
<b><u>FOOD HANDLING</u></b>				
<b>1.5 Cubic Yards</b>				
1)	<b>One Service Weekly</b>			
	a) Uncompacted	93.43	1.29	94.72
2)	<b>Two Services Weekly</b>			
	a) Uncompacted	194.71	2.70	197.41
2)	<b>Two Services Weekly</b>			
	a) Uncompacted	231.12	3.19	234.31
	b) Compacted	326.48	4.51	330.99
3)	<b>Three Services Weekly</b>			
	a) Uncompacted	314.94	4.35	319.29
4)	<b>Four Services Weekly</b>			
	a) Uncompacted	425.08	5.87	430.95
	b) Compacted	627.03	8.65	635.68
5)	<b>Five Services Weekly</b>			
	a) Uncompacted	577.88	7.97	585.85
	b) Compacted	816.20	11.26	827.46
<b>3.0 Cubic Yards</b>				
1)	<b>One Service Weekly</b>			
	a) Uncompacted	175.25	2.44	177.69
2)	<b>Two Services Weekly</b>			
	a) Uncompacted	334.80	4.62	339.42
	b) Compacted	488.58	6.75	495.33
3)	<b>Three Services Weekly</b>			
	a) Uncompacted	485.06	6.69	491.75
	b) Compacted	712.28	9.83	722.11
4)	<b>Four Services Weekly</b>			
	a) Uncompacted	636.51	8.78	645.29
	b) Compacted	787.76	10.86	798.62
5)	<b>Five Services Weekly</b>			
	a) Uncompacted	787.76	10.86	798.62
	b) Compacted	1,163.32	16.03	1,179.35
6)	<b>Six Services Weekly</b>			
	a) Uncompacted	939.42	12.95	952.37
	b) Compacted	1,393.81	19.21	1,413.02

SERVICE TYPE		Current Basic Rate	Cola & Tipping Fee Adjustment	Total Rate
<b><u>SHREDDER:</u></b>				
<b>SIZE</b>	<b>FREQUENCY</b>			
4 YD	1 Service/week - Compacted	456.99	38.33	495.32
6 YD	2 Services/week - Recycling OCC	911.90	76.50	988.40
6 YD	1 Service/Week - Recycling OCC	457.00	38.33	495.33
2 YD	1 Service/Week - Recycling OCC	159.00	13.33	172.33
2 YD	1 Service/Week	162.39	13.62	176.01
2 YD	2 Services/Week - Recycling OCC	318.58	26.71	345.29
2 YD	3 Services/Week	470.67	39.47	510.14
<b><u>ROLL OFF:</u></b>				
<b>SIZE</b>	<b>DUMP &amp; RETURN</b>			
20 YD	Roll Off Bin	255.49	3.98	259.47
30 YD	Roll Off Bin	255.49	3.98	259.47
40 YD	Roll Off Bin	339.64	5.27	344.91
50 YD	Roll Off Bin	423.98	6.58	430.56
	Customer Owned Compactor	348.55	5.42	353.97
	Stand by Fee per day after 7 days	9.86	0.18	10.04
	Relocate Bins/Return Trip Fee	126.22	2.14	128.36
<b><u>CONSTRUCTION BIN:</u></b>				
<b>SIZE</b>	<b>FREQUENCY</b>			
3 YD	One Service per Week	184.27	2.56	186.83
3 YD	Two Services per Week	368.72	5.10	373.82
<b><u>MISCELLANEOUS SERVICES AND CHARGES</u></b>				
<b>Size</b>	<b>Service Type</b>			
3YD	Rent-A-Bin - 2 Day Rental - 1 dump	103.51	1.45	104.96
95 Gl	Special Event Waste Wheeler Cart	19.09	0.28	19.37
	Lock Lids for bins	8.06	0.15	8.21
	Counter Balance lids	11.27	0.20	11.47
	Delivery Fee	32.27	0.55	32.82
	New Start Fee	8.09	0.15	8.24
	Driver Standby to Load/hr -minimum 1 hr.	53.02	0.91	53.93

SERVICE TYPE	Current Basic Rate	Cola & Tipping Fee Adjustment	Total Rate
<b><u>MRF RATES:</u></b>			
<b>Tipping Fees</b>			
Trash	62.88	0.88	63.76
Construction and Demolition	62.88	0.88	63.76
Green Waste (Clean not Trash)	62.15	0.87	63.02
Concrete (Clean, no contamination)	62.15	0.87	63.02
Street Sweeping (City of Hesperia Only)	22.33	0.32	22.65
Wood (Clean, no contamination)	51.81	0.73	52.54
Hard to Handle Loads	112.25	1.56	113.81
Contaminated Loads	112.25	1.56	113.81

NOTE: Per ton or \$15 per load minimum

NOTE: Any special service not noted above will be agreed upon between the customer and Advance Disposal Co.

Late charges will accrue at 1.5% (APR) per billing cycle with a minimum of \$0.50 on any balance past due more than 30 days from the due date.

Collection Costs for all services will be passed through to the customer at actual costs:

- Court Filing Fees
- Process Service Fees
- Collection Agency Fees
- Skip Trace Fees
- Lien Fees

***MRF RATES \*\*\*\*\* All residential and commercial loads subject to AB 939 compliance fee. AB 939 compliance fee will affect selected refuse loads for the recovery of recyclable commodities such as, but not limited to, concrete, metals, wood / green waste.***

SERVICE TYPE	Components of Rate			Basic Rate	Total Expansion Rate	Total Rate
	Disposal Component	Franchise Fee Component	Service Component			

**RESIDENTIAL MONTHLY RATE BILLED EVERY TWO MONTHS**

Green Waste Pickup (over 4 pickups per year)	6.24	3.73	27.31	37.28	3.22	40.50
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**RESIDENTIAL BIN RATES:**

