

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

Regular Joint Meetings
1st and 3rd Tuesday

Date: May 21, 2019
REGULAR MEETING

Time: NO CLOSED SESSION
6:30 P.M. (Regular Meeting)

CITY COUNCIL MEMBERS

Larry Bird, Mayor

William J. Holland, Mayor Pro Tem

Jeremiah Brosowske, Council Member

Cameron Gregg, Council Member

Rebekah Swanson, Council Member

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Nils Bentsen, City Manager

Eric L. Dunn, City Attorney



City of Hesperia

Council Chambers
9700 Seventh Avenue
Hesperia, CA 92345

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

**Agendas and Staff Reports are
available on the City Website**
www.cityofhesperia.us

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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 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.

NO CLOSED SESSION

CALL TO ORDER - 6:30 PM

A. Invocation

B. Pledge of Allegiance to the Flag

C. Roll Call

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

D. Agenda Revisions and Announcements by City Clerk

E. Closed Session Reports by City Attorney

ANNOUNCEMENTS/PRESENTATIONS

1. Presentation to Sultana High School Tennis for 2019 CIF Championship Win
2. Community Events

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 are requested to 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 7 Consideration of the Draft Minutes from the Regular Meeting held Tuesday, May 7, 2019

Recommended Action:

It is recommended that the City Council approve the Draft Minutes from the Regular Meeting held Tuesday, May 7, 2019.

Staff Person: City Clerk Melinda Sayre

Attachments: [Draft CC Min 2019-05-07](#)

2. Page 13 Warrant Run Report (City - Successor Agency - Housing Authority - Community Development Commission - 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, and Water District.

Staff Person: Director of Finance Casey Brooksher

Attachments: [SR Warrant Run 5-21-2019](#)

[Attachment - Warrant Runs](#)

3. Page 15 Treasurer's Cash Report for the unaudited period ended March 31, 2019

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, and Water District.

Staff Person: Director of Finance Casey Brooksher

Attachments: [SR Treasurer's Report 5-21-2019](#)

[Attachment 1- Investment Reports](#)

4. Page 23 Approve the FY 2019-20 SB-1 Proposed Project List

Recommended Action:

It is recommended that the Mayor and Council Members adopt Resolution No. 2019-021 approving the FY 2019-20 Project List to be funded by SB-1: The Road Repair and Accountability Act.

Staff Person: Assistant City Manager Michael Blay

Attachments: [SR SB-1 FY2019-20 Proposed Project List 5-21-2019](#)
[Resolution 2019-021](#)

5. Page 27

Award Contract for FY 2018-19 CDBG Street Improvement Project

Recommended Action:

It is recommended that the City Council award a contract for the FY 2018-19 CDBG Street Improvement project to the lowest responsive/responsible bidder, Matich Corporation for the Base Bid amount of \$597,350 plus the Add Alternate Bid in the amount of \$250,915 for a total amount of \$848,265; approve an additional 10% contingency in the amount of \$84,000 for a total construction budget of \$932,265; approve the design of the project represented by the plans and specifications; and authorize the City Manager to execute the contract.

Staff Person: Assistant City Manager Michael Blay

Attachments: [SR CDBG Street Improvement Project 5-21-2019](#)

CONSENT ORDINANCES**WAIVE READING OF ORDINANCES**

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

6. Page 29

Specific Plan Amendment SPLA19-00003; Applicant: Pixior; Area affected: Main Street and Freeway Corridor Specific Plan

Recommended Action:

Place on second reading adopt by title waiving the text of Ordinance No. 2019-07 approving Specific Plan Amendment SPLA19-00003 to change approximately 21 gross acres from Regional Commercial to Commercial Industrial Business Park and allow up to 50 percent lot coverage within the Main Street and Freeway Corridor Specific Plan. The changing retail commercial landscape from fewer "brick and mortar" locations to e-commerce is resulting in the need for less commercial frontage, focused on easy accessibility to Interstate 15.

Staff Person: Acting Principal Planner Chris Borchert

Attachments: [SR SPLA19-00003 4-16-2019](#)
[Ordinance 2019-07](#)
[Attachment 2 - Planning Commission Staff Report and attachments](#)

7. Page 39

Apartment Unit Sizes and Building Separation with Possible Code Amendment DCA19-00001 and Specific Plan Amendment SPLA19-00004

Recommended Action:

Place on second reading and adopt by title waiving the text of Ordinance No. 2019-08 approving Development Code Amendment DCA19-00001 and Specific Plan Amendment SPLA19-00004, to amend the apartment unit minimum size requirement and separation distances (Applicant: City of Hesperia; City-wide).

Staff Person: Acting Principal Planner Chris Borchert

Attachments: [SR SPLA19-00004 4-16-2019](#)

[Ordinance 2019-08](#)

[Attachment 2 - Exhibit A](#)

[Attachment 3 - Exhibit B](#)

PUBLIC HEARING

Individuals wishing to comment on public hearing items must submit a speaker slip to the City Clerk with the numbered agenda item noted. Speaker slips should be turned in prior to an agenda item being taken up. Comments will be limited to five minutes for Public Hearing items.

WAIVE READING OF ORDINANCES

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

8. Page 47 Recycled Water Rates**Recommended Action:**

It is recommended that the Board of Directors of the Hesperia Water District (District) conduct a Proposition 218 Public Hearing related to new maximum recycled water rates for recycled water services provided by the District and, in the absence of a majority vote of opposition, adopt Resolution No. HWD 2019-04 (Attachment 1), approving new maximum rates for recycled water services.

Staff Person: Director of Finance Casey Brooksher

Attachments: [SR Recycled Water Rates 5-21-2019](#)

[Resolution HWD 2019-04](#)

[Attachment 2 - Proposition 218 Notice](#)

NEW BUSINESS**9. Page 55 FY 2019-20 Budget Workshop #2 - Budget Update****Recommended Action:**

It is recommended that the City Council and the Board of Directors of the Hesperia Water District receive and file this staff report, which provides information about the current status of the City of Hesperia's proposed operating budget for FY 2019-20.

Staff Person: Director of Finance Casey Brooksher

Attachments: [SR FY19-20 Budget Workshop #2 5-21-2019](#)

COUNCIL COMMITTEE REPORTS AND COMMENTS

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

CITY MANAGER/CITY ATTORNEY/STAFF REPORTS

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

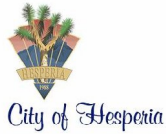
ADJOURNMENT

I, Melinda Sayre, City Clerk of the City of Hesperia, California do hereby certify that I caused to be posted the foregoing agenda on Wednesday, May 15, 2019 at 5:30 p.m. pursuant to California Government Code §54954.2.

*Melinda Sayre,
City Clerk*

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City of Hesperia

Meeting Minutes - Draft

City Council

City Council Chambers
9700 Seventh Ave.
Hesperia CA, 92345

Tuesday, May 7, 2019

6:30 PM

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

CLOSED SESSION - 5:30 PM

Roll Call

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

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

1. City of Hesperia v. Lake Arrowhead Community Service District, et al., Court of Appeal Case No. E067679 (Superior Court Case No. CIVDS1602017)

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

1. Negotiating Parties: ZAB, LLC and Hesperia Housing Authority
Location: APN: 0407-261-03, 04 and 20
Under Negotiation: Price and Terms

CALL TO ORDER - 6:32 PM

- A. Invocation by Frank Morley of Hesperia Church of the Nazarene**
- B. Pledge of Allegiance to the Flag**
- C. Roll Call**

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

- D. Agenda Revisions and Announcements by City Clerk - None**
- E. Closed Session Reports by City Attorney - *Direction given to staff, no reportable action taken.***

ANNOUNCEMENTS/PRESENTATIONS

- 1. Presentation to the Oak Hills High School Girls Soccer Team
- 2. Presentation of the American Flag from the United States Air Force 9th Expeditionary Aircraft Maintenance Unit to the City Council

3. Community Events - *Meet and Clean Program Saturday, 5/25 at 8:00am at the corner of Mariposa and Eucalyptus; Grand Re-opening of the Hesperia Animal Shelter Saturday, 6/1 at 10am; Hesperia Police Activities League Inaugural 5k Run/Walk Saturday, 6/15 in the Civic Plaza Park.*

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

Frances Schauwecker commented on recent relocation to the City of Hesperia and cannabis regulations within the City.

Anthony Rhoades commented on business operations in the City and cannabis regulations.

Daniel Krist commented on community issues.

Kasha Harrington commented on cannabis regulations within the City.

Eliseo Lopez commented on landlord tenant services provided by Inland Fair Housing and Mediation Board for City residents.

Bob Nelson commented on free speech.

Kelly Gregg commented on cannabis regulations within the City.

JOINT CONSENT CALENDAR

Bob Nelson, Anthony Rhoades, Daniel Krist commented on item #5.

**A motion was made by Brosowske, seconded by Holland, that the Consent Calendar be approved.
The motion carried by the following vote:**

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

Nay: 0

1. Consideration of the Draft Minutes from the Regular Meeting held Tuesday, April 16, 2019

Recommended Action:

It is recommended that the City Council approve the Draft Minutes from the Regular Meeting held Tuesday, April 16, 2019.

Sponsors: City Clerk Melinda Sayre

2. Warrant Run Report (City - Successor Agency - Housing Authority - Community Development Commission - 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, and Water District.

Sponsors: Director of Finance Casey Brooksher

3. Support of the 2019 Victor Valley Bicycle Tour

Recommended Action:

It is recommended that the City Council approve support of the 2019 Victor Valley Bicycle Tour in in line with past practice, in the requested amount of \$1,500.

Sponsors: Assistant to the City Manager Rachel Molina

4. Off-Highway Motor Vehicle Grant Application to the California Department of Parks and Recreation

Recommended Action:

It is recommended that the City Council approve and adopt Resolution No. 2019-22 authorizing the submission of a California Off-Highway Motor Vehicle (OHV) Grant Application to the California Department of Parks and Recreation for a total of \$57,183, and authorize the City Manager and the San Bernardino County Sheriff's Department to execute the Application and any amendments thereto on behalf of the City.

Sponsors: Captain Mike Browne

5. Award contract to Nobel Systems for Citywide GIS integrations with GeoViewer, Geo Viewer webhosting subscription, and data management

Recommended Action:

It is recommended that the City Council award a three-year contract in the amount of \$40,940 annually, with a total not to exceed amount of \$122,820, to Nobel Systems for data integration, management, webhosting, and administrative training for the City's Geographical Information System (GIS).

Sponsors: Assistant City Manager Michael Blay and GIS Manager Eric Greene

6. Purchase and Sale Agreement and MOU - APN 0410-031-03

Recommended Action:

It is recommended that the City Council of the City of Hesperia, as the Successor Agency to the Hesperia Community Redevelopment Agency, adopt Joint Resolution No. 2019-07 and SA 2019-01: (i) approving the "Agreement For The Purchase And Sale Of Real Property And Joint Escrow Instructions" (PSA) for real property located at the Northeast corner of "E" Avenue and Mojave Street, Assessor's Parcel Number 0410-031-03 (Property) by and between J.C. Property Investments, LLC, a California Limited Liability Company (Buyer) and Successor Agency to the Hesperia Community Redevelopment Agency (Seller); (ii) approving Memorandum of Understanding (MOU) between Buyer and City of Hesperia; and (iii) authorizing the City Manager/Executive Director to execute all documents necessary to consummate the transaction.

Sponsors: Economic Development Manager Rod Yahnke

CONSENT ORDINANCES

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

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

Nay: 0

7. Specific Plan Amendment SPLA19-00001; Guillermo Calixto; APNs: 0357-303-04 & 05

Recommended Action:

Place on second reading and adopt by title waiving the text of Ordinance No. 2019-05 approving Specific Plan Amendment SPLA19-00001 to change approximately 4.1 gross acres, of a 4.9 gross acre site within the Main Street and Freeway Corridor Specific Plan from Regional Commercial (RC) to Rural Estate Residential (RER).

