

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

Regular Joint Meetings
1st and 3rd Tuesday

Date: September 4, 2018
REGULAR MEETING

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

CITY COUNCIL MEMBERS

William J. Holland, Mayor

Rebekah Swanson, Mayor Pro Tem

Larry Bird, Council Member

Jeremiah Brosowske, Council Member

Paul Russ, 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

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 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.

Individuals wishing to speak during General Public Comments or on a particular numbered item must submit a speaker slip to the City Clerk with the agenda item noted. Speaker slips should be turned in prior to the public comment portion of the agenda or before an agenda item is discussed. Comments will be limited to three minutes for General Public Comments, Consent Calendar items and New Business items. Comments are limited to five minutes for Public Hearing items.

In compliance with the Brown Act, the City Council may not discuss or take action on non-agenda items or engage in question and answer sessions with the public. The City Council may ask brief questions for clarification; provide a reference to staff or other resources for factual information and direct staff to add an item to a subsequent meeting.

CLOSED SESSION - 5:30 PM

Roll Call

*Mayor William J. Holland
Mayor Pro Tem Rebekah Swanson
Council Member Larry Bird
Council Member Jeremiah Brosowske
Council Member Paul Russ*

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

1. One (1) case

CALL TO ORDER - 6:30 PM

A. Invocation

B. Pledge of Allegiance to the Flag

C. Roll Call

*Mayor William J. Holland
Mayor Pro Tem Rebekah Swanson
Council Member Larry Bird
Council Member Jeremiah Brosowske*

Council Member Paul Russ

D. Agenda Revisions and Announcements by City Clerk

E. Closed Session Reports by City Attorney

ANNOUNCEMENTS/PRESENTATIONS

1. Community Events Calendar

GENERAL PUBLIC COMMENTS (For items and matters not listed on the agenda)

Individuals wishing to speak during General Public Comments or on a particular numbered item must submit a speaker slip to the City Clerk with the agenda item noted. Speaker slips should be turned in prior to the public comment portion of the joint agenda or before an agenda item is discussed. Comments will be limited to three minutes for General Public Comments, Consent Calendar items and New Business items. Comments are limited to five minutes for Public Hearing items.

In compliance with the Brown Act, the City Council may not discuss or take action on non-agenda items or engage in question and answer sessions with the public. The City Council may ask brief questions for clarification; provide a reference to staff or other resources for factual information and direct staff to add an item to a subsequent meeting.

JOINT CONSENT CALENDAR

1. Page 5 Consideration of the Draft Minutes from the Regular Meeting held Tuesday, August 21, 2018 and the Special Meeting held Tuesday, August 21, 2018 for the Hesperia Joint Public Finance Authority

Recommended Action:

It is recommended that the City Council approve the Draft Minutes from the Regular Meeting held Tuesday, August 21, 2018 and the Special Meeting held Tuesday, August 21, 2018 for the Hesperia Joint Public Finance Authority.

Staff Person: City Clerk Melinda Sayre

Attachments: [Draft CC Min 2018-08-21](#)

2. Page 11 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: Director of Finance Casey Brooksher

Attachments: [SR Warrant Run 9-4-2018](#)

[Attachment 1 - Warrant Runs](#)

3. Page 13 Fiscal Year 2018/19 - 2022/23 Five Year Measure I Capital Improvement Plan**Recommended Action:**

It is recommended that the City Council adopt Resolution No. 2018-057 approving the Measure I Five Year Capital Improvement Plan and Expense Strategy for Fiscal Years 2018/19 - 2022/23.

Staff Person: Assistant City Manager Michael Blay

Attachments: [SR Measure I FY 2018/19 - 2022/23 CIP 9-4-2018](#)

[Resolution 2018-057](#)

[Attachment 2 - Measure I Five Year CIP Spreadsheet](#)

[Attachment 3 - Measure I Five Year CIP Expenditure Strategy](#)

[Attachment 4 - Measure I Five Year CIP Revenue Forecast](#)

4. Page 19 Community Facilities District (CFD) 94-01, Annexation 196**Recommended Action:**

It is recommended that the Hesperia Fire Protection District (HFPD) Board of Directors adopt Resolution No. HFPD 2018-19 admitting Annexation 196 (APN 0397-111-03) into the Community Facilities District (CFD) 94-01 and direct the Secretary of the Board to file the addition with the County Recorder.

Staff Person: Fire Assistant Chief Ron Walls

Attachments: [SR Annexation 196 9-4-2018](#)

[Resolution 2018-19](#)

[Attachment 2 - Location Map](#)

5. Page 23 Recondition Paving Equipment**Recommended Action:**

It is recommended that the City Council authorize the City Manager to execute a Purchase Order in the not-to-exceed amount of \$70,000, to recondition paving equipment from PB Loader Corporation of Fresno, California.

Staff Person: Public Works Manager Mark Faherty

Attachments: [SR Recondition Paving Equipment 9-4-2018](#)

6. Page 25 Approve Contract Change Order and Increase Contract Amount for Recycled Water System - Phase 1A, C.O. No. 8087**Recommended Action:**

It is recommended that the Board of Directors of the Hesperia Water District approve the proposed Contract Change Order to the contract with Christensen Brothers General Engineering, Inc. for Recycled Water System - Phase 1A (C.O. No. 8087) in the amount of \$730,107; approve an additional 10% contingency in the amount of \$72,893; and authorize a revised total construction budget of \$7,111,056 in order to increase the contract scope of work.

Staff Person: Assistant City Manager Michael Blay

Attachments: [SR Recycled Water System - Contract Change Order 9-4-2018](#)
[Attachment 1 - Proposed Contract Change Order](#)

7. Page 29 Residential Purchase Agreement - 9990 9th Avenue

Recommended Action:

It is recommended that the Hesperia Housing Authority (HHA) adopt Resolution No. HHA 2018-13: (i) approving the "Residential Purchase Agreement and Joint Escrow Instructions" (Agreement) for real property located at 9990 9th Avenue, Assessor's Parcel Number 0407-141-16 (Property) by and between Kristin Nicole Vinson (Buyer) and the Hesperia Housing Authority (Seller); and (ii) authorizing the Executive Director to execute all documents necessary to consummate the transaction.

Staff Person: Economic Development Manager Rod Yahnke

Attachments: [SR Real Property Purchase 9990 9th 9-4-2018](#)
[Resolution 2018-13](#)
[Attachment 2 - Residential Purchase Agreement](#)

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 Thursday, August 30, 2018 at 5:30 p.m. pursuant to California Government Code §54954.2.

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.



City of Hesperia

Meeting Minutes - Draft

City Council

City Council Chambers
9700 Seventh Ave.
Hesperia CA, 92345

Tuesday, August 21, 2018

6:30 PM

**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
HESPERIA PUBLIC FINANCING AUTHORITY - ANNUAL MEETING
HESPERIA PUBLIC FACILITIES CORPORATION - ANNUAL MEETING
HESPERIA JOINT PUBLIC FINANCE AUTHORITY - SPECIAL MEETING**

CLOSED SESSION - 4:30 PM

Roll Call

Present: 5 - Mayor William J. Holland, Mayor Pro Tem Swanson, Council Member Bird, Council Member Brosowske and Council Member Russ

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

1. Priester vs City of Hesperia - SMCBS1800745
2. Latimer vs City of Hesperia - SMCBS1800743

Conference with Legal Counsel – Existing Litigation
Government Code Section 54956.9(d)(2)

1. Victor Valley Wastewater Reclamation Authority v. City of Hesperia (Claim for Damages)

Conference with Real Property Negotiators – Property Negotiations
Government Code Section – 54956.8

1. Negotiating Parties: Lewis Acquisition Company and City of Hesperia
Location: APN: 3039- 441-20
Under Negotiation: Exclusive Negotiating Agreement ENA - Third Amendment
2. Negotiating Parties: City of Hesperia and Bill Jensen
Location: Golf Course APNs 0398-242-11, 0398-251-28, 0398-251-31, 0398-262-30, and 0398-281-18
Under Negotiation: Price and Terms

CALL TO ORDER - 6:42 PM

A. Invocation Brian Graley of Hesperia Church of the Nazarene

B. Pledge of Allegiance to the Flag

C. Roll Call

Present: 5 - Mayor William J. Holland, Mayor Pro Tem Swanson, Council Member Bird, Council Member Brosowske and Council Member Russ

D. Agenda Revisions and Announcements by City Clerk - None

E. Closed Session Reports by City Attorney – Council gave direction for legal counsel to seek appellate review of the existing litigation items discussed.

ANNOUNCEMENTS/PRESENTATIONS

1. Presentation to resident Maria Torres, winner of the Quarterly Pride Enhancement Program
2. Community Events Calendar - *The Animal Shelter will be closed to the public every Monday for the next few months for construction; follow the City of Hesperia on Facebook and Twitter for information about City programs and projects as well as emergency alerts and updates; City offices will be closed 9/3 in observance of Labor Day.*

GENERAL PUBLIC COMMENTS (For items and matters not listed on the agenda)

*Bob Nelson commented on public speech.
Daniel Krist commented on various community issues.
Scott Priester commented on CalPERS retirement.
Dino Defazio commented on counter plan checks.
Al Vogler commented on the recent City Council appointment.*

JOINT CONSENT CALENDAR

A motion was made by Russ, seconded by Bird, that the Consent Calendar be approved. The motion carried by the following vote:

Aye: 5 - Holland, Swanson, Bird, Brosowske and Russ

Nay: 0

1. Consideration of the Draft Minutes from the Special Meeting held Tuesday, August 7, 2018

Recommended Action:

It is recommended that the City Council approve the Draft Minutes from the Special Meeting held Tuesday, August 7, 2018.

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: Director of Finance Casey Brooksher

3. Treasurer's Cash Report for the unaudited period ended June 30, 2018

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.

Sponsors: Director of Finance Casey Brooksher

4. Non-Represented Employees' Compensation and Benefit Plan

Recommended Action:

It is recommended that the City Council the Hesperia Water District Board, the Community Development Commission, the Hesperia Housing Authority Board, and the Hesperia Fire Protection District Board adopt Joint Resolution No. 2018-053, HHA 2018-12, CDC 2018-12, and HWD 2018-18, establishing the Non-Represented Employees' Compensation and Benefit Plan.

Sponsors: Assistant City Manager Michael Blay, Director of Finance Casey Brooksher, Assistant to the City Manager Rachel Molina and Human Resources Manager Rita Perez

5. San Bernardino Local Agency Formation Commission Application for Extension of Service By Contract - Agreement with San Bernardino County Special Districts for Bear Valley and Fish Hatchery Area Sewer Service Contract ID: 2018-FHLAFCO

Recommended Action:

It is recommended that the City Council approve the agreement between City of Hesperia and San Bernardino County Special Districts (SBCSD) to provide for sewer service to be extended by SBCSD south to serve property within the City of Hesperia south of Bear Valley Road near Fish Hatchery Road, and authorize the Mayor to execute said agreement. This agreement will then be forwarded to San Bernardino Local Agency Formation Commission (LAFCO) as part of the request to allow SBCSD to extend sewer service for the benefit of the 11.72-acre holding within the City of Hesperia.

Sponsors: Assistant City Manager Michael Blay and Principal Planner Jeff Codega

6. Memorandum of Understanding with San Bernardino County Service Area 70

Recommended Action:

It is recommended that the Hesperia Water District Board Members adopt Resolution No. HWD 2018-019 approving the Memorandum of Understanding (MOU) between the Hesperia Water District (District) and San Bernardino County Service Area 70 (CSA 70 J) in order to continue to provide water service to current and future customers within annexed areas.

Sponsors: Public Works Manager Mark Faherty and Public Works Supervisor/Water Jeremy McDonald

7. Accept FY 2017-18 Annual Street Improvement Project (CO 7145)

Recommended Action:

It is recommended that the City Council accept FY 2017-18 Annual Street Improvement Project completed by Sully-Miller Contracting, Co. (Construction Order No. 7145); authorize staff to record a "Notice of Completion;" and release all withheld retention after 35 days from the date of recordation.

