



city of RANCHO CUCAMONGA

10500 Civic Center Drive ✦ Rancho Cucamonga, CA 91730-3801

City Office: (909) 477-2700

AGENDAS

FIRE PROTECTION DISTRICT BOARD SUCCESSOR AGENCY PUBLIC FINANCING AUTHORITY CITY COUNCIL

WEDNESDAY, JULY 20, 2016

REGULAR MEETINGS

1st and 3rd Wednesdays ✦ 7:00 P.M.

ORDER OF BUSINESS

CLOSED SESSION Tapia Conference Room..... 5:00 P.M.

Call to Order

Public Communications

City Manager Announcements

Conduct of Closed Session

REGULAR MEETINGS Council Chambers 7:00 P.M.

MEMBERS

MAYOR	L. Dennis Michael
MAYOR PRO TEM	Sam Spagnolo
COUNCIL MEMBERS	William Alexander
	Lynne B. Kennedy
	Diane Williams
CITY MANAGER	John R. Gillison
CITY ATTORNEY	James L. Markman
CITY CLERK	Janice C. Reynolds
CITY TREASURER	James C. Frost





INFORMATION FOR THE PUBLIC



CITY OF
RANCHO CUCAMONGA

TO ADDRESS THE FIRE BOARD, SUCCESSOR AGENCY, PUBLIC FINANCING AUTHORITY AND CITY COUNCIL

The Fire Board, Successor Agency, Public Financing Authority and City Council encourage free expression of all points of view. To allow all persons to speak, given the length of the Agenda, please keep your remarks brief. If others have already expressed your position, you may simply indicate that you agree with a previous speaker. If appropriate, a spokesperson may present the views of your entire group. To encourage all views and promote courtesy to others, the audience should refrain from clapping, booing or shouts of approval or disagreement from the audience.

The public may address the Fire Board, Successor Agency, Public Financing Authority and City Council by filling out a speaker card and submitting it to the City Clerk. The speaker cards are located on the wall at the back of the Chambers, at the front desk behind the staff table and at the City Clerk's desk. Any handouts for the Fire Board, Successor Agency, Public Financing Authority or City Council should be given to the City Clerk for distribution.

During "Public Communications," your name will be called to speak on any item listed or not listed on the agenda in the order in which it was received. The "Public Communications" period will not exceed one hour prior to the commencement of the business portion of the agenda. During this one hour period, all those who wish to speak on a topic contained in the business portion of the agenda will be given priority, and no further speaker cards for these business items (with the exception of public hearing items) will be accepted once the business portion of the agenda commences. Any other "Public Communications" which have not concluded during this one-hour period may resume after the regular business portion of the agenda has been completed. Comments are to be limited to five minutes per individual or less, as deemed necessary by the Chair, depending upon the number of individuals desiring to speak.

If you are present to speak on an "Advertised Public Hearing" or on an "Administrative Hearing" Item(s), your name will be called when that item is being discussed, in the order in which it was received. Comments are to be limited to five minutes per individual or less, as deemed necessary by the Chair, depending upon the number of individuals desiring to speak.

AGENDA BACK-UP MATERIALS

Staff reports and back-up materials for agenda items are available for review at the City Clerk's counter, the City's Public Libraries and on the City's website. A complete copy of the agenda is also available at the desk located behind the staff table during the Council meeting.

LIVE BROADCAST

Fire Board, Successor Agency, Public Financing Authority and City Council meetings are broadcast live on Channel 3 for those with cable television access. Meetings are rebroadcast on the second and fourth Wednesdays of each month at 11:00 a.m. and 7:00 p.m. The Streaming Video on Demand is available on the City's website at www.cityofrc.us/cityhall/council/videos.asp.

The Fire Board, Successor Agency, Public Financing Authority and City Council meet regularly on the first and third Wednesday of the month at 7:00 p.m. in the Council Chambers located at 10500 Civic Center Drive.

Members of the City Council also sit as the Fire Board, Successor Agency, Public Financing Authority and City Council.

Copies of the agendas and minutes can be found @ www.cityofrc.us



If you need special assistance or accommodations to participate in this meeting, please contact the City Clerk's office at (909) 477-2700. Notification of 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility. Listening devices are available for the hearing impaired.

Please silence all cellular phones while the meeting is in session.



**FIRE PROTECTION DISTRICT, SUCCESSOR AGENCY,
PUBLIC FINANCING AUTHORITY AND
CITY COUNCIL AGENDA**

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JULY 20, 2016

**A. 5:00 P.M. – CLOSED SESSION
CALL TO ORDER – TAPIA CONFERENCE ROOM**

- A1. Roll Call: Mayor Michael
Mayor Pro Tem Spagnolo
Council Members Alexander, Kennedy and Williams

**CLOSED SESSION CALLED TO ORDER AS THE
CITY COUNCIL.**

B. ANNOUNCEMENT OF CLOSED SESSION ITEM(S)

C. PUBLIC COMMUNICATIONS ON CLOSED SESSION ITEM(S)

**D. CITY MANAGER ANNOUNCEMENTS
(NO DISCUSSION OR ACTION WILL OCCUR)**

E. CONDUCT OF CLOSED SESSION – TAPIA CONFERENCE ROOM

- E1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(A) – SOUTHWEST VOTERS REGISTRATION EDUCATION PROJECT AND LOUISA OLLAGUE V. CITY OF RANCHO CUCAMONGA; CASE NO. CIVRS 1603632 – CITY
- E2. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(B) – NUMBER OF CASES (1) - CITY
- E3. CONFERENCE WITH LABOR NEGOTIATOR ROBERT NEIUBER, HUMAN RESOURCES DIRECTOR PER GOVERNMENT CODE SECTION 54954.2 REGARDING LABOR NEGOTIATIONS WITH TEAMSTERS LOCAL 1932– CITY

F. RECESS

CLOSED SESSION TO RECESS TO THE REGULAR FIRE PROTECTION DISTRICT, PUBLIC FINANCING AUTHORITY, SUCCESSOR AGENCY AND CITY COUNCIL MEETINGS AT 7:00 P.M. IN THE COUNCIL CHAMBERS AT CITY HALL, LOCATED AT 10500 CIVIC CENTER DRIVE, RANCHO CUCAMONGA, CALIFORNIA.



**FIRE PROTECTION DISTRICT, SUCCESSOR AGENCY,
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JULY 20, 2016

**G. REGULAR MEETING
CALL TO ORDER – 7:00 P.M.
COUNCIL CHAMBERS**

THE REGULAR MEETINGS OF THE FIRE PROTECTION DISTRICT, PUBLIC FINANCING AUTHORITY, SUCCESSOR AGENCY AND CITY COUNCIL WILL BE CALLED TO ORDER. IT IS THE INTENT TO CONCLUDE THE MEETINGS BY 10:00 P.M., UNLESS EXTENDED BY CONCURRENCE OF THE FIRE BOARD, AUTHORITY BOARD AND COUNCIL.

- G1. Pledge of Allegiance
- G2. Roll Call: Mayor Michael
Mayor Pro Tem Spagnolo
Council Members Alexander, Kennedy and Williams

H. ANNOUNCEMENTS/PRESENTATIONS

- H1. State Legislative update by Senator Mike Morrell, 23rd District Representative.
- H2. Presentation of check to “Hot Meals for Homebound Seniors Program” on behalf of Rancho Cucamonga Professional Firefighters Association - IAFF Local 2274.

I. PUBLIC COMMUNICATIONS

This is the time and place for the general public to address the Fire Protection District, Public Financing Authority Board, Successor Agency and City Council on any item listed or not listed on the agenda. State law prohibits the Fire Protection District, Public Financing Authority Board, Successor Agency and City Council from addressing any issue not previously included on the Agenda. The Fire Board, Public Financing Authority Board, Successor Agency and City Council may receive testimony and set the matter for a subsequent meeting.

Comments are to be limited to five minutes per individual or less, as deemed necessary by the Mayor, depending upon the number of individuals desiring to speak. All communications are to be addressed directly to the Fire Board, Authority Board, Successor Agency or City Council not to the members of the audience. This is a professional business meeting and courtesy and decorum are expected. Please refrain from any debate between audience and speaker, making loud noises, or engaging in any activity which might be disruptive to the decorum of the meeting.

The public communications period will not exceed one hour prior to the commencement of the business portion of the agenda. During this one hour period, all those who wish to speak on a topic contained in the business portion of the agenda will be given priority, and no further speaker cards for these business items (with the exception of public hearing items) will be accepted once the business portion of the agenda commences. Any other public communications which have not concluded during this one hour period may resume after the regular business portion of the agenda has been completed.



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CONSENT CALENDARS:

The following Consent Calendar items are expected to be routine and non-controversial. They will be acted upon by the Fire Board/Successor Agency/Authority Board/Council at one time without discussion. Any item may be removed by a Fire Board/Successor Agency/Authority Board/Council Member for discussion.

J. CONSENT CALENDAR – FIRE PROTECTION DISTRICT

- | | | |
|-----|---|-----|
| J1. | Consideration to approve Minutes of: July 6, 2016 (Regular Meeting) | --- |
| J2. | Consideration to approve Check Register dated June 29, 2016 through July 12, 2016 and Electronic Debit Register for the month of June 2016 for the total of \$4,272,547.01. | 1 |
| J3. | Consideration to receive and file current Investment Schedule as of June 30, 2016 | 13 |
| J4. | Consideration to accept the bid received, and award and authorize the execution of the contract in the amount of \$14,968,000 (includes a \$600,000 allowance) and appropriate an additional \$900,000 allowance/contingency for a total of \$1,500,000 (10%) to the lowest responsive bidder, Robert Clapper Construction Services, Inc., for the Regional All-Risk Training Center, Increment 1, construction project to be funded from Account Number 3288501-5650/1735288-6314. | 19 |
| J5. | Consideration of approval to set Annual Special Tax Levy for Mello-Roos Community Facilities District No. 85-1 for FY 2016/17, with no rate increase. | 22 |
| | RESOLUTION NO. FD 16-024 | 29 |
| | A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CUCAMONGA FIRE PROTECTION DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 85-1 FOR FISCAL YEAR 2016/17. | |
| J6. | Consideration of approval to set Annual Special Tax Levy for Mello-Roos Community Facilities District No. 88-1 for FY 2016/17, with no rate increase. | 34 |
| | RESOLUTION NO. FD 16-025 | 41 |
| | A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CUCAMONGA FIRE PROTECTION DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 88-1 FOR FISCAL YEAR 2016/17. | |
| J7. | Consideration to approve Amendment No. 005 (Contract No. FD 13-004) with Vortex Industries through June 30, 2017 with no price increase, in an amount not to exceed \$90,000 (\$40,000 City, \$50,000 Fire District) annually for the repair of all City and Fire District Facilities' overhead doors and gates to be funded from various City and Fire District Accounts as approved in the FY 2016-2017 budget. | 46 |



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JULY 20, 2016

K. CONSENT CALENDAR – SUCCESSOR AGENCY

- K1. Consideration to approve Minutes of: July 6, 2016 (Regular Meeting) ---
- K2. Consideration of approval of a Professional Services Agreement with HdL Companies to provide a fiscal analysis for a proposed refunding of the Rancho Cucamonga Redevelopment Agency Tax Exempt 2007 Housing Bonds, Series A, in the amount of \$22,500, plus a 10% contingency. 48

L. CONSENT CALENDAR – PUBLIC FINANCING AUTHORITY

- L1. Consideration to approve Minutes of: July 6, 2016 (Regular Meeting) ---

M. CONSENT CALENDAR – CITY COUNCIL

- M1. Consideration to approve Minutes of: July 6, 2016 (Regular Meeting) ---
- M2. Consideration to approve Check Register and payroll dated June 29, 2016 through July 12, 2016 and Electronic Debit Register for the month of June 2016 for the total of \$6,103,846.85. 53
- M3. Consideration to receive and file current Investment Schedule as of June 30, 2016. 64
- M4. Consideration of approval to release Maintenance Bond No. 070018403 in the amount of \$21,393.20 for the “Civic Center – Roof System Restoration Project,” Contract No. 14-200. 75
- M5. Consideration of approval to release Maintenance Bond No. 703761P in the amount of \$9,369 for the “Civic Center – Parking Lot Lighting Project”, Contract No. 15-036. 76
- M6. Consideration to approve specifications for the “LMD-4R Park Lighting Retrofit Final Phase Project” and authorize the City Clerk to advertise the “Notice Inviting Bids”, to be funded from Account 1134303-5650/1858134-0 (LMD-4R). 77

RESOLUTION NO. 16-091

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA APPROVING SPECIFICATIONS FOR THE “LMD-4R PARK LIGHTING RETROFIT FINAL PHASE PROJECT” IN SAID CITY AND AUTHORIZING AND DIRECTING THE CITY CLERK TO ADVERTISE TO RECEIVE BIDS

79

- M7. Consideration to approve Amendment No. 005 (Contract No. FD 13-004) with Vortex Industries through June 30, 2017 with no price increase, in an amount not to exceed \$90,000 (\$40,000 City, \$50,000 Fire District) annually for the repair of all City and Fire District Facilities’ overhead doors and gates to be funded from various City and Fire District Accounts as approved in the FY 2016-2017 budget. 83

- M8. Consideration of approval of a Resolution establishing an Annual Levy for the costs incurred in the collection of assessments within Assessment District No 93-1, Masi Plaza. No action is required to set the Annual Special Assessment for this district as the Special Assessments were established during the formation of the District and remain unchanged through the life of the bonds, pursuant to the Improvement Bond Act of 1915, Division 10 of the California Streets and Highway Code. 85



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RESOLUTION NO. 16-092 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-AUTHORIZING THE LEVY OF AN ASSESSMENT SURCHARGE FOR THE EXPENSES INCURRED IN THE COLLECTION OF ASSESSMENTS IN ASSESSMENT DISTRICT NO. 93-1	92
M9. Consideration of approval to set Annual Benefit Assessments for Drainage Area No. 91-2 (Day Canyon Drainage Basin).	94
RESOLUTION NO. 16-093 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, DETERMINING THE COST OF SERVICE TO BE FINANCE BY BENEFIT ASSESSMENTS TO BE LEVIED IN DRAINAGE AREA NO. 91-2 FOR FISCAL YEAR 2016/17 AND DETERMINING AND IMPOSING SUCH BENEFIT ASSESSMENTS	104
M10. Consideration of approval to set Annual Special Tax for Community Facilities District No. 2000-01 (South Etiwanda), with no increase to the current rate.	106
RESOLUTION NO. 16-094 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-01 (SOUTH ETIWANDA) FOR FISCAL YEAR 2016/17	109
M11. Consideration of approval to set Annual Special Tax for Community Facilities District No. 2000-02 (Rancho Cucamonga Corporate Park), with no increase to the current rate.	116
RESOLUTION NO. 16-095 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-02 (RANCHO CUCAMONGA CORPORATE PARK) FOR FISCAL YEAR 2016/17	119
M12. Consideration of approval to set Annual Special Tax for Community Facilities District No. 2000-03 (Rancho Summit), with no increase to the current rate.	126
RESOLUTION NO. 16-096 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, PROVIDING FOR THE LEVY OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-03 (RANCHO SUMMIT) FOR FISCAL YEAR 2016/17	128
M13. Consideration of approval to set maximum Annual Special Tax "B" for Community Facilities District No. 2000-03 (Rancho Summit) to finance the operation of and maintenance of Parks and Parkways.	134
RESOLUTION NO. 16-097 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, PROVIDING FOR THE LEVY OF MAXIMUM SPECIAL TAX "B" FOR COMMUNITY FACILITIES DISTRICT NO. 2000-03 (RANCHO SUMMIT) FOR FISCAL YEAR 2016/17 TO FINANCE THE OPERATION OF AND MAINTENANCE OF PARKS AND PARKWAYS	136