**Frequency**

Same Day Extra Pick-Up

1/4 of monthly rate

1/4 of monthly rate

**COMMERCIAL RATES BILLED MONTHLY BASED ON SERVICE LEVEL:**  
**NON-FOOD HANDLING**

**6.0 Cubic Yard**

<b>1) One Service Weekly</b>						
a) Uncompacted	42.70	33.56	259.29	335.55	28.99	364.54
b) Compacted	62.20	48.88	377.69	488.77	42.23	531.00
<b>2) Two Services Weekly</b>						
a) Uncompacted	85.40	67.11	518.58	671.09	57.98	729.07
b) Compacted	124.40	97.76	755.37	977.53	84.46	1,061.99
<b>3) Three Services Weekly</b>						
a) Uncompacted	128.10	100.67	777.86	1,006.63	86.97	1,093.60
b) Compacted	186.59	146.63	1,133.06	1,466.28	126.69	1,592.97
<b>4) Four Services Weekly</b>						
a) Uncompacted	170.80	134.22	1,037.16	1,342.18	115.96	1,458.14
b) Compacted	248.78	195.51	1,510.75	1,955.04	168.92	2,123.96
<b>5) Five Services Weekly</b>						
a) Uncompacted	213.49	167.78	1,296.44	1,677.71	144.95	1,822.66
b) Compacted	310.98	244.38	1,888.44	2,443.80	211.14	2,654.94
<b>6) Six Services Weekly</b>						
a) Uncompacted	256.19	201.33	1,555.73	2,013.25	173.94	2,187.19
b) Compacted	373.17	293.26	2,266.12	2,932.55	253.37	3,185.92

**FOOD HANDLING**

**1.5 Cubic Yards**

**1) One Service Weekly**

City of Hesperia  
Advance Disposal Rate Structure  
Effective Date: 07/01/2017

Attachment 2 - Rate Structure 2  
New Service Type Requests

		Components of Rate Franchise			Basic Rate	Total Expansion Rate	Total Rate
SERVICE TYPE		Disposal Component	Fee Component	Service Component			
b) Compacted		15.61	12.27	94.79	122.67	10.60	133.27
<b>2) Two Services Weekly</b>							
b) Compacted		31.22	24.54	189.56	245.32	21.20	266.52
<b>2.0 Cubic Yards</b>							
<b>1) One Service Weekly</b>							
a) Uncompacted		13.76	10.81	83.53	108.10	9.34	117.44
b) Compacted		19.43	15.27	117.99	152.69	13.19	165.88
<b>3) Three Services Weekly</b>							
b) Compacted		58.29	45.81	353.95	458.05	39.58	497.63
<b>3.0 Cubic Yards</b>							
<b>1) One Service Weekly</b>							
b) Compacted		29.08	22.86	176.57	228.51	19.74	248.25
<b>6.0 Cubic Yard</b>							
<b>1) One Service Weekly</b>							
a) Uncompacted		44.29	34.80	268.89	347.98	30.07	378.05
b) Compacted		62.44	49.07	379.13	490.64	42.39	533.03
<b>2) Two Services Weekly</b>							
a) Uncompacted		88.56	69.60	537.78	695.94	60.13	756.07
b) Compacted		124.87	98.13	758.27	981.27	84.78	1,066.05
<b>3) Three Services Weekly</b>							
a) Uncompacted		132.84	104.39	806.67	1,043.90	90.19	1,134.09
b) Compacted		187.32	147.21	1,137.48	1,472.01	127.18	1,599.19
<b>4) Four Services Weekly</b>							
a) Uncompacted		177.12	139.19	1,075.56	1,391.87	120.26	1,512.13
b) Compacted		249.75	196.27	1,516.65	1,962.67	169.57	2,132.24
<b>5) Five Services Weekly</b>							
a) Uncompacted		221.40	173.99	1,344.43	1,739.82	150.32	1,890.14
b) Compacted		312.19	245.34	1,895.81	2,453.34	211.97	2,665.31
<b>6) Six Services Weekly</b>							
a) Uncompacted		265.68	208.78	1,613.33	2,087.79	180.39	2,268.18
b) Compacted		374.63	294.40	2,274.97	2,944.00	254.36	3,198.36



		Components of Rate				Total	
SERVICE TYPE		Disposal	Franchise	Service	Basic	Expansion	Total Rate
		Component	Component	Component	Rate	Rate	
<u>ROLL OFF:</u>							
Size	DUMP & RETURN						
10 YD	Roll Off Bin	-	11.98	107.75	119.73	10.34	130.07
<u>MISCELLANEOUS SERVICES AND CHARGES</u>							
Service Type							
Commercial Service - Extra Pick-up - Driver on Site					1/4 Monthly Rate	1/4 Monthly Rate	
Travel/Trip Fee-Extra		-	3.56	32.04	35.60	-	35.60
Damaged Bins/Containers						Replacement Cost	
Replacement Lock		-	1.53	13.73	15.26	-	15.26

				Adjustment								
	SERVICE TYPE	Current Rate		Basic Rate for (1) Cart	Basic Rate for Tip Fee MRF	Basic Rate for 20Y Roll Bin	1/3 Discount from Basic Rate	Increase Due to Container Size	Adjusted Basic Rate		Total Expansion Rate Change	New Total Rate
RESIDENTIAL RATES												
	Hardship Service	8.12		23.10			7.70		15.40		1.33	16.73
ROLL OFF RATES												
SIZE	DUMP & RETURN											
30 YD	Roll Off Bin	255.49				239.43		59.86	299.29		25.86	325.15
40 YD	Roll Off Bin	339.64				312.99		78.25	391.24		33.80	425.04
50 YD	Roll Off Bin	423.98				390.73		97.68	488.41		42.20	530.61

# City of Hesperia

## STAFF REPORT



**DATE:** March 21, 2017

**TO:** Mayor and Council Members

**FROM:** Nils Bentsen, City Manager

**BY:** Mike Blay, Director of Development Services  
Tina Bulgarelli, Administrative Analyst

**SUBJECT:** Development Impact Fee Reduction Program Extension

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### RECOMMENDED ACTION

It is recommended that the City Council review the information provided and extend the Development Impact Fee Program until the completion of the Development Impact Fee Nexus Study.

### BACKGROUND

The City Council approved a reduction in Development Impact Fees on April 2, 2013 and subsequently extended the reduction on September 16, 2014, March 15, 2016, and December 6, 2016. In November 2013, the City Council extended the reduction to all single family construction, including all unrecorded subdivisions/tracts. The reduction program is set to expire on March 31, 2017.

### ISSUES/ANALYSIS

In March 2016, David Taussig and Associates began a Nexus Study of Development Impact Fees. Staff will be presenting the findings of this study to the City Council for their review and to provide further direction to staff upon its completion.

### FISCAL IMPACT

No increased fiscal impact will result from the extension of the Development Impact Fee Program.

### ALTERNATIVE(S)

- 1) Provide alternative direction to staff.

### ATTACHMENT(S)

None.