Sponsors: Assistant City Manager Michael Blay

8. Senate Bill 1, Local Partnership Program Grant

Recommended Action:

It is recommended that the City Council adopt Resolution 2018-56, accepting \$3.9 million in Senate Bill 1, Local Partnership Program grant funds from the California Transportation Commission; and authorizing the City Manager or his designee to execute agreements and any and all other documents related to the grant as may be necessary for completion of the Ranchero Road Widening Project.

Sponsors: Assistant City Manager Michael Blay

9. **HESPERIA JOINT PUBLIC FINANCE AUTHORITY SPECIAL MEETING AND HESPERIA PUBLIC FINANCING AUTHORITY ANNUAL MEETING ITEM WITH REGULAR JOINT MEETINGS.**

Debt Management Policy

Recommended Action:

It is recommended that the City Council/Board/Commission adopt Joint Resolution No. 2018-49, SA 2018-03, HPFA 2018-02, HJPFA 2018-01, CDC 2018-10, HHA 2018-10, HFPD 2018-17, and HWD 2018-16, approving a Debt Management Policy in conformance with Senate Bill 1029.

Sponsors: Director of Finance Casey Brooksher

10. **HESPERIA JOINT PUBLIC FINANCE AUTHORITY SPECIAL MEETING AND HESPERIA PUBLIC FINANCING AUTHORITY ANNUAL MEETING ITEM WITH REGULAR JOINT MEETINGS.**

Disclosure Policies and Procedures

Recommended Action:

It is recommended that the City Council/Board/Commission adopt Joint Resolution No. 2018-50, SA 2018-04, HPFA 2018-03, HJPFA 2018-02, CDC 2018-11, HHA 2018-11, HFPD 2018-18, and HWD 2018-17, approving Disclosure Policies and Procedures to ensure compliance with applicable federal and state securities laws.

Sponsors: Director of Finance Casey Brooksher

PUBLIC HEARING

11. Joint Resolution Amending the City-Wide Fee Schedule

Recommended Action:

It is recommended that the Council and respective Boards hold a public hearing and adopt Joint Resolution No. 2018-47, Resolution No. HWD 2018-15, Resolution No. HFPD 2018-16, Resolution No. HHA 2018-09, Resolution No. HCDC 2018-09, amending Joint Resolution No. 2018-21, Resolution No. HWD 2018-07, Resolution No. HFPD 2018-06, Resolution No. HHA 2018-04, Resolution No. HCDC 2018-04, amending the City-Wide fee schedule.

Sponsors: Assistant City Manager Michael Blay and Administrative Analyst Tina Bulgarelli

The public hearing was opened. Daniel Krist commented on item 11. There being no further public comment the hearing was closed.

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

Aye: 5 - Holland, Swanson, Bird, Brosowske and Russ

Nay: 0

NEW BUSINESS

12. Award Contract for Recycled Water System - Phase 1B, C.O. No. 8087 and Amend the Existing Professional Services Agreement with Geocon West, Inc.

Recommended Action:

It is recommended that the Board of Directors of the Hesperia Water District:

- (1) Consider the bid protest by RSH Construction Services; and
- (2) Deny the request by RSH Construction Services to reject the bid of the low bidder and award a contract for Recycled Water System - Phase 1B (C.O. No. 8087) to the lowest responsive and responsible bidder, R.I.C. Construction Company, Inc. in the amount of \$4,677,391.37; approve an additional 10% contingency in the amount of \$467,740 for a total construction budget of \$5,145,131.37; approve the design of the project represented by the plans and specifications; and authorize the City Manager to execute the contract; and
- (3) Amend the existing Professional Services Agreement (PSA) with Geocon West, Inc. for on-call geotechnical and specialty engineering inspection services by increasing the PSA \$250,000 in order to have adequate funding to continue providing quality assurance and quality control on the City's capital improvement projects.

Sponsors: Assistant City Manager Michael Blay

A motion was made by Russ, seconded by Brosowske, that this item be approved. The motion carried by the following vote:

Aye: 5 - Holland, Swanson, Bird, Brosowske and Russ

Nay: 0

13. Resolution confirming the issuance of refunding bonds pursuant to an Indenture of Trust, approving Preliminary and Final Official Statements and providing other matters relating thereto

Recommended Action:

It is recommended that the City Council as the Successor Agency to the Hesperia Community Redevelopment Agency adopt the following resolution:

Resolution No. SA 2018-05 - A Resolution of the Successor Agency to the Hesperia Community Redevelopment Agency confirming the issuance of refunding bonds pursuant to an indenture of trust, approving preliminary and final official statements and providing other matters relating thereto.

Sponsors: Director of Finance Casey Brooksher

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

Aye: 5 - Holland, Swanson, Bird, Brosowske and Russ

Nay: 0

COUNCIL COMMITTEE REPORTS AND COMMENTS

Council Member Brosowske commented on appointment to Victor Valley College committee to select a new superintendent, requested that Prop 5 & Prop 6 Gas Tax repeal resolution to be added to the next agenda, that the Council bring the County Wide Vision plan adopted in 2012 for review.

Council Member Bird commented on work done by public safety in the community, VVTA campaign to increase ridership, and attendance at a VVWRA meeting.

Council Member Russ commented on City financials and alternatives to League of California Cities.

Mayor Pro Tem Swanson commented on attendance at National Night Out and school field trip to Animal Shelter.

Mayor Holland commented on the bond refunding item, commented on attendance at the Chamber Luncheon, Prop 6 Gas Tax repeal, and League of California Cities Mountain/Desert Division.

CITY MANAGER/CITY ATTORNEY/STAFF REPORTS

None

ADJOURNMENT

8:10 p.m.

*Melinda Sayre,
City Clerk*

City of Hesperia STAFF REPORT



DATE: September 4, 2018

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: Casey Brooksher, Director of Finance
Anne Duke, Deputy Finance Director
Keith Cheong, Financial Analyst

SUBJECT: 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.

BACKGROUND

The Warrant Run totals represented below are for the period July 28, 2018 through August 10, 2018.

<u>Agency/District</u>	<u>Accounts Payable</u>	<u>Payroll</u>	<u>Wires</u>	<u>Totals</u>
City of Hesperia	\$3,199,111.28	\$232,526.86	\$0.00	\$3,431,638.14
Successor Agency	0.00	0.00	0.00	0.00
Housing Authority	26,548.06	2,038.37	0.00	28,586.43
Community Development Commission	95,684.10	3,877.54	0.00	99,561.64
Fire	1,719,198.92	0.00	0.00	1,719,198.92
Water	383,487.44	98,300.36	36,250.31	518,038.11
Totals	\$5,424,029.80	\$336,743.13	\$36,250.31	\$5,797,023.24

The wire amounts are as follows:

- \$23,943.18 to Bank of America, N.A. for Hesperia Water Swap Interest Payment.
- \$12,307.13 to U.S. Bank Trust N.A. for Hesperia Water 1998A Interest Payment.

ATTACHMENT(S)

1. Warrant Runs

City of Hesperia
WARRANT RUNS
07/28/2018 - 08/10/2018

FUND #	FUND NAME	W/E 8/3/2018	W/E 8/10/2018	WARRANT TOTALS	Wires	YEAR-TO DATE TOTALS *	PRIOR FY YTD DATE TOTALS
Accounts Payable							
100	GENERAL	\$ 809,818.66	\$ 1,590,128.64	\$ 2,399,947.30	\$ -	\$ 4,702,965.54	\$ 3,268,561.35
204	MEASURE I - RENEWAL	\$ 179,792.50	\$ 110.00	\$ 179,902.50	\$ -	\$ 207,837.50	\$ 554.37
205	GAS TAX	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
207	LOCAL TRANSPORT-SB 325	\$ -	\$ -	\$ -	\$ -	\$ 77,219.18	\$ -
209	GAS TAX-RMRA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
251	CDBG	\$ 12,681.55	\$ 16.83	\$ 12,698.38	\$ -	\$ 45,360.38	\$ 55,293.83
254	AB2766 - TRANSIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
256	ENVIRONMENTAL PROGRAMS GRANT	\$ -	\$ 205.32	\$ 205.32	\$ -	\$ 8,467.22	\$ 4,639.66
257	NEIGHBORHOOD STABILIZATION PROG	\$ -	\$ 6,782.40	\$ 6,782.40	\$ -	\$ 6,909.49	\$ 1,392.50
260	DISASTER PREPARED GRANT	\$ -	\$ 76.02	\$ 76.02	\$ -	\$ 2,372.04	\$ 308.81
263	STREETS MAINTENANCE	\$ 219,137.50	\$ 34,737.83	\$ 253,875.33	\$ -	\$ 514,283.47	\$ 415,412.97
300	DEV. IMPACT FEES - STREET	\$ 4,205.27	\$ -	\$ 4,205.27	\$ -	\$ 105,575.01	\$ 15,574.77
301	DEV. IMPACT FEES - STORM DRAIN	\$ -	\$ -	\$ -	\$ -	\$ 17,560.00	\$ 2,000.00
402	WATER RIGHTS ACQUISITION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
403	2013 REFUNDING LEASE REV BONDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
504	CITY WIDE STREETS - CIP	\$ -	\$ -	\$ -	\$ -	\$ 16,889.00	\$ -
800	EMPLOYEE BENEFITS	\$ 281,722.81	\$ 49,443.48	\$ 331,166.29	\$ -	\$ 796,751.48	\$ 732,270.70
801	TRUST/AGENCY	\$ 8,249.82	\$ 2,002.65	\$ 10,252.47	\$ -	\$ 35,796.16	\$ 110,339.99
802	AD 91-1 AGENCY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 951.50
804	TRUST-INTEREST BEARING	\$ -	\$ -	\$ -	\$ -	\$ 67.50	\$ 11,235.42
807	CFD 2005-1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,510.63
	CITY	\$ 1,515,608.11	\$ 1,683,503.17	\$ 3,199,111.28	\$ -	\$ 6,538,053.97	\$ 4,623,046.50
200	HESPERIA FIRE DISTRICT	\$ 1,716,993.92	\$ 2,205.00	\$ 1,719,198.92	\$ -	\$ 2,630,301.21	\$ 668,251.55
502	FIRE STATION BUILDING	\$ -	\$ -	\$ -	\$ -	\$ 2,766.87	\$ 293,131.66
	FIRE	\$ 1,716,993.92	\$ 2,205.00	\$ 1,719,198.92	\$ -	\$ 2,633,068.08	\$ 961,383.21
160	REDEVELOP OBLIG RETIREMENT - PA1	\$ -	\$ -	\$ -	\$ -	\$ 2,318.27	\$ 2,318.27
161	REDEVELOP OBLIG RETIREMENT - PA2	\$ -	\$ -	\$ -	\$ -	\$ 256.73	\$ 256.73
162	REDEVELOP OBLIG RETIREMENT-HOUSING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
173	SUCCESSOR AGENCY ADMINISTRATION	\$ -	\$ -	\$ -	\$ -	\$ 4,005.00	\$ -
	SUCCESSOR AGENCY	\$ -	\$ -	\$ -	\$ -	\$ 6,580.00	\$ 2,575.00
370	HOUSING AUTHORITY	\$ 26,412.54	\$ 135.52	\$ 26,548.06	\$ -	\$ 66,920.44	\$ 21,928.06
	HOUSING AUTHORITY	\$ 26,412.54	\$ 135.52	\$ 26,548.06	\$ -	\$ 66,920.44	\$ 21,928.06
170	COMMUNITY DEVELOPMENT COMMISSION	\$ 95,687.66	\$ (3.56)	\$ 95,684.10	\$ -	\$ 112,399.24	\$ 99,734.59
	COMMUNITY DEVELOPMENT COMMISSION	\$ 95,687.66	\$ (3.56)	\$ 95,684.10	\$ -	\$ 112,399.24	\$ 99,734.59
700	WATER OPERATING	\$ 257,113.76	\$ 67,930.72	\$ 325,044.48	\$ 36,250.31	\$ 843,769.26	\$ 1,169,309.08
701	WATER CAPITAL	\$ 1,084.22	\$ -	\$ 1,084.22	\$ -	\$ 123,084.28	\$ 82,829.77
710	SEWER OPERATING	\$ 32,717.56	\$ 3,367.38	\$ 36,084.94	\$ -	\$ 75,138.44	\$ 68,087.61
711	SEWER CAPITAL	\$ 21,273.80	\$ -	\$ 21,273.80	\$ -	\$ 46,626.30	\$ -
	WATER	\$ 312,189.34	\$ 71,298.10	\$ 383,487.44	\$ 36,250.31	\$ 1,088,618.28	\$ 1,320,226.46
	ACCOUNTS PAYABLE TOTAL	\$ 3,666,891.57	\$ 1,757,138.23	\$ 5,424,029.80	\$ 36,250.31	\$ 10,445,640.01	\$ 7,028,893.82
REG. PAYROLL							
	City	\$ -	\$ 232,526.86	\$ 232,526.86	\$ -	\$ 705,293.68	\$ 657,773.99
	Housing Authority	\$ -	\$ 2,038.37	\$ 2,038.37	\$ -	\$ 7,755.17	\$ 11,153.97
	Community Development Commission	\$ -	\$ 3,877.54	\$ 3,877.54	\$ -	\$ 11,531.50	\$ 18,314.33
	Water	\$ -	\$ 98,300.36	\$ 98,300.36	\$ -	\$ 295,106.12	\$ 282,408.49
	PAYROLL TOTAL	\$ -	\$ 336,743.13	\$ 336,743.13	\$ -	\$ 1,019,686.47	\$ 969,650.78

* The year to date totals for this Warrant Report are for the 2018-19 fiscal year starting July 1, 2018.