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| M14. | Consideration of approval to set Annual Special Tax for Community Facilities District No. 2001-01 (Improvement Area No. 1 and 2), with no increase to the current rate. | 142 |
| | RESOLUTION NO. 16-098
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2001-01 (IMPROVEMENT AREA NO. 1 AND 2), FOR FISCAL YEAR 2016/17 | 145 |
| M15. | Consideration of approval to set Annual Special Tax for Community Facilities District No. 2001-01 (Improvement Area No. 3), with no increase to the current rate. | 151 |
| | RESOLUTION NO. 16-099
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2001-01 (IMPROVEMENT AREA NO. 3), FOR FISCAL YEAR 2016/17 | 154 |
| M16. | Consideration of approval to set Annual Special Tax for Community Facilities District No. 2003-01 (Improvement Area No. 1), with no increase to the current rate. | 161 |
| | RESOLUTION NO. 16-100
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2003-01 (IMPROVEMENT AREA NO. 1), FOR FISCAL YEAR 2016/17 | 164 |
| M17. | Consideration of approval to set Annual Special Tax for Community Facilities District No. 2003-01 (Improvement Area No. 2), with no increase to the current rate. | 170 |
| | RESOLUTION NO. 16-101
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2003-01 (IMPROVEMENT AREA NO. 2), FOR FISCAL YEAR 2016/17 | 173 |
| M18. | Consideration of approval to set Annual Special Tax for Community Facilities District No. 2004-01 (Rancho Etiwanda Estates), with no increase to the current rate. | 179 |
| | RESOLUTION NO. 16-102
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2004-01 (RANCHO ETIWANDA ESTATES), FOR FISCAL YEAR 2016/17 | 182 |
| M19. | Consideration of approval to set Annual Special Tax for Community Facilities District No. 2006-01 (Vintner's Grove), with no increase to the current rate. | 188 |
| | RESOLUTION NO. 16-103
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-01 (VINTNER'S GROVE), FOR FISCAL YEAR 2016/17 | 191 |



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M20. Consideration of approval to set Annual Special Tax for Community Facilities District No. 2006-02 (Amador On Route 66), with no increase to the current rate. **198**

RESOLUTION NO. 16-104

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-02 (AMADOR ON ROUTE 66), FOR FISCAL YEAR 2016/17 **201**

M21. Consideration to approve the release of Maintenance Guarantee Bond No. PRF7640285-M in the amount of \$45,947.19, for the Base Line Road at I-15 Freeway Utility Underground project, Contract No. 14-118. **208**

M22. Consideration of approval of Map, Improvement Agreement, Improvement Securities, Monumentation Cash Deposit and ordering the Annexation to Landscape Maintenance District No. 3B and Streetlight Maintenance District Nos. 1 and 6 for Parcel Map 19666, located at the southwest corner of Foothill Boulevard and Spruce Avenue, submitted by CI, Rancho II, LLC. **210**

RESOLUTION NO. 16-105

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE FINAL MAP, IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITIES AND MONUMENTATION CASH DEPOSIT FOR PARCEL MAP 19666 **212**

RESOLUTION NO. 16-106

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO LANDSCAPE MAINTENANCE DISTRICT NO. 3B (COMMERCIAL INDUSTRIAL MAINTENANCE DISTRICT) FOR PARCEL MAP 19666 **213**

RESOLUTION NO. 16-107

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 1 (ARTERIAL STREETS) FOR PARCEL MAP 19666 **218**

RESOLUTION NO. 16-108

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 6 (COMMERCIAL/INDUSTRIAL) FOR PARCEL MAP 19666 **223**

M23. Consideration of approval to accept improvements (Wardman Bullock Road), release the Faithful Performance Bond, accept a Maintenance Bond and file a Notice of Completion for improvements for Tract 16324, located at north end of Wardman Bullock Road, submitted by Meritage Homes of California, Inc. **228**

RESOLUTION NO. 16-109

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ACCEPTING THE PUBLIC IMPROVEMENTS FOR TRACT 16324 AND AUTHORIZING THE FILING OF A NOTICE OF COMPLETION FOR THE WORK. **230**



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M24. Consideration of approval of reductions in Improvement Securities for Tract 16113 public improvements, located on the west side of East Avenue, south of Wilson Avenue, submitted by Desert Candle, LP.

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RESOLUTION NO. 16-110

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE REDUCTIONS IN IMPROVEMENT SECURITIES FOR TRACT 16113 PUBLIC IMPROVEMENTS

233

M25. Consideration of approval of reductions in Improvement Securities for Tract 16114 public improvements, located on the east side of East Avenue, south of Wilson Avenue, submitted by Desert Candle, LP.

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RESOLUTION NO. 16-111

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE REDUCTIONS IN IMPROVEMENT SECURITIES FOR TRACT 16114 PUBLIC IMPROVEMENTS

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M26. Consideration of approval of Improvement Agreement, Improvement Securities, and ordering the Annexation to Landscape Maintenance District No. 3B and Streetlight Maintenance District Nos. 1 and 6 for DRC2015-00402, located on the west side of Pittsburgh Avenue, south of 6th Street, submitted by Inland Empire Land Development 1, LLC.

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RESOLUTION NO. 16-112

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITIES FOR DRC2015-00402

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RESOLUTION NO. 16-113

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO LANDSCAPE MAINTENANCE DISTRICT NO. 3B (COMMERCIAL INDUSTRIAL MAINTENANCE DISTRICT) FOR DRC2015-00402

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RESOLUTION NO. 16-114

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 1 (ARTERIAL STREETS) FOR DRC2015-00402

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RESOLUTION NO. 16-115

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 6 (COMMERCIAL/INDUSTRIAL) FOR DRC2015-00402

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| <p>M27. Consideration to approve a Resolution adopting a Side Letter Agreement to the Memorandum Of Understanding between the City of Rancho Cucamonga and the Teamsters Local 1932.</p> | 257 |
| <p>RESOLUTION NO. 16-116
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA APPROVING SIDE LETTER AGREEMENTS BETWEEN THE CITY OF RANCHO CUCAMONGA AND TEAMSTERS LOCAL 1932</p> | |
| <p>M28. Consideration to approve first amendment to Integrated Waste Management Services agreement between the City of Rancho Cucamonga and Burrtec Waste Industries, Inc. to include street sweeping services.</p> | 258 |
| <p>M29. Consideration to approve utilizing a piggyback opportunity from the County of San Bernardino contracts to Yamada Enterprises of Huntington Beach, California; Crawford & Company of Poway, California; Business Interiors by Staples of Circle Pines, MN; G/M Business Interiors of Riverside, California and Systems Source, Inc. of Irvine, California to provide and install systems and free standing furniture, carpeting and other furniture related items for various City departments and Facilities, to be funded from various City and Fire accounts.</p> | 261 |
| <p>M30. Consideration to approve the single source purchase from Leverage Information Systems, Inc. for a wireless link to connect the City's Public Safety Video Network to the Chaffey Joint Union High School District's network at Los Osos High School; and to authorize an appropriation in the amount of \$35,645.17 from COPS Program Grant-State Fund balance into Account Number 1354701-5603 (Capital Outlay-Equipment) and an appropriation in the amount of \$3,530.47 from COPS Program Grant-State Fund balance into Account Number 1354701-5300 (Contract Services).</p> | 272 |
| <p>M31. Consideration of approval of Amendment No. 003 to Contract No. CO 14-234 with the Bureau Veritas North America, Inc. for contract plan checks of various construction projects within the city not to exceed \$53,000 and authorization to appropriate \$53,000 into Account No. 1001302-5300 (Contract Services) for Fiscal Year 2015/16 funded by additional plan check revenue.</p> | 274 |
| <p>M31. Consideration of approval of Amendment No. 003 to Contract No. CO 14-234 with the Bureau Veritas North America, Inc. for contract plan checks of various construction projects within the city not to exceed \$53,000 and authorization to appropriate \$53,000 into Account No. 1001302-5300 (Contract Services) for Fiscal Year 2015/16 funded by additional plan check revenue.</p> | 281 |

N. ADVERTISED PUBLIC HEARINGS - FIRE /CITY COUNCIL

The following items have been advertised and/or posted as public hearings as required by law. The Mayor will open the meeting to receive public testimony.

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| <p>N1. Consideration to approve Environmental Assessment And Development Code Amendment DRC2014-01132 - Foothill & East, LLC – A proposed amendment to Development Code Section 17.36.020 A and B, Figure 17.36.020-1 and Table 17.36.020-1, to add the proposed site to the Development Standards for Mixed Use Zoning Districts along with Figure 17.38.060-1 and Figure 17.38.060-15 for consistency with the proposed Zoning Map Amendment DRC2014-01131 amending the zoning designation of the site from Community Commercial (CC) to Mixed Use (MU) for the development of a proposed 190-unit, multi-family residential development with 3,246 square feet of commercial space or live/work units for a site located on 8.8 acres of land within the Community Commercial (CC) Zoning District at the northwest corner of Foothill Boulevard and East Avenue; APN's: 1100-201-03, 04 and 07. Staff has prepared a Mitigated Negative Declaration of environmental impacts for consideration. This item was continued from the June 15, 2016 public hearing. - CITY</p> | 283 |
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**FIRE PROTECTION DISTRICT, SUCCESSOR AGENCY,
PUBLIC FINANCING AUTHORITY AND
CITY COUNCIL AGENDA**

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JULY 20, 2016

ORDINANCE NO. 890

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ADOPTING DEVELOPMENT CODE AMENDMENT DRC2014-01132 TO AMEND DEVELOPMENT CODE SECTION 17.36.020 A AND B, FIGURE 17.36.020-1 AND TABLE 17.36.020-1, TO ADD THE PROPOSED SITE TO THE DEVELOPMENT STANDARDS FOR MIXED USE ZONING DISTRICTS ALONG WITH FIGURE 17.38.060-1 AND FIGURE 17.38.060-15 FOR CONSISTENCY WITH THE PROPOSED ZONING MAP AMENDMENT DRC2014-01131 AMENDING THE ZONING DESIGNATION OF THE SITE FROM COMMUNITY COMMERCIAL (CC) TO MIXED USE (MU) FOR THE DEVELOPMENT OF A PROPOSED 190-UNIT, MULTI-FAMILY RESIDENTIAL DEVELOPMENT WITH 3,246 SQUARE FEET OF COMMERCIAL SPACE OR LIVE WORK UNITS FOR A SITE LOCATED ON 8.8 ACRES OF LAND WITHIN THE COMMUNITY COMMERCIAL (CC) ZONING DISTRICT AT THE NORTHWEST CORNER OF FOOTHILL BOULEVARD AND EAST AVENUE; APN'S: 1100-201-03, 04 AND 07

306

- N2. Consideration to approve Environmental Assessment And Zoning Map Amendment DRC2014-01131- Foothill & East, LLC - A request to change the zoning designation for 8.8 acres of land from Community Commercial (CC) to Mixed Use (MU) related to the development of a 190-unit, multi-family residential development with 3,246 square feet of commercial space or live/work units on a project site within the Community Commercial (CC) Zoning District at the northwest corner of Foothill Boulevard and East Avenue; APNs: 1100-201-03, 04 and 07. Staff has prepared a Mitigated Negative Declaration of environmental impacts for consideration. This item was continued from the June 15, 2016 public hearing. - *CITY*

283

ORDINANCE NO. 891

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ADOPTING ZONING MAP AMENDMENT DRC2014-01131 TO CHANGE THE ZONING DESIGNATION FOR 8.8 ACRES OF LAND FROM COMMUNITY COMMERCIAL (CC) TO MIXED USE (MU) RELATED TO THE DEVELOPMENT OF A 190-UNIT, MULTI-FAMILY RESIDENTIAL DEVELOPMENT WITH 3,246 SQUARE FEET OF COMMERCIAL SPACE OR LIVE/WORK UNITS ON A PROJECT SITE WITHIN THE COMMUNITY COMMERCIAL (CC) ZONING DISTRICT AT THE NORTHWEST CORNER OF FOOTHILL BOULEVARD AND EAST AVENUE; APNS: 1100-201-03, 04 AND 07

302

- N3. Consideration to approve a Resolution adopting the Fire District's General Fund Final Budget for Fiscal Year 2016/17 in the amount of \$50,193,240, which is a combination of \$25,246,510 in General Fund Operational Expenditures, \$360 in Fire Technology Fee Fund Expenditures, and \$24,946,370 in Capital Reserve Expenditures. - *FIRE*

316

RESOLUTION NO. FD 16-026

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CUCAMONGA FIRE PROTECTION DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, FIXING A FINAL BUDGET FOR THE FISCAL YEAR JULY 1, 2016 THROUGH JUNE 30, 2017

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**FIRE PROTECTION DISTRICT, SUCCESSOR AGENCY,
PUBLIC FINANCING AUTHORITY AND
CITY COUNCIL AGENDA**

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JULY 20, 2016

- N4. Consideration of approval of the Resolution confirming the diagram and assessment, approving the annual Engineer's report, and ordering the levy and collection of the Annual Assessments within Park and Recreation Improvement District No. PD-85 for Fiscal Year 2016/17. No increase in the assessment rate is being proposed or permitted. - *CITY*

320

RESOLUTION NO. 16-117

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT; APPROVING THE ANNUAL ENGINEER'S REPORT; AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN PARK AND RECREATION IMPROVEMENT DISTRICT NO. PD-85 FOR FISCAL YEAR 2016/17

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- N5. Consideration of approval of the Resolution confirming the diagrams and assessments, approving the annual Engineer's reports, and ordering the levy and collection of the Annual Assessments within Street Lighting Maintenance District Nos. 1, 2, 3, 4, 5, 6, 7, and 8, inclusive, for Fiscal Year 2016/17. No increase in assessment rates is proposed or permitted. - *CITY*

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RESOLUTION NO. 16-118

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORT; AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICT NOS. 1, 2, 3, 4, 5, 6, 7, AND 8, INCLUSIVE, FOR FISCAL YEAR 2016/17

475

- N6. Consideration of approval of the Resolution confirming the diagrams and assessments, approving the annual Engineer's reports, and ordering the levy and collection of the Annual Assessments within Landscape Maintenance District Nos. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9, and 10, inclusive, for Fiscal Year 2016/17. - *CITY*

478

RESOLUTION NO. 16-119

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORT; AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE DISTRICT NOS. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9, AND 10, INCLUSIVE, FOR FISCAL YEAR 2016/17

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**FIRE PROTECTION DISTRICT, SUCCESSOR AGENCY,
PUBLIC FINANCING AUTHORITY AND
CITY COUNCIL AGENDA**

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JULY 20, 2016

**O. CITY MANAGER'S STAFF REPORTS
CITY COUNCIL/SUCCESSOR AGENCY/FIRE DISTRICT**

The following items have no legal publication or posting requirements.

- O1. Verbal Report from the Rancho Cucamonga Fire Protection District regarding fireworks enforcement activities for 2016. - *FIRE* **756**
- O2. Consideration to approve a Resolution authorizing the issuance of a refunding bond for the outstanding Rancho Cucamonga Redevelopment Agency Tax Exempt 2007 Housing Bonds, Series A, a Sixth Supplemental Trust Indenture, and requesting the Oversight Board take necessary actions to approve the proposed Bond Refunding. - *SUCCESSOR AGENCY* **757**

RESOLUTION NO. 16-120

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, ACTING AS SUCCESSOR AGENCY TO THE RANCHO CUCAMONGA REDEVELOPMENT AGENCY, APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE DISSOLVED RANCHO CUCAMONGA REDEVELOPMENT AGENCY, APPROVING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENTAL INDENTURE RELATING THERETO, REQUESTING OVERSIGHT BOARD APPROVAL OF THE ISSUANCE OF THE REFUNDING BONDS, REQUESTING CERTAIN DETERMINATIONS BY THE OVERSIGHT BOARD, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO **759**

- O3. Update on 2016 City Council Goals. **765**
- O4. Consideration of approval of Contract No. 16-DSR-12648 and the Amended and Restated Implementation Agreement NO. 95-PAO-10616 between the City of Rancho Cucamonga, the U.S. Department of the Interior - Bureau of Reclamation, and the U.S. Department of Energy's Western Area Power Administration for 3 megawatts of electric service from the Boulder Canyon Project as a schedule D contractor and authorizing the City Manager to sign the Contract and Agreement. - *CITY* **774**

P. COUNCIL BUSINESS

The following items have been requested by the City Council for discussion.

- P1. Consideration of the City Council Community Services Subcommittee's recommendation regarding an appointment to the RC Community and Arts Foundation Board of Directors. **776**
- P2. Designation of a Voting Delegate and Alternates for the League of California Cities Annual Business Meeting. **777**
- P3. INTER-AGENCY UPDATES (Update by the City Council to the community on the meetings that were attended.)
- P4. COUNCIL ANNOUNCEMENTS (Comments to be limited to three minutes per Council Member.)



City of
RANCHO CUCAMONGA

**FIRE PROTECTION DISTRICT, SUCCESSOR AGENCY,
PUBLIC FINANCING AUTHORITY AND
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JULY 20, 2016

Q. IDENTIFICATION OF ITEMS FOR NEXT MEETING

R. ADJOURNMENT

CERTIFICATION

I, Linda A. Troyan, MMC, City Clerk Services Director of the City of Rancho Cucamonga, or my designee, hereby certify under penalty of perjury that a true, accurate copy of the foregoing agenda was posted on July 14, 2016, seventy-two (72) hours prior to the meeting per Government Code 54954.2 at 10500 Civic Center Drive, Rancho Cucamonga, California, and on the City's website.