Sponsors: Senior Planner Ryan Leonard

8. Specific Plan Amendment SPLA19-00002; Applicant: City of Hesperia; Area affected: Main Street and Freeway Corridor Specific Plan

Recommended Action:

Place on second reading and adopt by title waiving the text of Ordinance No. 2019-06 approving Specific Plan Amendment SPLA19-00002 to change approximately 109 gross acres within the Main Street and Freeway Corridor Specific Plan (MSFCSP) from Pedestrian Commercial (PC) to Neighborhood Commercial (NC); to remove all development standards that prohibit parking in the street side setback for all commercial and

industrial zoned properties within the MSFCSP; and to increase the floor area ratio in the Neighborhood Commercial zone from 0.23 to 0.35.

Sponsors: Senior Planner Ryan Leonard

PUBLIC HEARING

9. Vacate Portions of Opal Avenue

Recommended Action:

It is recommended that the City Council hold a public hearing to receive public comments pursuant to Section 8320, subdivision (a) of the California Streets and Highways Code, and adopt Resolution 2019-015 to vacate two portions of land west of Opal Avenue as described in attachments Exhibit "A" and Exhibit "B".

Sponsors: Assistant City Manager Michael Blay

The public hearing was opened, there being no comment the public hearing was closed

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

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

Nay: 0

10. Community Development Block Grant (CDBG) One-Year Action Plan (2019-2020)

Recommended Action:

It is recommended that the City Council conduct a public hearing and upon accepting public testimony: (1) Adopt Resolution No. 2019-20 approving the Program Year (PY) 2019-2020 One-Year Action Plan; and (2) Authorize the City Manager and/or Economic Development Manager or their designee to execute and transmit all necessary documents, including the adopted PY 2019-2020 Community Development Block Grant (CDBG) Action Plan and any amendments, to assure the City's timely receipt of CDBG funding.

Sponsors: Economic Development Manager Rod Yahnke

The public hearing was opened, the following individuals commented on item 10:

Jimmy Waldron, Anthony Rhoades, Kelly Gregg, James Blocker

There being no further comment the public hearing was closed.

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

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

Nay: 0

11. Appeal APP19-00001; Applicant: M.O.R.R. (Round Table Pizza); APN: 0410-135-56

Recommended Action:

It is recommended that the City Council consider Appeal APP19-00001 and adopt either Resolution No. 2019-16 denying the appeal and upholding the Planning Commission's decision to deny CUP19-00002, or Resolution No. 2019-17 approving the appeal and overturning the Planning Commission's decision to deny CUP19-00002.

Sponsors: Acting Principal Planner Chris Borchert

The public hearing was opened, the following individuals commented on item #11:

Bill (no last name provided) of Pascos Pizza, David Kracoff, Rudy Rocha, Tom Thompson, Brittany (no last name provided)

There being no further comment the public hearing was closed.

A motion was made by Bird, seconded by Gregg, that Resolution 2019-16 be approved, upholding the Planning Commissions decision to deny CUP19-00002. The motion carried by the following vote:

Aye: 3 - Bird, Holland and Gregg

Nay: 2 - Brosowske and Swanson

12. Specific Plan Amendment SPLA19-00003; Applicant: Pixior; Area affected: Main Street and Freeway Corridor Specific Plan

Recommended Action:

The Planning Commission recommends that the City Council introduce and place on first reading Ordinance No. 2019-07 approving Specific Plan Amendment SPLA19-00003 to change approximately 21 gross acres from Regional Commercial to Commercial Industrial Business Park and allow up to 50 percent lot coverage within the Main Street and Freeway Corridor Specific Plan. The changing retail commercial landscape from fewer "brick and mortar" locations to e-commerce is resulting in the need for less commercial frontage, focused on easy accessibility to Interstate 15.

Sponsors: Acting Principal Planner Chris Borchert

The public hearing was opened, the following individuals commented on item #12:

Vittorio Cavina on behalf of Glen Ludwig, Simon Bouzaglou

There being no further comment the public hearing was closed.

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

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

Nay: 0

13. Apartment Unit Sizes and Building Separation with Possible Code Amendment DCA19-00001 and Specific Plan Amendment SPLA19-00004

Recommended Action:

The Planning Commission recommends that the City Council introduce and place on first reading Ordinance No. 2019-08 approving Development Code Amendment DCA19-00001 and Specific Plan Amendment SPLA19-00004, to amend the apartment unit minimum size requirement and separation distances (Applicant: City of Hesperia; City-wide).

Sponsors: Acting Principal Planner Chris Borchert

The City Manager clarified that this item did not go to the Planning Commission as stated in the recommended action.

The following individuals commented on item #13:

Ian Bryant

There being no further public comment the public hearing was closed.

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

Aye: 3 - Bird, Holland and Gregg

Nay: 2 - Brosowske and Swanson

NEW BUSINESS

14. FY 2019-20 Budget Workshop #1 - Operating Budget

Recommended Action:

It is recommended that the City Council and the Hesperia Water District Board of Directors receive and file this staff report, which provides information about the current status of the City of Hesperia's proposed operating budget for FY 2019-20.

Sponsors: Director of Finance Casey Brooksher

No action taken on this item. Report was received and filed.

COUNCIL COMMITTEE REPORTS AND COMMENTS

Council Member Gregg commented on attendance at a training with the Fire Department, Legislative Action Days conference in Sacramento, Drug Free America event, National Day of Prayer, and San Bernardino County Sheriff's Chili Cook Off event.

Council Member Brosowske commented on attendance at community events.

Council Member Swanson commented on attendance at MDAQMD meeting, HUSD Festival of the Arts event, SBCTA meeting, ride along with the Fire Department, and Helpers event at Oak Hills High School.

Mayor Pro Tem Holland did not attend any meetings.

Mayor Bird commented on grand opening of Texas Roadhouse, attendance at League Conference in Sacramento, National Day of Prayer, upcoming changes to VVWRA, Grand opening of Nail Bar and Spa, and school sports achievements.

CITY MANAGER/CITY ATTORNEY/STAFF REPORTS

None

ADJOURNMENT

10:52 pm

*Stephanie McClure,
Assistant City Clerk*

City of Hesperia STAFF REPORT



DATE: May 21, 2019

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 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 – 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, and Water District.

BACKGROUND

The Warrant Run totals represented below are for the period April 13, 2019 through April 26, 2019.

<u>Agency/District</u>	<u>Accounts Payable</u>	<u>Payroll</u>	<u>Wires</u>	<u>Totals</u>
City of Hesperia	\$715,475.24	\$237,385.88	\$0.00	\$952,861.12
Successor Agency	0.00	0.00	0.00	0.00
Housing Authority	1,036.10	2,113.96	0.00	3,150.06
Community Development Commission	7,573.21	4,196.90	0.00	11,770.11
Water	143,716.94	100,426.88	0.00	244,143.82
Totals	\$867,801.49	\$344,123.62	\$0.00	\$1,211,925.11

ATTACHMENT(S)

1. Warrant Runs

City of Hesperia
WARRANT RUNS
04/13/2019 - 04/26/2019

FUND #	FUND NAME	W/E 4/19/2019	W/E 4/26/2019	WARRANT TOTALS	Wires	YEAR-TO DATE TOTALS *	PRIOR FY YTD DATE TOTALS
Accounts Payable							
100	GENERAL	\$ 73,459.53	\$ 168,691.08	\$ 242,150.61	\$ -	\$ 17,548,120.37	\$ 18,876,597.87
200	HESPERIA FIRE DISTRICT	\$ -	\$ 138.08	\$ 138.08	\$ -	\$ 356,405.14	\$ 8,762,940.21
204	MEASURE I - RENEWAL	\$ -	\$ -	\$ -	\$ -	\$ 274,385.01	\$ 808,565.17
205	GAS TAX	\$ -	\$ -	\$ -	\$ -	\$ 4,795.00	\$ 134,230.04
207	LOCAL TRANSPORT-SB 325	\$ -	\$ -	\$ -	\$ -	\$ 232,853.92	\$ 59,065.75
209	GAS TAX-RMRA	\$ -	\$ -	\$ -	\$ -	\$ 24,895.99	\$ 80.08
251	CDBG	\$ -	\$ 15,644.00	\$ 15,644.00	\$ -	\$ 242,164.33	\$ 484,166.04
254	AB2766 - TRANSIT	\$ -	\$ -	\$ -	\$ -	\$ 27,600.00	\$ 60,000.00
256	ENVIRONMENTAL PROGRAMS GRANT	\$ 346.94	\$ 2,664.90	\$ 3,011.84	\$ -	\$ 34,030.42	\$ 20,163.39
257	NEIGHBORHOOD STABILIZATION PROG	\$ -	\$ 105.54	\$ 105.54	\$ -	\$ 24,821.10	\$ 11,186.25
260	DISASTER PREPARED GRANT	\$ -	\$ -	\$ -	\$ -	\$ 8,094.06	\$ 4,374.79
263	STREETS MAINTENANCE	\$ 25,863.35	\$ 29,340.47	\$ 55,203.82	\$ -	\$ 1,629,459.52	\$ 1,509,976.34
300	DEV. IMPACT FEES - STREET	\$ -	\$ 877.50	\$ 877.50	\$ -	\$ 2,456,432.74	\$ 670,408.98
301	DEV. IMPACT FEES - STORM DRAIN	\$ 5,750.00	\$ -	\$ 5,750.00	\$ -	\$ 29,700.00	\$ 76,477.50
402	WATER RIGHTS ACQUISITION	\$ -	\$ -	\$ -	\$ -	\$ 1,431,053.25	\$ 1,430,596.96
403	2013 REFUNDING LEASE REV BONDS	\$ -	\$ -	\$ -	\$ -	\$ 811,304.31	\$ 789,439.94
501	CFD 91-3 BELGATE	\$ -	\$ -	\$ -	\$ -	\$ 364,657.05	\$ -
502	FIRE STATION BUILDING	\$ -	\$ -	\$ -	\$ -	\$ 6,790,888.41	\$ 308,163.66
504	CITY WIDE STREETS - CIP	\$ -	\$ -	\$ -	\$ -	\$ 23,147.23	\$ 890.00
509	CITY FACILITIES CIP	\$ -	\$ -	\$ -	\$ -	\$ 625,996.29	\$ -
800	EMPLOYEE BENEFITS	\$ 109,298.79	\$ 74,243.90	\$ 183,542.69	\$ -	\$ 6,115,497.83	\$ 5,599,330.00
801	TRUST/AGENCY	\$ 13,664.02	\$ 195,207.14	\$ 208,871.16	\$ -	\$ 1,904,698.43	\$ 2,367,252.83
802	AD 91-1 AGENCY	\$ -	\$ -	\$ -	\$ -	\$ 367.50	\$ 951.50
804	TRUST-INTEREST BEARING	\$ -	\$ 180.00	\$ 180.00	\$ -	\$ 247.50	\$ 49,070.76
807	CFD 2005-1	\$ -	\$ -	\$ -	\$ -	\$ 818,526.77	\$ 1,182,603.43
808	HFPD (TRANSITION)	\$ -	\$ -	\$ -	\$ -	\$ 39.00	\$ -
	CITY	\$ 228,382.63	\$ 487,092.61	\$ 715,475.24	\$ -	\$ 41,780,181.17	\$ 43,206,531.49
160	REDEVELOP OBLIG RETIREMENT - PA1	\$ -	\$ -	\$ -	\$ -	\$ 5,306,154.96	\$ 7,562,034.60
161	REDEVELOP OBLIG RETIREMENT - PA2	\$ -	\$ -	\$ -	\$ -	\$ 426,569.15	\$ 611,922.38
162	REDEVELOP OBLIG RETIREMENT-HOUSING	\$ -	\$ -	\$ -	\$ -	\$ 2,476,736.59	\$ 3,277,591.93
163	REDEVELOP OBLIG RETIREMENT-2018	\$ -	\$ -	\$ -	\$ -	\$ 1,870,776.99	\$ -
173	SUCCESSOR AGENCY ADMINISTRATION	\$ -	\$ -	\$ -	\$ -	\$ 4,005.00	\$ 450.00
	SUCCESSOR AGENCY	\$ -	\$ -	\$ -	\$ -	\$ 10,084,242.69	\$ 11,451,998.91
370	HOUSING AUTHORITY	\$ 124.67	\$ 911.43	\$ 1,036.10	\$ -	\$ 135,220.85	\$ 81,174.34
	HOUSING AUTHORITY	\$ 124.67	\$ 911.43	\$ 1,036.10	\$ -	\$ 135,220.85	\$ 81,174.34
170	COMMUNITY DEVELOPMENT COMMISSION	\$ 1,132.68	\$ 6,440.53	\$ 7,573.21	\$ -	\$ 201,466.82	\$ 215,301.52
	COMMUNITY DEVELOPMENT COMMISSION	\$ 1,132.68	\$ 6,440.53	\$ 7,573.21	\$ -	\$ 201,466.82	\$ 215,301.52
700	WATER OPERATING	\$ 92,220.37	\$ 26,174.34	\$ 118,394.71	\$ -	\$ 6,020,685.94	\$ 6,748,921.35
701	WATER CAPITAL	\$ -	\$ 14,088.62	\$ 14,088.62	\$ -	\$ 4,746,457.45	\$ 1,579,420.42
710	SEWER OPERATING	\$ 10,114.41	\$ 826.70	\$ 10,941.11	\$ -	\$ 5,330,371.61	\$ 1,405,385.00
711	SEWER CAPITAL	\$ -	\$ 292.50	\$ 292.50	\$ -	\$ 136,276.06	\$ 1,927.50
	WATER	\$ 102,334.78	\$ 41,382.16	\$ 143,716.94	\$ -	\$ 16,233,791.06	\$ 9,735,654.27
	ACCOUNTS PAYABLE TOTAL	\$ 331,974.76	\$ 535,826.73	\$ 867,801.49	\$ -	\$ 68,434,902.59	\$ 64,690,660.53
REG. PAYROLL							
	City	\$ 237,385.88	\$ -	\$ 237,385.88	\$ -	\$ 4,989,636.11	\$ 4,713,290.95
	Housing Authority	\$ 2,113.96	\$ -	\$ 2,113.96	\$ -	\$ 45,282.36	\$ 72,460.28
	Community Development Commission	\$ 4,196.90	\$ -	\$ 4,196.90	\$ -	\$ 86,696.55	\$ 136,353.17
	Water	\$ 100,426.88	\$ -	\$ 100,426.88	\$ -	\$ 2,081,722.47	\$ 2,035,189.59
	PAYROLL TOTAL	\$ 344,123.62	\$ -	\$ 344,123.62	\$ -	\$ 7,203,337.49	\$ 6,957,293.99