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# City of Hesperia STAFF REPORT



**DATE:** March 21, 2017

**TO:** Mayor and Council Members

**FROM:** Nils Bentsen, City Manager

**BY:** Mike Blay, Director of Development Services  
Dave Reno, Principal Planner  
Tina Bulgarelli, Administrative Analyst

**SUBJECT:** Discussion on Marijuana Related Activities

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## RECOMMENDED ACTION

It is recommended that the City Council receive and file this report and provide staff direction regarding marijuana related activities to be permitted and/or regulated within the City of Hesperia.

## BACKGROUND

### Federal Law

Marijuana possession and use has been illegal under federal law since 1934 with the passage of the Marijuana Tax Act. In 1970, Congress passed the Controlled Substances Act ("CSA"), which banned all cultivation, distribution and possession of marijuana. The federal government still classifies marijuana as a Schedule 1 substance, with no known medical use, meaning that marijuana is completely prohibited under federal law.

However, in 2013 the U.S. Justice Department ordered enforcement of the CSA a low priority in states like California which regulate medical marijuana. On December 9, 2014 the U.S. Congress passed the Rohrabacher-Farr amendment, which specifically prohibits federal funds from being used to prevent states from implementing laws authorizing the use, distribution, possession or cultivation of medical marijuana. On October 19, 2015 a U.S. District Court affirmed that the Rohrabacher-Farr amendment prevents the U.S. Justice Department from prosecuting otherwise lawful state medical marijuana businesses.

Despite this recent change in the federal stance regarding CSA enforcement (which could change again), the CSA remains valid federal law.

### California and Hesperia Law

- **Compassionate Use Act of 1996 (CUA) (Proposition 215)**

In 1996, California voters adopted the Compassionate Use Act (i.e., Proposition 215) ("CUA") as a ballot initiative, codified as Health and Safety Code section 11362.5. The CUA decriminalized medical marijuana by providing a limited defense from prosecution under state law for cultivation and possession of marijuana. (*City of Claremont v. Kruse* (2009) 177 Cal.App.4th

1153). Since the passage of the CUA in 1996, 29 other states and the District of Columbia have allowed some form of medical marijuana use.

- **Medical Marijuana Program Act of 2004 (MMP) (Senate Bill 420)**

In 2004, California Senate Bill (SB) 420 went into effect. SB 420 was enacted by the Legislature to clarify the scope of the CUA. SB 420 established a voluntary program for medical marijuana identification cards, provided state criminal immunity to certain medical marijuana activities, and allowed California cities and counties to adopt and enforce rules and regulations consistent with SB 420 and the CUA. These new regulations and rules became known as the Medical Marijuana Program (“MMP”), which among other things enhanced the access of patients and caregivers to medical marijuana through collective, cooperative cultivation projects.

- **Hesperia Medical Marijuana Dispensary Ordinance No. 2005-12**

In 2005, the City Council adopted Ordinance No. 2005-12, establishing the prohibition of medical marijuana dispensaries within City limits.

- ***City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729; *Maral v. City of Live Oak* (2013) 221 Cal.App.4th 975**

In 2013, the California Supreme Court found that neither the CUA nor the MMP provide medical marijuana patients with an unfettered right to obtain, cultivate, or dispense marijuana for medical purposes and confirmed a city’s ability to prohibit medical marijuana dispensaries within its boundaries. (*City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729; *Maral v. City of Live Oak* (2013) 221 Cal.App.4th 975.) Rather, the court held that the statutes set up limited defenses to state criminal prosecution.

- **Hesperia Urgency Marijuana Cultivation Ordinance of 2015**

In March 2015, the City Council adopted an urgency ordinance prohibiting the commercial cultivation of marijuana within commercial and industrial zones and land-use designations. This urgency ordinance expired on April 6, 2016.

- **Medical Marijuana Regulation and Safety Act of 2015 (MMRSA) (Assembly Bill 266, Assembly Bill 243, Senate Bill 643)**

In October 2015, the State legislature enacted the Medical Marijuana Regulation and Safety Act (“MMRSA”) to establish a statewide regulatory system for the licensing and operation of cultivation, processing, transportation, testing, distribution, and use of medical marijuana. The MMRSA consists of three bills: AB 266, AB 243 and SB 643. Among other things, these bills create a dual licensing system, which allows the State to govern aspects of the operation such as cultivation and mobile delivery unless the City adopts land use regulations prohibiting or allowing these activities or uses. MMRSA provides for seventeen different types of commercial medical marijuana state licenses.

State licenses for these activities will likely start being issued in January, 2018. A state license is required to lawfully operate any of these commercial medical marijuana businesses. Until 2018 (and for a year after commercial licenses start being issued) medical marijuana

dispensaries (unless banned by local laws) may continue to operate as non-profit cooperatives/collectives.

- **Hesperia Consideration of (Updated) Medical Marijuana Ordinance**

In February 2016, the City Council considered, but did not take action on a proposed ordinance to prohibit additional medical marijuana activities within the City.

- **Adult Use of Marijuana Act of 2016 (AUMA) (Proposition 64)**

On November 8, 2016, California voters adopted Proposition 64, the Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA"). AUMA legalizes personal use of marijuana, personal possession of up to one ounce of marijuana, and personal cultivation of up to six marijuana plants. AUMA largely preempts local control over these personal activities (although cities may completely prohibit outdoor personal cultivation and may also regulate - though not ban - indoor cultivation). AUMA authorizes cities to define, regulate and/or prohibit certain commercial marijuana related activities. At this time, seven other states and the District of Columbia permit the adult use of marijuana.

Largely mirroring MMRSA's medical marijuana state licensing regime, AUMA provides for (on or about January 1, 2018) 19 different state licenses for commercial marijuana businesses (for cultivation, manufacturing, testing, distribution and retail sale) and establishes a statewide marijuana regulatory system to be administered by a new Bureau of Marijuana Control. A state license is required to operate a commercial marijuana business.

The state now authorizes (and preempts local control over) personal marijuana use and personal marijuana possession (with limited exceptions concerning personal cultivation). However, the City may regulate and/or prohibit marijuana business activities.

The City's existing land use regulations that prohibit medical marijuana dispensaries are still in place. Presently, the City neither permits nor issues business licenses for any marijuana related activity. By 2018 the State will begin issuing licenses for both medical and nonmedical marijuana commercial business operations under the provisions of both MMRSA and AUMA.