Linda A. Troyan, MMC
City Clerk Services Director
City of Rancho Cucamonga

July 6, 2016

CITY OF RANCHO CUCAMONGA

CLOSED SESSION, FIRE PROTECTION DISTRICT, SUCCESSOR AGENCY,
PUBLIC FINANCING AUTHORITY AND CITY COUNCIL REGULAR MEETINGS MINUTES

**A. 5:00 P.M. – CLOSED SESSION
CALL TO ORDER – TAPIA CONFERENCE ROOM**

The City of Rancho Cucamonga City Council held a closed session on Wednesday, July 6, 2016 in the Tapia Conference Room at the Civic Center, 10500 Civic Center Drive, Rancho Cucamonga, California. Mayor L. Dennis Michael called the meeting to order at 5:00 p.m.

Present were Council Members: Bill Alexander, Lynne Kennedy, Diane Williams, Mayor Pro Tem Sam Spagnolo and Mayor L. Dennis Michael.

Also present were: John Gillison, City Manager; James L. Markman, City Attorney; Linda Daniels, Assistant City Manager; Lori Sassoon, Deputy City Manager/Administrative Services; and Jeff Bloom, Deputy City Manager/Economic and Community Development.

B. ANNOUNCEMENT OF CLOSED SESSION ITEM(S)

C. PUBLIC COMMUNICATIONS ON CLOSED SESSION ITEM(S)

No public communications were made.

D. CITY MANAGER ANNOUNCEMENTS

No discussion or actions were taken.

E. CONDUCT OF CLOSED SESSION – TAPIA CONFERENCE ROOM

- E1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(A) – SOUTHWEST VOTERS REGISTRATION EDUCATION PROJECT AND LOUISA OLLAGUE V. CITY OF RANCHO CUCAMONGA; CASE NO. CIVRS 1603632 – CITY
- E2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PER GOVERNMENT CODE SECTION 54956.8 FOR PROPERTY GENERALLY LOCATED AT THE RANCHO CUCAMONGA METROLINK STATION IDENTIFIED AS PARCEL NUMBERS 0209-272-11, 0209-143-21, AND 0209-272-11; NEGOTIATING PARTIES: CANDYCE BURNETT, PLANNING DIRECTOR REPRESENTING THE CITY OF RANCHO CUCAMONGA, CARRIE SCHINDLER REPRESENTING SANBAG, AND MICHAEL DIEDEN REPRESENTING ENCORE AT RANCHO, LLC; REGARDING PRICE AND TERMS – CITY

F. RECESS

The closed session recessed at 5:40 p.m.

*** DRAFT ***

G. REGULAR MEETING – 7:00 P.M. CALL TO ORDER – COUNCIL CHAMBERS

The regular meetings of the Rancho Cucamonga Fire Protection District, Successor Agency, Public Financing Authority, and the City of Rancho Cucamonga City Council on July 6, 2016 in the Council Chambers at City Hall, located at 10500 Civic Center Drive, Rancho Cucamonga, California. Mayor L. Dennis Michael called the meeting to order at 7:00 p.m.

Present were Council Members: Bill Alexander, Lynne Kennedy, Diane Williams, Mayor Pro Tem Sam Spagnolo and Mayor L. Dennis Michael.

Also present were: John Gillison, City Manager; Linda Daniels, Assistant City Manager; James L. Markman, City Attorney; Linda A. Troyan, City Clerk Services Director and Shirr'I Griffin, Office Specialist II.

Council Member Kennedy led the Pledge of Allegiance.

H. ANNOUNCEMENTS/PRESENTATIONS

H1. Announcement of the Lewis Family Playhouse 2016/17 Season.

Annette Mumolo, Victoria Gardens Cultural Center Marketing Coordinator, debuted the 2016-2017 Lewis Playhouse season premier video. Mayor Michael acknowledged that it was the first time the video was produced in house and was launching the 10th year anniversary of Cultural Center's family friendly entertainment and learning through the Lewis Family Playhouse programs. He commended Cultural Center staff for the consistent quality of programs over the years.

I. PUBLIC COMMUNICATIONS

11. Omar Pamplona, Staff Assistant to Congressman Pete Aguilar of the 31st District, informed the community that Congressman Aguilar is hosting the Inland Empire Jobs Fair, Friday July 22, 2016, from 9:00 a.m. to 12:00 p.m., at the Frank Gonzales Community Center in Colton. Admission is free and no RSVP is required. Mr. Pamplona reminded the community that the Congressman's offices welcome questions regarding the jobs fair and questions they may have.
12. Clarence Olson, resident in Rancho Cucamonga since 1971, spoke about a list concerns, some referencing a local newspaper called the Grapevine. His concerns include Cucamonga Falls, the November Election, Council Districts adopted map, the CW Feed Store, Thoroughbred Lane safety issue during Christmas, a status update of FBI investigation at the West Valley Detention Center, the public assembly of (LGBT) gatherers, and asked if there are any plans should the new marijuana state laws be enacted. Mr. Olson was directed to speak with Fire Chief Mike Costello regarding the current status of C W Feed.

*** DRAFT ***

CONSENT CALENDARS

J. CONSENT CALENDAR – FIRE PROTECTION DISTRICT

- J1. Consideration to approve Minutes of: June 7, 2016 (Special Meeting – Budget Workshop), June 9, 2016 (Special Meeting – Budget Workshop #2), June 15, 2016 (Regular Meeting) and June 16, 2016 (Special Meeting – Budget Adoption).
- J2. Consideration to approve Check Register dated June 8, 2016 through June 28, 2016 for the total of \$299,421.03.
- J3. Consideration to approve the purchase of two (2) crew cab pick-up trucks from Lake Chevrolet of Lake Elsinore, California, in the amount of \$64,504.30 in accordance with RFB #15/16-024, and appropriate \$64,504.30 from Fire District Capital Reserves into Account Number 3288501-5604 (Capital Outlay-Vehicles).
- J4. **ITEM REMOVED FROM CONSENT CALENDAR FOR DISCUSSION**
Consideration to approve a Resolution adopting Fire District salary schedules for Fiscal Year 2016/17 including the amending of certain classifications.

RESOLUTION NO. FD 16-022

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CUCAMONGA FIRE PROTECTION DISTRICT, RANCHO CUCAMONGA, CALIFORNIA, APPROVING SALARY SCHEDULES FOR FISCAL YEAR 2016-17

- J5. Consideration to accept the bid received, and award and authorize the execution of the contract in the amount of \$14,968,000 (includes a \$600,000 allowance) to the lowest responsive bidder, Robert Clapper Construction Services, Inc., for the All-Risk Training Center, Increment 1, construction project to be funded from Account Number 3288501-5650/1735288-6314.

MOTION: Moved by Board Member Williams, seconded by Board Member Alexander, to approve Consent Calendar Items J1. through J5., except Item J5 which was pulled for discussion by Board Member Alexander. Motion carried unanimously, 5-0.

ITEM REMOVED FROM CONSENT CALENDAR FOR DISCUSSION

- J4. Consideration to approve a Resolution adopting Fire District salary schedules for Fiscal Year 2016/17 including the amending of certain classifications.

RESOLUTION NO. FD 16-022

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CUCAMONGA FIRE PROTECTION DISTRICT, RANCHO CUCAMONGA, CALIFORNIA, APPROVING SALARY SCHEDULES FOR FISCAL YEAR 2016-17

Board Member Alexander pulled Item J4. for discussion stating that he had expressed a while ago that he has difficulties with some part of the upper level position pay, in particular, the “F”, “G” and “H” step ranges as that go up. He stated that he is not anti-Fire and was himself in Fire for a very long time, but that he had concerns with the economics of it.

MOTION: Moved by Vice-President Spagnolo, seconded by Board Member Williams, to approve Item J4. Motion carried, 4-1, Board Member Alexander opposed.

*** DRAFT ***

K. CONSENT CALENDAR – SUCCESSOR AGENCY

K1. Consideration to approve Minutes of: June 15, 2016 (Regular Meeting)

MOTION: Moved by Vice Chair Spagnolo, seconded by Agency Member Alexander, to approve Consent Calendar Item K1. Motion carried unanimously, 5-0.

L. CONSENT CALENDAR – PUBLIC FINANCING AUTHORITY

L1. Consideration to approve Minutes of: June 15, 2016 (Regular Meeting)

MOTION: Moved by Authority Member Williams, seconded by Authority Member Kennedy, to approve Consent Calendar Item L1. Motion carried unanimously, 5-0.

M. CONSENT CALENDAR – CITY COUNCIL

M1. Consideration to approve Minutes of: June 7, 2016 (Special Meeting – Budget Workshop #1), June 9, 2016 (Special Meeting – Budget Workshop #2), June 15, 2016 (Regular Meeting) and June 16, 2016 (Special Meeting – Budget Adoption).

M2. Consideration to approve Check Register dated June 8, 2016 through June 28, 2016 for the total of \$5,775,110.60.

M3. Consideration of approval to authorize Amendment No. 002 to Contract No. 14-105 with Sigmanet, Inc. for Network Maintenance and Monitoring Services for one (1) additional year in the amount of \$116,160 (including 10% contingency) and non-recurring network installation services in the amount of \$254,199; and to authorize appropriations into the following accounts: \$116,160 into Account No. 1001209-5300 (Innovation and Technology Services – Contract Services) and \$254,199 into Account 1712001.5300 (Vehicle/Equipment Replacement Fund – Contract Services).

M4. Consideration for approval of an award to Saitech, Inc. for the purchase of VMware Software maintenance and subscription renewal in the amount of \$68,737 from Account No. 1001209-5300 (contract services).

M5. Consideration to approve consenting to the YgreneWorks Property Accessed Clean Energy (PACE) Program and authorizing the City to join as associate member in the California Home Finance Authority to finance renewable energy, energy efficiency, water efficiency, and seismic strengthening improvements as well as electric vehicle charging infrastructure.

RESOLUTION NO. 16-071

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) TO FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY EFFICIENCY AND WATER CONSERVATION IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO (SB 555 PACE PROGRAM RESOLUTION)

*** DRAFT ***

RESOLUTION NO. 16-072

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY (CHF) PROGRAM TO FINANCE RENEWABLE ENERGY GENERATION, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO (AB 811 PACE PROGRAM RESOLUTION)

- M6. Consideration to approve consenting to the Figtree Property Accessed Clean Energy (PACE) Program and authorize the City to join as associate member in the California Enterprise Development Authority (CEDA) to finance renewable energy, energy efficiency, water efficiency, and seismic strengthening improvements as well as electric vehicle charging infrastructure.

RESOLUTION NO. 16-073

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING ASSOCIATE MEMBERSHIP BY THE CITY IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY; AUTHORIZING AND DIRECTING THE EXECUTION OF AN ASSOCIATE MEMBERSHIP AGREEMENT RELATING TO ASSOCIATE MEMBERSHIP OF THE CITY IN THE AUTHORITY; AUTHORIZING THE CITY TO JOIN THE FIGTREE PACE PROGRAM; AUTHORIZING THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY TO CONDUCT CONTRACTUAL ASSESSMENT PROCEEDINGS AND LEVY CONTRACTUAL ASSESSMENTS WITHIN THE TERRITORY OF THE CITY OF RANCHO CUCAMONGA; AND AUTHORIZING RELATED ACTIONS

- M7. Consideration of approval of Resolutions ordering the preparation of the Annual Engineer's reports to initiate proceedings to levy annual assessments; approving the preliminary Annual Engineer's reports; and declaring the City Council's intention to levy annual assessments within Landscape Maintenance District Nos. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9 and 10 for Fiscal Year 2016/17 and setting the time and place for a public hearing thereon.

RESOLUTION NO. 16-074

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE PREPARATION OF ANNUAL ENGINEER'S REPORTS PURSUANT TO THE PROVISIONS OF THE ASSESSMENT LAW FOR PROCEEDINGS FOR THE ANNUAL ASSESSMENT LEVY WITHIN LANDSCAPE MAINTENANCE DISTRICT NO. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9, AND 10, INCLUSIVE, FOR FISCAL YEAR 2016/17

RESOLUTION NO. 16-075

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE PRELIMINARY ANNUAL ENGINEER'S REPORTS FOR THE ANNUAL LEVY OF ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE DISTRICTS NO. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9, AND 10, INCLUSIVE, FOR FISCAL YEAR 2016/17

*** DRAFT ***

RESOLUTION NO. 16-076

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, DECLARING ITS INTENTION TO PROVIDE FOR THE ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2016/17 IN LANDSCAPE MAINTENANCE DISTRICT NOS. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9, AND 10, INCLUSIVE, AND SETTING A TIME AND PLACE FOR A PUBLIC HEARING THEREON

- M8. Consideration of approval of Resolutions ordering the preparation of the Annual Engineer's reports to initiate proceedings to levy annual assessments; approving the preliminary Annual Engineer's report; and declaring the City Council's intention to levy annual assessments within Park and Recreation Improvement District No. PD-85 for Fiscal Year 2016/17 and setting the time and place for a public hearing thereon. No increase of assessment rates for FY 2016/17 is proposed or permitted.

RESOLUTION NO. 16-077

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE PREPARATION OF THE ANNUAL ENGINEER'S REPORT PURSUANT TO THE PROVISIONS OF THE ASSESSMENT LAW FOR PROCEEDINGS FOR THE ANNUAL ASSESSMENT LEVY WITHIN PARK AND RECREATION IMPROVEMENT DISTRICT NO. PD-85 FOR FISCAL YEAR 2016/17

RESOLUTION NO. 16-078

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE PRELIMINARY ANNUAL ENGINEER'S REPORT FOR THE ANNUAL LEVY OF ASSESSMENTS WITHIN PARK AND RECREATION IMPROVEMENT DISTRICT NO. PD-85 FOR FISCAL YEAR 2016/17

RESOLUTION NO. 16-079

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, DECLARING ITS INTENTION TO PROVIDE FOR THE ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2016/17 PARK AND RECREATION IMPROVEMENT DISTRICT NO. PD-85 AND SETTING A TIME AND PLACE FOR A PUBLIC HEARING THEREON

- M9. Consideration of approval of Resolutions ordering the preparation of the Annual Engineer's reports to initiate proceedings to levy annual assessments; approving the preliminary Annual Engineer's reports; and declaring the City Council's intention to levy annual assessments within Street Lighting Maintenance District Nos. 1, 2, 3, 4, 5, 6, 7, and 8, inclusive, for Fiscal Year 2016/17 and setting the time and place for a public hearing thereon. No increase of assessment rates is proposed.

RESOLUTION NO. 16-080

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE PREPARATION OF ANNUAL ENGINEER'S REPORTS PURSUANT TO THE PROVISIONS OF THE ASSESSMENT LAW FOR PROCEEDINGS FOR THE ANNUAL ASSESSMENT LEVY WITHIN STREET LIGHTING MAINTENANCE DISTRICT NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, INCLUSIVE, FOR FISCAL YEAR 2016/17

*** DRAFT ***

RESOLUTION NO. 16-081

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE PRELIMINARY ANNUAL ENGINEER'S REPORTS FOR THE ANNUAL LEVY OF ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICT NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, INCLUSIVE, FOR FISCAL YEAR 2016/17

RESOLUTION NO. 16-082

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, DECLARING ITS INTENTION TO PROVIDE FOR THE ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2016/17 IN STREET LIGHTING MAINTENANCE DISTRICT NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, INCLUSIVE, AND SETTING A TIME AND PLACE FOR A PUBLIC HEARING THEREON

- M10. Consideration of approval to waive rental fees associated with a Veterans Resource Fair scheduled for Wednesday, July 27, 2016, to be held at the James L. Brulte Senior Center and hosted by Marc Steinorth, Assemblymember, 40th District, and in partnership with the City of Rancho Cucamonga.
- M11. Consideration of approval to authorize an amendment to the pre-existing contract with Level 3 Communications to increase internet service provision (ISP) bandwidth and extend the agreement with the City of Rancho Cucamonga for three (3) additional years, payable in monthly installments in the amount of \$5,095 and a one-time expense of \$2,000, at a total cost of \$185,420 funded from Account No. 1001217-5200.
- M12. Consideration to approve a Resolution adopting Salary Schedules for Fiscal Year 2016/17, including the addition and amending of certain classifications.