* 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: May 21, 2019

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 Water District

FROM: Nils Bentsen, City Manager

BY: Casey Brooksher, Director of Finance
Anne Duke, Deputy Finance Director
Robert Worby, Financial Analyst

SUBJECT: Treasurer's Cash Report for the unaudited period ended March 31, 2019

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, and Water District.

BACKGROUND

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

ISSUES/ANALYSIS

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

FISCAL IMPACT

These reports reflect unaudited cash balances as of March 31, 2019.

ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENT(S)

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

CITY OF HESPERIA

<u>FUND</u>	<u>VALUE</u>
General Fund (100 & 800)	\$ 851,269.76
Fire District Fund (200)	718,614.21
HFPD (PERS) (210)	750,451.68
Fire Station Building (502)	4,304.64
AB27666 - Transit (254)	23,296.95
AB3229 Supplemental Law (255)	127,722.54
AD No. 91-1 (802)	360,124.70
Beverage Recycling Grant (256)	115,028.77
CFD 2005-1 (807)	1,326,921.79
HFPD Transition (808)	(39.00)
CFD 91-3 Belgate (501)	(364,657.05)
City Wide-Capital Projects (504)	(14,085.33)
City Facilities CIP (509)	2,130.74
Community Dev Block Grant (251, 252, & 253)	471,968.95
Development Impact Fund (300-304)	9,449,113.62
Development Impact Fund 2018 (306-312)	594,497.13
Disaster (260)	44,007.54
Gas Tax Fund (205)	(113,752.69)
Gas Tax - RMRA (209)	1,054,934.75
Gas Tax Swap (206)	181,281.01
Local Transportation SB325 (207)	1,430,687.42
Measure I - Renewal (204)	4,191,783.04
Neighborhood Stabilization Prog (257)	2,207,968.29
Public Works Street Maint (263)	809,315.91
Trust Fund (801, 803-806, & 815)	1,763,856.72
2012 Water Rights Acquisition (402)	12,854.95
2013 Refunding Lease Rev Bonds (403)	(175,605.43)
TOTAL CITY FUNDS	\$ 25,823,995.61

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY

<u>FUND</u>	<u>VALUE</u>
Redevelop Oblig Retirement - (160, 161, & 162)	\$ 824,225.96
RORF Retention - (163)	4,044,281.59
TOTAL SUCCESSOR AGENCY FUNDS	\$ 4,868,507.55

HESPERIA HOUSING AUTHORITY

<u>FUND</u>	<u>VALUE</u>
Hesperia Housing Authority Fund (370)	\$ 3,435,814.86
VVEDA Housing Authority (371)	1,759,422.52
TOTAL HOUSING AUTHORITY FUNDS	\$ 5,195,237.38

COMMUNITY DEVELOPMENT COMMISSION

<u>FUND</u>	<u>VALUE</u>
Community Development Commission Fund (170)	\$ <u>(785,276.88)</u>

WATER

<u>FUND</u>	<u>VALUE</u>
Water Operating (700)	\$ 8,274,289.52
Water Capital (701)	(13,009,106.48)
Sewer Operating (710)	10,695,854.41
Sewer Capital (711)	4,250,532.33
TOTAL WATER FUNDS	\$ <u>10,211,569.78</u>

City of Hesperia
Investment Report
Unaudited
March 31, 2019

ATTACHMENT 1

<u>Type of Investment</u>	<u>Institution/ Fiscal Agent</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Account Description</u>
Investments under the direction of the City:								
Local Agency Investment Funds	State of Calif.	2.436%	31-Mar-19	Demand	\$ 20,422,142.58	20,422,142.58	20,422,142.58	
Money Market	Bank of the West	1.610%	31-Mar-19	Demand	4,312,538.54	4,312,538.54	4,312,538.54	
Citizens Business Bank Checking	Citizens Bus Bank	n/a	31-Mar-19	Demand	1,089,314.49	1,089,314.49	1,089,314.49	
Total Unaudited Investments under the direction of the City					\$ 25,823,995.61	\$ 25,823,995.61	\$ 25,823,995.61	


Investments under the direction of fiscal agents:

2012 Lease Revenue Bonds	Union	1.790%	31-Mar-19	Demand	0.56	0.56	0.56	2012 - Water Rights Revenue Fund
2012 Lease Revenue Bonds	Union	2.500%	31-Mar-19	Demand	400,837.52	400,837.52	400,837.52	2012 - Water Rights Interest Fund
2012 Lease Revenue Bonds	Union	2.500%	31-Mar-19	Demand	1,469,791.30	1,469,791.30	1,469,791.30	2012 - Water Rights Reserve Fund
2012 Lease Revenue Bonds	Union	3.230%	31-Mar-19	Demand	0.31	0.31	0.31	2012 - Water Rights Surplus Revenue Fund
2013 Refunding Lease Revenue Bonds	Union	1.090%	31-Mar-19	Demand	1.84	1.84	1.84	2005 Civic Plaza - Revenue Fund
2013 Refunding Lease Revenue Bonds	Union	2.500%	31-Mar-19	Demand	251,975.00	251,975.00	251,975.00	2005 Civic Plaza - Interest Fund
2013 Refunding Lease Revenue Bonds	Union	2.500%	31-Mar-19	Demand	1,163,732.62	1,163,732.62	1,163,732.62	2005 Civic Plaza - Reserve Fund
2013 Refunding Lease Revenue Bonds	Union	3.230%	31-Mar-19	Demand	0.31	0.31	0.31	2005 Civic Plaza - Surplus Rev Fund
2014 CFD 2005-1 Refunding	Union	2.500%	31-Mar-19	Demand	69.22	69.22	69.22	2014 CFD 05-1 - Special Tax Fund
2014 CFD 2005-1 Refunding	Union	2.500%	31-Mar-19	Demand	96.01	96.01	96.01	2014 CFD 05-1 - Bond Fund
2014 CFD 2005-1 Refunding	Union	2.500%	31-Mar-19	Demand	1,433,516.77	1,433,516.77	1,433,516.77	2014 CFD 05-1 - Reserve Fund
2014 CFD 2005-1 Refunding	Union	2.500%	31-Mar-19	Demand	23,401.52	23,401.52	23,401.52	2014 CFD 05-1 Administrative Expense Bonds
Deposits - Workers' Comp	PERMA	n/a	31-Mar-19	n/a	1,009,986.43	1,009,986.43	1,009,986.43	GL 1352
Total Unaudited Investments under the direction of fiscal agents					\$ 5,753,409.41	5,753,409.41	5,753,409.41	

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

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

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


Virginia Villasenor, Senior Accountant

Investment Report**Unaudited****March 31, 2019**

<u>Type of Investment</u>	<u>Issuer/ Institution</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Account Description</u>
Investments under the direction of the City:								
Local Agency Investment Funds	State of Calif.	2.436%	31-Mar-19	Demand	\$ 3,850,115.10	\$ 3,850,115.10	3,850,115.10	
Money Market	Bank of the West	1.610%	31-Mar-19	Demand	813,027.80	813,027.80	813,027.80	
Citizens Business Bank Checking	Citizens Bus Bank	n/a	31-Mar-19	Demand	205,364.65	205,364.65	205,364.65	
Total Unaudited Investments under the direction of the City					\$ 4,868,507.55	\$ 4,868,507.55	\$ 4,868,507.55	


Investments under the direction of fiscal agents:

2018 Refunding Bonds	Union	0.000%	31-Mar-19	Demand	1.00	1.00	1.00	2018A & 2018B - Debt Service Account
2018 Refunding Bonds	Union	2.380%	31-Mar-19	Demand	1,197.09	1,197.09	1,197.09	2018A & 2018B - Interest Account
2018 Refunding Bonds	Union	0.000%	31-Mar-19	Demand	1.00	1.00	1.00	2018A & 2018B - Reserve Account
2018 Refunding Bonds	Union	2.380%	31-Mar-19	Demand	3,647.71	3,647.71	3,647.71	2018A - Cost of Issuance Account
2018 Refunding Bonds	Union	2.380%	31-Mar-19	Demand	11,034.38	11,034.38	11,034.38	2018B - Cost of Issuance Account
2018 Refunding Bonds	Union	2.100%	31-Mar-19	Demand	4,564,565.03	4,528,200.04	4,564,565.03	2018A & 2018B - Escrow Account
Total Unaudited Investments under the direction of fiscal agents					\$ 4,580,446.21	\$ 4,544,081.22	\$ 4,580,446.21	

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

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

* Note: The 2005 and 2007 Series Bonds were refinanced to 2018 Series Bonds in November 2018.