City of Hesperia STAFF REPORT



DATE: September 4, 2018
TO: Mayor and Council Members
FROM: Nils Bentsen, City Manager
BY: Michael Blay, Assistant City Manager
Jamie Carone, Administrative Analyst
SUBJECT: Fiscal Year 2018/19 - 2022/23 Five Year Measure I Capital Improvement Plan

RECOMMENDED ACTION

It is recommended that the City Council adopt Resolution No. 2018-057 approving the Measure I Five Year Capital Improvement Plan and Expense Strategy for Fiscal Years 2018/19 - 2022/23.

BACKGROUND

In November 2004 voters in San Bernardino County approved Ordinance 04-01, a second 30 year term to impose a one half of one percent retail transaction and sales tax to fund transportation related improvements and traffic management programs. Originally established in 1989 as Measure I, currently referred to as Measure I 2010-2040, revenue collected are to be utilized as follows:

- 70% Local Street Program (2% of the revenue is to be reserved for Project Development and Traffic Management Systems)
- 25% Major Local Highway Program (used to leverage against State/Federal funds)
- 5% Senior and Disabled Transit Program (A .5% increase shall occur in 2015 with an additional .5% increase every five years thereafter with a maximum total of 7.5%, if needs are not met by the 5% level. As a result, the Local Street Program will decrease by the like percentage.)

ISSUES/ANALYSIS

Jurisdictions receiving Measure I tax revenue from the San Bernardino County Transportation Authority (SBCTA) Local Street Program must annually adopt, by action of their governing body, a Five Year Capital Improvement Plan (CIP) which outlines the projects upon which the Measure I pass-through funds will be expended. Only projects identified in the current CIP are eligible for use of Measure I revenue and only 50% of the estimated revenue can be programmed for use on general maintenance and city overhead. The other 50% of revenue should be programmed to specific road projects which identify projects by street name and project type. The Measure I Five Year (CIP) should also include an Expense Strategy, which explains the City's policy approach and expenditure method in identifying projects to be funded by Measure I. At the end of the year, SBCTA audits the City's Measure I expenditures to ensure they are consistent with the projects programmed in the Measure I Five Year (CIP). The Fiscal Year 2018/19 - 2022/23 Measure I CIP is due to SBCTA this year on September 30, 2018.

- Beginning in Fiscal Year 2018/19, the first payment of the Ranchero Road Interchange Public Share Reimbursement is due to SBCTA. This 10-year payback agreement between

the City and SBCTA allowed the advancement of the Ranchero Road interchange project whereby the City borrowed its local share of the project funding from SBCTA. The City obligated Development Impact Fees (DIF) as the source of this repayment, but if insufficient DIF fees are collected, SBCTA will withhold the City's annual Measure I allocation to make the payment whole on an annual basis. It is estimated that approximately 250 new homes will need to be constructed each year to meet the demands of this agreement. . City Staff predicts the City will be able make the payment using DIF funds in Fiscal Year 2018/19 as well as at least a portion of the payment for FY 2019/20. Staff is still anticipating that a portion of the City's Measure I annual allocation may have to be scheduled in FY 2019/20 to cover the agreement. This annual allocation is reflected in the spreadsheet labeled as Attachment 2. It is important to note that the City's entire local obligation needs to come from local funds, such as DIF and/or General Fund monies.

FISCAL IMPACT

There is no direct fiscal impact as a result of the subject item. This action simply adopts the FY 2018/19 - 2022/23 Five Year Measure I Capital Improvement Plan for the purpose of expending Measure I revenues. Any changes in financial condition can be clarified with an amendment to the plan.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. 2018-057
2. Measure I Five Year CIP 2018/19 - 2022/23 Spreadsheet
3. Measure I Five Year CIP 2018/19- 2022/23 Expenditure Strategy
4. Measure I Five Year CIP 201819 - 2022/23 Revenue Forecast

RESOLUTION NO. 2018-057

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA,
CALIFORNIA, ADOPTING THE 2018/19-2022/23 MEASURE I FIVE-
YEAR CAPITAL IMPROVEMENT PLAN.**

WHEREAS, San Bernardino County voters approved passage of Measure I in November 2004, authorizing the San Bernardino County Transportation Authority to impose a one-half of one percent retail transactions and use tax applicable in the incorporated and unincorporated territory of the County of San Bernardino; and

WHEREAS, revenue from the tax can only be used for transportation improvement and traffic management programs authorized in the Expenditure Plans set forth in Ordinance No. 04-1 of the Authority; and

WHEREAS, the Strategic Plan requires each local jurisdiction applying for revenue from the Local Streets Program to annually adopt and update a Five-Year Capital Improvement Plan; and

WHEREAS, California Public Utilities Code 190300 and Ordinance No. 04-1 require each local jurisdiction to maintain General Fund expenditures for transportation-related construction and maintenance activities at the required Maintenance of Effort base year level in each fiscal year of the adopted Five-Year Capital Improvement Plan, which for the City of Hesperia is \$29,429; and

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

- Section 1. The City Council hereby adopts the 2018/19- 2022/23 Measure I Five-Year Capital Improvement Plan, attached to this resolution; and
- Section 2. 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 4th day of September, 2018.

William J. Holland
Mayor

ATTEST:

Melinda Sayre
City Clerk

ATTACHMENT 2

Please do not change, alter or modify this template. Use plus signs along left side of worksheet to add rows rather than manually inserting rows to ensure formulas are carried through.

MEASURE I LOCAL STREET PASS-THROUGH FUNDS FIVE YEAR CAPITAL IMPROVEMENT PLAN

PLAN PERIOD:	FY2017/2018 to FY2021/2022								
AGENCY NAME:	City of Hesperia			FY2018/2019	FY2019/2020	FY2020/2021	FY2021/2022	FY2022/2023	Total Available (Carryover plus estimate)
CARRYOVER BALANCE:	\$214,083.00	ANNUAL MEASURE I ESTIMATE:		\$2,630,447.57	\$2,668,473.17	\$2,709,551.21	\$2,772,209.54	\$2,835,837.25	\$13,830,601.74

[illegible]

Project Count: 15				\$ 16,150,286.00		\$ 214,083.00	\$ 1,625,236.00	\$ 68,487.00	\$ 2,825,000.00	\$ -	\$ 2,925,000.00	\$ -	\$ 3,025,000.00	\$ -	\$ 3,025,000.00	\$13,707,806.00
	Named Projects Total:			\$ 16,150,286.00		\$ 214,083.00	\$ 1,625,236.00	\$ 68,487.00	\$ 2,825,000.00	\$ -	\$ 2,925,000.00	\$ -	\$ 3,025,000.00	\$ -	\$ 3,025,000.00	\$13,707,806.00
	Total Carryover + Estimate:			\$ 15,180,518.00		\$1,839,319.00		\$2,893,487.00		\$2,925,000.00		\$3,025,000.00		\$3,025,000.00		\$13,707,806.00
	(%) Named Projects:					70%		108%				109%		107%		

		In NMTP Plan?	ATP Component?																
Categorical Projects Total *:		Yes/No	Type																
FY 2018/19 Citywide Preservation and Maintenance				\$	750,000.00				\$	750,000.00							\$	750,000	
FY 2019/20 Citywide Preservation and Maintenance				\$	750,000.00					\$	750,000.00							\$	750,000
FY 2020/21Citywide Preservation and Maintenance				\$	750,000.00							\$	750,000.00					\$	750,000
FY 2021/22Citywide Preservation and Maintenance				\$	750,000.00									\$	750,000.00			\$	750,000
FY 2022/23 Citywide Preservation and Maintenance				\$	750,000.00											\$	750,000.00	\$	750,000
																			\$0.00
																			\$0.00
																			\$0.00
	Categorical Projects Total:			\$	6,955,518				\$	750,000.00		\$	750,000.00		\$	750,000.00	\$	750,000.00	\$3,750,000.00
	(%) Categorical Projects (cannot exceed 50%):								29%			28%		28%		27%		26%	

(*) = Carryover funds may not be used on Categorical Projects.

In Accordance with Measure I Strategic Plan Policy 40003/40012/40016:

1. If Measure I allocated to project is \geq \$100,000, then list individually in Named Projects section.
2. There is a 50% limit on total categorical projects.
3. There is a 150% constraint on total planned expenditures to Measure I estimated revenue.
4. Expenditures of Measure I Local Street funds must be detailed in the Five Year Capital Improvement Plan and adopted by resolution of the governing body.
5. Revised Capital Improvement Plans are due to SANBAG by the end of the fiscal year along with the resolution.

Total Programmed:	\$	17,457,806.00
Total Carryover Programmed:	\$	282,570.00
Total Estimated Programmed:	\$	17,175,236.00
Check:	\$	17,457,806.00
150% of Estimated Measure I plus carryover:	\$	20,745,902.61
Does programing amount exceed 150% limit:	No	

RESOLUTION NUMBER:	R2018-057
RESOLUTION APPROVAL DATE:	9/4/2018
CONTACT PERSON & TITLE:	Jamie Carone, Administrative Analyst
CONTACT PHONE:	(760) 947-1449
CONTACT EMAIL:	icarone@cityofhesperia.us

ATTACHMENT 3

CITY OF HESPERIA

MEASURE I CAPITAL IMPROVEMENT PLAN

EXPENDITURE STRATEGY

Fiscal Year 2018/19 – Fiscal Year 2022/23

The majority of Measure I revenue is planned to be utilized for the following types of eligible transportation improvements and policy prioritizations:

- Intent to allocate 50% or less of anticipated annual revenue on General Program Categorical expenditures. Specifically, the Measure I funds will be utilized annually to supplement the City's Street Division General Maintenance Program. This includes preservation and upkeep of existing and newly reconstructed roads to original constructed condition in order to maintain its integral useful life and to provide safe, convenient, and practical intercity transportation.
- Intent to allocate the remaining 50% of the anticipated annual revenue on the rebuilding and betterments of local roadways and alternative transportation. Local roadway betterments are scheduled to be completed under the Annual Street Improvement Project which includes full removal and reconstruction efforts designated to roads in the City in the worst condition. Targeted construction areas included in the current annual project will provide a fourth reconstructed section of Main Street. Other transportation projects in the current fiscal year program include a second phase of the Main Street Traffic Synchronization Project, the Park and Ride Expansion Project, the Aqueduct Crossing Project at the bridge on Main Street, traffic signals at Ranchero Road and Maple Avenue as well as Ranchero Road and Cottonwood Avenue, the Sultana Street Improvements, the Muscatel Street Improvements, and the Bear Valley Road Bus Stop Relocation.
- Beginning in Fiscal Year 2018/19, the first payment of the Ranchero Road Interchange Public Share Reimbursement is due to the San Bernardino County Transportation Authority (SBCTA). This 10 year payback agreement between the City and SBCTA allowed the advancement of the Ranchero Road interchange project whereby the City borrowed its local share of the project funding from SBCTA. The City obligated Development Impact Fees (DIF) as the source of this repayment, but if insufficient DIF fees are collected, SBCTA will withhold the City's annual Measure I allocation to make the payment whole on an annual basis. It is estimated that approximately 250 new homes will need to be constructed each year to meet the demands of this agreement. City Staff predicts the City will be able make the payment using DIF funds in Fiscal Year 2018/19 as well as at least a portion of the payment for FY 2019/20. Staff is still anticipating that a portion of the City's Measure I annual allocation may have to be scheduled in FY 2019/20 to cover the agreement.