RESOLUTION NO. 16-083

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE SALARY SCHEDULES FOR FISCAL YEAR 2016-17

- M13. Consideration to approve Amendment No. 004 renewing the professional services agreement (CO 13-008) with no rate increase with Able Building Maintenance of Santa Ana, California, for "Window Washing Services at Various City Facilities" for FY 2016-2017 in an amount not to exceed \$78,000 (\$68,000 base amount with \$10,000 extra work) to be funded from accounts 1001312-5304 (Facilities Maintenance) and 1700312-5304 (Sports Complex) as approved in the FY 2016-2017 budget.
- M14. Consideration to approve Amendment 004 renewing contract CO 89-136 and Amendment 005 renewing contract CO 90-145 with Mariposa Landscapes including a 2.4% rate increase effective July 1, 2016 through June 30, 2017 for the "Maintenance of City Landscape Sites and County Wash Ends" in an amount not to exceed \$454,100 for CO 89-136 and \$737,790 for CO 90-145 to be funded from various General, Special and Landscape Maintenance District accounts as approved in the adopted budget for FY 2016-2017.
- M15. Consideration to accept the "Construction of a Family Restroom at LoanMart Stadium at the Epicenter Project," Contract No. 16-020 as Complete; Release the Faithful Performance Bond; Accept a Maintenance Bond; Authorize the Release of the Labor and Materials Bond; Approve a Resolution Authorizing the Public Works Services Director to File a Notice of Completion, Release the Retention 35 Days after Acceptance and Approve the Final Contract Amount of \$64,876.12.

RESOLUTION NO. 16-084

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ACCEPTING THE "CONSTRUCTION OF A FAMILY RESTROOM AT LOANMART STADIUM AT THE EPICENTER PROJECT" CONTRACT NO. 16-020 AND AUTHORIZING THE FILING OF A NOTICE OF COMPLETION FOR THE WORK

*** DRAFT ***

- M16. Consideration to approve Amendment No. 002 renewing Contract CO 15-103 with Siemens Industry, Inc. with no rate increase effective July 1, 2016 through June 30, 2017 for “Traffic Signals and Safety Lighting Maintenance” in an amount not to exceed \$788,050 to be funded from account numbers 1177303-5300 (Measure I 2010-2040) and 1001318-5300 (Street Maintenance) as approved in the adopted budget for FY 2016-2017.
- M17. Consideration to approve Amendment No. 004 renewing the professional services agreement (CO 12-102) with a 2% increase with UtiliQuest for “Underground Marking Services” on an as needed basis for FY 2016-2017 in an amount not to exceed \$70,400 to be funded from 1001318-5300 (Street Maintenance) and 1170303-5300 (Gas Tax 2105/Prop 111) as approved in the FY 2016-2017 budget.
- M18. Consideration to approve the allocation of \$70,000 awarded by the California State Library into Library revenue account 1291000-4740/0-3769 and appropriate \$4,300 into expenditure account 1291602-5010/0-3769 Part Time Salaries, \$750 into expenditure account 1291602-5030/0-3769 Fringe Benefits, \$53,650 into expenditure account 1291602-5200/0-3769 Operations & Maintenance, \$5,000 into expenditure account 1291602-5300/0-3769 Contract Services and \$6,300 into expenditure account 1291602-5603/0-3769 Capital Quality Outlay Equipment for “Cooking with Steam: Interactive Learning at the Library” for the 2016-2017 Library Services and Technology (LSTA) Pitch an Idea Grant.
- M19. Consideration to approve the release of Maintenance Guarantee Bond No. 024061738-M in the amount of \$10,828.26, for the Etiwanda Creek Park Sidewalk Improvement Project, Contract No. 15-068
- M20. Consideration to approve the release of Maintenance Guarantee Bond No. 58723783M in the amount of \$74,702.88 for the Fiscal Year 2014/2015 Local Street Pavement Rehabilitation – Overlay of Various Streets project, Contract No. 15-054
- M21. Consideration to approve the renewal of Professional Services Agreement (CO 13-083) with Richard Heath and Associates, Inc. for energy conservation audits and implement a customer direct installation program for Rancho Cucamonga Municipal Utility customers for FY 2016/17 to be funded from Account No. 1706303-5300 Utility Public Benefit Fund.
- M22. Consideration to approve the Haven Avenue Electric Distribution Line Extension project, Contract No. 15-055 as complete, release the Bonds, accept a Maintenance Bond, authorize the City Engineer to file a Notice of Completion, approve an additional appropriation of \$14,000.00 to Account No. 1705303-5650/1883705-0 from Utility Fund balance, and approve Contract Change Order No. 2 and approve final contract amount \$705,537.97

RESOLUTION NO. 16-085

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ACCEPTING THE HAVEN AVENUE ELECTRIC DISTRIBUTION LINE EXTENSION PROJECT, CONTRACT NO. 15-055, AND AUTHORIZING THE FILING OF A NOTICE OF COMPLETION FOR THE WORK

- M23. Consideration of approval to accept Improvements, release the Faithful Performance Bonds, accept the Maintenance Bonds and file a Notice of Completion for Improvements for Parcel Map 19448, located on the southwest corner of Etiwanda Avenue and Arrow Route, submitted by Goodman Rancho SPE, LLC.

RESOLUTION NO. 16-086

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ACCEPTING THE PUBLIC IMPROVEMENTS FOR PARCEL MAP 19448 AND AUTHORIZING THE FILING OF A NOTICE OF COMPLETION FOR THE WORK

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- M24. Consideration of approval of Improvement Agreement, Improvement Securities and ordering the Annexation to Landscape Maintenance District No. 3B and Street Light Maintenance District Nos. 1 and 6 for DRC2015-00650, located on the west side of Pittsburgh Avenue, south of 6th Street, submitted by Six Hundred Pittsburgh, LLC.

RESOLUTION NO. 16-087

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITIES FOR DRC2015-00650

RESOLUTION NO. 16-088

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO LANDSCAPE MAINTENANCE DISTRICT NO. 3B (COMMERCIAL INDUSTRIAL MAINTENANCE DISTRICT) FOR DRC2015-00650

RESOLUTION NO. 16-089

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 1 (ARTERIAL STREETS) FOR DRC2015-00650

RESOLUTION NO. 16-090

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 6 (COMMERCIAL/INDUSTRIAL) FOR DRC2015-00650

- M25. Consideration to approve Amendment No. 002, reaffirming the terms of the professional services agreement with Econolite Control Products, Inc. for the installation, configuration, integration, training, and testing of Centracs software and related hardware for the Traffic Management Center Upgrade Project Citywide (CO 14-006) and extending the agreement term to January 15, 2018 and authorizing the Director of Engineering Services/City Engineer to sign the amendment.
- M26. Consideration to approve the single source purchase from Leverage Information Systems, Inc. for Network Hardware to support the infrastructure of the City's Public Safety Video Network; and to authorize an appropriation in the amount of \$167,528.66 from COPS Program Grant-State Fund Balance into Account No. 1354701-5603 (Capital Outlay Equipment).
- M27. Consideration of approval of a Purchase and Sale Agreement between the City of Rancho Cucamonga and San Bernardino County Flood Control District for the purchase of approximately 0.92 acres of land (APN 1089-031-14) on the north side of Base Line Road and west of Day Creek Boulevard.
- M28. Consideration of approval of a Purchase and Sale Agreement between the City of Rancho Cucamonga and WLPX Day Creek, LLC for the sale of approximately 0.92 acres of land (APN 1089-031-14) on the north side of Base Line Road and west of Day Creek Boulevard.

MOTION: Moved by Council Member Alexander, seconded by Council Member Kennedy, to approve to approve Consent Calendar Items M1. through M28. Motion carried unanimously, 5-0.

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N. ADMINISTRATIVE HEARING

- N1. Consideration to Approve Amendment No. 002 to Contract No. 12-057 between the City of Rancho Cucamonga and Rancho Cucamonga Chamber of Commerce Amending the Scope of Services and Compensation

John Gillison, City Manager, stated that both the current Chamber President, Maribel Brown (Minuteman Press of Rancho Cucamonga) and incoming Chamber President, Ernie Braunwalder (Farmer's Insurance) are in attendance to address the City Council with a brief presentation and to answer any questions Council may have. He noted contract details are outlined in the Staff Report.

There were no Council comments or questions.

Mayor Michael opened the Administrative Hearing.

- (1). The current Chamber President, Maribel Brown (Minuteman Press of Rancho Cucamonga) and incoming Chamber President (2016-2017), Ernie Braunwalder (Farmer's Insurance) who will start his chairmanship July 1st, addressed the City Council stating that they are proud to submit a new contract proposal for Council's approval, effective July 1, 2016 replacing the prior contract of June 2012. Maribel Brown stated the Rancho Cucamonga Chamber of Commerce will serve to represent the Chamber's five core competencies and summarized programs and events per the amended proposal. Ms. Brown said the Chamber Board of Directors have built a strong partnership to promote the City in the business community and value the relationship that has been developed in recent years.

Council Member Kennedy thanked Chamber Presidents Maribel Brown and Ernie Braunwalder for the Chamber's support of community business, for providing partnerships with community schools for internships and advancing a career pathway. She hoped the Chamber will be supporting the Cradle to Career vision for the County of San Bernardino, and help the City place and develop a highly skilled job workforce.

Mayor Pro Tem Spagnolo expressed looking forward to working with the new Chamber leadership under Ernie Braunwalder, and commended and thanked the Chamber for doing a great job in the City.

Mayor Michael added small businesses are the backbone of our nation, generating many jobs throughout the United States. He said partnership we've had over decades with the Chamber of Commerce, has been a model for many cities. The Mayor thanked the Chamber and asked that they continue to work with City Staff to work out anything that needs working out, to maintain the roles of interact to successfully execute and fulfill the agreement.

Mayor Michael closed the Administrative Hearing.

MOTION: Moved by Mayor Pro Tem Spagnolo, seconded by Council Member Williams, to approve Resolution No. 16-067. Motion carried unanimously, 5-0.

O. CITY MANAGER'S STAFF REPORTS CITY COUNCIL

- O1. Staff Presentation on status of Data Network and Telephone System Upgrade Project.

John Gillison, City Manager, introduced Darryl Polk, DoIT Director/Chief Innovation Officer, accompanied by Tom Jakobsen, Senior Partner with Client First Consulting, the primary consultant for the network and telephone upgrade project, to answer additional questions regarding the upgrade, progress and status, taking the current phone system from analog lines to an IP (Internet Protocol) or a network based system, and into the future. He gave a connectivity overview regarding the 19 City facilities, 7 of which are fire stations, which would use the voice over internet (VoIP) service providing substantially upgraded services, as well as for the Libraries, a key component and point of interest of the upgrade project.

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CIO Polk said that every user on the new system would be provided 1 GB (gigabyte) service, “edge-to-edge” (an enhanced data environment), at the desktop level, greatly improving the amount of data that can be passed through and the capabilities of the system versus the routine and very capable 100 Mb/s (megabyte per second) services now.

CIO Polk talked about enhancing bandwidth and working with library staff to get the Library connected to Cenic (or CalRen Network) a state sponsored network which is education specific. The opportunity for libraries to join the network recently opened up, and allows city libraries to provide remarkable services at low cost, to put Rancho Cucamonga Libraries services on par with other libraries in the region. Library and DoIT staff have worked to bring the system to a 10GB connection, rather than 1 GB service level which is slightly above other libraries in the region. He said that there are only 10 library systems in the state currently operating at a 10GB connection; San Francisco is one of them, and Los Angeles is another. CIO Polk showed comparisons of service levels and said that it is 100 times faster or more data voluminous than the system we have currently. He noted that it is a substantial accomplishment for Library and DoIT staff teams. This connection will be ready when services are cut over on implementation for the Libraries dedicated public network. He concluded with a review of the project timeline which began in February 2016 and is anticipated to go live with the VOIP phone system by winter of 2016.

Consultant Tom Jakobsen said the processes were important because federal subsidies were utilized by the City to make the service affordable.

Mayor Michael expressed thanks on behalf of the City Council to Mr. Polk for the report, and to DoIT and Library staff for their good work.

Council received and filed the report; no action taken.

P. COUNCIL BUSINESS

P1. Inter-Agency Updates (Update by the City Council to the community on the meetings that were attended.)

Mayor Pro Tem Spagnolo, Omnitrans Chairman, stated that the Board is in the process of doing workshops on proposed route changes for Route 80, which begins at Chaffey College, in anticipation of the City of Ontario taking local control of the Ontario International Airport. Currently, Omnitrans is not allowed to go into the airport because the airport is under the jurisdiction of the Los Angeles Airport Authority. Interested citizens may share their views on the proposed changes by visiting the Omnitrans website.

Mayor Michael stated that at the SANBAG Board Meeting earlier today they approved items regarding construction and legal firms handling the project that will move forward the project on both Interstate 10 and Interstate 15 for express lanes. The project will add two more lanes on Interstates 10 and 15; one each per east-west and north-south directions.

P2. Council Announcements (Comments to be limited to three minutes per Council Member.)

Mayor Pro Tem Spagnolo commended and thanked Community Services staff for a wonderful Fireworks Spectacular celebration show and event at the Quakes Stadium, and thanked sponsors for their support. He noted there were new fireworks added to the show line-up.

Council Member Alexander commented on non-sanctioned fireworks all over the City.

Fire Chief Mike Costello responded that the Fire District participated in a joint task force at the agricultural center where 25,000 pounds of illegal fireworks were confiscated, most of which were headed for Los Angeles County, but over 2,000 pounds headed for San Bernardino County. He said that fire agencies are putting a dent in the distribution of the illegal fireworks, however they are running into problems determining how to dispose of them. He stated that there was one small fire on the 4th of July. The Fire District is actively tracking “hot” areas through

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GPS (global positioning system) and mapping. He said fireworks are an issue considering the dangerous conditions with fires, etc.

Council requested to have a recap report on the non-sanctioned fireworks at a future meeting.

Q. IDENTIFICATION OF ITEMS FOR NEXT MEETING

Mayor Michael asked staff to give a report, at the appropriate time, once we get a greater understanding, on the issues surrounding the Initiative on the ballot related to the adult use of marijuana act to afford City Council the opportunity to discuss and share their opinion on the issue with respect to Council's position on medical marijuana in the City.

Council Member Kennedy asked that the report include information from the visitation (inspection).

R. ADJOURNMENT

Mayor Michael adjourned the meeting at 7:44 p.m.

Respectfully submitted,

Linda A. Troyan, MMC
City Clerk Services Director

Approved: * * * * *

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**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Agenda Check Register

6/29/2016 through 7/12/2016

<u>Check No.</u>	<u>Check Date</u>	<u>Vendor Name</u>	<u>City</u>	<u>Fire</u>	<u>Amount</u>
AP 00006200	06/29/2016	PEEK, LINDA V	10,000.00	0.00	10,000.00
AP 00006201	07/06/2016	VIASYN INC	2,906.42	0.00	2,906.42
AP 00006202	07/06/2016	CALIF GOVERNMENT VEBA/RANCHO CUCAMONGA	10,230.00	0.00	10,230.00
AP 00006203	07/06/2016	METROPOLITAN WATER DISTRICT, THE	1,578.00	0.00	1,578.00
AP 00006204	07/06/2016	RCCEA	1,633.00	0.00	1,633.00
AP 00006205	07/06/2016	RCPFA	11,029.18	0.00	11,029.18
AP 00370569	06/29/2016	ABLE BUILDING MAINTENANCE	9,130.21	0.00	9,130.21
AP 00370570	06/29/2016	ACEY DECY EQUIPMENT INC.	72.57	0.00	72.57
AP 00370571	06/29/2016	ADAMS, SHANE	0.00	35.00	35.00
AP 00370572	06/29/2016	AIR & HOSE SOURCE INC.	13.64	0.00	13.64
AP 00370573	06/29/2016	ALL WELDING	2,929.00	0.00	2,929.00
AP 00370574	06/29/2016	ALPHAGRAPHICS	68.04	0.00	68.04
AP 00370575	06/29/2016	ARTISTIC RESOURCES CORPORATION	19,940.20	0.00	19,940.20
AP 00370576	06/29/2016	AUNTIE M CREATIVE CONSULTANTS INC.	1,570.79	0.00	1,570.79
AP 00370577	06/29/2016	AUTO AND RV SPECIALISTS INC.	164.68	0.00	164.68
AP 00370578	06/29/2016	BARNES AND NOBLE	3,663.83	0.00	3,663.83
AP 00370579	06/29/2016	BC TRAFFIC SPECIALISTS	2,963.41	0.00	2,963.41
AP 00370580	06/29/2016	BELTRAN, OSBALDO ALVARADO	783.00	0.00	783.00
AP 00370581	06/29/2016	BILL AND WAGS INC.	0.00	585.00	585.00
AP 00370582	06/29/2016	BISHOP COMPANY	410.35	0.00	410.35
AP 00370583	06/29/2016	BLOOM, JEFFREY A	95.16	0.00	95.16
AP 00370584	06/29/2016	BRIGHTVIEW LANDSCAPE DEVELOPMENT INC.	94,334.07	0.00	94,334.07
AP 00370587	06/29/2016	C V W D	83,024.27	532.80	83,557.07 ***
AP 00370588	06/29/2016	CABLE INC.	8,647.74	0.00	8,647.74
AP 00370589	06/29/2016	CAIN, RUTH	34.02	0.00	34.02
AP 00370590	06/29/2016	CARGANILLA, PAUL	700.00	0.00	700.00
AP 00370591	06/29/2016	CARQUEST AUTO PARTS	28.32	41.67	69.99 ***
AP 00370592	06/29/2016	CASTREJON, DONNA	95.04	0.00	95.04
AP 00370593	06/29/2016	CCS ORANGE COUNTY JANITORIAL INC.	622.14	0.00	622.14
AP 00370594	06/29/2016	CINTAS CORPORATION #150	1,892.92	419.75	2,312.67 ***
AP 00370595	06/29/2016	CLEAR COAST CONSTRUCTION	5,257.67	0.00	5,257.67
AP 00370596	06/29/2016	CLEAR COAST CONSTRUCTION	610.22	0.00	610.22
AP 00370597	06/29/2016	CLIENT FIRST CONSULTING GROUP	1,050.00	0.00	1,050.00
AP 00370598	06/29/2016	COMMUNITY BANK	7,756.58	0.00	7,756.58
AP 00370599	06/29/2016	COMMUNITY COLLABORATIVE CHARTER SCHOOL	500.00	0.00	500.00
AP 00370600	06/29/2016	CONFIRE JPA	0.00	50,733.46	50,733.46
AP 00370601	06/29/2016	COUNTRY ESTATE FENCE CO INC	2,578.81	0.00	2,578.81
AP 00370602	06/29/2016	CUCAMONGA VALLEY WATER DISTRICT	11,200.00	420.00	11,620.00 ***
AP 00370603	06/29/2016	CYBER SECURITY SOURCE	450.00	0.00	450.00
AP 00370604	06/29/2016	DEMPSTER, KERI	126.00	0.00	126.00
AP 00370605	06/29/2016	DREAM SHAPERS	1,000.00	0.00	1,000.00
AP 00370606	06/29/2016	DUMBELL MAN FITNESS EQUIPMENT, THE	125.00	0.00	125.00
AP 00370607	06/29/2016	E POLY STAR INC.	1,682.10	0.00	1,682.10
AP 00370608	06/29/2016	EDWARD PROFESSIONAL ADVISORS	9,900.00	0.00	9,900.00
AP 00370609	06/29/2016	EIGHTH AVENUE ENTERPRISE LLC	333.52	0.00	333.52
AP 00370610	06/29/2016	ENERGY CONSERVATION & SUPPLY INC.	3,726.00	0.00	3,726.00
AP 00370611	06/29/2016	EXCAL VISUAL INC	611.75	0.00	611.75