Virginia Villaseñor, Senior Accountant

Hesperia Housing Authority

ATTACHMENT 3

Investment Report

Unaudited

March 31, 2019

<u>Type of Investment</u>	<u>Issuer/ Institution</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>
Investments under the direction of the City:							
Local Agency Investment Funds	State of California	2.436%	31-Mar-19	Demand	\$ 4,108,499.71	4,108,499.71	4,108,499.71
Money Market	Bank of the West	1.610%	31-Mar-19	Demand	867,590.82	867,590.82	867,590.82
Citizens Business Bank Checking	Citizens Business Bank	n/a	31-Mar-19	Demand	219,146.85	219,146.85	219,146.85
Total Unaudited Investments under the direction of the City					\$ 5,195,237.38	\$ 5,195,237.38	\$ 5,195,237.38

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


Virginia Villasenor, Senior Accountant

Investment Report

Unaudited

March 31, 2019

<u>Type of Investment</u>	<u>Issuer/ Institution</u>	<u>Interest Rate</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Par Value at Maturity</u>	<u>Book Value</u>	<u>Market Value</u>
Investments under the direction of the City:							
Local Agency Investment Funds	State of California	2.436%	31-Mar-19	Demand	\$ (621,012.98)	(621,012.98)	(621,012.98)
Money Market	Bank of the West	1.610%	31-Mar-19	Demand	(131,139.15)	(131,139.15)	(131,139.15)
Citizens Business Bank Checking	Citizens Business Bank	n/a	31-Mar-19	Demand	(33,124.75)	(33,124.75)	(33,124.75)
Total Unaudited Investments under the direction of the City					\$ (785,276.88)	\$ (785,276.88)	\$ (785,276.88)

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


Virginia Villasenor, Senior Accountant

Hesperia Water District

ATTACHMENT 5

Investment Report

Unaudited

March 31, 2019

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

Local Agency Investment Funds	State of California	2.436%	31-Mar-19	Demand	\$ 8,075,517.72	8,075,517.72	8,075,517.72	
Money Market	Bank of the West	1.610%	31-Mar-19	Demand	1,705,304.97	1,705,304.97	1,705,304.97	
Citizens Business Bank Checking	Citizens Business Bank	n/a	31-Mar-19	Demand	430,747.09	430,747.09	430,747.09	
Total Unaudited Investments under the direction of the City					\$ 10,211,569.78	\$ 10,211,569.78	\$ 10,211,569.78	

Investments under the direction of fiscal agents:

First American Treas - Money Market	US Bank	0.000%	31-Mar-19	Demand	9,033.53	9,033.53	9,033.53	98 A - 95453340
First American Treas - Money Market	US Bank	0.000%	31-Mar-19	Demand	31.66	32.66	31.66	98 A - 95453341
First American Treas - Money Market	US Bank	0.000%	31-Mar-19	Demand	0.00	0.00	0.00	98 A - 95453346
98 A Dep w/Trustee - Collateral	Bank of America	n/a	31-Mar-19	Demand	1,880,000.00	1,880,000.00	1,880,000.00	GL 1319
Deposits - Workers' Comp	PERMA	n/a	31-Mar-19	n/a	531,769.34	531,769.34	531,769.34	GL 1352
Deposits w/Other Agencies	Various	n/a	31-Mar-19	n/a	0.00	0.00	0.00	GL 1350
Total Unaudited Investments under the direction of fiscal agents					\$ 2,420,834.53	\$ 2,420,835.53	\$ 2,420,834.53	

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

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


Virginia Villasenor, Senior Accountant

City of Hesperia

STAFF REPORT



DATE: May 21, 2019

TO: Mayor and Council Members

FROM: Nils Bentsen, City Manager

BY: Michael Blay, Assistant City Manager
Jamie Carone, Administrative Analyst

SUBJECT: Approve the FY 2019-20 SB-1 Funding Project List

RECOMMENDED ACTION

It is recommended that the Mayor and Council Members adopt Resolution No. 2019-021 approving the FY 2019-20 Project List to be funded by SB-1: The Road Repair and Accountability Act.

BACKGROUND

On Wednesday, March 29, 2017, Governor Jerry Brown announced a transportation funding agreement. The agreement was passed by the State Legislature and signed into law in April of 2017 as Senate Bill 1 (SB-1) or the Road Repair and Accountability Act of 2017. SB-1 will be funded by various mechanisms including a 12 cent gas excise tax increase, a reset price-based excise tax at 17.3 cents, a 20 cent diesel excise tax, a 4% diesel sales tax increase, a \$25-\$175 annual transportation improvement fee based on vehicle value, and a \$100 annual zero emissions vehicle fee. From these sources, SB-1 is expected to provide \$5.2 billion annually and \$15 billion for local streets and roads over the next ten years. Specifically, local agencies will be funded through the Road Maintenance and Rehabilitation Account (RMRA) which consists of the new gas tax, the transportation improvement fee, and part of the diesel excise tax. The local share will be split evenly between cities and counties with city revenues being allocated per capita. The City of Hesperia will receive an estimated \$1,569,575 for FY 2019-20.

SB-1 will provide investments to make significant improvements to the State's highway system as well as local transportation facilities in disrepair. Cities and Counties will use SB-1 funds for complete streets projects, railroad grade separations, traffic control devices, increasing mobility options for residents, and increasing access to multi-modal transportation options by expanding transit, bicycle, and pedestrian friendly opportunities. However, the main focus of RMRA is to improve deteriorating roads throughout the state through maintenance and rehabilitation projects as well as critical safety projects. Therefore, SB-1 requests that, to the extent possible, local agencies prioritize basic maintenance and safety projects.

ISSUES/ANALYSIS

SB-1 includes accountability and transparency measures to ensure the residents of the City are aware of the projects proposed for funding in our community. Cities and counties will adopt a project list by resolution each year and provide year end reporting on completed projects including necessary amendments if applicable. Prior to receiving funds, cities are required to annually approve a list of all projects by resolution that are proposed to receive funding from the RMRA.

The project list must include a description and the location of each proposed project as well as the estimated useful life of the improvement.

City Staff will submit a list of projects to the California Transportation Commission that includes projects approved by Council. The project list for FY 2019-20 will include the following projects: FY 2019-20 Street Improvement Project on Main Street that will include remediation of drainage issues and a sag in the sewer line between Escondido Avenue and Pyrite Avenue as well as paving over that section of roadway; the FY 2019-20 Slurry Seal Project that will focus on various streets in disrepair which will be identified upon further review; and the FY 2019-20 Annual Chip Seal Project that will focus on various streets near Escondido Avenue and Cedar Street.

FISCAL IMPACT

There is no direct fiscal impact as a result of this subject item. This action simply approves the FY 2019-20 SB-1 Funding Project List for the purpose of receiving and expending SB-1 RMRA funds.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution No. 2019-021

RESOLUTION NO. 2019-021

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, ADOPTING THE FY 2019-20 PROJECT LIST TO BE FUNDED BY SENATE BILL-1: THE ROAD REPAIR AND ACCOUNTABILITY ACT.

WHEREAS, Senate Bill (SB-1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB-1 includes accountability and transparency provisions that will ensure the residents of our City are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must include a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB-1, in the City budget, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated \$1,569,575 in RMRA funding in Fiscal Year 2019-20 from SB-1; and

WHEREAS, the City will submit a project list that includes projects to be adopted in the FY 2019-20 Capital Improvement Program Budget which will allocate \$1,054,575 to the FY 2019-20 Street Improvement Project, \$400,00 to the FY 2019-20 Slurry Seal Project, and \$115,000 to the FY 2019-20 Annual Chip Seal Project; and

WHEREAS, the funding from SB-1 will help the City maintain and rehabilitate streets, bridges, and add active transportation infrastructure throughout the City; and

WHEREAS, maintaining and preserving the local street and road system in good condition, as well as the installation of traffic control devices, will reduce traffic drive times and traffic congestion, which leads to a reduction on vehicle emissions helping the State achieve its air quality and greenhouse gas emission reduction goals, and will improve bicycle, pedestrian, and vehicular safety; and

WHEREAS, restoring roads before they fail also reduces construction time which results in less air pollution from heavy equipment and less water pollution from site run-off; and

WHEREAS, the SB-1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using modern technology, materials and practices, will have significant positive benefits statewide.

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

Section 1. The foregoing recitals are true and correct.

Section 2. The Capital Improvement Program budget for fiscal year 2019-20 will incorporate the following list of projects planned to be funded with Road Maintenance and Rehabilitation Account revenues: FY 2019-20 Street Improvement Project on Main Street between Escondido Avenue and Pyrite Avenue which has an estimated useful life of 25 years and an anticipated completion date of June 2020; the FY 2019-20 Slurry Seal Project which will focus on various streets in disrepair and which has an estimated useful life of five years and an anticipated completion date of April 2020; and the FY 2019-20 Annual Chip Seal Project which will focus on streets in the neighborhood of Escondido Avenue and Cedar Street and which has an estimated useful life of five years and an anticipated completion date of June 2020.

ADOPTED AND APPROVED this 21st day of May, 2019.

Larry Bird
Mayor

ATTEST:

Melinda Sayre
City Clerk

City of Hesperia

STAFF REPORT



DATE: May 21, 2019

TO: Mayor and Council Members

FROM: Nils Bentsen, City Manager

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

SUBJECT: Award Contract for FY 2018-19 CDBG Street Improvement Project

RECOMMENDED ACTION

It is recommended that the City Council award a contract for the FY 2018-19 CDBG Street Improvement project to the lowest responsive/responsible bidder, Matich Corporation for the Base Bid amount of \$597,350 plus the Add Alternate Bid in the amount of \$250,915 for a total amount of \$848,265; approve an additional 10% contingency in the amount of \$84,000 for a total construction budget of \$932,265; approve the design of the project represented by the plans and specifications; and authorize the City Manager to execute the contract.

BACKGROUND

The City Council has continuously expressed a desire to improve existing roadways within the City. As a result, staff has sought innovative ways to fund such improvements. Annually the City receives Community Development Block Grant (CDBG) funding from the U.S. Department of Housing and Urban Development (HUD). In the past a large part of this funding was directed to programs, which left small amounts available for capital projects. In order to accomplish the Council's goal of improving more streets throughout the City, staff has designated a larger amount of the CDBG funding towards the CDBG Capital Fund.

The FY 2018-19 CDBG Street Improvement Project consists of construction of new asphalt paving over portions of Wells Fargo Street, Larch Street, and Ash Street, which are currently dirt roadways. The improvements will include construction of 26-foot wide asphalt concrete (AC) pavement within the middle of each street's existing 60-foot wide right-of-way. These roads were selected due to the fact that infrastructure upgrades to waterlines have been completed and residential development is near build-out. There are few vacant lots left on these particular streets so there is less chance that the new roadway will be cut after completion in order to install new water or sewer services.

On June 19, 2018 the Hesperia City Council adopted the Fiscal Year 2018-19 Capital Improvement Program (CIP) Budget that included the FY 2018-19 CDBG Street Improvement project under Construction Order No. 7150. The Council also approved additional funding for this project in the amount of \$400,000 via previous budget amendments for a total revised project budget of \$1,006,546.

ISSUES/ANALYSIS

This project was advertised for bids beginning on April 11, 2019. Various contractors were notified about the project. Bids were received, opened, and publicly read on May 2, 2019.