While Hesperia Municipal Code § 16.16.073 expressly prohibits medical marijuana dispensaries within the City of Hesperia, staff recommends that by 2018 the City specifically address whether some or all of the multiple state authorized marijuana businesses (e.g., cultivation, transportation, manufacturing, testing, retail sales) be expressly permitted or prohibited.

## **ISSUES/ANALYSIS**

Staff is seeking direction regarding the various types of commercial marijuana activities that starting on or about January 1, 2018 may be permitted within the City. The City retains the authority to regulate and/or prohibit commercial marijuana activities.

Staff is also seeking direction on whether the City desires to expressly prohibit outdoor personal cultivation and/or regulate indoor personal cultivation. However, there is a limited amount of activity that the City cannot prohibit:

### **Permitted Under Proposition 64 – Effective as of November 9, 2016**

Individuals over 21 years of age may possess no more than one ounce (28.4 grams) of marijuana and eight grams of concentrated marijuana. Individuals may also cultivate up to six plants per residence at one time (cities may prohibit outdoor cultivation). Adults may give away, without compensation, up to 28.4 grams of marijuana or eight grams of concentrated marijuana, to another adult.

However, cities may “reasonably” regulate (but not prohibit) indoor personal cultivation of marijuana. Examples of such regulations would be odor control, security provisions and regular fire department inspections. Cities may ban outdoor personal cultivation through an express prohibition. However, unless outdoor personal cultivation is expressly prohibited, then individuals under State law have the right to cultivate at his/her residence up to six plants outdoors.

Medical marijuana patients may cultivate and possess more than the above limits, provided that the quantities are substantiated by a doctor’s recommendation and are allowable under existing Medical Marijuana laws.

Cities may ban or regulate deliveries of both medical and adult marijuana to locations within the city, but may not prevent a delivery service for using public roads to pass through the city from a dispensary to a delivery destination outside the city.

### **Commercial Marijuana State Business Licenses (Medical and Recreational)**

There are several different categories of licenses that will be available from the State beginning on or about January 1, 2018. These are summarized below, with information regarding what the Council can allow and prohibit for each license type. Proposition 64 allows local jurisdictions to “hand-pick” which license types will be allowed in their jurisdiction, and where such businesses can be located. Staff recommends that the City Council expressly decide what will be the status of each of the different types of both medical and recreational commercial marijuana businesses.

#### **Cultivation**

The Council may define, and regulate cultivation by private citizens on residential properties indoors and outdoors and prohibit cultivation outdoors. The Council may restrict commercial/medical cultivation operations to certain zones and limit their number.

Should the Council allow outdoor personal cultivation, each residence is limited to six plants at a time and the cultivation must not be viewable from a public place (the right-of-way).

Outdoor commercial/medical cultivation, if allowed by Council, may be restrained by zoning, however, the State license types, size of cultivation site, and labeling, packaging, and growing regulations are restricted by Proposition 64.

Proposition 64 defines and allows for the cultivation of industrial hemp products that fall below a certain content of THC and restricts their operations to agricultural areas.



### **Production and Manufacturing**

The Council may define the kinds of production and manufacturing that may occur within the City. The Council may also define the zones where these types of businesses are allowed. These activities could include volatile extraction of THC (allowed for medical marijuana manufacture only, per State law), the non-volatile extraction of THC (allowed for adult and medical manufacture) as well as the manufacture of oils, pills or edible products. Should these activities be permitted, they would be subject to state laws regulating their manufacture, content, labeling and packaging.

### **Distribution/Transportation**

The Council may allow distribution of marijuana, either medical or adult, through licensed distributors. These licensees differ from retail sale licensees in that they may only distribute product to retail licensees for subsequent sale to customers.

### **Sales: Dispensaries and Delivery Services**

The City currently bans dispensaries, in effect since 2005. The Council may elect to continue this ban as well as define and prohibit the establishment of mobile dispensaries and delivery services for both medical and adult users (except for the use of public roads as discussed above).

Should the Council choose to permit sales activities, these may be limited to a specific number or an allocation based on the City's population. (i.e. 1/10,000). The Council may also limit sales activities to specific zones or land use designations and prohibit their establishment within proximity to residential areas and sensitive uses, such as parks or schools (this would be similar to adult business regulations). It should be noted that sales activities will not be permitted until the state licensing scheme is established, scheduled for January 2018. Any proposed sales activities would have to first be permitted by the state before obtaining any permits from the City.

Proposition 64 bans the sale or dispensing of recreational marijuana within 600 feet of schools, daycare centers, or youth centers which are in existence at the time the license is issued. Cities may increase this radius. Additionally, the sale of marijuana cannot occur at an establishment that sells tobacco or alcohol products.

### **Testing**

Another type of commercial marijuana business activity that will be authorized statewide in or about January 1, 2018 is the testing of marijuana for pesticides, etc., before retail sales are allowed. The City may allow or completely prohibit both medical and nonmedical commercial marijuana testing businesses.

### **Sale of Marijuana Accessories**

Section 26054 of Proposition 64 prohibits the sale of marijuana by retailers licensed to sell tobacco and alcohol products. Currently, items that are known to be used to smoke or ingest marijuana are available at retail stores selling tobacco or alcohol. These stores typically label

their merchandise as “for tobacco use only”. Proposition 64 would allow these retailers to continue to sell these items, however, they would not be allowed to keep, sell or transact marijuana on premises, excepting in small amounts used for testing and development, and not for consumption by customers.

### **Microbusinesses**

Microbusinesses differ from all other sale, distribution, and cultivation categories and are licensed separately by the State. The Council may choose to prohibit or allow this use. If allowed, this use can also be restricted by zoning and local regulations, similar to the other license types. A microbusiness is defined as “for the cultivation of marijuana on an area less than 10,000 square feet and act as a licensed distributor, Level 1 Manufacturer (uses non-volatile or no solvents for manufacturing marijuana products), and retailer”.

### **FISCAL IMPACT**

By January 1, 2018, the state is preparing to issue up to 19 different licenses to cover various types of cultivation, manufacturing, testing, retailing and distribution of marijuana products. Applicants who receive a state license may then apply to the City to obtain a local license before commencing business. Should the City Council determine that marijuana related activities should be permitted, the Council may also determine whether additional taxes or business license fees should be collected.

### **Taxes**

Both medical and nonmedical marijuana will be subject to a new statewide tax on cultivation as well as a retail excise tax. Nonmedical marijuana will also be subject to existing state and local sales taxes, while medical marijuana retail sales will be exempt from state sales taxes. Finally, cities may elect to establish new local taxes on both medical and nonmedical sales, as well as cultivation. The establishment of a new tax will require voter approval of a ballot measure. Cities that have established new taxes include Adelanto, Palm Springs, San Jose, Santa Ana and Desert Hot Springs.