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**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Agenda Check Register

6/29/2016 through 7/12/2016

<u>Check No.</u>	<u>Check Date</u>	<u>Vendor Name</u>	<u>City</u>	<u>Fire</u>	<u>Amount</u>
AP 00370612	06/29/2016	FELICIANO, ANTHONY	144.00	0.00	144.00
AP 00370613	06/29/2016	FERGUSON ENTERPRISES INC #1350	20.33	0.00	20.33
AP 00370614	06/29/2016	FIRST CLASS HEATING & AIR	396.47	0.00	396.47
AP 00370615	06/29/2016	FIRST CLASS HEATING & AIR	776.63	0.00	776.63
AP 00370616	06/29/2016	FIRST CLASS HEATING & AIR	4,000.00	0.00	4,000.00
AP 00370617	06/29/2016	FLAG SYSTEMS INC.	3,400.00	0.00	3,400.00
AP 00370618	06/29/2016	CALIFORNIA NEWSPAPERS PARTNERSHIP	1,075.00	0.00	1,075.00
AP 00370619	06/29/2016	GAIL MATERIALS	1,010.80	0.00	1,010.80
AP 00370620	06/29/2016	GEORGE HILLS COMPANY	2,264.12	0.00	2,264.12
AP 00370621	06/29/2016	GOLDEN SUN	1,258.20	0.00	1,258.20
AP 00370622	06/29/2016	GOOD YEAR TIRE AND RUBBER CO.	371.87	362.45	734.32 ***
AP 00370623	06/29/2016	GRAINGER	4,060.62	94.10	4,154.72 ***
AP 00370624	06/29/2016	GRAPHICS FACTORY INC.	2,549.88	0.00	2,549.88
AP 00370625	06/29/2016	HAGGINS, ROSALIE	115.00	0.00	115.00
AP 00370626	06/29/2016	HEARTSAVERS LLC	80.00	0.00	80.00
AP 00370627	06/29/2016	HENRY SCHEIN ANIMAL HEALTH SUPPLY	212.20	0.00	212.20
AP 00370628	06/29/2016	HI WAY SAFETY INC	50.25	0.00	50.25
AP 00370629	06/29/2016	HILL, MEGAN	436.50	0.00	436.50
AP 00370630	06/29/2016	HILLS PET NUTRITION SALES INC	312.83	0.00	312.83
AP 00370631	06/29/2016	HOCHHALTER, JENAH	486.00	0.00	486.00
AP 00370632	06/29/2016	HORIZONS CONSTRUCTION COMPANY INTERNATION	163,352.14	0.00	163,352.14
AP 00370633	06/29/2016	HOSE MAN INC	20.75	0.00	20.75
AP 00370634	06/29/2016	HOYT LUMBER CO., SM	0.00	19.42	19.42
AP 00370635	06/29/2016	INLAND EMPIRE TOURS AND TRANSPORTATION	1,363.00	0.00	1,363.00
AP 00370636	06/29/2016	IRON MOUNTAIN OSDP	782.07	0.00	782.07
AP 00370637	06/29/2016	J C TECHNOLOGY INC	14,214.84	0.00	14,214.84
AP 00370638	06/29/2016	JOHN'S INCREDIBLE PIZZA	2,002.81	0.00	2,002.81
AP 00370639	06/29/2016	JOHNNY ALLEN TENNIS ACADEMY	1,356.60	0.00	1,356.60
AP 00370640	06/29/2016	JONES AND MAYER, LAW OFFICES OF	3,168.00	0.00	3,168.00
AP 00370641	06/29/2016	JRC HOUSING	4,850.00	0.00	4,850.00
AP 00370642	06/29/2016	KB HOME	15,000.00	0.00	15,000.00
AP 00370643	06/29/2016	KLAUS AND SONS	5,140.00	0.00	5,140.00
AP 00370644	06/29/2016	KONE INC	655.47	0.00	655.47
AP 00370645	06/29/2016	KVAC ENVIRONMENTAL SERVICES INC	1,222.00	0.00	1,222.00
AP 00370646	06/29/2016	LAURIE, TRACY	12.64	0.00	12.64
AP 00370647	06/29/2016	LEAL, RUTH	90.00	0.00	90.00
AP 00370648	06/29/2016	LIEBERT CASSIDY WHITMORE	1,650.00	0.00	1,650.00
AP 00370649	06/29/2016	LIU, XIANGYUAN	0.00	634.95	634.95
AP 00370650	06/29/2016	LOPEZ, CAITLIN	216.00	0.00	216.00
AP 00370651	06/29/2016	LORBEL INC	18,401.36	0.00	18,401.36
AP 00370652	06/29/2016	MARIPOSA LANDSCAPES INC	30,905.62	0.00	30,905.62
AP 00370653	06/29/2016	MARRUFO, JOANNA	19.00	0.00	19.00
AP 00370654	06/29/2016	MARTINEZ, DIANE	0.00	8.53	8.53
AP 00370655	06/29/2016	MASTERS ELECTRIC	51,471.90	0.00	51,471.90
AP 00370656	06/29/2016	MATANGA, JULIE EDWARD	127.50	0.00	127.50
AP 00370657	06/29/2016	MCMaster CARR SUPPLY COMPANY	301.27	0.00	301.27
AP 00370658	06/29/2016	MDS CONSULTING	54.58	0.00	54.58

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**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Agenda Check Register

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<u>Check No.</u>	<u>Check Date</u>	<u>Vendor Name</u>	<u>City</u>	<u>Fire</u>	<u>Amount</u>
AP 00370659	06/29/2016	MINUTEMAN PRESS	1,103.36	0.00	1,103.36
AP 00370660	06/29/2016	MINUTEMAN PRESS	62.91	0.00	62.91
AP 00370661	06/29/2016	MITY LITE INC.	1,805.74	0.00	1,805.74
AP 00370662	06/29/2016	MONROY, ANGLICA	500.00	0.00	500.00
AP 00370663	06/29/2016	MUNICIPAL CODE CORPORATION	900.00	0.00	900.00
AP 00370664	06/29/2016	NAPA AUTO PARTS	88.52	0.00	88.52
AP 00370665	06/29/2016	NAVARRETTE, DANIEL	0.00	260.00	260.00
AP 00370666	06/29/2016	NEWCOMB ANDERSON MCCORMICK INC	7,453.24	4,968.83	12,422.07 ***
AP 00370667	06/29/2016	OCCUPATIONAL HEALTH CTRS OF CA	3,028.35	78.00	3,106.35 ***
AP 00370668	06/29/2016	OFFICE DEPOT	3,980.51	0.00	3,980.51
AP 00370669	06/29/2016	OKOYE FOUNDATION	400.00	0.00	400.00
AP 00370670	06/29/2016	OLD TOWN TROLLEY TOURS	680.00	0.00	680.00
AP 00370671	06/29/2016	ONTARIO WINNELSON CO	335.02	0.00	335.02
AP 00370672	06/29/2016	ONWARD ENGINEERING	13,366.25	0.00	13,366.25
AP 00370673	06/29/2016	ORBISON, ANDREW	399.00	0.00	399.00
AP 00370674	06/29/2016	ORFILA, YAZMIN ABELLA	173.27	0.00	173.27
AP 00370675	06/29/2016	PANDEY, SHASHI	12.83	0.00	12.83
AP 00370676	06/29/2016	PCN3 INC	147,375.08	0.00	147,375.08
AP 00370677	06/29/2016	PERSONAL STRENGTHS PUBLISHING INC	6,950.00	0.00	6,950.00
AP 00370678	06/29/2016	PETES ROAD SERVICE INC	1,010.19	0.00	1,010.19
AP 00370679	06/29/2016	PLANTATION PRODUCTIONS INC	2,375.00	0.00	2,375.00
AP 00370680	06/29/2016	PRIME GLASS	179.09	0.00	179.09
AP 00370681	06/29/2016	PRISTINE UNIFORMS LLC	0.00	146.84	146.84
AP 00370682	06/29/2016	PSA PRINT GROUP	163.56	0.00	163.56
AP 00370683	06/29/2016	RDO EQUIPMENT CO	131.92	0.00	131.92
AP 00370684	06/29/2016	RECYCLE A WAY LLC	1,336.82	0.00	1,336.82
AP 00370685	06/29/2016	RICHARD HEATH AND ASSOCIATES	2,660.00	0.00	2,660.00
AP 00370686	06/29/2016	RICHARDS WATSON AND GERSHON	0.00	2,499.00	2,499.00
AP 00370687	06/29/2016	RJM DESIGN GROUP INC	47,661.17	0.00	47,661.17
AP 00370688	06/29/2016	ROADLINE PRODUCTS INC	1,509.84	0.00	1,509.84
AP 00370689	06/29/2016	RODRIGUEZ INC, RY	223.90	0.00	223.90
AP 00370690	06/29/2016	RODRIGUEZ, LUIS	50.00	0.00	50.00
AP 00370691	06/29/2016	ROTO ROOTER	4,223.07	0.00	4,223.07
AP 00370692	06/29/2016	ROVICS CONSTRUCTION INC	195.46	0.00	195.46
AP 00370693	06/29/2016	RUBENS AUTO COLLISION CENTER	150.00	0.00	150.00
AP 00370694	06/29/2016	SAFELITE AUTOGLASS	195.64	0.00	195.64
AP 00370695	06/29/2016	SAFEWAY SIGN COMPANY	659.50	0.00	659.50
AP 00370696	06/29/2016	SAN BERNARDINO CLERK OF THE BOARD OF SUPERN	50.00	0.00	50.00
AP 00370697	06/29/2016	SAN BERNARDINO COUNTY SHERIFFS DEPT	9,974.25	0.00	9,974.25
AP 00370698	06/29/2016	SAN BERNARDINO CTY	0.00	14,126.50	14,126.50
AP 00370699	06/29/2016	SCOTT, APRIL	297.00	0.00	297.00
AP 00370700	06/29/2016	SHRED IT USA LLC	190.90	0.00	190.90
AP 00370701	06/29/2016	SHRED PROS	65.00	55.00	120.00 ***
AP 00370702	06/29/2016	SIEMENS INDUSTRY INC	1,516.45	0.00	1,516.45
AP 00370703	06/29/2016	SIGMANET	8,800.00	0.00	8,800.00
AP 00370704	06/29/2016	SIGNATURE SYSTEMS GROUP LLC	3,966.57	0.00	3,966.57
AP 00370705	06/29/2016	SIMS HEATING AND AIR	137.81	0.00	137.81

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AP 00370706	06/29/2016	SITEONE LANDSCAPE SUPPLY LLC	306.38	0.00	306.38
AP 00370707	06/29/2016	SMITH, ANGELA	173.27	0.00	173.27
AP 00370708	06/29/2016	SO CALIF GAS COMPANY	6,945.47	313.73	7,259.20 ***
AP 00370709	06/29/2016	SOLAR CITY CORPORATION	539.04	0.00	539.04
AP 00370710	06/29/2016	SOLAR CITY CORPORATION	808.56	0.00	808.56
AP 00370711	06/29/2016	SOLAR CITY CORPORATION	322.28	0.00	322.28
AP 00370712	06/29/2016	SONSRAY MACHINERY LLC	39.86	0.00	39.86
AP 00370719	06/29/2016	SOUTHERN CALIFORNIA EDISON	12,184.49	915.22	13,099.71 ***
AP 00370720	06/29/2016	SOUTHERN CALIFORNIA NEWS GROUP	397.80	0.00	397.80
AP 00370721	06/29/2016	SOUTHLAND SPORTS OFFICIALS	552.00	0.00	552.00
AP 00370722	06/29/2016	SOUTHWEST TRAFFIC SYSTEMS INC	2,747.52	0.00	2,747.52
AP 00370723	06/29/2016	SPIKES, BRIANNA	56.16	0.00	56.16
AP 00370724	06/29/2016	STAFFORD, DANIEL	100.00	0.00	100.00
AP 00370725	06/29/2016	STANDARD INSURANCE COMPANY	13,386.94	0.00	13,386.94
AP 00370726	06/29/2016	STOTZ EQUIPMENT	463.74	0.00	463.74
AP 00370727	06/29/2016	SUNGARD PUBLIC SECTOR INC	80.00	0.00	80.00
AP 00370728	06/29/2016	SUTPHEN, LACHELLE	2,300.00	0.00	2,300.00
AP 00370729	06/29/2016	THE COUNSELING TEAM INTERNATIONAL	0.00	1,200.00	1,200.00
AP 00370730	06/29/2016	THOMPSON PLUMBING SUPPLY	3,360.84	0.00	3,360.84
AP 00370731	06/29/2016	TOMCO LLC	205.20	0.00	205.20
AP 00370732	06/29/2016	TRAFFIC PARTS	5,173.65	0.00	5,173.65
AP 00370733	06/29/2016	TURF STAR INC	726.42	0.00	726.42
AP 00370734	06/29/2016	U S LEGAL SUPPORT INC	417.08	0.00	417.08
AP 00370735	06/29/2016	UNDERGROUND SVC ALERT OF SO CAL	171.00	0.00	171.00
AP 00370736	06/29/2016	UNIQUE MANAGEMENT SERVICES INC	283.42	0.00	283.42
AP 00370737	06/29/2016	UPS	436.66	0.00	436.66
AP 00370738	06/29/2016	UTILIQUEST	1,362.85	0.00	1,362.85
AP 00370739	06/29/2016	V MONTOYA ENTERPRISES INC	291.60	0.00	291.60
AP 00370740	06/29/2016	VANDERAA, JAKOB	100.00	0.00	100.00
AP 00370741	06/29/2016	VASTA, WILLIAM	1,050.00	0.00	1,050.00
AP 00370742	06/29/2016	VORTEX INDUSTRIES INC	1,913.00	614.10	2,527.10 ***
AP 00370743	06/29/2016	WALTERS WHOLESALE ELECTRIC CO	1,289.52	157.84	1,447.36 ***
AP 00370744	06/29/2016	WATSON, TINA	0.00	44.16	44.16
AP 00370745	06/29/2016	WAXIE SANITARY SUPPLY	4,701.83	1,142.80	5,844.63 ***
AP 00370746	06/29/2016	WAYNE BOEHM AND ALAN J REINACH	11,200.00	0.00	11,200.00
AP 00370747	06/29/2016	WESTRUX INTERNATIONAL INC	42.91	0.00	42.91
AP 00370748	06/29/2016	XPO LOGISTICS FREIGHT INC	20.00	0.00	20.00
AP 00370749	06/29/2016	ZERETZKE, JOHN	2,500.00	0.00	2,500.00
AP 00370750	06/30/2016	ABC LOCKSMITHS	4,259.47	0.00	4,259.47
AP 00370751	06/30/2016	BRODART BOOKS	348.44	0.00	348.44
AP 00370752	06/30/2016	CALSENSE	791.13	0.00	791.13
AP 00370753	06/30/2016	CITRUS MOTORS ONTARIO INC	0.00	260.04	260.04
AP 00370754	06/30/2016	EMCOR SERVICE	15,660.32	0.00	15,660.32
AP 00370755	06/30/2016	EWING IRRIGATION PRODUCTS	707.66	0.00	707.66
AP 00370756	06/30/2016	FASTENAL COMPANY	1,223.43	0.00	1,223.43
AP 00370757	06/30/2016	FORD OF UPLAND INC	114.29	0.00	114.29
AP 00370758	06/30/2016	HOLLIDAY ROCK CO INC	3,018.43	0.00	3,018.43