ATTACHMENT 4

MOUNTAIN/DESERT SUBAREA MEASURE I REVENUE ESTIMATES FOR LOCAL PASS-THROUGH FUNDS FY2018/2019 TO FY2022/2023

MOUNTAIN/DESERT SUBAREA	Distribution Percentage (50% Population & 50% Revenue Generation)		Estimated Annual Local Pass-Through Amount*					Total FY18/19 through FY22/23
	Population	Revenue Generation	FY18/19	FY19/FY20	FY20/21	FY21/22	FY22/23	
Needles	69.29%	86.68%	\$ 128,250.31	\$ 130,613.20	\$ 132,600.24	\$ 134,637.71	\$ 136,683.38	\$ 662,784.83
County/Colorado River	30.71%	13.32%	\$ 36,204.79	\$ 36,871.83	\$ 37,432.77	\$ 38,007.94	\$ 38,585.43	\$ 187,102.75
Colorado River Subarea	100.00%	100.00%	\$ 164,455.09	\$ 167,485.03	\$ 170,033.00	\$ 172,645.65	\$ 175,268.80	\$ 849,887.58
Twentynine Palms	36.14%	20.70%	\$ 443,306.31	\$ 452,762.76	\$ 452,762.76	\$ 456,758.38	\$ 464,916.70	\$ 2,270,506.91
Yucca Valley	29.18%	66.02%	\$ 742,483.47	\$ 758,321.86	\$ 758,321.86	\$ 765,014.04	\$ 778,678.22	\$ 3,802,819.45
County/Morongo Basin	34.68%	13.28%	\$ 374,049.44	\$ 382,028.53	\$ 382,028.53	\$ 385,399.93	\$ 392,283.69	\$ 1,915,790.13
Morongo Basin Subarea	100.00%	100.00%	\$ 1,559,839.22	\$ 1,593,113.15	\$ 1,593,113.15	\$ 1,607,172.36	\$ 1,635,878.61	\$ 7,989,116.49
Barstow	40.97%	72.86%	\$ 2,369,599.75	\$ 2,415,261.66	\$ 2,459,834.89	\$ 2,505,606.84	\$ 2,551,798.94	\$ 12,302,102.08
County/North Desert	59.03%	27.14%	\$ 1,793,801.38	\$ 1,828,367.71	\$ 1,862,109.92	\$ 1,896,759.57	\$ 1,931,727.27	\$ 9,312,765.85
North Desert Subarea	100.00%	100.00%	\$ 4,163,401.13	\$ 4,243,629.37	\$ 4,321,944.81	\$ 4,402,366.41	\$ 4,483,526.21	\$ 21,614,867.93
Big Bear Lake	10.40%	51.99%	\$ 427,154.25	\$ 434,379.72	\$ 440,467.95	\$ 446,708.56	\$ 452,961.00	\$ 2,201,671.47
County/Mountains	89.60%	48.01%	\$ 942,149.32	\$ 958,086.12	\$ 971,514.57	\$ 985,279.14	\$ 999,069.76	\$ 4,856,098.92
Mountains Subarea	100.00%	100.00%	\$ 1,369,303.57	\$ 1,392,465.84	\$ 1,411,982.52	\$ 1,431,987.71	\$ 1,452,030.76	\$ 7,057,770.39
Adelanto	8.78%	2.94%	\$ 676,219.47	\$ 685,994.86	\$ 696,554.95	\$ 712,662.77	\$ 729,019.80	\$ 3,500,451.84
Apple Valley	18.41%	15.06%	\$ 1,931,148.94	\$ 1,959,065.52	\$ 1,989,223.05	\$ 2,035,223.81	\$ 2,081,936.23	\$ 9,996,597.54
Hesperia	23.59%	22.00%	\$ 2,630,447.57	\$ 2,668,473.17	\$ 2,709,551.21	\$ 2,772,209.54	\$ 2,835,837.25	\$ 13,616,518.73
Victorville	30.78%	53.89%	\$ 4,885,281.76	\$ 4,955,903.13	\$ 5,032,193.48	\$ 5,148,562.88	\$ 5,266,732.61	\$ 25,288,673.86
County/Victor Valley	18.44%	6.11%	\$ 1,416,483.61	\$ 1,436,960.22	\$ 1,459,080.55	\$ 1,492,821.76	\$ 1,527,084.98	\$ 7,332,431.12
Victor Valley Subarea	100.00%	100.00%	\$ 11,539,581.34	\$ 11,706,396.89	\$ 11,886,603.24	\$ 12,161,480.77	\$ 12,440,610.86	\$ 59,734,673.11
Total Mt Desert Region			\$ 18,796,580.35	\$ 19,103,090.28	\$ 19,383,676.72	\$ 19,775,652.89	\$ 20,187,315.25	\$ 97,246,315.51

* Estimates for Local Pass-through Revenue updated June 2018.

City of Hesperia STAFF REPORT



DATE: September 4, 2018

TO: Chair and Board Members, Hesperia Fire Protection District

FROM: Nils Bentsen, City Manager

BY: Ron Walls, Fire Assistant Chief
Cassandra Weber, Office Assistant II

SUBJECT: Community Facilities District (CFD) 94-01, Annexation 196

RECOMMENDED ACTION

It is recommended that the Hesperia Fire Protection District (HFPD) Board of Directors adopt Resolution No. HFPD 2018-19 admitting Annexation 196 (APN 0397-111-03) into the Community Facilities District (CFD) 94-01 and direct the Secretary of the Board to file the addition with the County Recorder.

BACKGROUND

On August 18, 1994, the HFPD Board approved Resolution HFPD 94-15, authorizing future annexations to existing Community Facilities District 94-01. On September 18, 2002, Resolution HFPD 2002-23 was approved, authorizing expansion of the CFD boundary and providing for the continued annexation of territory within the boundary. The revised boundary is known as Future Annexation Area II. The location of the annexation area is identified on the attached map.

ISSUES/ANALYSIS

In order for property to be annexed into an existing CFD, the Fire District Board must approve the annexation. Currently, properties within the CFD 94-01 Future Annexation Area II boundaries may be annexed into the CFD subsequent to Fire District Board approval.

The applicant for Annexation 196 has requested annexation into CFD 94-01. All required documents have been completed and submitted to the Fire District to process this application, and have been included with this staff report. The original documents are required to remain on file with the Board Secretary.

FISCAL IMPACT

Development of, APN 0397-111-03 (SFR) is anticipated to provide a minimum of \$127.03 per year to the CFD for fire protection and emergency medical care services, as well as provide needed services to the Hesperia community.

ATTACHMENT(S)

1. Resolution HFPD 2018-19
2. Location Map

RESOLUTION HFPD NO. 2018-19

A RESOLUTION OF THE HESPERIA FIRE PROTECTION DISTRICT OF THE CITY OF HESPERIA, CALIFORNIA, CERTIFYING AND ADDING PROPERTY TO AN EXISTING COMMUNITY FACILITIES DISTRICT (CFD 94-01, FUTURE ANNEXATION AREA II, ANNEXATION NO. 196)

WHEREAS, the Board of Directors of the Hesperia Fire Protection District, California, (hereinafter referred to as the “legislative body”), has previously formed a Community Facilities District pursuant to the provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, said Article 3.5 thereof. The existing Community Facilities District being designated as Community Facilities District No. 94-01, Future Annexation Area II, (hereinafter referred to as the “District”); and

WHEREAS, the legislative body has also established a procedure to allow and provide for future annexations to the District, and the territory proposed to be so annexed in the future was designated as Community Facilities District No. 94-01, Future Annexation Area II, No. 196; and

WHEREAS, at this time the unanimous consent of the property owner or owners of certain specific territory proposed to be annexed has been received, and said territory has been designated as Annexation No.196 (hereinafter referred to as the “Annexed Area”);

WHEREAS, a map showing the Annexed Area and designated as Community Facilities District 94-01, Future Annexation Area II, Annexation No.196 has been submitted to this legislative body; and

WHEREAS, a legal description of such annexation identifying the area to be annexed as APN: 0397-111-03.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT OF THE CITY OF HESPERIA AS FOLLOWS:

Section 1. In all respects as set forth above, this resolution is true and correct.

Section 2. Findings

- a. That the unanimous consent and election to the annexation of the Annexed Area to the District has been given by the owner of the Annexed Area and such consent and election shall be kept on file in the Office of the Secretary of the Fire Protection District.
- b. The legislative body is authorized to levy the authorized special taxes within the Annexed Area to pay for the authorized services.

Section 3. Annexed Area

- a. That the boundaries and parcels of territory within the Annexed Area and on which special taxes will be levied in order to pay for the costs and expenses of authorized services are described as follows:

The property annexed to the District as said territory is shown on a map as submitted to and hereby approved by this legislative body, said map designated by the number of the annexation and the name of the district, a copy of which is on file and shall remain open for public inspection.

Section 4. Declaration of Annexation

- a. That this legislative body does hereby determine and declare that the Annexed Area is now added to and becomes a part of the District.

Section 5. Notice

That immediately upon adoption of this Resolution, notice shall be given as follows:

- (1) A copy of the annexation map as approved shall be immediately, and no later than ten (10) days after the date of this Resolution, filed in the Office of the County Recorder.
- (2) An amendment to the Notice of Special Tax Lien (Notice of Annexation) shall be recorded in the Office of the County Recorder on or before September 21, 2018.

Section 6. Severability

- a. If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid by a decision of any court of competent jurisdiction or preempted by state legislation, such decision or legislation shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have passed this Resolution and each and every section, subsection, clause or phrase not declared invalid, without regard to any preemptive legislation.

Section 7. 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 4th day of September, 2018.