Additionally, the County may elect to establish a sales tax on marijuana and marijuana products, and this tax may extend into incorporated and unincorporated areas. This would require voter approval.

### **Business Licensing**

Currently, the City collects a \$50 annual business license fee, in addition to an administrative fee of \$33. License renewals also require a \$50 fee as well as a \$19 administrative fee.

The City also collects an annual investigation fee for certain types of businesses. Massage establishments and adult businesses currently pay a \$200 fee to cover inspections by Fire, Building and Planning.

There are alternative methods to generate business license fees, such as basing the fee on number of employees or gross receipts. These methods may generate increased revenues over time. New fees may be adopted by resolution of the City Council, but should be justified to cover the costs reasonably borne to administer the business license program.

**ALTERNATIVE(S)**

1. Provide alternative direction to staff.

**ATTACHMENT(S)**

1. Table of potential medical and adult marijuana uses
2. Ballot summary of Proposition 64.



**ATTACHMENT 1**

# Medical and Adult Marijuana Uses

City Council Workshop

March 21, 2017

Medical	Allow?	Adult	Allow?
<b>SALES: DISPENSARIES AND DELIVERY</b> License types:  10, Retailer; may also deliver 12, Microbusiness; retail, but may also cultivate less than 10,000 SF and act as a Level 1 manufacturer	<input type="checkbox"/>  <input type="checkbox"/>	<b>SALES: DISPENSARIES AND DELIVERY</b> License types:  10, Retailer; may also deliver 12, Microbusiness; retail, but may also cultivate less than 10,000 SF and act as a Level 1 manufacturer	<input type="checkbox"/>  <input type="checkbox"/>



# Medical and Adult Marijuana Uses

City Council Workshop  
March 21, 2017

Medical	Adult
<b>BUSINESS LICENSING</b>  New: \$50 + \$33 Administrative fee Renewal: \$50 + \$19 Administrative fee DOJ Review: \$62 Investigative fee: TBD (currently from \$46 to \$200)	<b>BUSINESS LICENSING</b>  New: \$50 + \$33 Administrative fee Renewal: \$50 + \$19 Administrative fee DOJ review: \$62 Investigative fee: TBD (currently from \$46 to \$200)



# Medical and Adult Marijuana Uses

City Council Workshop  
March 21, 2017

Medical	Allow?	Adult	Allow?
<b>TAXES</b>  Cultivation: \$9.25/oz. of flowers, \$2.75/oz. of leaves Retail excise tax: 15 percent of retail price City taxes: TBD	<input type="checkbox"/>	<b>TAXES</b>  Cultivation: \$9.25/oz. of flowers, \$2.75/oz. of leaves Retail excise tax: 15 percent of retail price State and S.B. Co. sales tax: 8.75% of retail price City taxes : TBD	<input type="checkbox"/>



# Medical and Adult Marijuana Uses

City Council Workshop  
March 21, 2017

Medical	Allow?	Adult	Allow?
<b>DISTRIBUTION</b> License types:  11, Distributor, to licensed retailers only	<input type="checkbox"/>	<b>DISTRIBUTION</b> License types:  11, Distributor, to licensed retailers only	<input type="checkbox"/>



# Medical and Adult Marijuana Uses

City Council Workshop  
March 21, 2017

Medical	Allow?	Adult	Allow?
<b>PRODUCTION &amp; MANUFACTURING</b> License types:  6, Manufacturer, Level 1, using non-volatile solvents 7, Manufacturer, Level 2, using volatile solvents 8, Testing of cannabis products	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>PRODUCTION &amp; MANUFACTURING</b> License types:  6, Manufacturer, Level 1, using non-volatile solvents 8, Testing of cannabis products	<input type="checkbox"/> <input type="checkbox"/>





# Medical and Adult Marijuana Uses

City Council Workshop  
March 21, 2017

Medical	Allow?	Adult	Allow?
<b>CULTIVATION</b> License types:  1, 1A, Specialty outdoor and indoor. 5,000 SF 2, 2A, Outdoor and indoor, small. 10,000 SF 3, 3A, Outdoor and indoor, medium, 1,0001 SF to 1 acre 4, Nursery	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<b>CULTIVATION</b> License types:  1, 1A, Specialty outdoor and indoor. 5,000 SF 2, 2A, Outdoor and indoor, small. 10,000 SF 3, 3A, outdoor and indoor, medium, 1,0001 SF to 1 acre 4, Nursery	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

PROPOSITION **MARIJUANA LEGALIZATION.**  
**64** **INITIATIVE STATUTE.**

## OFFICIAL TITLE AND SUMMARY

PREPARED BY THE ATTORNEY GENERAL

- Legalizes marijuana under state law, for use by adults 21 or older.
- Designates state agencies to license and regulate marijuana industry.
- Imposes state excise tax of 15% on retail sales of marijuana, and state cultivation taxes on marijuana of \$9.25 per ounce of flowers and \$2.75 per ounce of leaves.
- Exempts medical marijuana from some taxation.
- Establishes packaging, labeling, advertising, and marketing standards and restrictions for marijuana products.
- Prohibits marketing and advertising marijuana directly to minors.
- Allows local regulation and taxation of marijuana.
- Authorizes resentencing and destruction of records for prior marijuana convictions.
- The size of the measure's fiscal effects could vary significantly depending on:
  - (1) how state and local governments choose to regulate and tax marijuana,
  - (2) whether the federal government enforces federal laws prohibiting marijuana, and
  - (3) how marijuana prices and consumption change under the measure.
- Net additional state and local tax revenues that could eventually range from the high hundreds of millions of dollars to over \$1 billion annually. Most of these funds would be required to be spent for specific purposes such as youth programs, environmental protection, and law enforcement.
- Net reduced costs potentially in the tens of millions of dollars annually to state and local governments primarily related to a decline in the number of marijuana offenders held in state prisons and county jails.

## SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:

## ANALYSIS BY THE LEGISLATIVE ANALYST

### BACKGROUND

#### State Marijuana Laws

##### ***Marijuana Generally Illegal Under State Law.***

Under current state law, it is generally illegal to possess or use marijuana. (Please see the nearby box for detailed information on how marijuana is used.) Penalties for marijuana-related activities vary depending on the offense. For example, possession of less than one ounce of marijuana (the equivalent of roughly 40 marijuana cigarettes, also known as "joints") is punishable by a fine, while

selling or growing marijuana may result in a jail or prison sentence.