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AP 00370759	06/30/2016	IMPERIAL SPRINKLER SUPPLY INC	4,995.64	0.00	4,995.64
AP 00370760	06/30/2016	KME FIRE APPARATUS	0.00	2,373.57	2,373.57
AP 00370761	06/30/2016	LIMS AUTO INC	2,222.51	0.00	2,222.51
AP 00370762	06/30/2016	ORKIN PEST CONTROL	875.16	0.00	875.16
AP 00370763	06/30/2016	PENNY PLUMBING	144.00	0.00	144.00
AP 00370764	06/30/2016	TARGET SPECIALTY PRODUCTS	1,536.16	0.00	1,536.16
AP 00370765	06/30/2016	TOMARK SPORTS INC	1,422.46	0.00	1,422.46
AP 00370766	07/06/2016	10-8 RETROFIT INC.	86.60	0.00	86.60
AP 00370767	07/06/2016	3SI SECURITY SYSTEMS	1,020.00	0.00	1,020.00
AP 00370768	07/06/2016	4 IMPRINT	1,456.19	0.00	1,456.19
AP 00370769	07/06/2016	A AND R TIRE SERVICE	1,113.77	0.00	1,113.77
AP 00370770	07/06/2016	ADVANCED CHEMICAL TRANSPORT	1,376.50	0.00	1,376.50
AP 00370771	07/06/2016	ALBERT A. WEBB	1,627.50	0.00	1,627.50
AP 00370772	07/06/2016	ALL WELDING	2,929.00	0.00	2,929.00
AP 00370773	07/06/2016	APPLIED METERING TECHNOLOGIES INC	11,759.48	0.00	11,759.48
AP 00370774	07/06/2016	BATTERY POWER INC	627.49	0.00	627.49
AP 00370775	07/06/2016	BC TRAFFIC SPECIALISTS	523.14	0.00	523.14
AP 00370776	07/06/2016	BERN MARIES PROMOTIONAL PRODUCTS	2,188.94	0.00	2,188.94
AP 00370777	07/06/2016	BIGNAMI, ROSEMARY	25.94	0.00	25.94
AP 00370778	07/06/2016	BISHOP COMPANY	2,105.19	0.00	2,105.19
AP 00370779	07/06/2016	BRIGHTON ETIWANDA HOA	150.00	0.00	150.00
AP 00370780	07/06/2016	BUTSKO UTILITY DESIGN INC.	21,314.08	0.00	21,314.08
AP 00370781	07/06/2016	CADET TIRE COMPANY INC.	3,095.80	0.00	3,095.80
AP 00370782	07/06/2016	CARQUEST AUTO PARTS	207.81	0.00	207.81
AP 00370783	07/06/2016	CARTY, DIANE	432.00	0.00	432.00
AP 00370784	07/06/2016	CHAVEZ, ALIESE	0.00	50.93	50.93
AP 00370785	07/06/2016	CINTAS CORPORATION #150	1,160.06	0.00	1,160.06
AP 00370786	07/06/2016	CITY RENTALS	132.00	0.00	132.00
AP 00370787	07/06/2016	CONCEPT POWDER COATING	1,580.00	0.00	1,580.00
AP 00370788	07/06/2016	CONFIRMDelivery.COM	231.95	0.00	231.95
AP 00370789	07/06/2016	CONSOLIDATED ELECTRICAL DISTR INC	986.04	0.00	986.04
AP 00370790	07/06/2016	CONSTRUCTION EQUIP 4 LESS.COM	2,581.20	0.00	2,581.20
AP 00370791	07/06/2016	COPELAND, PATRICK	500.00	0.00	500.00
AP 00370792	07/06/2016	CPS HR CONSULTING	7,500.00	0.00	7,500.00
AP 00370793	07/06/2016	CUCAMONGA VALLEY WATER DISTRICT	3,139.60	116.28	3,255.88 ***
AP 00370794	07/06/2016	D AND K CONCRETE COMPANY	550.39	0.00	550.39
AP 00370795	07/06/2016	DANCE DYNAMICS	12,759.00	0.00	12,759.00
AP 00370796	07/06/2016	DANCE TERRIFIC	1,173.90	0.00	1,173.90
AP 00370797	07/06/2016	DIVANGO	52.50	0.00	52.50
AP 00370798	07/06/2016	DOWNEY, JENNIFER	13.39	0.00	13.39
AP 00370799	07/06/2016	DUNN, ANN MARIE	244.80	0.00	244.80
AP 00370800	07/06/2016	DURKEL, CAROL	262.98	0.00	262.98
AP 00370801	07/06/2016	ECHEVARRIA, ERIKA	53.31	0.00	53.31
AP 00370802	07/06/2016	EIGHTH AVENUE ENTERPRISE LLC	433.08	0.00	433.08
AP 00370803	07/06/2016	EMPIRE ECONOMICS INC	950.00	0.00	950.00
AP 00370804	07/06/2016	EXPRESS BRAKE SUPPLY	34.98	0.00	34.98
AP 00370805	07/06/2016	FEDERAL EXPRESS CORP	85.62	0.00	85.62

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AP 00370806	07/06/2016	FELGAR, LINDA	68.00	0.00	68.00
AP 00370807	07/06/2016	G AND M BUSINESS INTERIORS	384.71	0.00	384.71
AP 00370808	07/06/2016	GALE/CENGAGE LEARNING	1,207.49	0.00	1,207.49
AP 00370809	07/06/2016	GEOGRAPHICS	1,831.00	0.00	1,831.00
AP 00370810	07/06/2016	GOOD YEAR TIRE AND RUBBER CO.	2,386.90	0.00	2,386.90
AP 00370811	07/06/2016	GOSE, DALE	73.88	0.00	73.88
AP 00370812	07/06/2016	GRAINGER	5,797.01	0.00	5,797.01
AP 00370813	07/06/2016	GRAVES & KING LLP	1,391.20	0.00	1,391.20
AP 00370814	07/06/2016	GRAYBAR	297.10	0.00	297.10
AP 00370815	07/06/2016	GREEN ROCK POWER EQUIPMENT	595.33	0.00	595.33
AP 00370816	07/06/2016	GROSLAND, PATRICIA	32.00	0.00	32.00
AP 00370817	07/06/2016	HEARTSAVERS LLC	262.27	0.00	262.27
AP 00370818	07/06/2016	HENRY SCHEIN ANIMAL HEALTH SUPPLY	264.85	0.00	264.85
AP 00370819	07/06/2016	HERTZ FURNITURE	25.36	0.00	25.36
AP 00370820	07/06/2016	HI WAY SAFETY INC	2,970.84	0.00	2,970.84
AP 00370821	07/06/2016	HILLS PET NUTRITION SALES INC	1,503.94	0.00	1,503.94
AP 00370822	07/06/2016	HOLDEN, GRACY	59.14	0.00	59.14
AP 00370823	07/06/2016	HOYT LUMBER CO., SM	8.74	0.00	8.74
AP 00370824	07/06/2016	HUNTINGTON HARDWARE	112.49	0.00	112.49
AP 00370825	07/06/2016	INDERWIESCHE, MATT	1,438.20	0.00	1,438.20
AP 00370826	07/06/2016	INLAND PRESORT & MAILING SERVICES	157.19	0.00	157.19
AP 00370827	07/06/2016	INLAND VALLEY RV SERVICE & SUPPLIES	412.92	0.00	412.92
AP 00370828	07/06/2016	J & D GUILLIAM CONSTRUCTION INC	1,050.00	0.00	1,050.00
AP 00370829	07/06/2016	JACOBSEN DIVISION OF TEXTRON INC	192.47	0.00	192.47
AP 00370830	07/06/2016	K K WOODWORKING	73.37	0.00	73.37
AP 00370831	07/06/2016	KROGER	4.38	0.00	4.38
AP 00370832	07/06/2016	LADAGE, JIM	28.01	0.00	28.01
AP 00370833	07/06/2016	LAKESHORE LEARNING MATERIALS	1,936.69	0.00	1,936.69
AP 00370834	07/06/2016	LANGUAGE PLANET	1,200.00	0.00	1,200.00
AP 00370835	07/06/2016	LEAGUE OF CALIFORNIA CITIES	80.00	0.00	80.00
AP 00370836	07/06/2016	LEWIS OPERATING CORPORATION	272.00	0.00	272.00
AP 00370837	07/06/2016	LIEBERT CASSIDY WHITMORE	14,368.40	0.00	14,368.40
AP 00370838	07/06/2016	LIVE OAK DOG OBEDIENCE	588.00	0.00	588.00
AP 00370839	07/06/2016	LOS ANGELES FREIGHTLINER	111.35	0.00	111.35
AP 00370840	07/06/2016	LOS ANGELES TIMES	519.66	0.00	519.66
AP 00370841	07/06/2016	MAIN STREET SIGNS	1,614.60	0.00	1,614.60
AP 00370842	07/06/2016	MARIPOSA LANDSCAPES INC	47,731.85	0.00	47,731.85
AP 00370843	07/06/2016	MARK CHRISTOPHER INC	266.24	0.00	266.24
AP 00370844	07/06/2016	MCALLISTER, WILLIAM	700.66	0.00	700.66
AP 00370845	07/06/2016	MEDIWASTE DISPOSAL LLC	40.00	0.00	40.00
AP 00370846	07/06/2016	MIDWEST TAPE	3,184.19	0.00	3,184.19
AP 00370847	07/06/2016	MILANES, YIKCIA	350.00	0.00	350.00
AP 00370848	07/06/2016	MISSION REPROGRAPHICS	51.86	0.00	51.86
AP 00370849	07/06/2016	MORRIS, RICHARD	67.20	0.00	67.20
AP 00370850	07/06/2016	MOUNTAIN VIEW SMALL ENG REPAIR	923.36	0.00	923.36
AP 00370851	07/06/2016	MOUSSAVI, SARAH	76.78	0.00	76.78
AP 00370852	07/06/2016	MULTICULTURAL BOOKS & VIDEOS	429.59	0.00	429.59

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AP 00370853	07/06/2016	MUSICSTAR	5,949.00	0.00	5,949.00
AP 00370854	07/06/2016	NAPA AUTO PARTS	72.15	0.00	72.15
AP 00370855	07/06/2016	NEW COLOR SCREEN PRINTING & EMBROIDERY	184.68	0.00	184.68
AP 00370856	07/06/2016	NOVELTY PRINTING	833.80	0.00	833.80
AP 00370857	07/06/2016	O'CONNOR, MICKEY	1,000.00	0.00	1,000.00
AP 00370858	07/06/2016	OCCUPATIONAL HEALTH CTRS OF CA	0.00	212.48	212.48
AP 00370859	07/06/2016	OFFICE DEPOT	3,816.86	0.00	3,816.86
AP 00370860	07/06/2016	ONTARIO WINNELSON CO	221.40	0.00	221.40
AP 00370861	07/06/2016	ONTRAC	32.31	0.00	32.31
AP 00370862	07/06/2016	OPARC	352.00	0.00	352.00
AP 00370863	07/06/2016	PACIFIC UTILITY INSTALLATION INC	21,525.00	0.00	21,525.00
AP 00370864	07/06/2016	PACIFIC YOUTH SPORTS	1,506.00	0.00	1,506.00
AP 00370865	07/06/2016	PETES ROAD SERVICE INC	578.59	0.00	578.59
AP 00370866	07/06/2016	PITASSI ARCHITECTS INC	4,200.00	0.00	4,200.00
AP 00370867	07/06/2016	PRECISION GYMNASTICS	2,464.70	0.00	2,464.70
AP 00370868	07/06/2016	PRO SALES GROUP INC	381.82	0.00	381.82
AP 00370869	07/06/2016	PRO-LINE INDUSTRIAL PRODUCTS INC	429.84	0.00	429.84
AP 00370870	07/06/2016	PVP COMMUNICATIONS INC	975.28	0.00	975.28
AP 00370871	07/06/2016	PW GILLIBRAND INC	1,680.72	0.00	1,680.72
AP 00370872	07/06/2016	R AND R AUTOMOTIVE	1,421.94	0.00	1,421.94
AP 00370873	07/06/2016	RAMIREZ, SANDRA	460.00	0.00	460.00
AP 00370874	07/06/2016	RANCHO CUCAMONGA QUAKES	6,500.00	0.00	6,500.00
AP 00370875	07/06/2016	RANCHO REGIONAL VETERINARY HOSPITAL INC	139.32	0.00	139.32
AP 00370876	07/06/2016	RBM LOCK AND KEY SERVICE	115.02	0.00	115.02
AP 00370877	07/06/2016	REBONG, LOIDA	5.00	0.00	5.00
AP 00370878	07/06/2016	RELIABLE MONITORING SERVICES INC	1,258.00	0.00	1,258.00
AP 00370879	07/06/2016	RICHARDS WATSON AND GERSHON	1,108.65	0.00	1,108.65
AP 00370880	07/06/2016	ROSEBURROUGH TOOLS INC	199.94	0.00	199.94
AP 00370881	07/06/2016	SAFELITE FULFILLMENT INC	393.78	0.00	393.78
AP 00370882	07/06/2016	SAN BERNARDINO CTY	15,723.00	0.00	15,723.00
AP 00370883	07/06/2016	SAN BERNARDINO, CITY OF	957.22	0.00	957.22
AP 00370884	07/06/2016	SHEAKLEY PENSION ADMINISTRATION	307.80	0.00	307.80
AP 00370885	07/06/2016	SHEAKLEY PENSION ADMINISTRATION	0.00	154.70	154.70
AP 00370886	07/06/2016	SIGN SHOP, THE	439.56	0.00	439.56
AP 00370887	07/06/2016	SITEONE LANDSCAPE SUPPLY LLC	1,034.80	0.00	1,034.80
AP 00370888	07/06/2016	SOCIAL VOCATIONAL SERVICES	3,388.00	0.00	3,388.00
AP 00370889	07/06/2016	SONSRAY MACHINERY LLC	39.86	0.00	39.86
AP 00370892	07/06/2016	SOUTHERN CALIFORNIA EDISON	25,654.73	4,291.76	29,946.49 ***
AP 00370893	07/06/2016	SOUTHERN CALIFORNIA EDISON	2,281.05	0.00	2,281.05
AP 00370894	07/06/2016	SOUTHLAND SPORTS OFFICIALS	552.00	0.00	552.00
AP 00370895	07/06/2016	STOTZ EQUIPMENT	3,012.69	0.00	3,012.69
AP 00370896	07/06/2016	STOVER SEED COMPANY	529.01	0.00	529.01
AP 00370897	07/06/2016	SUPERIOR TANK COMPANY INC	400.00	0.00	400.00
AP 00370898	07/06/2016	TRUELINE CONSTRUCTION & SURFACING INC	450.00	0.00	450.00
AP 00370899	07/06/2016	UNITED ROTARY BRUSH CORPORATION	520.38	0.00	520.38
AP 00370900	07/06/2016	UNITED SITE SERVICES OF CA INC	233.91	0.00	233.91
AP 00370901	07/06/2016	UNIVERSAL MARTIAL ARTS CENTERS	399.00	0.00	399.00