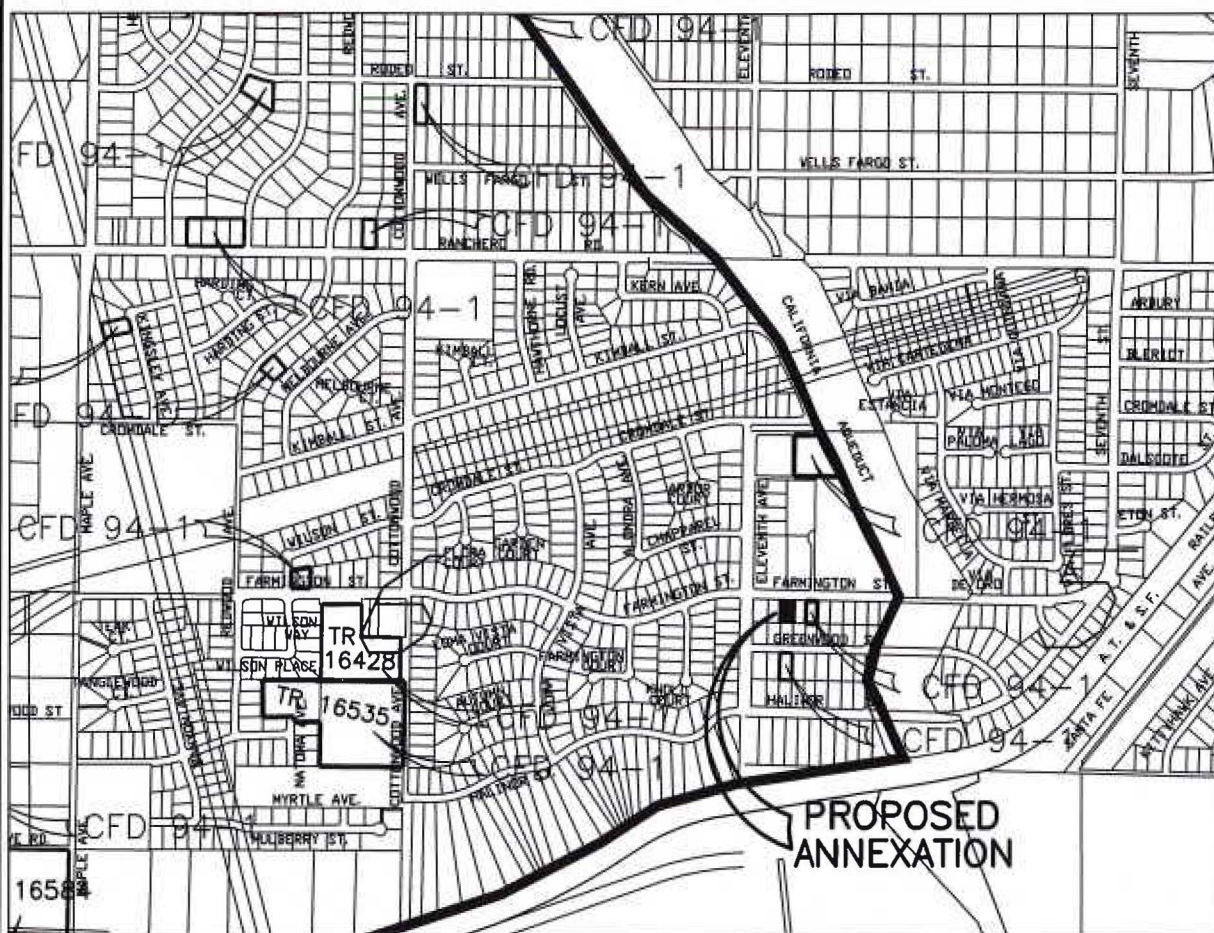
William J. Holland, Chair

ATTEST:

Melinda Sayre, City Clerk

AMENDED BOUNDARY MAP
 ANNEXATION MAP OF ANNEXATION No. 1916 OF
 COMMUNITY FACILITIES DISTRICT No. 94-01
 OF THE HESPERIA FIRE PROTECTION DISTRICT
 COUNTY OF SAN BERNARDINO, CALIFORNIA

SHEET 1 OF 1



FILED IN THE OFFICE OF THE SECRETARY OF
 THE HESPERIA FIRE PROTECTION DISTRICT,
 THIS ____ DAY OF _____, 20__

SECRETARY TO THE BOARD
 HESPERIA FIRE PROTECTION DISTRICT
 STATE OF CALIFORNIA

LEGEND

- DISTRICT BOUNDARY
- ▨ CFD 94-01 PROPOSED ANNEXATION AREA
- EXISTING ANNEXED AREA

PROPOSED ANNEXATION

APN: 0397-111-03

LEGAL DESCRIPTION:

LOT 310, TR 5807, MB 72/44-58

I HEREBY CERTIFY THAT THE WITHIN MAP, SHOWING BOUNDARIES OF TERRITORY ANNEXED TO COMMUNITY FACILITIES DISTRICT No. 94-01 OF THE HESPERIA FIRE PROTECTION DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT AT A REGULAR MEETING THEREOF, HELD ON THE ____ DAY OF _____ BY ITS RESOLUTION No. N.F.P.D.
 THIS ANNEXATION MAP AMENDS THE BOUNDARY MAP FOR COMMUNITY FACILITIES DISTRICT No. 94-01 OF THE HESPERIA FIRE PROTECTION DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, PRIOR RECORDED AT BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE ____ IN THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY OF SAN BERNARDINO, CALIFORNIA.

SECRETARY TO THE BOARD
 HESPERIA FIRE PROTECTION DISTRICT
 STATE OF CALIFORNIA

PREPARED BY:
 TIMOTHY STARK, PE C78523
 CIVIL ENGINEERING
 18400 WILLOW ST.
 UNIT B-3
 HESPERIA, CA 92345
 JOB: 2018-0064



SAN BERNARDINO COUNTY
 RECORDER/COUNTY CLERK

THIS MAP HAS BEEN FILED UNDER DOCUMENT NUMBER ____
 THIS ____ DAY OF _____, 20__ AT ____
 IN BOOK ____ OF ____ AT PAGE ____ AT THE REQUEST OF
 IN THE AMOUNT OF \$____

BOB DUTTON
 ASSESSOR-RECORDER-COUNTY CLERK
 COUNTY OF SAN BERNARDINO

BY: JOHNNY RECORDED

City of Hesperia STAFF REPORT



DATE: September 4, 2018
TO: Mayor and Council Members
FROM: Nils Bentsen, City Manager
BY: Mark Faherty, Public Works Manager
SUBJECT: Recondition Paving Equipment

RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to execute a Purchase Order in the not-to-exceed amount of \$70,000, to recondition paving equipment from PB Loader Corporation of Fresno, California.

BACKGROUND

The Public Works Streets Maintenance division repairs approximately 175,000 square feet of pavement each year. During Fiscal Year 2018-19 budget review, the City Council approved funding to recondition one of the paving trucks that was purchased in 2006. With the reconditioned equipment, the crew will be able to support the daily workload of paving water service trenches and general pavement repairs within the City.

ISSUES/ANALYSIS

The Streets Maintenance division is currently utilizing paving equipment from PB Loader Corporation and would be considered a sole source provider since they are the only company that can recondition the equipment, provide updated controls, and install original equipment as it was new. Since the reconditioning process will take approximately 120 days, secondary equipment will be utilized to complete any pavement repairs.

FISCAL IMPACT

The Fiscal Year 2018-19 Budget includes \$70,000 for the reconditioning of paving equipment under account 263-29-310-3150-8420.

ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENT(S)

None

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City of Hesperia STAFF REPORT



DATE: September 4, 2018

TO: Chair and Board Members, Hesperia Water District

FROM: Nils Bentsen, City Manager

BY: Michael Blay, Assistant City Manager
David R. Burkett, Project Construction Manager

SUBJECT: Approve Contract Change Order and Increase Contract Amount for Recycled Water System – Phase 1A, C.O. No. 8087

RECOMMENDED ACTION

It is recommended that the Board of Directors of the Hesperia Water District approve the proposed Contract Change Order to the contract with Christensen Brothers General Engineering, Inc. for Recycled Water System – Phase 1A (C.O. No. 8087) in the amount of \$730,107; approve an additional 10% contingency in the amount of \$72,893; and authorize a revised total construction budget of \$7,111,056 in order to increase the contract scope of work

BACKGROUND

The Victor Valley Wastewater Reclamation Authority (VWVRA) has completed construction on the Hesperia Sub-regional Water Reclamation Plant. The Sub-regional Plant will be capable of supplying up to one million gallons per day (MGD) of reclaimed (or recycled) water, which can be used for irrigation purposes. In order to utilize this resource, the District has commenced construction on a distribution system to convey the recycled water to potential users. Using the District's Recycled Water Master Plan as a guide, staff has defined an alignment for the first phase of the distribution system. The primary user under this first phase will be the Hesperia Golf Course, but many other users can be served as well, including parks, schools, and the Hesperia Civic Center Complex.

The first phase of the recycled water system, which is currently under construction, includes approximately 10 miles of "purple" distribution pipe, a storage reservoir, and a booster station necessary to provide the required pressures to operate large irrigation systems. This phase was separated into two sub-phases as the distribution system (Phase 1A) was designed in-house by City engineering staff while the 2.5 MG water tank and pump station (Phase 1B) was designed by an engineering consultant.

ISSUES/ANALYSIS

The Board awarded a contract for construction of Phase 1A of the project to Christensen Brothers General Engineering, Inc. on October 17, 2017. Construction commenced on Phase 1A in January 2018 and is now nearly complete. As this phase of the project nears completion, staff initiated a discussion with the Contractor about adding additional scope of work to their contract that would be beneficial to the City. However, proceeding with this additional work would increase the construction costs above the current approved contract amount.

Currently Phase 1A of the project includes installation of approximately 10 miles of recycled water line running from the Sub-Regional Water Reclamation Plant on the west side of the City to the City's golf course on the eastern side of the City. While the installed primary transmission pipeline will be able to provide recycled water to the golf course upon completion, the sites of many of the other proposed users are located some distance from this primary transmission pipeline.

After additional engineering studies looking at the quantity of flow of reclaimed water Hesperia could expect to see, it was determined we could supply far more users than originally expected. Additional lateral extensions were required to bring the reclaimed water to the property of large users.

This additional scope of work proposes to install a total of eight line extensions adding an additional 8,900 linear feet of 8-inch PVC pipeline to the project, along with additional appurtenances and related work. The Contractor agreed to do the additional work at the same unit prices that were submitted with the original bid in 2017.

If the City were to bid this work separately, the cost would be substantially higher. Therefore, staff is requesting that the Board approve the proposed Contract Change Order to the contract with Christensen Brothers General Engineering, Inc. in the amount of \$730,107 and approve an additional 10% contingency for the project in the amount of \$72,893. The original contract amount is \$5,734,596 with an approved contingency amount of \$573,460 for a current total construction budget of \$6,308,056. Board approval of staff's request would increase the contract amount to \$6,464,703 and the contingency amount to \$646,353 for a revised total construction budget of \$7,111,056.

FISCAL IMPACT

On June 19, 2018, the City Council and Board of Directors of the Hesperia Water District adopted the Fiscal Year 2018-19 Capital Improvement Program (CIP) Budget that included \$11,008,000 in funding for the Recycled Water System Project (C.O. No. 8087). This project is being funded by two state grants and a State Revolving Fund loan, as well as from Hesperia's Fund 701 – Water Capital. Funding amounts are as follows:

Funding Source	Account Number	Amount
Water Capital – Local Share	701-29-800-8087-7500	\$ 775,639
Proposition 84 Grant	701-29-800-8087-8000	2,000,000
Proposition 1 Grant	701-29-800-8087-8026	4,727,337
State Revolving Fund Loan	701-29-800-8087-8560	9,946,413
Total Funding Amount =		<u>\$17,449,389</u>

Current subtotal costs for Phase 1A of the project are estimated to be \$7,200,000 and current subtotal costs for Phase 1B of the project are estimated to be \$5,726,000 for a total of \$12,926,000. A budget amendment will be brought to Council at a later date, if funding is not available to cover the additional costs.