The City received the following three Base Bids, which were utilized to determine the lowest responsible/responsive bidder:

Matich Corporation	San Bernardino, CA	\$597,350
Sully-Miller Contracting Co.	Brea, CA	\$797,994
Leonida Builders, Inc.	Santa Clarita, CA	\$1,005,740

After review of the submitted bids, staff has determined that Matich Corporation is the lowest responsive/responsible bidder. Matich Corporation has been in the Southern California construction industry since 1918 and has earned a reputation as a service-oriented company that produces first-class, quality projects, on schedule and within budget. Matich Corporation has extensive experience in public works roadway projects. After completing due diligence staff believes Matich Corporation has a reputation of professionalism and reliability and will meet the construction needs of this project. Therefore, staff is recommending that the Council award a contract to Matich Corporation for construction of FY 2018-19 CDBG Street Improvements.

FISCAL IMPACT

This project was originally included in the FY 2018-19 CIP Budget. Additional funding was subsequently added during the quarterly budget review process. Since then, additional unallocated CDBG Capital Funds have become available that must be utilized for capital projects. Staff would like to add a portion of this funding to the FY 2018-19 CDBG Street Improvement project in order to have the ability to construct the additional street (i.e., Ash Street) that was included in the Bid as an add alternate. The estimated costs for this project are as follows:

Construction	\$848,265
Construction Contingency	84,000
Engineering Design Services	100,519
Construction Geotechnical Engineering	85,388
Labor Compliance Consulting Services	20,895
Project Administrative Costs ¹	2,933
Total =	<u>\$1,142,000</u>

¹Project administrative costs include items such as legal advertising, copying services, postage, etc.

If approved, the proposed FY 2019-20 CIP Budget, which will be presented to the City Council during June 2019, will reflect the additional funding to construct the street improvements proposed under FY 2018-19 CDBG Street Improvements (Acct. No. 251-29-700-7150-8000).

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

None.



DATE: April 16, 2019

TO: Mayor and Council Members

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

BY: Chris Borchert, Acting Principal Planner
Ryan Leonard, Senior Planner

SUBJECT: Specific Plan Amendment SPLA19-00003; Applicant: Pixior; Area affected: Main Street and Freeway Corridor Specific Plan

RECOMMENDED ACTION

The Planning Commission recommends that the City Council introduce and place on first reading Ordinance No. 2019-07 approving Specific Plan Amendment SPLA19-00003 to change approximately 21 gross acres from Regional Commercial to Commercial Industrial Business Park and allow up to 50 percent lot coverage within the Main Street and Freeway Corridor Specific Plan. The changing retail commercial landscape from fewer “brick and mortar” locations to e-commerce is resulting in the need for less commercial frontage, focused on easy accessibility to Interstate 15.

PROJECT SUMMARY

Proposal: To change approximately 21 gross acres from Regional Commercial to Commercial Industrial Business Park and allow up to 50 percent lot coverage within the Main Street and Freeway Corridor Specific Plan. The changing retail commercial landscape from fewer “brick and mortar” locations to e-commerce is resulting in the need for less commercial frontage, focused on easy accessibility to Interstate 15.

Location: The northwest corner of Amargosa Road and the California Aqueduct, south of and adjacent to 10200 Amargosa Road (APN: 0405-062-51)

Planning Commission Review: The Planning Commission will be reviewing this proposal on April 10th, 2019 and the results of that review and vote will be given to the Council at the hearing, since the agenda is completed prior to that date.

Conclusion: Staff supports the Specific Plan Amendment because of the change in retail commercial trends, and because the adjacent parcel to the north is zoned CIBP with a distribution facility.

ATTACHMENTS

1. Ordinance No. 2019-07, with Exhibit “A”
2. Planning Commission Staff Report with attachments.

ORDINANCE NO. 2019-07

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA ADOPTING A SPECIFIC PLAN AMENDMENT TO CHANGE APPROXIMATELY 21 GROSS ACRES FROM REGIONAL COMMERCIAL TO COMMERCIAL INDUSTRIAL BUSINESS PARK AND ALLOW UP TO 50 PERCENT LOT COVERAGE WITHIN THE MAIN STREET AND FREEWAY CORRIDOR SPECIFIC PLAN (SPLA19-00003)

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

WHEREAS, On September 2, 2008, the City Council of the City of Hesperia adopted Ordinance No. 2008-12, thereby adopting the Main Street and Freeway Corridor Specific Plan; and

WHEREAS, Pixior representative Simon Bouzaglou has filed an application requesting approval of SPLA19-00003 described herein (hereinafter referred to as the "Application"); and

WHEREAS, the application proposes to change approximately 21 gross acres within the Main Street and Freeway Corridor Specific Plan from Regional Commercial (RC) to Commercial Industrial Business Park (CIBP) and to allow for an increase in floor area ratio from .35 to .50 which will better accommodate a large distribution style building; and

WHEREAS, a large industrial distribution building currently exists on the adjacent parcel to the north of the site; and

WHEREAS, commercial real estate professionals have stated concerns over the shrinking nature of "brick and mortar" retail businesses and expressed that this site is not desirable for retail purposes due to its distance from the Main Street interchange; and

WHEREAS, Pixior is a third party logistics company who believes the site is good for use with a distribution warehouse partially due to its ease of access to Interstate 15; and

WHEREAS, the Regional Commercial zoning is typically seen as generating more impacts than Commercial Industrial Business Park due to having store employees, property management employees, delivery truck trips, and customer trips as well; and

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

WHEREAS, on March 14, 2019, the Planning Commission of the City of Hesperia conducted a duly noticed public hearing pertaining to the proposed amendment and concluded said hearing on that date; and

WHEREAS, on April 16, 2019, the City Council of the City of Hesperia conducted a duly noticed public hearing pertaining to the proposed amendment and concluded said hearing on that date; and

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

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

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

Section 2. The site of the proposed Amendment is suitable for the land uses allowed in the Commercial Industrial Business Park zoning classification, and development will be required to meet the standards for setbacks, height, parking and circulation within the proposed Specific Plan designation.

Section 3. The proposed change in zone will not have a significant adverse impact on surrounding properties or the community in general, because the property to the north is already developed with a distribution warehouse, the property to the west is vacant and the southern boundary is the California Aqueduct.

Section 4. Based upon substantial evidence presented to the City Council, including written and oral staff reports, the City Council specifically finds that the proposed Ordinance is consistent with the goals and objectives of the adopted General Plan. The subject site is capable of utilizing existing supporting infrastructure and municipal services, as directed by the City's adopted General Plan.

Section 5. Based on the findings and conclusions set forth in this Ordinance, this Council hereby adopts Specific Plan Amendment SPLA19-00003, to change approximately 21 gross acres within the Main Street and Freeway Corridor Specific Plan from Regional Commercial (RC) to Commercial Industrial Business Park (CIBP) as shown on Exhibit "A."

Section 6. This Ordinance shall take effect thirty (30) days from the date of adoption.

Section 7. The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be posted in three (3) public places within the City of Hesperia pursuant to the provisions of Resolution No. 2007-101

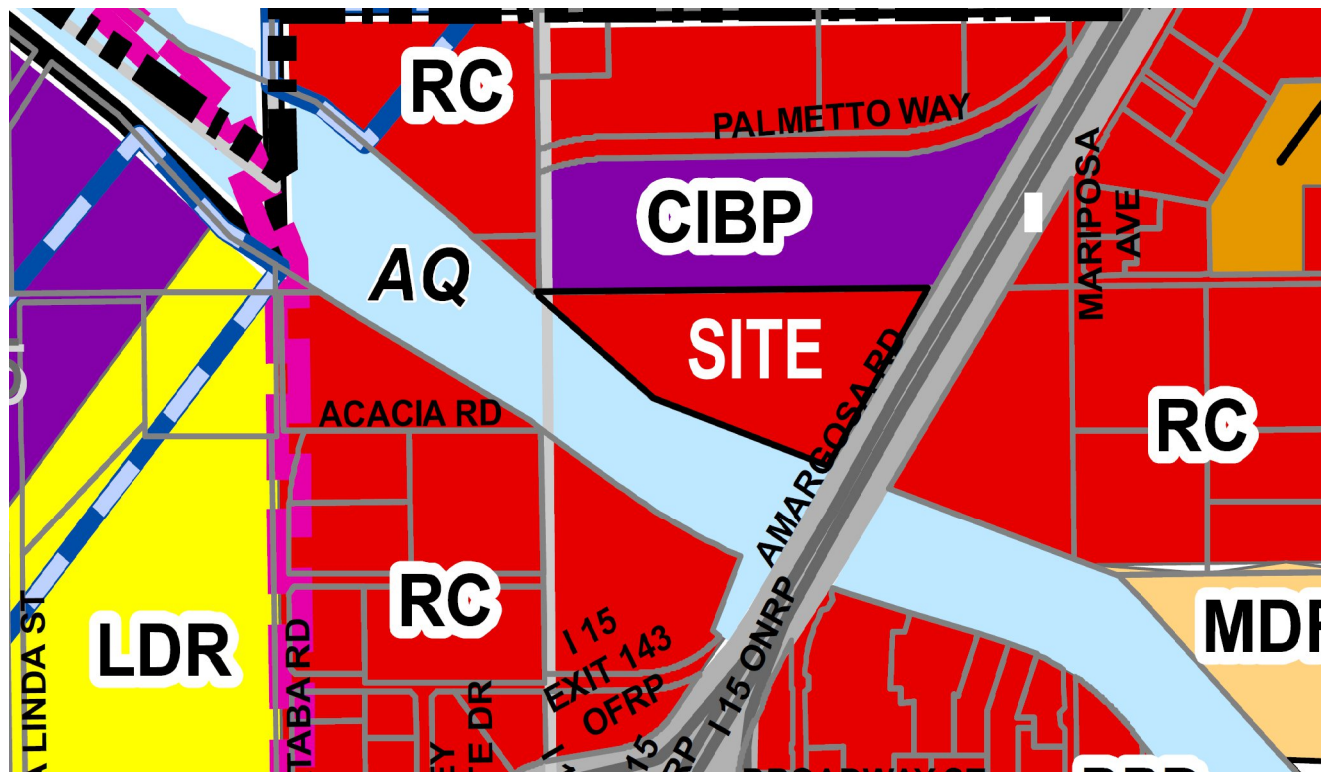
ADOPTED AND APPROVED on this 21ST day of May 2019.

Larry Bird, Mayor

ATTEST:

Melinda Sayre, City Clerk

Exhibit "A"



SPLA19-00003

A SPECIFIC PLAN AMENDMENT TO CHANGE APPROXIMATELY 21 GROSS ACRES WITHIN THE MAIN STREET AND FREEWAY CORRIDOR SPECIFIC PLAN FROM REGIONAL COMMERCIAL (RC) TO COMMERCIAL INDUSTRIAL BUSINESS PARK (CIBP)



ATTACHMENT 2

DATE: April 11, 2019
TO: Planning Commission
FROM: Chris Borchert, Acting Principal Planner
SUBJECT: Specific Plan Amendment SPLA19-00003
Applicant: Pixior/Simon Bouzaglou; APN: 0405-062-51

RECOMMENDED ACTION

It is recommended that the Planning Commission adopt Resolution No. PC-2019-09 recommending that the City Council introduce and place on first reading an ordinance approving SPLA19-00003.

BACKGROUND

Proposal: A Specific Plan Amendment to change approximately 21 gross acres from Regional Commercial to Commercial Industrial Business Park and allow up to 50 percent lot coverage within the Main Street and Freeway Corridor Specific Plan.

Location: The northwest corner of Amargosa Road and the California Aqueduct, south of and adjacent to 10200 Amargosa Road (APN: 0405-062-51)

General Plan and Land Uses: The 21 acre property is currently zoned Regional Commercial (RC) within the Main Street and Freeway Corridor Specific Plan (Specific Plan). The surrounding land is designated as noted on Attachment 1. The existing distribution building for MGA Entertainment (originally Heilig-Meyers) is located to the immediate north, while the southern and western property line borders the California Aqueduct. Interstate 15 is to the east.