##### ***Proposition 215 Legalized Medical Marijuana.***

In 1996, voters approved Proposition 215, which made it legal under state law for individuals of any age to use marijuana in California for medical purposes. Individuals must have a recommendation from a doctor to use medical marijuana. In 2003, the Legislature legalized medical marijuana collectives, which are nonprofit organizations that grow and provide marijuana to their members. Collectives are not now licensed

ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

How do Individuals Use Marijuana?

**Smoking.** The most common way individuals use marijuana is by smoking it. Typically, users smoke the dried flowers of the marijuana plant. Dried marijuana leaves can also be smoked but this is rare because leaves contain only small amounts of tetrahydrocannabinol (THC), which is the ingredient in marijuana that produces a “high.” Marijuana leaves, flowers, and stalks can also be processed into concentrated marijuana and smoked. Examples of concentrated marijuana include hash and hash oil. Concentrated marijuana is much stronger than dried marijuana, often containing five to ten times the THC levels found in dried marijuana flowers.

**Vaporizing.** Some users consume marijuana with devices called vaporizers. A vaporizer heats up dried marijuana or concentrated marijuana but does not burn it. This heating process creates a gas containing THC that is inhaled.

**Eating.** Marijuana can also be added to food. Edible marijuana products are typically made by adding THC from the plant into ingredients (like butter or oil) that are used to prepare foods such as brownies, cookies, or chocolate bars.

**Other Methods.** Other less common ways of using marijuana include drinking beverages infused with marijuana and rubbing marijuana infused lotions on the skin.

or regulated by the state, but cities and counties can regulate where and how medical marijuana is grown and sold by individuals or collectives.

**State Currently Adopting New Medical Marijuana Regulations.** Recently, new state laws were adopted to begin regulating medical marijuana. As shown in Figure 1, a new Bureau of Medical Cannabis Regulation and other state agencies are responsible for this regulation. The new laws require the

state to set standards for labelling, testing, and packaging medical marijuana products and to develop a system to track such products from production to sale. Currently, these regulations are being developed by the different regulatory agencies. Under the new laws, medical marijuana collectives must be closed within a few years and replaced by state-licensed businesses. Local governments will continue to have the ability to regulate where and how medical

**Figure 1**  
**Medical Marijuana Industry to Be Regulated by Multiple State Agencies**

Regulatory Agency	Primary Responsibilities
Bureau of Medical Cannabis Regulation	License medical marijuana distributors, transporters, testing facilities, and retailers.
Department of Food and Agriculture	License and regulate medical marijuana growers.
Department of Public Health	License and regulate producers of edible marijuana products.
State Water Resources Control Board	Regulate the environmental impacts of marijuana growing on water quality.
Department of Fish and Wildlife	Regulate environmental impacts of marijuana growing.
Department of Pesticide Regulation	Regulate pesticide use for growing marijuana.

## ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

marijuana businesses operate.

**Taxes on Medical Marijuana.** State and local governments currently collect sales tax on medical marijuana. A small number of cities also impose additional taxes specifically on medical marijuana. The total amount of state and local taxes collected on medical marijuana likely is several tens of millions of dollars annually.

### Federal Marijuana Laws

Under federal law, it is illegal to possess or use marijuana, including for medical use. The U.S. Supreme Court ruled in 2005 that federal agencies could continue under federal law to prosecute individuals who possess or use marijuana for medical purposes even if legal under a state's law. Currently, however, the U.S. Department of Justice (DOJ) chooses not to prosecute most marijuana users and businesses that follow state and local marijuana laws if those laws are consistent with federal priorities. These priorities include preventing minors from using marijuana and preventing marijuana from being taken to other states.

## PROPOSAL

This measure (1) legalizes adult nonmedical use of marijuana, (2) creates a system for regulating nonmedical marijuana businesses, (3) imposes taxes on marijuana, and (4) changes penalties for marijuana-related crimes. These changes are described below.

### Legalization of Adult Nonmedical Use of Marijuana

**Personal Use of Nonmedical Marijuana.** This measure changes state law to legalize the use of marijuana for nonmedical purposes by adults age 21 and over. Figure 2 summarizes what activities would be allowable under the measure. These activities would remain illegal for individuals under the age of 21.

**Purchasing Marijuana.** Under the measure, adults age 21 and over would be able to purchase marijuana at state-licensed businesses or through their delivery services. Businesses could generally not be located within 600 feet of a school, day care center, or youth center, unless allowed by a local government. In addition, businesses selling

Figure 2

### Proposition 64 Legalizes Nonmedical Marijuana Activities, With Restrictions

Activity	Activities Allowed Under the Measure	Activities Not Allowed Under the Measure
Smoking marijuana	Smoking marijuana in a private home or at a business licensed for on-site marijuana consumption.	Smoking marijuana (1) while driving a car, (2) in any public place (other than at a business licensed for on-site consumption), or (3) anywhere that smoking tobacco is prohibited.
Possessing marijuana for personal use	Possession of up to 28.5 grams (about one ounce) of marijuana and up to 8 grams of concentrated marijuana (such as hash).	Possession of marijuana on the grounds of a school, day care center, or youth center while children are present.
Growing marijuana	Growing up to six marijuana plants and keeping the marijuana produced by the plants within a private home.	Growing in an area that is unlocked or visible from a public place.
Giving away marijuana	Giving away to other adults up to 28.5 grams of marijuana and up to 8 grams of concentrated marijuana.	Providing marijuana to minors under the age of 21 for nonmedical use.

## ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

marijuana could not sell tobacco or alcohol. Under the measure, local governments could authorize licensed businesses to allow on-site consumption of marijuana. However, such businesses could not allow consumption in areas within the presence or sight of individuals under the age of 21 or areas visible from a public place. In addition, businesses allowing on-site marijuana consumption could not allow consumption of alcohol or tobacco.

**Regulation of Nonmedical Marijuana Businesses**

**State Regulation of Nonmedical Marijuana Businesses.** This measure changes the name of the Bureau of Medical Cannabis Regulation to the Bureau of Marijuana Control and makes it also responsible for regulating and licensing nonmedical marijuana businesses. In addition, the measure requires other state agencies to regulate and license different parts of the nonmedical marijuana industry. These state agencies would have responsibilities similar to the ones they currently have for medical marijuana. The measure requires each licensing agency to charge fees that cover its marijuana regulatory costs. Under the measure, the system for tracking medical marijuana products that must be developed under current law would be expanded to include marijuana for nonmedical use. The measure also creates the Marijuana Control Appeals Panel to hear appeals from

individuals affected by a decision of the state's regulatory agencies. Decisions of the panel could be appealed to the courts.