ALTERNATIVE(S)

1. Do not approve the proposed Contract Change Order
2. Provide alternative direction to staff

ATTACHMENT(S)

1. Proposed Contract Change Order

ATTACHMENT 1

Recycled Water System - Phase 1A, C.O. No. 8087

Potential Change Order No. 025

8,900 L.F. of additional pipeline

55,600 L.F. in original scope of work

16.01% additional scope for indirect costs

Construction of additional 8,900 L.F. of 8" PVC pipeline to accommodate future service connections

BID ITEM NO.	DESCRIPTION OF WORK	UNIT	QUANTITY	UNIT COST	SUBTOTAL
INDIRECT COSTS					
1	Mobilization, clearing, grubbing, etc.	LS	1	\$28,497.80	\$28,497.80
2	Traffic Control	LS	1	\$12,647.90	\$12,647.90
3	Construction Surveying	LS	1	\$4,162.60	\$4,162.60
4	Verification of Underground Utilities	LS	1	\$8,965.60	\$8,965.60
5	SWPPP & BMPs	LS	1	\$1,184.74	\$1,184.74
6	Sheeting, Shoring, and Bracing	LS	1	\$12,647.90	\$12,647.90
31	Striping, Markings, and Raised Markers	LS	1	\$8,005.00	\$8,005.00

CONSTRUCTION

7	Furnish & install 8-inch PVC	LF	8,900	\$28.00	\$249,200.00
8	Furnish & install 8-inch gate valve	EA	3	\$1,420.00	\$4,260.00
10	Furnish & install 12-inch BF valve	EA	2	\$2,330.00	\$4,660.00
12	Furnish & install 16-inch BF valve	EA	1	\$3,750.00	\$3,750.00
17	Furnish & install 4-inch blow-off	EA	2	\$9,000.00	\$18,000.00
18	Furnish & install 2-inch AR&AV	EA	3	\$6,200.00	\$18,600.00
33	Construct PVC End Cap	EA	8	\$650.00	\$5,200.00
19	Furnish & install temporary blow-off	EA	8	\$2,700.00	\$21,600.00
26	Temporary AC Paving	SF	31,600	\$1.20	\$37,920.00
23	Subgrade & Base Course AC Paving	SF	31,600	\$4.60	\$145,360.00
24 & 25	Grind and Final Course of AC Paving	SF	47,400	\$0.97	\$45,978.00
30	Type II Slurry (7,900 LF X 30' wide)	SF	237,000	\$0.18	\$42,660.00
N/A	Cut-in Tee	EA	3	\$13,000.00	\$39,000.00
					\$0.00
					\$0.00

SUBTOTAL - CONSTRUCTION ESTIMATE = \$712,299.54

SUBTOTAL - INSURANCE & BOND INCREASE (2.5%) = \$17,807.49

TOTAL ESTIMATE FOR P.C.O. NO. 025 = \$730,107.03

Additional Construction Contingencies (10%) = \$72,892.97

INCREASE TO CONTRACT AMOUNT WITH ADDITIONAL CONTINGENCY = \$803,000.00

City of Hesperia STAFF REPORT



DATE: September 4, 2018

TO: Chair and Commissioners, Hesperia Housing Authority

FROM: Nils Bentsen, Executive Director

BY: Rod Yahnke, Economic Development Manager
Jennifer M. Shove, Administrative Analyst

SUBJECT: Residential Purchase Agreement – 9990 9th Avenue

RECOMMENDED ACTION

It is recommended that the Hesperia Housing Authority (HHA) adopt Resolution No. HHA 2018-13: (i) approving the “Residential Purchase Agreement and Joint Escrow Instructions” (Agreement) for real property located at 9990 9th Avenue, Assessor’s Parcel Number 0407-141-16 (Property) by and between Kristin Nicole Vinson (Buyer) and the Hesperia Housing Authority (Seller); and (ii) authorizing the Executive Director to execute all documents necessary to consummate the transaction.

BACKGROUND

In December 2009 the former Hesperia Community Redevelopment Agency purchased the Property with the intention of developing a future housing project. Dissolution of all redevelopment agencies throughout California led to the creation of the Hesperia Housing Authority (HHA) and ultimate transfer of Property to the HHA on June 25, 2012.

On August 29, 2018 Coldwell Banker Home Source tendered an offer from Gateway Home Services.

ISSUES

The sales price of \$304,900 was determined to be fair market value as determined by a broker’s professional opinion of value based on recent comparable sales in the area. However, the property has been listed for 60 days with no showings and receipt of one offer. Due to the frequency of vacant homes being vandalized, staff recommends accepting the offer of \$295,000.

FISCAL IMPACT

The sale price of Two-Hundred and Ninety-Five thousand dollars (\$295,000) less commission and closing costs which will be paid out of sale proceeds at the close of escrow.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. HHA 2018-13
2. Residential Purchase Agreement

RESOLUTION NO. HHA 2018-13

A RESOLUTION OF THE HESPERIA HOUSING AUTHORITY (HHA): (I) APPROVING A RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (AGREEMENT) FOR REAL PROPERTY LOCATED AT 9990 9TH AVENUE, ASSESSOR'S PARCEL NUMBER 0407-141-16 (PROPERTY) BY AND BETWEEN KRISTIN NICOLE VINSON (BUYER) AND THE HESPERIA HOUSING AUTHORITY (SELLER); (II) AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT AND ALL DOCUMENTS NECESSARY TO CARRY OUT THE INTENT OF THIS RESOLUTION; AND (III) MAKING THE APPROPRIATE FINDINGS HEREWITH

WHEREAS, the former Hesperia Community Redevelopment Agency purchased the Property in December 2009 for a future housing project; and

WHEREAS, dissolution of all redevelopment agencies in California led to the creation of the HHA and ultimate transfer of Property on June 25, 2012; and

WHEREAS, the Buyer tendered an offer on August 29, 2018 to purchase the Property from the Seller below fair market value (FMV) as validated by a broker's opinion of value.

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

- Section 1. The facts set forth above in this Resolution are true and correct.
- Section 2. The Agreement for purchase of the Property is hereby approved and the Executive Director is authorized to execute the Agreement on behalf of the HHA.
- Section 3. The Executive Director is hereby authorized to sign all documents necessary and appropriate to carry out the Agreement and implement this Resolution; including making minor, non-material amendments to the Agreement and/or related documents.
- Section 4. The Executive Director is hereby authorized and directed to take any appropriate action consistent with the purposes of this Resolution and the Agreement approved hereby to carry out the Agreement and any subsequent amendments thereto on behalf of the HHA.
- Section 5. If any section, sentence, clause or phrase of this resolution is determined to be invalid, void or unconstitutional by a decision or order of a court of competent jurisdiction, then such decision or order shall not affect the validity or enforceability of the remaining portions of this resolution, and the City hereby declares that it would have passed the remainder of this resolution if such invalid portion thereof had been declared invalid or unconstitutional.

Section 6. This activity is not a “project” and therefore exempt from CEQA pursuant to CEQA Guidelines §15060(c)(3).

Section 7. This Resolution shall go into effect immediately upon its adoption.

Section 8. The Secretary shall certify to the passage and adoption hereof and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 4th day of September, 2018 by the following vote:

William J. Holland, Chairman

ATTEST:

Melinda Sayre, Secretary to the Board



CALIFORNIA
ASSOCIATION
OF REALTORS®

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. Form RPA-CA, Revised 12/15)

Date Prepared: 08/28/2018

1. OFFER:

- A. THIS IS AN OFFER FROM Kristin Nicole Vinson ("Buyer").
 B. THE REAL PROPERTY to be acquired is 9990 9th Avenue, Hesperia, CA 92345, situated in Hesperia (City), San Bernardino (County), California, 92345 (Zip Code), Assessor's Parcel No. 0407141160000 ("Property").
 C. THE PURCHASE PRICE offered is Two Hundred Ninety-Five Thousand Dollars \$ 295,000.00.
 D. CLOSE OF ESCROW shall occur on ☐ (date) or ☒ 45 Days After Acceptance).
 E. Buyer and Seller are referred to herein as the "Parties." Brokers are not Parties to this Agreement.

2. AGENCY:

- A. **DISCLOSURE:** The Parties each acknowledge receipt of a ☒ "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD).
- B. **CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction:
Listing Agent Coldwell Banker Home Source (Print Firm Name) is the agent of (check one):
☒ the Seller exclusively; or ☐ both the Buyer and Seller.
Selling Agent Gateway Home Services (Print Firm Name) (if not the same as the Listing Agent) is the agent of (check one): ☒ the Buyer exclusively; or ☐ the Seller exclusively; or ☐ both the Buyer and Seller.
- C. **POTENTIALLY COMPETING BUYERS AND SELLERS:** The Parties each acknowledge receipt of a ☒ "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

3. FINANCE TERMS: Buyer represents that funds will be good when deposited with Escrow Holder.

- A. **INITIAL DEPOSIT:** Deposit shall be in the amount of \$ 3,000.00
 (1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer, ☐ cashier's check, ☐ personal check, ☐ other _____ within 3 business days after Acceptance (or _____);
 OR (2) ☐ Buyer Deposit with Agent: Buyer has given the deposit by personal check (or _____) to the agent submitting the offer (or to _____), made payable to _____. The deposit shall be held uncashed until Acceptance and then deposited with Escrow Holder within 3 business days after Acceptance (or _____). Deposit checks given to agent shall be an original signed check and not a copy.

(Note: Initial and increased deposits checks received by agent shall be recorded in Broker's trust fund log.)

- B. INCREASED DEPOSIT:** Buyer shall deposit with Escrow Holder an increased deposit in the amount of \$ _____.
within _____ Days After Acceptance (or _____).
If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount in a separate liquidated damages clause (C.A.R. Form RID) at the time the increased deposit is delivered to Escrow Holder.
- C. ☐ ALL CASH OFFER:** No loan is needed to purchase the Property. This offer is NOT contingent on Buyer obtaining a loan. Written verification of sufficient funds to close this transaction IS ATTACHED to this offer or ☐ Buyer shall, within 3 (or _____) Days After Acceptance, Deliver to Seller such verification.

D. LOAN(S):

- (1) **FIRST LOAN:** in the amount of \$ 212,000.00
 This loan will be conventional financing or ☐ FHA, ☐ VA, ☐ Seller financing (C.A.R. Form SFA),
☐ assumed financing (C.A.R. Form AFA), ☐ Other _____. This loan shall be at a fixed
 rate not to exceed 5.000 % or, ☐ an adjustable rate loan with initial rate not to exceed _____%.
 Regardless of the type of loan, Buyer shall pay points not to exceed _____% of the loan amount.
- (2) ☐ **SECOND LOAN** in the amount of \$ _____
 This loan will be conventional financing or ☐ Seller financing (C.A.R. Form SFA), ☐ assumed
 financing (C.A.R. Form AFA), ☐ Other _____. This loan shall be at a fixed rate not to
 exceed _____% or, ☐ an adjustable rate loan with initial rate not to exceed _____%. Regardless of
 the type of loan, Buyer shall pay points not to exceed _____% of the loan amount.
- (3) **FHA/VA:** For any FHA or VA loan specified in 3D(1), Buyer has **17 (or _____) Days** After Acceptance
 to Deliver to Seller written notice (C.A.R. Form FVA) of any lender-required repairs or costs that
 Buyer requests Seller to pay for or otherwise correct. Seller has no obligation to pay or satisfy lender
 requirements unless agreed in writing. A FHA/VA amendatory clause (C.A.R. Form FVAC) shall be a
 part of this Agreement.

E. ADDITIONAL FINANCING TERMS:

- | | | |
|--|----|-------------------|
| F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE in the amount of | \$ | 80,000.00 |
| to be deposited with Escrow Holder pursuant to Escrow Holder instructions. | | |
| G. PURCHASE PRICE (TOTAL): | \$ | 295,000.00 |

Buyer's Initials

DS
KNU

Seller's Initials

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 1 OF 10)

Gateway Home Services, 236 W Orangeshow Rd. #108 San Bernardino, CA 92408
Lisa Dorsey Produced with zipForm® by zipLo

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

Phone: 7605242834

Fax: 8005158825

9990 9th Avenue .