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AP 00370902	07/06/2016	UNIVERSITY ENTERPRISES CORP @ CSUSB, THE	7,000.00	0.00	7,000.00
AP 00370903	07/06/2016	UTILIQUEST	702.50	0.00	702.50
AP 00370904	07/06/2016	VAN SCOYOC ASSOCIATES INC	4,000.00	0.00	4,000.00
AP 00370909	07/06/2016	VERIZON WIRELESS - LA	7,786.05	0.00	7,786.05
AP 00370910	07/06/2016	VICTOR MEDICAL COMPANY	1,899.30	0.00	1,899.30
AP 00370911	07/06/2016	VISION COMMUNICATIONS CO	661.13	0.00	661.13
AP 00370912	07/06/2016	VORTEX INDUSTRIES INC	741.95	0.00	741.95
AP 00370913	07/06/2016	WAXIE SANITARY SUPPLY	2,351.28	0.00	2,351.28
AP 00370914	07/06/2016	WILLIAMS ARCHITECTS INC	4,410.00	0.00	4,410.00
AP 00370915	07/06/2016	WILLIAMS, KEVIN	10.27	0.00	10.27
AP 00370916	07/06/2016	WILSON, LYSTRA	250.00	0.00	250.00
AP 00370919	07/06/2016	XEROX CORPORATION	10,949.03	469.92	11,418.95 ***
AP 00370920	07/06/2016	XTEND BARRE	92.40	0.00	92.40
AP 00370921	07/06/2016	YORK INDUSTRIES	1,267.04	0.00	1,267.04
AP 00370922	07/06/2016	AFLAC GROUP INSURANCE	79.40	0.00	79.40
AP 00370923	07/06/2016	AMTECH ELEVATOR SERVICES	285.28	0.00	285.28
AP 00370924	07/06/2016	BAKER, CLIFF	200.00	0.00	200.00
AP 00370925	07/06/2016	BLR	463.32	0.00	463.32
AP 00370926	07/06/2016	CAL PERS LONG TERM CARE	294.91	0.00	294.91
AP 00370927	07/06/2016	CALIFORNIA, STATE OF	233.59	0.00	233.59
AP 00370928	07/06/2016	CALIFORNIA, STATE OF	100.00	0.00	100.00
AP 00370929	07/06/2016	CALIN, ANGELA	816.00	0.00	816.00
AP 00370930	07/06/2016	DELTA DENTAL	1,469.88	0.00	1,469.88
AP 00370931	07/06/2016	DELTA DENTAL	40,071.76	0.00	40,071.76
AP 00370932	07/06/2016	EPSTEIN, JOSH	816.00	0.00	816.00
AP 00370933	07/06/2016	HORTON, GWENDOLYN	1,000.00	0.00	1,000.00
AP 00370934	07/06/2016	INCENDIO MUSIC	2,000.00	0.00	2,000.00
AP 00370935	07/06/2016	INFOGROUP	11,600.00	0.00	11,600.00
AP 00370936	07/06/2016	KAISER FOUNDATION HEALTH PLAN INC	191,481.66	0.00	191,481.66
AP 00370937	07/06/2016	KERRY, DANIELLE	1,500.00	0.00	1,500.00
AP 00370938	07/06/2016	LE VANGIE, NATALIE	376.23	0.00	376.23
AP 00370939	07/06/2016	MANKE, ART	1,066.00	0.00	1,066.00
AP 00370940	07/06/2016	NEOPOST USA INC	122.26	0.00	122.26
AP 00370941	07/06/2016	NEWSBANK INC	7,355.00	0.00	7,355.00
AP 00370942	07/06/2016	NIGHTHAWK TOTAL CONTROL	133.75	0.00	133.75
AP 00370943	07/06/2016	OSHIRO, ALLEN	1,400.00	0.00	1,400.00
AP 00370944	07/06/2016	PAL CAMPAIGN	10.00	0.00	10.00
AP 00370945	07/06/2016	PRE-PAID LEGAL SERVICES INC	96.59	0.00	96.59
AP 00370946	07/06/2016	PYRO SPECTACULARS INC	26,000.00	0.00	26,000.00
AP 00370947	07/06/2016	RAGAN COMMUNICATIONS INC	29.95	0.00	29.95
AP 00370948	07/06/2016	RANCHO CUCAMONGA CHAMBER OF COMMERCE	3,166.66	0.00	3,166.66
AP 00370949	07/06/2016	READ THE BOOKS LLC	1,070.00	0.00	1,070.00
AP 00370950	07/06/2016	SBPEA	959.04	0.00	959.04
AP 00370951	07/06/2016	SEXTON, SHEILA	3.00	0.00	3.00
AP 00370952	07/06/2016	SHERIFFS COURT SERVICES	390.64	0.00	390.64
AP 00370953	07/06/2016	STANDARD INSURANCE COMPANY	3,928.07	0.00	3,928.07
AP 00370954	07/06/2016	TUTOR.COM INC	18,400.00	0.00	18,400.00

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Agenda Check Register

6/29/2016 through 7/12/2016

<u>Check No.</u>	<u>Check Date</u>	<u>Vendor Name</u>	<u>City</u>	<u>Fire</u>	<u>Amount</u>
AP 00370955	07/06/2016	UNITED WAY	151.00	0.00	151.00
AP 00370956	07/06/2016	WESTERN CITY MAGAZINE	39.00	0.00	39.00
AP 00370957	07/06/2016	WRIST BAND	900.00	0.00	900.00
AP 00370961	07/07/2016	CALIFORNIA BOARD OF EQUALIZATION, STATE OF	1,870.30	1,833.55	3,703.85 ***
AP 00370962	07/07/2016	CASTILLO, JESSIE	942.56	0.00	692.56
AP 00370963	07/07/2016	EMCOR SERVICE	-1,350.00	4,171.97	0.00 ***
AP 00370964	07/07/2016	GOOD YEAR TIRE AND RUBBER CO.	503.11	0.00	0.00
AP 00370965	07/07/2016	INLAND EMPIRE FIRE EXPLORERS ASSOC	0.00	1,860.00	0.00
AP 00370966	07/07/2016	NEOPOST USA INC	122.26	0.00	0.00
AP 00370967	07/07/2016	PITNEY BOWES	207.36	0.00	0.00
AP 00370968	07/07/2016	SAN BERNARDINO COUNTY SHERIFFS DEPT	179,610.90	0.00	0.00
AP 00370969	07/07/2016	BRODART BOOKS	35,373.57	0.00	35,373.57
AP 00370970	07/07/2016	EMCOR SERVICE	295.00	0.00	295.00
AP 00370971	07/07/2016	FASTENAL COMPANY	4.58	0.00	4.58
AP 00370972	07/07/2016	HOLLIDAY ROCK CO INC	621.95	0.00	621.95
AP 00370973	07/07/2016	INTERSTATE BATTERIES	1,475.68	0.00	1,475.68
AP 00370974	07/07/2016	LIMS AUTO INC	69.23	0.00	69.23
AP 00370975	07/07/2016	ORKIN PEST CONTROL	488.00	0.00	488.00
AP 00370976	07/07/2016	SUNRISE FORD	9.74	0.00	9.74

Total City:	\$1,922,880.15
Total Fire:	\$96,204.35
Grand Total:	<u>\$2,019,084.50</u>

Note:

***** Check Number includes both City and Fire District expenditures**

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Electronic Debit Register

June 1, 2016 - June 30, 2016

<u>DATE</u>	<u>DESCRIPTION</u>	<u>CITY</u>	<u>FIRE</u>	<u>AMOUNT</u>
6/1	U.S. BANK - Purchasing Card Payment - May 2016	59,973.03	9,260.17	69,233.20
6/1	U.S. BANK - Corporate Card Payment - May 2016	56,125.59	23,815.67	79,941.26
6/1	Workers Comp - City Account Transfer	198.80		198.80
6/2	AUTHNET GATEWAY BILLING CCD 75379588	53.40		53.40
6/2	Workers Comp - City Account Transfer	2,476.75		2,476.75
6/2	Workers Comp - Fire Account Transfer		6,164.74	6,164.74
6/3	Workers Comp - City Account Transfer	148.60		148.60
6/3	Workers Comp - Fire Account Transfer		372.65	372.65
6/6	Workers Comp - City Account Transfer	2,720.29		2,720.29
6/6	Workers Comp - Fire Account Transfer		25.66	25.66
6/7	Workers Comp - City Account Transfer	460.00		460.00
6/7	Workers Comp - Fire Account Transfer		250.00	250.00
6/8	STATE DISBURSEMENT UNIT - Child Support Payments	1,690.48		1,690.48
6/8	STATE DISBURSEMENT UNIT - Child Support Payments		6,174.92	6,174.92
6/8	Workers Comp - City Account Transfer	1,364.59		1,364.59
6/8	Workers Comp - Fire Account Transfer		858.41	858.41
6/9	CALPERS - City - Retirement Account Deposit	31,365.18		31,365.18
6/9	CALPERS - City - Retirement Account Deposit	194,612.27		194,612.27
6/9	CALPERS - Fire - Retirement Account Deposit		766.92	766.92
6/9	CALPERS - Fire - Retirement Account Deposit		1,510.30	1,510.30
6/9	CALPERS - Fire - Retirement Account Deposit		4,710.77	4,710.77
6/9	CALPERS - Fire - Retirement Account Deposit		5,820.26	5,820.26
6/9	CALPERS - Fire - Retirement Account Deposit		7,671.36	7,671.36
6/9	CALPERS - Fire - Retirement Account Deposit		105,580.54	105,580.54
6/9	Workers Comp - City Account Transfer	874.15		874.15
6/9	Workers Comp - Fire Account Transfer		734.75	734.75
6/10	Workers Comp - City Account Transfer	1,171.88		1,171.88
6/13	Wire Transfer to California ISO for Power Resources	68,378.07		68,378.07
6/13	Workers Comp - City Account Transfer	7,785.21		7,785.21
6/13	Workers Comp - Fire Account Transfer		3,535.86	3,535.86
6/14	Workers Comp - City Account Transfer	117.00		117.00
6/15	CALPERS - Fire - Retirement Account Deposit		129.59	129.59
6/15	CALPERS - Fire - Retirement Account Deposit		255.29	255.29
6/15	CALPERS - Fire - Retirement Account Deposit		316.62	316.62
6/15	CALPERS - Fire - Retirement Account Deposit		395.93	395.93
6/15	CALPERS - Fire - Retirement Account Deposit		1,388.41	1,388.41
6/15	CALPERS - Fire - Retirement Account Deposit		1,396.35	1,396.35
6/15	CALPERS - Fire - Retirement Account Deposit		4,703.55	4,703.55
6/15	CALPERS - Fire - Retirement Account Deposit		20,738.30	20,738.30
6/15	Wire Transfer to Community Bank for Escrow Dep. I-15 Base Line Interchange	587,867.56		587,867.56
6/15	Workers Comp - City Account Transfer	10,530.59		10,530.59
6/15	Workers Comp - Fire Account Transfer		6,671.46	6,671.46
6/16	Workers Comp - City Account Transfer	2,188.74		2,188.74
6/16	Workers Comp - Fire Account Transfer		3,487.13	3,487.13
6/17	CALPERS - City - Retirement Account Deposit	28,682.00		28,682.00
6/17	CALPERS - City - Retirement Account Deposit	175,226.00		175,226.00
6/17	CALPERS - Fire - Retirement Account Deposit		690.00	690.00
6/17	CALPERS - Fire - Retirement Account Deposit		1,360.00	1,360.00
6/17	CALPERS - Fire - Retirement Account Deposit		4,240.00	4,240.00
6/17	CALPERS - Fire - Retirement Account Deposit		5,238.00	5,238.00
6/17	CALPERS - Fire - Retirement Account Deposit		6,767.00	6,767.00
6/17	CALPERS - Fire - Retirement Account Deposit		95,022.00	95,022.00
6/17	Workers Comp - City Account Transfer	110.71		110.71
6/20	Workers Comp - City Account Transfer	386.07		386.07
6/21	Workers Comp - City Account Transfer	2,301.56		2,301.56

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Electronic Debit Register

June 1, 2016 - June 30, 2016

<u>DATE</u>	<u>DESCRIPTION</u>	<u>CITY</u>	<u>FIRE</u>	<u>AMOUNT</u>
6/21	Workers Comp - Fire Account Transfer		844.93	844.93
6/22	Workers Comp - City Account Transfer	1,121.01		1,121.01
6/22	Workers Comp - Fire Account Transfer		3,953.86	3,953.86
6/23	STATE DISBURSEMENT UNIT - Child Support Payments		6,338.77	6,338.77
6/23	STATE DISBURSEMENT UNIT - Child Support Payments	1,568.08		1,568.08
6/23	Workers Comp - City Account Transfer	1,849.03		1,849.03
6/23	Workers Comp - Fire Account Transfer		929.22	929.22
6/24	Workers Comp - City Account Transfer	2,334.53		2,334.53
6/24	Workers Comp - Fire Account Transfer		2,994.23	2,994.23
6/27	ANALYSIS DEFICIT - Bank Fee - May 2016	19,185.23		19,185.23
6/27	Wire Transfer to California ISO for Power Resources	8,734.91		8,734.91
6/27	Workers Comp - City Account Transfer	489.05		489.05
6/27	Workers Comp - Fire Account Transfer		1,554.43	1,554.43
6/29	Wire Transfer to US BANK for PARS Sec. 115 Post Employee Benefits	1,774,000.00		1,774,000.00
6/29	Wire Transfer to US BANK for PARS Sec. 115 Post Employee Benefits		3,824,000.00	3,824,000.00
6/29	Workers Comp - City Account Transfer	1,733.33		1,733.33
6/29	Workers Comp - Fire Account Transfer		391.28	391.28
6/30	Workers Comp - City Account Transfer	1,036.01		1,036.01
6/30	Workers Comp - Fire Account Transfer		5,283.33	5,283.33

Total City	\$ 3,048,859.70
Total Fire	\$ 4,176,342.66
GRAND TOTAL	<u>\$ 7,225,202.36</u>



R. C. Fire Protection District Portfolio Management Portfolio Summary June 30, 2016

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Fund	12,478,694.97	12,478,694.97	12,478,694.97	16.75	1	1	0.568	0.576
Passbook/Checking Accounts	851,028.32	851,028.32	851,028.32	1.14	1	1	0.197	0.200
Federal Agency Issues - Coupon	56,355,000.00	56,557,857.13	56,336,746.10	75.64	1,551	1,093	1.342	1.361
Treasury Securities - Coupon	2,000,000.00	2,017,534.00	2,000,000.00	2.69	1,826	726	1.184	1.200
Municipal Bonds	1,815,000.00	1,840,867.05	1,818,132.38	2.44	1,102	621	1.480	1.501
Corporate Notes	1,000,000.00	1,011,682.00	998,799.78	1.34	1,826	723	1.757	1.782
Investments	74,499,723.29	74,757,663.47	74,483,401.55	100.00%	1,274	871	1.204	1.221

Cash and Accrued Interest								
Accrued Interest at Purchase		81.77	81.77					
Subtotal		81.77	81.77					
Total Cash and Investments	74,499,723.29	74,757,745.24	74,483,483.32		1,274	871	1.204	1.221

	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Total Earnings			
Current Year	75,832.37	747,573.91	747,573.91
Average Daily Balance	79,900,213.50	72,260,963.68	
Effective Rate of Return	1.15%	1.03%	

I certify that this report accurately reflects all District pooled investments and is in conformity with the investment policy adopted September 17, 2014. A copy of the investment policy is available in the Administrative Services Department. The Investment Program herein shown provides sufficient cash flow liquidity to meet the next six months estimated expenditures. The month-end market values were obtained from (IDC)-Interactive Data Corporation pricing service.