**Local Regulation of Nonmedical Marijuana Businesses.** Under the measure, cities and counties could regulate nonmedical marijuana businesses. For example, cities and counties could require nonmedical marijuana businesses to obtain local licenses and restrict where they could be located. Cities and counties could also completely ban marijuana-related businesses. However, they could not ban the transportation of marijuana through their jurisdictions.

**Taxation of Marijuana**

The measure imposes new state taxes on growing and selling both medical and nonmedical marijuana. As shown in Figure 3, the new tax on growing marijuana would be based on a dollar amount per ounce of marijuana, and the new excise tax would be based on the retail price of marijuana products sold.

The measure would also affect sales tax revenue to the state and local governments in two ways. First, legalizing the sale of nonmedical marijuana will result in new sales tax revenue. (This would happen automatically, as generally products are subject to this tax under current law.) Second, the sale of medical marijuana, which is currently subject to sales tax, is

**Figure 3****Taxation of Marijuana Under Proposition 64**

Type of Tax	Type of Marijuana Taxed	Rate
New state tax on growing	Both medical and nonmedical.	\$9.25 per ounce of dried marijuana flowers and \$2.75 per ounce of dried marijuana leaves.
New state retail excise tax	Both medical and nonmedical.	15 percent of retail price.
Existing state and local sales tax	Nonmedical only.	Rates vary across the state but average around 8 percent.
Existing and future local taxes	Can apply to both medical and nonmedical.	Subject to local government decisions.



## ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

specifically exempted from that tax. The measure does not change local governments' existing ability to place other taxes on medical marijuana and does not restrict their ability to tax nonmedical marijuana.

Beginning in 2020, the tax on growing marijuana would be adjusted annually for inflation. The measure also allows the state Board of Equalization to annually adjust the tax rate for marijuana leaves to reflect changes in the price of marijuana flowers relative to leaves. In addition, the measure allows the board to establish other categories of marijuana (such as frozen marijuana) for tax purposes and specifies that these categories would be taxed at their value relative to marijuana flowers.

### ***Allocation of Certain State Tax Revenues.***

Revenues collected from the new state retail excise tax and the state tax on growing marijuana would be deposited in a new state account, the California Marijuana Tax Fund. Certain fines on businesses or individuals who violate regulations created by the measure would also be deposited into this fund. Monies in the fund would first be used to pay back certain state agencies for any marijuana regulatory costs not covered by

license fees. A portion of the monies would then be allocated in specific dollar amounts for various purposes, as shown in Figure 4.

All remaining revenues (the vast majority of monies deposited in the fund) would be allocated as follows:

- 60 percent for youth programs—including substance use disorder education, prevention, and treatment.
- 20 percent to clean up and prevent environmental damage resulting from the illegal growing of marijuana.
- 20 percent for (1) programs designed to reduce driving under the influence of alcohol, marijuana, and other drugs and (2) a grant program designed to reduce any potential negative impacts on public health or safety resulting from the measure.

### **Penalties for Marijuana-Related Crimes**

#### ***Change in Penalties for Future Marijuana Crimes.***

The measure changes state marijuana penalties. For example, possession of one ounce or less of marijuana is currently punishable by a \$100 fine. Under the measure, such a crime committed by

**Figure 4**

### **Proposition 64 Allocates a Portion of State Revenues for Specific Purposes**

Purpose	Annual Funding	Duration
Grants for certain services (such as job placement assistance and substance use disorder treatment) in communities most affected by past drug policies	\$10 million to \$50 million <sup>a</sup>	2018–19 and ongoing
Evaluate effects of the measure	\$10 million	2018–19 through 2028–29
Create and adopt methods to determine whether someone is driving while impaired, including by marijuana	\$3 million	2018–19 through 2022–23
Study the risks and benefits of medical marijuana	\$2 million	2017–18 and ongoing

<sup>a</sup> \$10 million in 2018–19, increasing by \$10 million annually until 2022–23, and \$50 million each year thereafter.

**ANALYSIS BY THE LEGISLATIVE ANALYST**

CONTINUED

someone under the age of 18 would instead be punishable by a requirement to attend a drug education or counseling program and complete community service. In addition, selling marijuana for nonmedical purposes is currently punishable by up to four years in state prison or county jail. Under the measure, selling marijuana without a license would be a crime generally punishable by up to six months in county jail and/or a fine of up to \$500. In addition, individuals engaging in any marijuana business activity without a license would be subject to a civil penalty of up to three times the amount of the license fee for each violation. While the measure changes penalties for many marijuana-related crimes, the penalties for driving a vehicle while under the impairment of marijuana would remain the same. The measure also requires the destruction—within two years—of criminal records for individuals arrested or convicted for certain marijuana-related offenses.

***Individuals Previously Convicted of Marijuana Crimes.*** Under the measure, individuals serving sentences for activities that are made legal or are subject to lesser penalties under the measure would be eligible for resentencing. For example, an offender serving a jail or prison term for growing or selling marijuana could have their sentence reduced. (A court would not be required to resentence someone if it determined that the person was likely to commit certain severe crimes.) Qualifying individuals would be resentedenced to whatever punishment they would have received under the measure. Resentenced individuals currently in jail or prison would be subject to community supervision (such as probation) for up to one year following their release, unless a court removes that requirement. In addition, individuals who have completed sentences for crimes that are reduced by the measure

could apply to the courts to have their criminal records changed.

**FISCAL EFFECTS****Fiscal Effects Subject to Significant Uncertainty**

This measure would affect both costs and revenues for state and local governments. The size of these effects could vary significantly depending primarily on three key factors:

- First, it would depend on how state and local governments chose to regulate and tax marijuana. For example, if many cities and counties banned marijuana businesses, the amount of revenue from taxes on marijuana would be less than without such bans.
- Second, it would depend on whether the U.S. DOJ enforced federal laws prohibiting marijuana. For example, if the U.S. DOJ chose to prosecute state-licensed marijuana businesses, there could be significantly reduced revenue from marijuana taxes. This analysis assumes the U.S. DOJ will follow its current policy regarding enforcement of marijuana laws.
- Third, the fiscal effects would depend heavily on how marijuana prices and consumption change under the measure. This analysis assumes that the price of marijuana would decline significantly. This is primarily because (1) businesses would become more efficient at producing and distributing marijuana and (2) the price of marijuana would no longer be inflated to compensate for the risk of selling an illegal drug. This analysis also assumes that marijuana consumption would increase under the measure. This is

## ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

primarily because of (1) the reduced price and (2) the reduced legal risk for marijuana users.