Property Address: **9990 9th Avenue, Hesperia, CA 92345**Date: **August 28, 2018**

- H. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Buyer (or Buyer's lender or loan broker pursuant to paragraph 3J(1)) shall, within **3 (or _____) Days** After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing costs. (☒ Verification attached.)
- I. APPRAISAL CONTINGENCY AND REMOVAL:** This Agreement is (or ☐ is NOT) contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the purchase price. Buyer shall, as specified in paragraph 14B(3), in writing, remove the appraisal contingency or cancel this Agreement within **17 (or _____) Days** After Acceptance.
- J. LOAN TERMS:**
- (1) LOAN APPLICATIONS:** Within **3 (or _____) Days** After Acceptance, Buyer shall Deliver to Seller a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in paragraph 3D. If any loan specified in paragraph 3D is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate. (☒ Letter attached.)
- (2) LOAN CONTINGENCY:** Buyer shall act diligently and in good faith to obtain the designated loan(s). Buyer's qualification for the loan(s) specified above **is a contingency** of this Agreement unless otherwise agreed in writing. If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan. Buyer's contractual obligations regarding deposit, balance of down payment and closing costs **are not contingencies** of this Agreement.
- (3) LOAN CONTINGENCY REMOVAL:**
Within **21 (or _____) Days** After Acceptance, Buyer shall, as specified in paragraph 14, in writing, remove the loan contingency or cancel this Agreement. If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.
- (4) ☐ NO LOAN CONTINGENCY:** Obtaining any loan specified above is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.
- (5) LENDER LIMITS ON BUYER CREDITS:** Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit shall be reduced to the Lender Allowable Credit, and (ii) in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.
- K. BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price and to sell to Buyer in reliance on Buyer's covenant concerning financing. Buyer shall pursue the financing specified in this Agreement. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in the Agreement and the availability of any such alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.
- 4. SALE OF BUYER'S PROPERTY:**
- A.** This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer.
- OR B.** ☒ This Agreement and Buyer's ability to obtain financing are contingent upon the sale of property owned by Buyer as specified in the attached addendum (C.A.R. Form COP).
- 5. ADDENDA AND ADVISORIES:**
- A. ADDENDA:**
- | | |
|--|--|
| <input type="checkbox"/> Back Up Offer Addendum (C.A.R. Form BUO) | <input type="checkbox"/> Addendum # _____ (C.A.R. Form ADM) |
| <input checked="" type="checkbox"/> Septic, Well and Property Monument Addendum (C.A.R. Form SWPI) | <input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA) |
| <input type="checkbox"/> Short Sale Addendum (C.A.R. Form SSA) | <input type="checkbox"/> Other _____ |
- B. BUYER AND SELLER ADVISORIES:**
- | | |
|---|---|
| <input type="checkbox"/> Probate Advisory (C.A.R. Form PA) | <input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA) |
| <input type="checkbox"/> Trust Advisory (C.A.R. Form TA) | <input type="checkbox"/> Statewide Buyer and Seller Advisory (C.A.R. Form SBSA) |
| <input type="checkbox"/> Short Sale Information and Advisory (C.A.R. Form SSIA) | <input type="checkbox"/> REO Advisory (C.A.R. Form REO) |
| | <input type="checkbox"/> Other _____ |
- 6. OTHER TERMS:** _____
- 7. ALLOCATION OF COSTS**
- A. INSPECTIONS, REPORTS AND CERTIFICATES:** Unless otherwise agreed in writing, this paragraph only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; it **does not determine who is to pay for any work recommended or identified in the Report.**
- (1) ☐ Buyer ☒ Seller shall pay for a natural hazard zone disclosure report, including tax ☒ environmental ☐ Other: _____ prepared by **Sellers Choice**
- (2) ☐ Buyer ☒ Seller shall pay for the following Report **Termite report and section 1 clearance** prepared by **Sellers Choice**
- (3) ☐ Buyer ☐ Seller shall pay for the following Report _____ prepared by _____

Buyer's Initials



Seller's Initials _____

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 2 OF 10)

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9990 9th Avenue,



Property Address: **9990 9th Avenue, Hesperia, CA 92345**Date: **August 28, 2018****B. GOVERNMENT REQUIREMENTS AND RETROFIT:**

- (1) ☐ Buyer ☒ Seller shall pay for smoke alarm and carbon monoxide device installation and water heater bracing, if required by Law. Prior to Close Of Escrow ("COE"), Seller shall provide Buyer written statement(s) of compliance in accordance with state and local Law, unless Seller is exempt.
- (2) (i) ☐ Buyer ☐ Seller shall pay the cost of compliance with any other minimum mandatory government inspections and reports if required as a condition of closing escrow under any Law.
- (ii) ☐ Buyer ☐ Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards required as a condition of closing escrow under any Law, whether the work is required to be completed before or after COE.
- (iii) Buyer shall be provided, within the time specified in paragraph 14A, a copy of any required government conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.

C. ESCROW AND TITLE:

- (1) (a) ☒ Buyer ☒ Seller shall pay escrow fee **Each their own**.
- (b) Escrow Holder shall be **Sellers choice**.
- (c) The Parties shall, within **5 (or) Days** After receipt, sign and return Escrow Holder's general provisions.
- (2) (a) ☐ Buyer ☒ Seller shall pay for **owner's** title insurance policy specified in paragraph 13E.
- (b) Owner's title policy to be issued by **Sellers choice**.
- (Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

D. OTHER COSTS:

- (1) ☐ Buyer ☒ Seller shall pay County transfer tax or fee.
- (2) ☐ Buyer ☐ Seller shall pay City transfer tax or fee.
- (3) ☐ Buyer ☐ Seller shall pay Homeowners' Association ("HOA") transfer fee.
- (4) Seller shall pay HOA fees for preparing documents required to be delivered by Civil Code §4525.
- (5) ☐ Buyer ☐ Seller shall pay HOA fees for preparing all documents other than those required by Civil Code §4525.
- (6) Buyer to pay for any HOA certification fee.
- (7) ☐ Buyer ☐ Seller shall pay for any private transfer fee.
- (8) ☐ Buyer ☐ Seller shall pay for.
- (9) ☐ Buyer ☐ Seller shall pay for.
- (10) ☐ Buyer ☒ Seller shall pay for the cost, not to exceed \$ **450.00**, of a standard (or ☒ upgraded) one-year home warranty plan, issued by **Buyers choice**, with the following optional coverages: ☒ Air Conditioner ☐ Pool/Spa ☐ Other: .
- Buyer is informed that home warranty plans have many optional coverages in addition to those listed above. Buyer is advised to investigate these coverages to determine those that may be suitable for Buyer.

OR ☐ Buyer waives the purchase of a home warranty plan. Nothing in this paragraph precludes Buyer's purchasing a home warranty plan during the term of this Agreement.

8. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:

A. NOTE TO BUYER AND SELLER: Items listed as included or excluded in the MLS, flyers or marketing materials are **not** included in the purchase price or excluded from the sale unless specified in paragraph 8 B or C.

B. ITEMS INCLUDED IN SALE: Except as otherwise specified or disclosed,

- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water features and fountains, water softeners, water purifiers, security systems/alarms and the following if checked: ☒ all stove(s), except ; ☐ all refrigerator(s) except ; ☐ all washer(s) and dryer(s), except ;
- (3) The following additional items:
- (4) Existing integrated phone and home automation systems, including necessary components such as intranet and Internet-connected hardware or devices, control units (other than non-dedicated mobile devices, electronics and computers) and applicable software, permissions, passwords, codes and access information, are (☐ are NOT) included in the sale.
- (5) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller shall, within the time specified in paragraph 14A, (i) disclose to Buyer if any item or system specified in paragraph 8B or otherwise included in the sale is leased, or not owned by Seller, or specifically subject to a lien or other encumbrance, and (ii) Deliver to Buyer all written materials (such as lease, warranty, etc.) concerning any such item. Buyer's ability to assume any such lease, or willingness to accept the Property subject to any such lien or encumbrance, is a contingency in favor of Buyer and Seller as specified in paragraph 14B and C.
- (6) Seller represents that all items included in the purchase price, unless otherwise specified, (i) are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to 8B(5) and , and (ii) are transferred without Seller warranty regardless of value.

C. ITEMS EXCLUDED FROM SALE: Unless otherwise specified, the following items are excluded from sale: (i) audio and video components (such as flat screen TVs, speakers and other items) if any such item is not itself attached to the Property, even if a bracket or other mechanism attached to the component or item is attached to the Property; (ii) furniture and other items secured to the Property for earthquake purposes; and (iii) .

Brackets attached to walls, floors or ceilings for any such component, furniture or item shall remain with the Property (or ☐ will be removed and holes or other damage shall be repaired, but not painted).

Buyer's Initials () ()

Seller's Initials () ()

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 3 OF 10)

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9990 9th Avenue ,



Property Address: **9990 9th Avenue, Hesperia, CA 92345**Date: **August 28, 2018****9. CLOSING AND POSSESSION:**

- A. Buyer intends (or ☐ does not intend) to occupy the Property as Buyer's primary residence.
- B. **Seller-occupied or vacant property:** Possession shall be delivered to Buyer: (i) at 6 PM or (☐ AM/ ☐ PM) on the date of Close Of Escrow; (ii) ☐ no later than _____ calendar days after Close Of Escrow; or (iii) ☐ at ☐ AM/ ☐ PM on _____.
- C. **Seller remaining in possession After Close Of Escrow:** If Seller has the right to remain in possession after Close Of Escrow, (i) the Parties are advised to sign a separate occupancy agreement such as ☐ C.A.R. Form SIP, for Seller continued occupancy of less than 30 days, ☐ C.A.R. Form RLAS for Seller continued occupancy of 30 days or more; and (ii) the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; and (iii) Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan.
- D. **Tenant-occupied property: Property shall be vacant at least 5 (or _____) Days Prior to Close Of Escrow, unless otherwise agreed in writing. Note to Seller: If you are unable to deliver Property vacant in accordance with rent control and other applicable Law, you may be in breach of this Agreement.**

OR ☐ **Tenant to remain in possession (C.A.R. Form TIP).**

- E. At Close Of Escrow: Seller assigns to Buyer any assignable warranty rights for items included in the sale; and Seller shall Deliver to Buyer available Copies of any such warranties. Brokers cannot and will not determine the assignability of any warranties.
- F. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems and intranet and Internet-connected devices included in the purchase price, and garage door openers. If the Property is a condominium or located in a common interest subdivision, Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

10. STATUTORY AND OTHER DISCLOSURES (INCLUDING LEAD-BASED PAINT HAZARD DISCLOSURES) AND CANCELLATION RIGHTS:

- A. (1) Seller shall, within the time specified in paragraph 14A, Deliver to Buyer: (i) if required by Law, a fully completed: Federal Lead-Based Paint Disclosures (C.A.R. Form FLD) and pamphlet ("Lead Disclosures"); and (ii) unless exempt, fully completed disclosures or notices required by sections 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement ("TDS"), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location (C.A.R. Form SPQ or ESD).
- (2) Any Statutory Disclosure required by this paragraph is considered fully completed if Seller has answered all questions and completed and signed the Seller section(s) and the Listing Agent, if any, has completed and signed the Listing Broker section(s), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Nothing stated herein relieves a Buyer's Broker, if any, from the obligation to (i) conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose, on Section IV of the TDS, or an AVID, material facts affecting the value or desirability of the Property that were or should have been revealed by such an inspection or (ii) complete any sections on all disclosures required to be completed by Buyer's Broker.
- (3) **Note to Buyer and Seller:** Waiver of Statutory and Lead Disclosures is prohibited by Law.
- (4) Within the time specified in paragraph 14A, (i) Seller, unless exempt from the obligation to provide a TDS, shall, complete and provide Buyer with a Seller Property Questionnaire (C.A.R. Form SPQ); (ii) if Seller is not required to provide a TDS, Seller shall complete and provide Buyer with an Exempt Seller Disclosure (C.A.R. Form ESD).
- (5) Buyer shall, within the time specified in paragraph 14B(1), return Signed Copies of the Statutory, Lead and other disclosures to Seller.
- (6) In the event Seller or Listing Broker, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer, Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware, or which are disclosed in reports provided to or obtained by Buyer or ordered and paid for by Buyer.**
- (7) If any disclosure or notice specified in paragraph 10A(1), or subsequent or amended disclosure or notice is Delivered to Buyer after the offer is Signed, Buyer shall have the right to cancel this Agreement within **3 Days** After Delivery in person, or **5 Days** After Delivery by deposit in the mail, by giving written notice of cancellation to Seller or Seller's agent.
- B. **NATURAL AND ENVIRONMENTAL HAZARD DISCLOSURES AND OTHER BOOKLETS:** Within the time specified in paragraph 14A, Seller shall, if required by Law: (i) Deliver to Buyer earthquake guide(s) (and questionnaire), environmental hazards booklet, and home energy rating pamphlet; (ii) disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; and Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- C. **WITHHOLDING TAXES:** Within the time specified in paragraph 14A, to avoid required withholding, Seller shall Deliver to Buyer or qualified substitute, an affidavit sufficient to comply with federal (FIRPTA) and California withholding Law (C.A.R. Form AS or QS).
- D. **MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)
- E. **NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.
- F. **CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**
- (1) **SELLER HAS: 7 (or _____) Days After Acceptance to disclose to Buyer if the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form SPQ or ESD).**

Buyer's Initials

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Seller's Initials

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 4 OF 10)

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9990 9th Avenue,



Property Address: **9990 9th Avenue, Hesperia, CA 92345**Date: **August 28, 2018**

(2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has **3 (or ____) Days After Acceptance** to request from the HOA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). (vi) private transfer fees; (vii) Pet fee restrictions; and (viii) smoking restrictions. Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 14B(3). The Party specified in paragraph 7, as directed by escrow, shall deposit funds into escrow or direct to HOA or management company to pay for any of the above.