ISSUES/ANALYSIS

Land Use: The applicant is proposing a Specific Plan Amendment to change the property from Regional Commercial (RC) to Commercial Industrial Business Park (CIBP) within the Main Street and Freeway Corridor Specific Plan.

The Economic Development Department has heard from several developers recently that the changes in the retail world due to online shopping would remove this property from consideration due to the distance from the interchange, and stores are not building as many "brick and mortar" locations as previously. The next closest freeway interchange to the north is a farther distance than south to Main Street.

The applicant, Pixior, currently offers distribution warehouse space in the Los Angeles and Inland Empire. They believe the site can support around 400,000 square feet of space, which would be about 43 percent coverage. Therefore, they are also requesting to increase the current Floor Area Ratio from .35 to .50 for the site.

Drainage: The future development will be required to handle the increase in storm water runoff as a result of construction of a project. They will also be required to address drainage coming across the aqueduct at the rear of the property. The applicant will be required to submit a drainage study when they apply for site plan review.

Water and Sewer: The site has the ability to connect to existing water and sewer lines.

Environmental: The project is exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3), where it can be seen with certainty that there is no significant effect on the environment. The proposed Specific Plan Amendment is also exempt from the requirements of the California Environmental Quality Act by Section 16.12.415(B)(10) of the City's CEQA Guidelines, as Specific Plan Amendments are exempt if they do not propose to increase the density or intensity allowed in the General Plan. Regional Commercial has a higher impact to services than Commercial Industrial Business Park.

Conclusion: The proposed Specific Plan Amendment will allow the applicant to move forward with building and site design for this location. The change from Regional Commercial to Commercial Industrial Business Park is appropriate as retail trends are shrinking the amount of needed square footage and close proximity to freeway interchanges is critical. The increase in floor area ratio is also appropriate to allow the site to utilize the most property, while meeting all other code requirements.

FISCAL IMPACT

None.

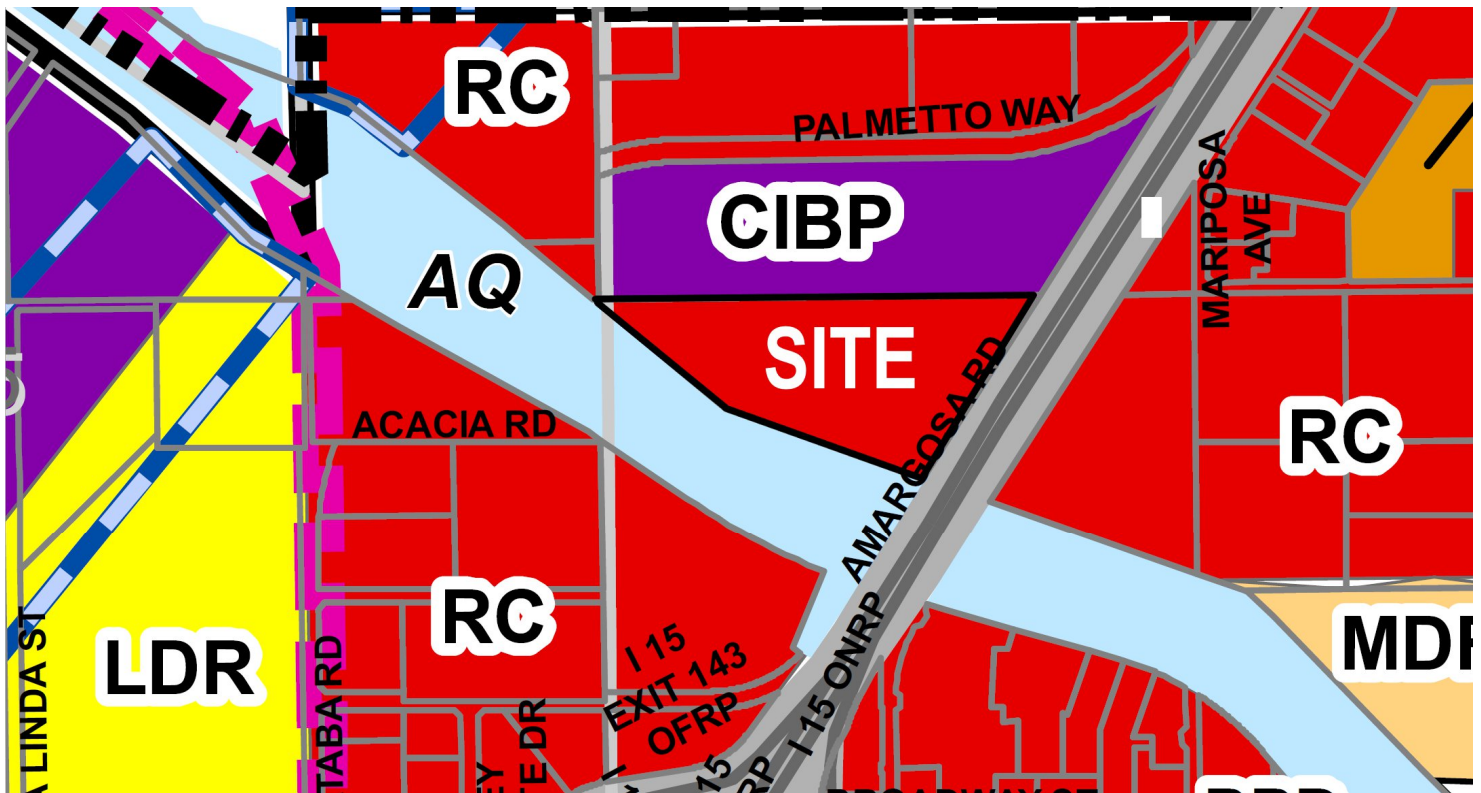
ALTERNATIVE(S)

Provide alternative direction to staff.

ATTACHMENT(S)

1. General Plan Map
2. Aerial Photo
3. Resolution No. PC-2019-09 with Exhibit "A"

ATTACHMENT 1



APPLICANT:
PIXIOR: SIMON BOUZAGLOU

FILE NO:
SPLA19-00003

LOCATION:
NORTHWEST CORNER OF AMARGOSA ROAD AND THE CALIFORNIA
AQUEDUCT, SOUTH OF 10200 AMARGOSA ROAD

APN : 0405-062-51

PROPOSAL:
CHANGE APPROXIMATELY 21 GROSS ACRES FROM REGIONAL COMMERCIAL TO
COMMERCIAL INDUSTRIAL BUSINESS PARK AND ALLOW UP TO 50 PERCENT LOT
COVERAGE WITHIN THE MAIN STREET AND FREEWAY CORRIDOR SPECIFIC PLAN



GENERAL PLAN MAP

ATTACHMENT 2



APPLICANT:
PIXIOR: SIMON BOUZAGLOU

FILE NO:
SPLA19-00003

LOCATION:
NORTHWEST CORNER OF AMARGOSA ROAD AND THE CALIFORNIA
AQUEDUCT, SOUTH OF 10200 MARIPOSA ROAD

APN : 0405-062-51

PROPOSAL:
CHANGE APPROXIMATELY 21 GROSS ACRES FROM REGIONAL COMMERCIAL TO
COMMERCIAL INDUSTRIAL BUSINESS PARK AND ALLOW UP TO 50 PERCENT LOT
COVERAGE WITHIN THE MAIN STREET AND FREEWAY CORRIDOR SPECIFIC PLAN



AERIAL PHOTO

ATTACHMENT 4

RESOLUTION NO. PC-2019-09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HESPERIA, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT A SPECIFIC PLAN AMENDMENT TO CHANGE APPROXIMATELY 21 ACRES WITHIN THE MAIN STREET AND FREEWAY CORRIDOR SPECIFIC PLAN FROM REGIONAL COMMERCIAL (RC) TO COMMERCIAL INDUSTRIAL BUSINESS PARK (CIBP) AND ALLOW A FLOOR AREA RATIO OF .5 FOR FUTURE DEVELOPMENT (SPLA19-00003)

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

WHEREAS, On September 2, 2008, the City Council of the City of Hesperia adopted Ordinance No. 2008-12, thereby adopting the Main Street and Freeway Corridor Specific Plan; and

WHEREAS, Pixior representative Simon Bouzaglou has filed an application requesting approval of SPLA19-00003 described herein (hereinafter referred to as the "Application") for assessor's parcel 0405-062-51; and

WHEREAS, the application proposes to change approximately 21 acres within the Main Street and Freeway Corridor Specific Plan from Regional Commercial (RC) to Commercial Industrial Business Park (CIBP); and

WHEREAS, the property was previously zoned CIBP prior to its change to RC when the belief at that time was that it was viable commercial property, however, current retail development trends and with the online shopping demand removing the need for "brick and mortar" commercial, the need for commercial this far from existing and proposed interchanges is very low; and

WHEREAS, due to their nature, industrial distribution and warehousing buildings typically exceed the CIBP zoning floor area ratio of .35, and the increase to .5 is acceptable to allow the city to compete with neighboring cities and attract new development; and

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

WHEREAS, on April 11, 2019, the Planning Commission of the City of Hesperia conducted a duly noticed public hearing pertaining to the proposed amendment and concluded said hearing on that date; and

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

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

Section 1. The Planning Commission hereby specifically finds that all of the facts set forth in this Resolution are true and correct.

Section 2. The site of the proposed Amendment is suitable for the land uses allowed in the Commercial Industrial Business Park zoning classification, and adequate space exists which can meet the standards for setbacks, height, lot coverage, parking and circulation within the proposed Specific Plan designation.

Section 3. The proposed change in zone will not have a significant adverse impact on surrounding properties or the community in general, because the property is south of and adjacent to CIBP to the north, has the California Aqueduct as an southern and western border, and Interstate 15 as an eastern border.

Section 4. Based upon substantial evidence presented to the Commission, including written and oral staff reports, the Commission specifically finds that the proposed Ordinance is consistent with the goals and objectives of the adopted General Plan. The subject site is capable of utilizing existing supporting infrastructure and municipal services, as directed by the City's adopted General Plan.

Section 5. Based on the findings and conclusions set forth in this Resolution, this Commission hereby recommends adoption of Specific Plan Amendment SPLA19-00003, to change approximately 21 acres within the Main Street and Freeway Corridor Specific Plan from Regional Commercial (RC) to Commercial Industrial Business Park (CIBP) as shown on Exhibit "A."

Section 6. That the Secretary shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED on this 11th day of April 2019.

Tom Murphy, Chair, Planning Commission

ATTEST:

Cecilia Alonzo, Secretary, Planning Commission

City of Hesperia STAFF REPORT



DATE: April 16, 2019

TO: City Council

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

BY: Mike Blay, Assistant City Manager
Chris Borchert, Acting Principal Planner

SUBJECT: Apartment Unit Sizes and Building Separation with Possible Code Amendment DCA19-00001 and Specific Plan Amendment SPLA19-00004

RECOMMENDED ACTION:

The Planning Commission recommends that the City Council introduce and place on first reading Ordinance No. 2019-08 approving Development Code Amendment DCA19-00001 and Specific Plan Amendment SPLA19-00004, to amend the apartment unit minimum size requirement and separation distances (Applicant: City of Hesperia; City-wide).

At the May 7, 2019 Council Meeting the City Manager clarified that the Planning Commission did not review and make a recommendation for this item as stated in the recommended action.

BACKGROUND:

At the February 19, 2019 City Council Meeting, Mayor Bird requested an item be put on the agenda to discuss whether lowering apartment sizes for a developer was done in the best interest of the City as a whole.