The actual effects on marijuana prices and consumption are unknown, as are the regulatory and enforcement actions of the state, federal, and local governments. As such, the potential cost and revenue impacts of this measure described below are subject to significant uncertainty.

### Effects on State and Local Costs

#### ***Reduction in Various Criminal Justice Costs.***

The measure would result in reduced criminal justice costs for the state and local governments. This is primarily related to a decline in the number of offenders held in state prisons and county jails for growing and selling marijuana. The measure would also reduce the number of such offenders placed under community supervision (such as county probation). In addition, the measure would likely reduce other criminal justice costs, such as state court costs for the handling of related criminal cases.

The above cost reductions would be partially offset by increased costs in several areas. In particular, the courts would incur costs to process applications from individuals seeking to be resentenced or have their criminal records changed. In addition, there would be costs to supervise resentenced offenders in the community. These various costs would be incurred largely within the first couple of years following the passage of the measure. In addition, there would be ongoing costs in a few areas. For example, there would be court costs to destroy records of arrest and conviction for individuals who commit certain marijuana-related crimes. In addition, there would be ongoing costs to operate drug education and counseling programs as required by the measure. There

would also be some increased criminal justice costs (such as county jail and state court costs) to the extent that increased marijuana use leads to increased marijuana-related crime (such as driving while impaired by marijuana).

In total, the net reduction in state and local criminal justice costs from the above changes could be in the tens of millions of dollars annually. In many cases, these resources would likely be redirected to other criminal justice activities.

#### ***Effects on State and Local Health Programs.***

The measure could also have various fiscal effects on state and local health programs as a result of increased marijuana use. For example, the measure could result in an increase in the number of individuals seeking publicly funded substance use treatment. Any additional costs for such services could be partially or entirely offset by additional funding that would be available for substance use treatment under the measure. Although research on the health effects of marijuana use is limited, there is some evidence that smoking marijuana has harmful effects. For example, marijuana smoke is among a list of substances identified by the state to cause cancer. To the extent that an increase in marijuana use negatively affects users' health, it would increase somewhat state and local health program costs.

***Increased State Regulatory Costs.*** The measure would also result in costs for the state to regulate nonmedical marijuana businesses. These costs would vary depending on how the state chooses to regulate marijuana but could amount to several tens of millions of dollars annually. Eventually, these costs would likely be entirely offset by license fees and tax revenues.



## ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

**Effects on State and Local Revenues**

***Tax Revenues Could Reach \$1 Billion Annually, but Not Right Away.*** State and local governments would receive more revenues—including sales, excise, and income taxes—from marijuana sales allowed under this measure. This increase in tax revenue would result primarily from (1) new state excise taxes on growing and selling marijuana, (2) individuals switching from illegal purchases of marijuana (made from individuals who do not pay all the taxes they owe) to legal purchases (at businesses that collect and pay the taxes they owe), and (3) an increase in consumption of marijuana. In addition, lower marijuana prices due to the measure may provide individuals using marijuana now with some savings. This could allow them to purchase other legal products that generate tax revenue. These revenue increases, however, would be partially offset by the loss of sales taxes now collected on medical marijuana sales, as the measure exempts such purchases from these taxes.

In total, our best estimate is that the state and local governments could eventually collect net additional revenues ranging from the high hundreds of millions of dollars to over \$1 billion annually. However, the revenues are likely to be significantly lower in the first several years following the passage of the measure. This is because it will take a couple of years for the state to issue licenses to marijuana businesses. In addition, it will likely take time for newly licensed businesses to set up efficient production and distribution systems. Prices in the legal market will likely fall as more legal businesses are licensed and as they become more efficient. As this occurs, more consumers will begin purchasing marijuana legally. It is unknown precisely how long this

process will take but it could be several years after the measure passes before revenues reach the range described above. As discussed earlier, the measure requires that most of these funds be spent on specified purposes.

***Additional Local Government Revenues.***

The measure could result in additional revenues if local governments impose taxes on marijuana. The amount of additional revenues could vary significantly, depending primarily on how many local governments impose marijuana taxes and at what rates. These revenues could easily amount to tens of millions of dollars annually.

***Potential Impact on Local Economies in Marijuana Producing Areas.*** Exports of marijuana currently contribute significantly to the economy in parts of Northern California, such as Humboldt, Mendocino, and Trinity Counties. Precisely how this measure would affect these local economies is unknown. Lower marijuana prices and more opportunity for legal cultivation elsewhere could hurt the economy in these areas, reducing local government tax revenues. If, however, local growers and businesses successfully marketed their marijuana products as premium goods, consumers might be willing to pay above-average prices for them. If that occurred, it could help offset some of the negative economic effects in those areas.

Visit <http://www.sos.ca.gov/measure-contributions> for a list of committees primarily formed to support or oppose this measure. Visit <http://www.fppc.ca.gov/transparency/top-contributors/nov-16-gen-v2.html> to access the committee's top 10 contributors.



**DATE:** March 21, 2017  
**TO:** Mayor and Council Members  
**FROM:** Nils Bentsen, City Manager  
**BY:** Melinda Sayre, City Clerk  
**SUBJECT:** Ad-Hoc Committee for District-Based Elections

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### **RECOMMENDED ACTION**

It is recommended that the City Council give staff direction regarding the establishment of an Ad-Hoc Committee focused on planning the transition to district-based elections, and appoint two Council Members to participate on the Committee with staff.

### **BACKGROUND**

The City is in the initial stages of transitioning from at-large to by-district elections. The process will include several public hearings to be held in the months of March, April and May where the public is encouraged to participate and provide input regarding composition of the districts.

Public participation kits which assist residents to draw proposed district maps have been provided by the City's consultant and are available on the City's website and in hard copy at all City facilities and at the Hesperia Library. Additionally, a webpage on the City's website has been dedicated to the districting process.

### **ALTERNATIVE(S)**

1. Provide alternative direction to staff

### **ATTACHMENT(S)**

None