11. CONDITION OF PROPERTY: Unless otherwise agreed in writing: (i) the Property is sold (a) "AS-IS" in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation rights; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and (iii) all debris and personal property not included in the sale shall be removed by Close Of Escrow.

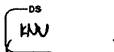
- A. Seller shall, within the time specified in paragraph 14A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, and make any and all other disclosures required by law.
- B. Buyer has the right to conduct Buyer Investigations of the Property and, as specified in paragraph 14B, based upon information discovered in those investigations: (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.
- C. **Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.**

12. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:

- A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 14B. Within the time specified in paragraph 14B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to: (i) a general physical inspection; (ii) an inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2); (iii) inspect for lead-based paint and other lead-based paint hazards; (iv) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA); (v) review the registered sex offender database; (vi) confirm the insurability of Buyer and the Property including the availability and cost of flood and fire insurance; and (vii) review and seek approval of leases that may need to be assumed by Buyer. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report; or inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- B. Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 14B, complete Buyer Investigations and either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all such Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
- C. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer.
- D. **Buyer indemnity and seller protection for entry upon property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.

13. TITLE AND VESTING:

- A. Within the time specified in paragraph 14, Buyer shall be provided a current preliminary title report ("Preliminary Report"). The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the Preliminary Report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 14B. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities. Seller shall within 7 Days After Acceptance, give Escrow Holder a completed Statement of Information.
- B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record (which Seller is obligated to pay off) unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
- C. Within the time specified in paragraph 14A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.

Buyer's Initials  () ()
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Seller's Initials () ()



CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 5 OF 10)

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- E. Buyer shall receive a CLTA/ALTA "Homeowner's Policy of Title Insurance", if applicable to the type of property and buyer. If not, Escrow Holder shall notify Buyer. A title company can provide information about the availability, coverage, and cost of other title policies and endorsements. If the Homeowner's Policy is not available, Buyer shall choose another policy, instruct Escrow Holder in writing and shall pay any increase in cost.
- 14. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).**
- A. **SELLER HAS: 7 (or ____) Days After Acceptance** to Deliver to Buyer all Reports, disclosures and information for which Seller is responsible under paragraphs 5, 6, 7, 8B(5), 10A, B, C, and F, 11A and 13A. If, by the time specified, Seller has not Delivered any such item, Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement.
- B. (1) **BUYER HAS: 17 (or ____) Days After Acceptance**, unless otherwise agreed in writing, to: (i) complete all Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to paragraph 8B(5), and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory and Lead Disclosures and other disclosures Delivered by Seller in accordance with paragraph 10A.
- (2) Within the time specified in paragraph 14B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to (C.A.R. Form RRRR) Buyer's requests.
- (3) By the end of the time specified in paragraph 14B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller a removal of the applicable contingency or cancellation (C.A.R. Form CR or CC) of this Agreement. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in paragraph 14A, then Buyer has **5 (or ____) Days After Delivery** of any such items, or the time specified in paragraph 14B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.
- (4) **Continuation of Contingency:** Even after the end of the time specified in paragraph 14B(1) and before Seller cancels, if at all, pursuant to paragraph 14D, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to paragraph 14D(1).
- (5) **Access to Property:** Buyer shall have access to the Property to conduct inspections and investigations for **17 (or ____) Days After Acceptance**, whether or not any part of the Buyer's Investigation Contingency has been waived or removed.
- C. ☐ **REMOVAL OF CONTINGENCIES WITH OFFER:** Buyer removes the contingencies specified in the attached Contingency Removal form (C.A.R. Form CR). If Buyer removes any contingency without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Broker.
- D. **SELLER RIGHT TO CANCEL:**
- (1) **Seller right to Cancel; Buyer Contingencies:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
- (2) **Seller right to Cancel; Buyer Contract Obligations:** Seller, after first delivering to Buyer a NBP, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3A, or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a notice of FHA or VA costs or terms as required by paragraph 3D(3) (C.A.R. Form FVA); (iii) Deliver a letter as required by paragraph 3J(1); (iv) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by paragraph 3C or 3H; (v) In writing assume or accept leases or liens specified in 8B5; (vi) Return Statutory and Lead Disclosures as required by paragraph 10A(5); or (vii) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 21B; or (viii) Provide evidence of authority to sign in a representative capacity as specified in paragraph 19. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
- E. **NOTICE TO BUYER OR SELLER TO PERFORM:** The NBP or NSP shall: (i) be in writing; (ii) be signed by the applicable Buyer or Seller; and (iii) give the other Party at least **2 (or ____) Days After Delivery** (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP or NSP may not be Delivered any earlier than **2 Days** Prior to the expiration of the applicable time for the other Party to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 14.
- F. **EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES:** If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in writing, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.
- G. **CLOSE OF ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a demand to close escrow (C.A.R. Form DCE). The DCE shall: (i) be signed by the applicable Buyer or Seller; and (ii) give the other Party at least **3 (or ____) Days After Delivery** to close escrow. A DCE may not be Delivered any earlier than **3 Days** Prior to the scheduled close of escrow.
- H. **EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Except as specified below, **release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award.** If either Party fails to execute mutual instructions to cancel escrow, one Party may make a written demand to Escrow Holder for the deposit. (C.A.R. Form BDRD or SDRD). Escrow Holder, upon receipt, shall promptly deliver notice of the demand to the other Party. If, within 10 Days After Escrow Holder's notice, the other Party does not object to the demand, Escrow Holder shall disburse the deposit to the Party making the demand. If Escrow Holder complies with the preceding process, each Party shall be deemed to have released Escrow Holder from any and all claims or liability related to the disbursement of the deposit. Escrow Holder, at its discretion, may nonetheless require mutual cancellation instructions. A Party may be subject to a civil penalty of up to \$1,000 for refusal to sign cancellation instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).

Buyer's Initials
RPA-CA REVISED 12/15 (PAGE 6 OF 10)Seller's Initials **CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 6 OF 10)**Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

9990 9th Avenue ,

Property Address: **9990 9th Avenue, Hesperia, CA 92345**Date: **August 28, 2018**

- 15. FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final verification of the Property within **5** (or ☐) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 11; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).
- 16. REPAIRS:** Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain invoices and paid receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.
- 17. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.
- 18. BROKERS:**
- A. COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.
- B. SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.
- 19. REPRESENTATIVE CAPACITY:** If one or more Parties is signing this Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 31 or 32 and attach a Representative Capacity Signature Disclosure (C.A.R. Form RCSD). Wherever the signature or initials of the representative identified in the RCSD appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Party acting in a representative capacity (i) represents that the entity for which that party is acting already exists and (ii) shall Deliver to the other Party and Escrow Holder, within **3 Days** After Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code §18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).
- 20. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**
- A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3, 4B, 5A, 6, 7, 10C, 13, 14G, 17, 18A, 19, 20, 26, 29, 30, 31, 32 and paragraph D of the section titled Real Estate Brokers on page 10. If a Copy of the separate compensation agreement(s) provided for in paragraph 18A, or paragraph D of the section titled Real Estate Brokers on page 10 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute such provisions within the time specified in paragraph 7C(1)(c). To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within **3** (or ☐) Days, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by paragraphs 7, 10 or elsewhere in this Agreement.**
- B. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days After Acceptance (or _____). Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title company when received from Seller. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 10C, Escrow Holder shall deliver to Buyer a Qualified Substitute statement that complies with federal Law.**

Buyer's Initials

RPA-CA REVISED 12/15 (PAGE 7 OF 10)

Seller's Initials

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 7 OF 10)

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9990 9th Avenue,

Property Address: 9990 9th Avenue, Hesperia, CA 92345Date: August 28, 2018

- C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 18A and paragraph D of the section titled Real Estate Brokers on page 10. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 18A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
- D. Upon receipt, Escrow Holder shall provide Seller and Seller's Broker verification of Buyer's deposit of funds pursuant to paragraph 3A and 3B. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers: (i) if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- E. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.

21. REMEDIES FOR BUYER'S BREACH OF CONTRACT:

- A. Any clause added by the Parties specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase in violation of this Agreement shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.
- B. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the purchase price. Any excess shall be returned to Buyer. Except as provided in paragraph 14H, release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. **AT THE TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R. FORM RID).**

Buyer's Initials / Seller's Initials / **22. DISPUTE RESOLUTION:**

- A. **MEDIATION:** The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action through the C.A.R. Real Estate Mediation Center for Consumers (www.consumermediation.org) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Broker(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. Mediation fees, if any, shall be divided equally among the Parties involved. If, for any dispute or claim to which this paragraph applies, any Party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. **THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.** Exclusions from this mediation agreement are specified in paragraph 22C.

B. ARBITRATION OF DISPUTES:

The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Broker(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of residential real estate Law experience, unless the parties mutually agree to a different arbitrator. The Parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Enforcement of this agreement to arbitrate shall be governed by the Federal Arbitration Act. Exclusions from this arbitration agreement are specified in paragraph 22C.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials / Seller's Initials / **C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:**

- (1) **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; and (iii) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court.

Buyer's Initials () ()

Seller's Initials () ()

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 8 OF 10)

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9990 9th Avenue,





Property Address: **9990 9th Avenue, Hesperia, CA 92345**Date: **August 28, 2018**

32. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement. Seller accepts the above offer, and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to Deliver a Signed Copy to Buyer.

☐ (If checked) SELLER'S ACCEPTANCE IS SUBJECT TO ATTACHED COUNTER OFFER (C.A.R. Form SCO or SMCO) DATED: _____

☐ One or more Sellers is signing this Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-S) for additional terms.

Date _____ SELLER _____

(Print name) **Hesperia Housing Authority**

Date _____ SELLER _____

(Print name) _____

☐ Additional Signature Addendum attached (C.A.R. Form ASA).

(_____/_____) (Do not initial if making a counter offer.) **CONFIRMATION OF ACCEPTANCE:** A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) _____ at _____

(Initials)

☐ AM/ ☐ PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

REAL ESTATE BROKERS:

A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

B. Agency relationships are confirmed as stated in paragraph 2.

C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.

D. **COOPERATING BROKER COMPENSATION:** Listing Broker agrees to pay Cooperating Broker (**Selling Firm**) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow, the amount specified in the MLS, provided Cooperating Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Listing Broker and Cooperating Broker are not both Participants of the MLS, or a reciprocal MLS, in which the Property is offered for sale, then compensation must be specified in a separate written agreement (C.A.R. Form CBC). Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.

Real Estate Broker (Selling Firm) **Gateway Home Services** DRE Lic. # **02039532**
 By **Lisa L Dorsey** DRE Lic. # **01819868** Date **8/29/2018** | 8:27 AM PDT
 C1FA29881A2C4DD... DRE Lic. # _____ Date _____
 Address **236 W Orange Show Rd # 108** City **San Bernardino** State **CA** Zip **92408**
 Telephone **(760)524-2834** Fax **(800)515-8825** E-mail **sellingsouthernca@gmail.com**
 Real Estate Broker (Listing Firm) **Coldwell Banker Home Source** DRE Lic. # **01902736**
 By **Beverly Bower** DRE Lic. # **00784949** Date _____
 By _____ DRE Lic. # _____ Date _____
 Address **12138 Industrial Blvd Ste 102** City **Victorville** State **CA** Zip **92395**
 Telephone **(760)964-0921** Fax **760-955-8585** E-mail **beverlybower@aol.com**

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, ☐ a deposit in the amount of \$ _____), counter offer numbers _____ ☐ Seller's Statement of Information and _____, and agrees to act as Escrow Holder subject to paragraph 20 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is _____

Escrow Holder _____ Escrow # _____

By _____ Date _____

Address _____

Phone/Fax/E-mail _____

Escrow Holder has the following license number # _____

☐ Department of Business Oversight, ☐ Department of Insurance, ☐ Department of Real Estate.

PRESENTATION OF OFFER: (_____) Listing Broker presented this offer to Seller on _____ (date).
 Broker or Designee Initials _____

REJECTION OF OFFER: (_____) (_____) No counter offer is being made. This offer was rejected by Seller on _____ (date).
 Seller's Initials _____

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Buyer Acknowledges that page 10 is part of this Agreement

(_____) (_____) Buyer's Initials



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