ISSUES/ANALYSIS:

At the February 19th Council meeting, Mayor Bird requested the Council revisit a previous code amendment which was done in July 2016, at the request of Frontier Communities. This amendment lowered the minimum square footage of apartment units.

The following represent the previous and current apartment size requirements:

PREVIOUS Minimum Floor Area Requirements for Multiple-family Units					
	Studio	1 BDR	2 BDR	3 BDR	4 BDR
Market Rate units:	675	875	1075	1275	1475

CURRENT Minimum Floor Area Requirements for Multiple-family Units					
	Studio	1 BDR	2 BDR/1BA	3 BDR	4 BDR
Market Rate units:	550	650	850*	1150	1300

*Units with two bathrooms shall be nine hundred fifty (950) square feet.

There were no changes to below market rate unit sizes, they remained the same.

Additionally, in 2017, a code amendment lowered the separation distances between apartment units, and the setback distances between the apartment and the property lines. The code previously required 15 feet between buildings, however, it now differentiates between single story and multi-story and looks like:

3. If the development contains multiple buildings, the minimum distance between buildings shall be as follows:

Distance Between Single-Story Buildings		Distance Between Multiple-Story Building and Any Other Building	
No Openings ¹	With Openings	No Direct Line of Sight	Direct Line of Sight
6'	8' ²	10' ²	15'

This favors developers as it could result in the ability to build more units while potentially reducing the livability and aesthetics of a project.

Lastly, the interpretation of the language in the Low Density Residential zone of the Main Street & Freeway Corridor Specific Plan allowed multi-family development based on the language that states: "...this zone also permits small lot subdivisions as well as row houses, duplexes and triplexes at the higher end of the permitted density range." However, multiple family dwellings are not listed as a permitted use in the section.

According to the 2016 staff report, since 1988, 1,110 units had been built, and 619 units were approved but not constructed. Since that time, 18 new projects have been approved allowing for 1,310 units.

The city currently has 562 acres of vacant land designated for multi-family residential. This could result in around 6,600-9,000 new apartment units. If the Low Density Residential allows multi-family, this would potentially add up to 4,900 more apartments.

With the recent decision by the Mojave Water Agency to ramp down the value of water rights it is important to look at the long term impact of high density housing and water consumption. Staff pulled the water usage amounts for both single and multi-family units. With approximately 24,650 single family residences versus 1,200 multi-family units, the multi-family complexes use 2-3 times as much water per unit, than the single family customers.

FISCAL IMPACT:

None.

ALTERNATIVE(S):

1. Leave the Municipal Code Requirements as they are currently.
2. Provide alternative direction to Staff.

ATTACHMENTS:

1. Ordinance 2019-08
2. Exhibit "A"
3. Exhibit "B"

ORDINANCE NO. 2019-08

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, ADOPTING A DEVELOPMENT CODE AMENDMENT AND SPECIFIC PLAN AMENDMENT RETURNING THE MINIMUM APARTMENT SIZE TO PRE-2016 SIZES AND AMENDING THE MINIMUM SEPARATION DISTANCE BETWEEN APARTMENT BUILDINGS AND CLARIFYING THAT THE LOW DENSITY RESIDENTIAL ZONE IS NOT INTENDED FOR MULTIPLE-FAMILY DWELLING UNITS (DCA19-00001 & SPLA19-00004)

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

WHEREAS, On September 2, 2008, the City Council of the City of Hesperia adopted Ordinance No. 2008-12, thereby adopting the Main Street and Freeway Corridor Specific Plan; and

WHEREAS, the City proposes to amend Article V of Chapter 16.16 of the City of Hesperia Development Code regulations and Chapter 7 of the Main Street and Freeway Corridor Specific Plan, which pertain to procedures and development regulations for multiple-family developments; and

WHEREAS, the City finds that the reductions in apartment sizes were done for the benefit of the developers and could be detrimental to the residents and families that choose to live in them, and that inadequate space can lead to emotional distress amongst a family; and

WHEREAS, lowering the minimum separations and setbacks reduces the amount of open space between units and in the complex as a whole, puts living areas closer together, and decreases the amount of privacy, all of which can add to distress for the residents and potentially detract from the aesthetics of the entire project; and

WHEREAS, prior direction was given to allow multiple family development in the Low Density Residential zone of the Main Street and Freeway Corridor Plan based on language in the opening paragraph, even though multiple family development is not listed as a permitted or conditionally permitted use; and

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

WHEREAS, on April 16, 2019, the City Council of the City of Hesperia conducted a duly noticed public hearing pertaining to the proposed Amendments and concluded said hearing on that date; and

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

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

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

Section 2. Based upon substantial evidence presented to the Council, including written and oral staff reports, the Council specifically finds that the proposed Ordinance is consistent with the goals and objectives of the adopted General Plan, specifically Goal LU-1 Regulate development so that the intensity of development is appropriate to the property, surrounding properties, and the neighborhood; and LU-2 Protect and enhance the quality of life by ensuring development is visually pleasing and compatible with existing neighborhoods and the natural environment.

Section 3. Based on the findings and conclusions set forth in this Ordinance, this Council hereby adopts Development Code Amendment DCA19-00001 and Specific Plan Amendment SPLA19-00004, amending development regulations regarding apartments and one procedural standard pertaining to multiple-family in a single family zone as shown on Exhibits "A" and "B".

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

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

ADOPTED AND APPROVED on this 21ST day of May 2019.

Larry Bird, Mayor

ATTEST:

Melinda Sayre
City Clerk

Ordinance 2019-08

SPLA19-00004

EXHIBIT “A”

Additions are underlined red text and deletions are ~~red and strikethrough~~

- 1) The following are modifications to Chapter 7: Residential Zones, subsection (B. LOW DENSITY RESIDENTIAL) of the Main Street and Freeway Corridor Specific Plan:

B. LOW DENSITY RESIDENTIAL ZONE

The Low Density Residential zone is the most prevalent of the single family residential zones and falls within five of the eight land use districts as described in Chapter 5 (Land Use Districts) of this Plan. The purpose of this Specific Plan zone is to provide areas for single family residences with a variety of lot sizes and housing choices. While the most prevalent housing type in this zone is ~~envisaged~~ envisioned to be single-family homes on generous sized lots, this zone also permits small lot subdivisions as well as attached ownership products such as ~~row houses, duplexes and triplexes~~ condominiums, townhomes, at the higher end of the permitted density range.

- 2) The following are modifications to Chapter 7: Residential Zones, subsection (E. MEDIUM DENSITY RESIDENTIAL & F. HIGH DENSITY RESIDENTIAL)(4.5 & 4.6) of the Main Street and Freeway Corridor Specific Plan:

Minimum Floor Area Requirements for Multiple-family Units					
	Studio	1 BDR	2 BDR	3 BDR	4 BDR
Market Rate units:	550	650	850	1150	1300
	<u>675</u>	<u>875</u>	<u>1075</u>	<u>1275</u>	<u>1475</u>
Senior/Affordable units:	500	600	750	1000	1200

4.6 Distance Between Buildings

If the development contains multiple buildings, the minimum distance between buildings shall be as follows:

Distance between Single-story buildings		Distance between Multiple-story building and any other building	
No openings ¹	With openings	No direct line of sight	Direct line of sight
6' <u>10'</u>	8' <u>10'</u> ²	10' ²	15'

Notes:

- The sides of buildings that face each other shall not include openings. Openings in this case shall mean windows and doors.
- Windows, doors, as well as patios/balconies or similar features shall be oriented so as not to have a direct line-of-sight into adjacent units.

Ordinance 2019-08

DCA19-00001

EXHIBIT “B”

Additions are underlined red text and deletions are ~~red and strikethrough~~

- 1) The following are modifications to Section 16.16.130 Additional development standards for the multiple-family residence (R3) designation of the Hesperia Municipal Code:

B. Development Standards. All property in the R3 designation shall be developed according to the following standards:

2. Minimum Living Area. The minimum living area for residential units shall be as follows:

Minimum Floor Area Requirements for Multiple-family Units					
	Studio	1 BDR	2 BDR/1 bathroom*	3 BDR	4 BDR+
Market rate units:	550 <u>675</u>	650 <u>875</u>	850 <u>1075</u>	1,150 <u>1275</u>	1,300 <u>1475</u>

*Units with two bathrooms shall be nine hundred fifty (950) square feet.

3. If the development contains multiple buildings, the minimum distance between buildings shall be as follows:

Distance Between Single-Story Buildings		Distance Between Multiple-Story Building and Any Other Building	
No Openings ¹	With Openings	No Direct Line of Sight	Direct Line of Sight
6' <u>10'</u>	8' <u>10'</u> ²	10' ²	15'

Notes:

- The sides of buildings that face each other shall not include openings. Openings in this case shall mean windows and doors.
 - Windows, doors, as well as patios/balconies or similar features shall be oriented so as not to have a direct line-of-sight into adjacent units.
- No minimum distance shall be required for accessory structures, such as carports.

2) The following deletion of Section 16.20.040 General Regulations; Apartment building separations of the Hesperia Municipal Code:

~~16.20.040 – Apartment building separations.~~

~~On any lot containing residential buildings with a total of two or more dwelling units in separate buildings, spaces with the minimum dimensions prescribed in the following cases shall be provided between opposite exterior walls of the same or separate buildings on the lot. The walls shall be considered opposite one another if a line drawn in a horizontal plane perpendicularly from any portion of a wall intersects the other wall.~~

~~A. Buildings side-to-side: 10 feet~~

~~B. Buildings rear-to-rear or front-to-side: 15 feet~~

~~C. Buildings front-to-rear: 20 feet~~

~~D. Buildings front-to-front or interior court space: 25 feet~~

~~E. Interior court space with parking access: 30 feet~~

~~F. Minimum space in all other cases: 20 feet~~

~~(Ord. 250 (part), 1997; SBCC § 87.0701(b))~~

City of Hesperia STAFF REPORT



DATE: May 21, 2019
TO: Chairman and Board Members, Hesperia Water District
FROM: Nils Bentsen, City Manager
BY: Casey Brooksher, Director of Finance
SUBJECT: Recycled Water Rates

RECOMMENDED ACTION

It is recommended that the Board of Directors of the Hesperia Water District (District) conduct a Proposition 218 Public Hearing related to new maximum recycled water rates for recycled water services provided by the District and, in the absence of a majority vote of opposition, adopt Resolution No. HWD 2019-04 (Attachment 1), approving new maximum rates for recycled water services.

BACKGROUND

The Victor Valley Wastewater Reclamation Authority (VWVRA) has constructed the Hesperia Sub-regional Water Reclamation Plant. The Sub-regional Plant will be capable of supplying up to approximately one million gallons per day (MGD) of reclaimed water, which can be used for irrigation purposes. To utilize this resource, the District is in the process of constructing a distribution system to convey the reclaimed water to potential users. The primary user under this first phase will be the Hesperia Golf & Country Club (Golf Course). The reclaimed water pipeline, as well as lateral pipes of the distribution system are in close proximity to other potential users, such as parks, schools, and the Hesperia Civic Center Complex.

To construct the approximate 10 miles of "purple" distribution pipe, a storage reservoir and a booster station are necessary to provide the required pressures to operate the large irrigation systems. The Water District received State funding for these improvements by way of a low interest loan and grants. On December 15, 2015, the Water District Board of Directors approved an Installment Sale Agreement with the California State Water Resources Control Board to finance the construction of a reclaimed water pipeline distribution system, for which the District received notification of State approval on September 28, 2016. Of the \$14,673,750 requested, the agreement provides for a \$4,727,337 Grant, with the remaining \$9,946,413 in the form of a thirty-year loan at a 1% interest rate. The anticipated completion date for the project is January 2020. The first loan payment is due the following year starting in January 2021, with the final payment due January 2050. An additional \$2 million grant was obtained from the California Department of Water Resources.

ISSUES/ANALYSIS

The distribution pipeline portion of the project is complete and has been tied into the irrigation network of the first customer, which is the Golf Course that is owned by the City of Hesperia. Additionally, VWVRA is nearing the point of beginning the operation of the Sub-regional Plant. Because recycled water is a new service provided by the Water District, a recycled water rate has not yet been established.

Recycled Water Rate

Typically, utility rates are built with historical data, as well as future projections, and are allocated over an established customer base. In this case, this is a new service offered by the District, with one initial customer, the City of Hesperia. On April 2, 2019 the Board recommended that the adopted potable water – irrigation rate, which was approved by the Board on November 21, 2017 be discounted. As additional customers, such as other City facilities, the Park District, and School District, become recycled water customers, a fully borne rate study will be conducted.

Direction was provided by the Board to proceed with issuing a Proposition 218 notice (Attachment 2) for the maximum recycled water rates, which were identified as ninety percent (90%) of the potable irrigation water rate. There are two components to the Recycled Water Rate. The first component is the fixed charge (bi-monthly). The fixed charge is dependent upon meter size. The variable component (commodity charge) is dependent upon the amount of recycled water utilized.

Proposition 218 Notice

The establishment of recycled water rates is subject to Proposition 218 notice, hearing, and majority protest procedures. Proposition 218 requirements include a public hearing not less than 45 days after mailing a notice to the affected property owner. In this case, the City of Hesperia (City), as the only recycled water rate customer, was mailed the Proposition 218 notice on April 3, 2019. Consistent with the Proposition 218 process, the City, which is responsible for the payment of the recycled water charges at the Golf Course, may wish to protest the establishment of the rates by submitting a written protest before the public hearing or appear and be heard in support of, or in opposition to the proposal at the time of the public hearing. Only one written protest per identified parcel (Golf Course) relating to the rate increase will be counted. The City's written protest must be received at, or prior to the public hearing. As of the printing of the Agenda, no written protests have been received. If a written or public hearing protest is presented by the City of Hesperia, as the single customer, the rates cannot be imposed.

FISCAL IMPACT

The revenue generated from the recycled water rates will offset the costs to supply the alternative water source. Such costs include loan repayment for construction of the reclaimed water system, utilities and labor costs to supply the alternative source.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Resolution HWD 2019-04
2. Proposition 218 Notice

RESOLUTION NO. HWD 2019-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA
WATER DISTRICT, HESPERIA, CALIFORNIA, ESTABLISHING NEW
MAXIMUM RECYCLED WATER RATES**

WHEREAS, the Board of Directors of the Hesperia Water District (Board) wishes to establish recycled water rates; and

WHEREAS, it is prudent to offer an alternative water source for irrigation uses, as opposed to potable water; and

WHEREAS, recycled water, as an alternative water source, will be less costly to produce and distribute to customers, as opposed to the production of potable ground water; and

WHEREAS, on April 2, 2019, the Board of Directors directed staff to move forward with a Proposition 218 notice, as required for the adoption of new recycled water rates; and

WHEREAS, a Board of Directors public hearing has been completed in order to approve the maximum fees in "Attachment A" attached hereto.

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

Section 1. All of the recitals in this Resolution, as set forth above, are true and correct.

Section 2. The recycled water rates, as set forth in "Attachment A" to this Resolution are hereby adopted as the maximum recycled water rates which the Hesperia Water District can charge its customers.

Section 3. The effective date of implementation of the new rates in this Resolution shall be with each recycled water bill issued on or after June 1, 2019, with each subsequent increase taking effect with each recycled water bill issued on or after December 1st of each year, through 2023. By doing so, the customer will pay the new rates on the previous two months' water consumption, based upon the bi-monthly billing cycle.

Section 4. Upon the effective date as detailed in Section 3, the rates and charges as detailed in this resolution shall be in effect.

Section 5. That the Secretary shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 21st day of May 2019.

Larry Bird, Chair

ATTEST:

Melinda Sayre, Secretary of the Board

Attachment A

Recycled Water Rate Schedule (Effective Date)	Proposed Rates				
	FY 2018/19 6/1/19	FY 2019/20 12/1/19	FY 2020/21 12/1/20	FY 2021/22 12/1/21	FY 2022/23 12/1/22
Bi-Monthly Fixed Service Charges:					
<i>All Other Customers:</i>					
3/4 inch	\$84.41	\$92.01	\$100.29	\$121.55	*
1 inch	\$132.46	\$144.39	\$157.37	\$191.93	*
1.5 inch	\$252.59	\$275.32	\$300.10	\$367.89	*
2 inch	\$396.74	\$432.44	\$471.37	\$579.04	*
3 inch	\$781.14	\$851.44	\$928.07	\$1,142.10	*
4 inch	\$1,213.59	\$1,322.81	\$1,441.86	\$1,775.55	*
6 inch	\$2,414.84	\$2,632.17	\$2,869.07	\$3,535.12	*
8 inch	\$6,739.33	\$7,345.87	\$8,006.99	\$9,869.58	*
Commodity Charges:					
Rate per Hundred Cubic Feet:					
<i>Recycled Water</i>	\$1.62	\$1.76	\$1.93	\$1.86	*

*The proposed rates for Fiscal Year 2022-23, including the Fixed Service Charges and Commodity Charges shown in the table above, will be adjusted proportionate to the change in the consumer price index for all urban consumers for Riverside-San Bernardino-Ontario published by the US Department of Labor, but will not exceed 5%. This consumer price index adjustment will be based on the change in the published index between September 2021 and September 2022.



City of Hesperia

Gateway to the High Desert

April 3, 2019

NOTICE OF PUBLIC HEARING

BY THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT REGARDING PROPOSED RECYCLED WATER RATES PURSUANT TO ARTICLE XIIID OF THE CALIFORNIA CONSTITUTION (PROPOSITION 218)

Owner of the Addressed Property:

NOTICE IS HEREBY GIVEN that a Public Hearing will be held before the Board of Directors of the Hesperia Water District on the following date:

DATE OF HEARING: May 21, 2019

TIME OF HEARING: 6:30 p.m., or as soon thereafter as possible

PLACE OF HEARING: City Hall - City of Hesperia
Council Chambers, 9700 Seventh Avenue
Hesperia, California 92345
(760) 947-1833

FOR THE FOLLOWING PURPOSE:

The Board of Directors of the Hesperia Water District ("District") will hold a public hearing pursuant to Article XIIID of the California Constitution (commonly referred to as Proposition 218) to consider proposed rates for the recycled water services provided by the District. The proposed recycled water rates will include: (i) Bi-monthly Fixed Service Charges; and (ii) Commodity Charges at Rates per Hundred Cubic Feet. The proposed rates are shown in the attached Exhibit A.

This 45-day notice is hereby given in accordance with Section 6(a) of Article XIIID of the California Constitution. The purpose of this notice is to provide you with information about the proposal to establish rates charged by the District, and to inform you about your opportunity to protest the rates by submitting written protests prior to or during this public hearing.

On April 2, 2019, the District reviewed the proposed maximum recycled water rates and the District directed staff to send out this notice. If the proposed rates are approved, the proposed rates are scheduled to take effect on June 1, 2019.

Larry Bird, Mayor
William J. Holland, Mayor Pro Tem
Jeremiah Brosowske, Council Member
Cameron Gregg, Council Member
Rebekah Swanson, Council Member

Nils Bentsen, City Manager

9700 Seventh Ave
Hesperia, CA 92345
760-947-1000
TD 760-947-1119



City of Hesperia

The proposed recycled water rates have two components. The Fixed Service Charge pays for the District's fixed costs of operating and maintaining the reclaimed water system. These costs do not change based on consumption. The Commodity Charge is based on the amount of recycled water utilized.

This notice has been mailed to the single recycled water customer, which is the City of Hesperia. **Written protests must be received prior to or during the public hearing on MAY 21, 2019.** The District cannot adopt the rates if the City of Hesperia provides a written protest during the scheduled hearing, as it will represent a majority of the customers. Only written protests will be counted. No email or other electronic protests will be accepted or counted.

Should the City of Hesperia wish to protest the recycled water rates, they may do so by submitting a written protest to the City Clerk's office at 9700 Seventh Avenue, Hesperia, California 92345, before or during the public hearing. Any additional information on the proposed rates may be obtained from the District at the phone number and address on the front of this notice. If this proposal is challenged in court, the City of Hesperia may be limited to raising only those issues raised at the public hearing as described in this Public Hearing Notice, or in written correspondence delivered to the City Clerk at, or prior to the Public Hearing.

DATED: This 3rd Day of April 2019

Melinda Sayre, City Clerk



EXHIBIT A

Recycled Water Rate Schedule (Effective Date)	Proposed Rates				
	FY 2018/19 6/1/19	FY 2019/20 12/1/19	FY 2020/21 12/1/20	FY 2021/22 12/1/21	FY 2022/23 12/1/22
Bi-Monthly Fixed Service Charges:					
<i>All Other Customers:</i>					
3/4 inch	\$84.41	\$92.01	\$100.29	\$121.55	*
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1.5 inch	\$252.59	\$275.32	\$300.10	\$367.89	*
2 inch	\$396.74	\$432.44	\$471.37	\$579.04	*
3 inch	\$781.14	\$851.44	\$928.07	\$1,142.10	*
4 inch	\$1,213.59	\$1,322.81	\$1,441.86	\$1,775.55	*
6 inch	\$2,414.84	\$2,632.17	\$2,869.07	\$3,535.12	*
8 inch	\$6,739.33	\$7,345.87	\$8,006.99	\$9,869.58	*
Commodity Charges:					
Rate per Hundred Cubic Feet:					
<i>Recycled Water</i>	\$1.62	\$1.76	\$1.93	\$1.86	*

*The proposed rates for Fiscal Year 2022-23, including the Fixed Service Charges and Commodity Charges shown in the table above, will be adjusted proportionate to the change in the consumer price index for all urban consumers for Riverside-San Bernardino-Ontario published by the US Department of Labor, but will not exceed 5%. This consumer price index adjustment will be based on the change in the published index between September 2021 and September 2022.

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City of Hesperia STAFF REPORT



DATE: May 21, 2019

TO: Mayor and City Council Members
Chair and Board Members, Hesperia Water District

FROM: Nils Bentsen, City Manager

BY: Casey Brooksher, Director of Finance

SUBJECT: FY 2019-20 Budget Workshop #2 – Budget Update

RECOMMENDED ACTION

It is recommended that the City Council and the Board of Directors of the Hesperia Water District receive and file this staff report, which provides information about the current status of the City of Hesperia's proposed operating budget for FY 2019-20.

BACKGROUND

In compliance with the City Council's policy direction, staff annually develops an expenditure budget. While the budget gives the City the legal authority to secure goods and services, it is also a communication tool that provides information to the citizens about the City's programs and projects. To ensure that the budget is developed to meet the City Council's direction, a series of budget workshops have been developed. The first workshop focused on the proposed operating budget. This second workshop will give an update to the operating budget, along with a snapshot of the total budget that includes capital improvement program (CIP) expenditures.

ISSUES/ANALYSIS

For the FY 2019-20 Budget Workshop #2, a brief overview of the total budget will be presented. In addition, there will be a discussion on potential revenue challenges that may impact the City in the future (FY 2020-21 and beyond).

FISCAL IMPACT

There are no financial impacts at this time, as this is a workshop to discuss the proposed FY 2019-20 operating budget.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

None.