for *Lori E. Sassoon* 11/3/2016
Lori E. Sassoon, Treasurer

**R. C. Fire Protection District
Portfolio Management
Portfolio Details - Investments
June 30, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Local Agency Investment Fund												
SYS0001	0001	LOCAL AGENCY INVESTMENT FUND			12,478,694.97	12,478,694.97	12,478,694.97	0.576		0.576	1	
		Subtotal and Average	15,212,028.30		12,478,694.97	12,478,694.97	12,478,694.97	0.576		0.576	1	
Passbook/Checking Accounts												
SYS0002	0002	UNION BANK OF CALIFORNIA			851,028.32	851,028.32	851,028.32	0.200	P-1	0.200	1	
		Subtotal and Average	1,118,110.38		851,028.32	851,028.32	851,028.32	0.200		0.200	1	
Federal Agency Issues - Coupon												
3133ECP1	1039	FEDERAL FARM CREDIT BANK		06/11/2013	4,500,000.00	4,534,978.50	4,487,155.00	1.150	Aaa	1.302	710	06/11/2018
3133EDGW6	1057	FEDERAL FARM CREDIT BANK		03/11/2014	2,000,000.00	2,021,622.00	1,999,249.67	1.300	Aaa	1.320	710	06/11/2018
3133EEM49	1070	FEDERAL FARM CREDIT BANK		05/22/2015	2,000,000.00	2,046,564.00	2,004,668.59	1.600	Aaa	1.530	1,267	12/20/2019
3133EFEL7	1072	FEDERAL FARM CREDIT BANK		09/23/2015	3,000,000.00	3,005,838.00	3,000,000.00	1.600	Aaa	1.600	1,179	09/23/2019
3133EFKY2	1076	FEDERAL FARM CREDIT BANK		10/30/2015	1,500,000.00	1,500,571.50	1,500,000.00	1.360	Aaa	1.360	1,214	10/28/2019
3133EFR82	1085	FEDERAL FARM CREDIT BANK		03/23/2016	2,000,000.00	2,014,568.00	2,000,000.00	1.850	Aaa	1.850	1,726	03/23/2021
3133EFR25	1086	FEDERAL FARM CREDIT BANK		03/23/2016	2,000,000.00	2,008,718.00	2,000,000.00	1.590	Aaa	1.590	1,361	03/23/2020
3133EGBL8	1087	FEDERAL FARM CREDIT BANK		05/19/2016	1,500,000.00	1,502,722.50	1,494,903.13	1.370	Aaa	1.460	1,418	05/19/2020
313383Z2	1035	FEDERAL HOME LOAN BANK		05/21/2013	2,000,000.00	2,000,054.00	2,000,000.00	1.000	Aaa	1.000	689	05/21/2018
3130A0Y0	1055	FEDERAL HOME LOAN BANK		02/20/2014	2,000,000.00	2,010,516.00	2,000,330.00	1.020	Aaa	1.005	413	08/18/2017
3130A7H0	1084	FEDERAL HOME LOAN BANK		03/29/2016	2,500,000.00	2,505,547.50	2,498,399.07	1.250	Aaa	1.274	1,001	03/29/2019
3130A65P4	1089	FEDERAL HOME LOAN BANK		05/25/2016	2,355,000.00	2,361,843.63	2,352,040.64	1.250	Aaa	1.294	1,057	05/24/2019
3134G34K3	1029	FEDERAL HOME LOAN MTG CORP		01/30/2013	3,000,000.00	3,000,528.00	3,000,000.00	1.000	Aaa	1.000	578	01/30/2018
3134G8GZ6	1081	FEDERAL HOME LOAN MTG CORP		01/29/2016	2,000,000.00	2,000,742.00	2,000,000.00	1.500	Aaa	1.500	1,123	07/29/2019
3134G8SV2	1082	FEDERAL HOME LOAN MTG CORP		03/30/2016	2,500,000.00	2,506,112.50	2,500,000.00	1.500	Aaa	1.500	1,277	12/30/2019
3134G8RA9	1083	FEDERAL HOME LOAN MTG CORP		03/30/2016	2,500,000.00	2,509,077.50	2,500,000.00	1.500	Aaa	1.500	1,460	06/30/2020
3134G9PV3	1090	FEDERAL HOME LOAN MTG CORP		05/27/2016	2,000,000.00	2,010,102.00	2,000,000.00	1.550	Aaa	1.550	1,791	05/27/2021
3136G1AZ2	1030	FEDERAL NATL MTG ASSN		01/30/2013	2,000,000.00	2,000,318.00	2,000,000.00	1.000	Aaa	1.000	578	01/30/2018
3136G1K57	1033	FEDERAL NATL MTG ASSN		04/30/2013	2,500,000.00	2,500,515.00	2,500,000.00	1.100	Aaa	1.100	668	04/30/2018
3136G2EP8	1067	FEDERAL NATL MTG ASSN		02/27/2015	1,500,000.00	1,510,536.00	1,500,000.00	1.540	Aaa	1.540	1,244	11/27/2019
3135G0G23	1075	FEDERAL NATL MTG ASSN		10/29/2015	2,500,000.00	2,501,030.00	2,500,000.00	1.300	Aaa	1.300	1,032	04/29/2019
3136G2SD0	1077	FEDERAL NATL MTG ASSN		10/30/2015	2,000,000.00	2,000,392.00	2,000,000.00	1.400	Aaa	1.400	1,215	10/29/2019
3136G2557	1079	FEDERAL NATL MTG ASSN		11/25/2015	2,000,000.00	2,005,482.00	2,000,000.00	1.700	Aaa	1.700	1,608	11/25/2020
3136G3QQ1	1088	FEDERAL NATL MTG ASSN		05/25/2016	1,500,000.00	1,504,063.50	1,500,000.00	1.500	Aaa	1.500	1,608	11/25/2020
3136G3WMS	1094	FEDERAL NATL MTG ASSN		06/30/2016	3,000,000.00	2,995,425.00	3,000,000.00	1.200	Aaa	1.200	1,277	12/30/2019
		Subtotal and Average	58,753,079.61		56,355,000.00	56,557,857.13	56,336,746.10	1.361		1.361	1,093	

**R. C. Fire Protection District
Portfolio Management
Portfolio Details - Investments
June 30, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Treasury Securities - Coupon												
313383HQ7	1044	FEDERAL HOME LOAN BANK		06/27/2013	2,000,000.00	2,017,534.00	2,000,000.00	1.200	Aaa	1.200	726	06/27/2018
		Subtotal and Average	2,000,000.00		2,000,000.00	2,017,534.00	2,000,000.00			1.200	726	
Municipal Bonds												
157432JK2	1063	CHAFFEY CMNTY COLLEGE DIST CA		10/16/2014	385,000.00	392,049.35	386,005.60	2.042	Aa	1.901	700	06/01/2018
623040HC9	1046	MOUNT SAN ANTONIO CAL		08/01/2013	310,000.00	322,186.10	310,000.00	2.501	Aa	2.501	761	08/01/2018
76911ADL6	1061	RIVERSIDE CNTY CA ASSET CORP		06/10/2014	365,000.00	365,350.40	365,267.58	1.123		0.900	123	11/01/2016
769059XP6	1091	RIVERSIDE UNIFIED SCHOOL DIST		05/25/2016	375,000.00	376,155.00	375,401.67	1.050	Aa	0.951	396	08/01/2017
769059XR2	1092	RIVERSIDE UNIFIED SCHOOL DIST		05/25/2016	380,000.00	385,126.20	381,457.53	1.528	Aa	1.401	1,126	08/01/2019
		Subtotal and Average	1,818,219.82		1,815,000.00	1,840,867.05	1,818,132.38			1.501	621	
Corporate Notes												
166764AE0	1042	CHEVRON CORP		06/24/2013	1,000,000.00	1,011,682.00	998,799.78	1.718	Aa	1.782	723	06/24/2018
		Subtotal and Average	998,775.38		1,000,000.00	1,011,682.00	998,799.78			1.782	723	
		Total and Average	79,900,213.50		74,499,723.29	74,757,663.47	74,483,401.55			1.221	871	

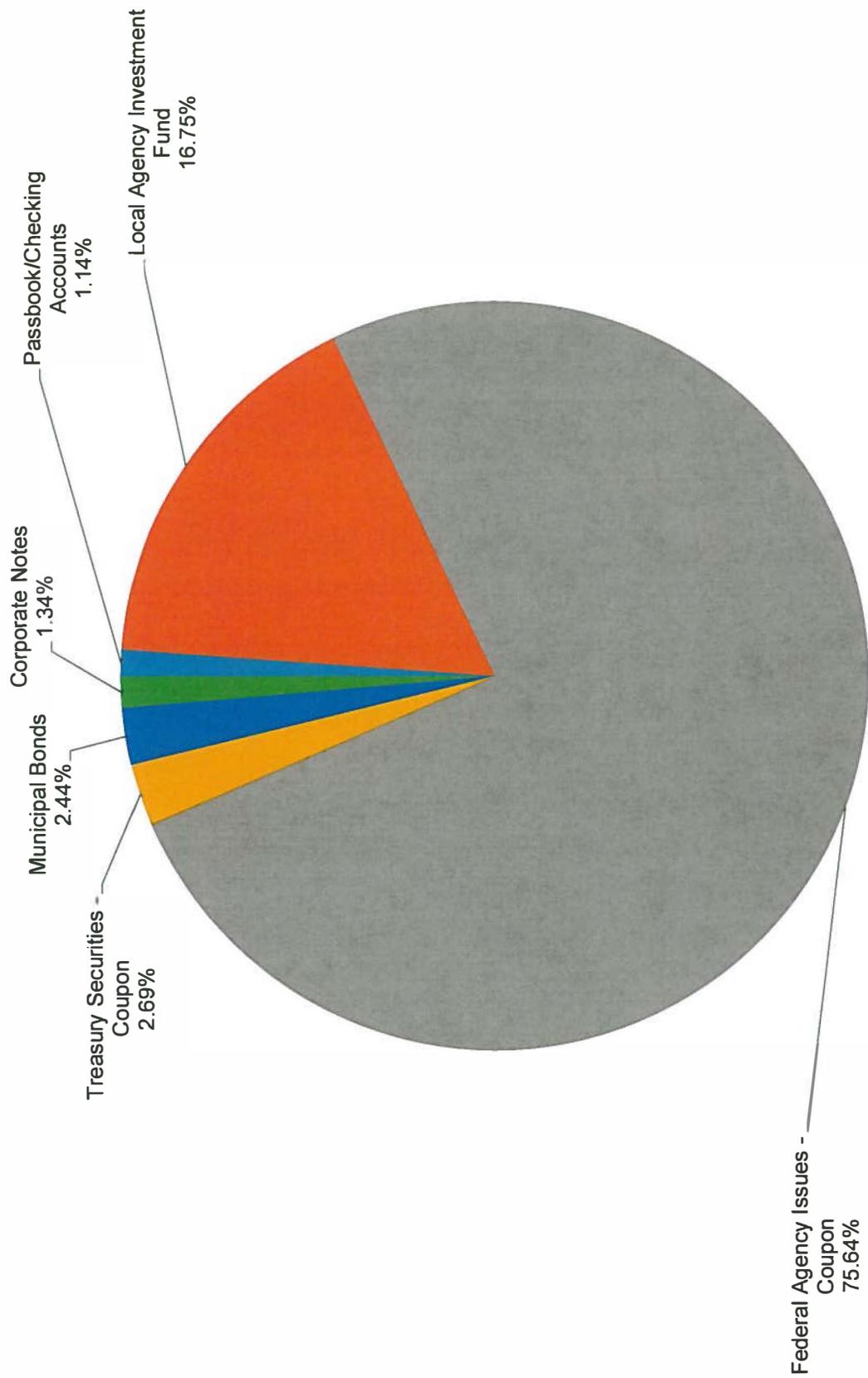
**R. C. Fire Protection District
 Portfolio Management
 Portfolio Details - Cash
 June 30, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity
		Average Balance	0.00	Accrued Interest at Purchase		81.77	81.77				0
		Subtotal				81.77	81.77				
		Total Cash and Investments	79,900,213.50		74,499,723.29	74,757,745.24	74,483,483.32			1.221	871

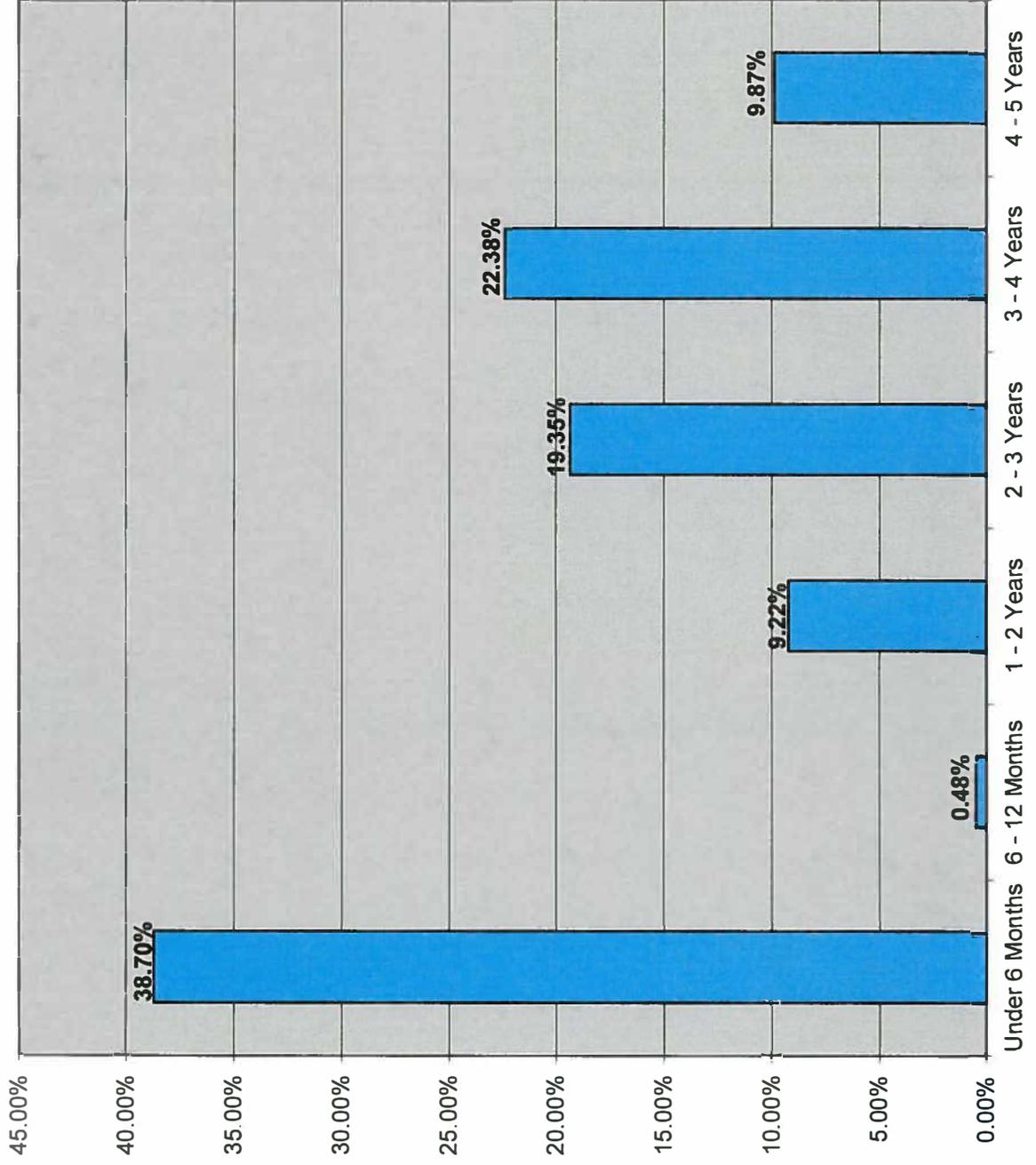
R. C. Fire Protection District
Portfolio Management
Activity By Type
June 1, 2016 through June 30, 2016

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Local Agency Investment Fund (Monthly Summary)							
SYS0001	0001	LOCAL AGENCY INVESTMENT FUND	0.576		2,000,000.00	5,000,000.00	
		Subtotal			2,000,000.00	5,000,000.00	12,478,694.97
Passbook/Checking Accounts (Monthly Summary)							
SYS0002	0002	UNION BANK OF CALIFORNIA	0.200		0.00	276,291.79	
		Subtotal			0.00	276,291.79	851,028.32
Federal Agency Issues - Coupon							
3130A5L98	1071	FEDERAL HOME LOAN BANK	2.000	06/30/2016	0.00	1,500,000.00	
3134G8FZ7	1080	FEDERAL HOME LOAN MTG CORP	2.000	06/30/2016	0.00	4,000,000.00	
3136G3WM3	1094	FEDERAL NATL MTG ASSN	1.200	06/30/2016	3,000,000.00	0.00	
		Subtotal			3,000,000.00	5,500,000.00	56,336,746.10
Treasury Securities - Coupon							
		Subtotal					2,000,000.00
Municipal Bonds							
		Subtotal					1,818,132.38
Corporate Notes							
		Subtotal					998,799.78
		Total			5,000,000.00	10,776,291.79	74,483,401.55

Rancho Cucamonga Fire Protection District Portfolio Composition June 30, 2016



Rancho Cucamonga Fire Protection District Portfolio Maturity Distribution June 30, 2016



Note: Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.



STAFF REPORT

RANCHO CUCAMONGA FIRE PROTECTION DISTRICT

Date: July 20, 2016
To: President and Members of the Board of Directors
John R. Gillison, City Manager
From: Mike Costello, Fire Chief
By: Don Cloughesy, Deputy Fire Chief
Michelle Cowles, Management Aide

Subject: CONSIDERATION TO ACCEPT THE BID RECEIVED, AND AWARD AND AUTHORIZE THE EXECUTION OF THE CONTRACT IN THE AMOUNT OF \$14,968,000 (INCLUDES A \$600,000 ALLOWANCE) AND APPROPRIATE AN ADDITIONAL \$900,000 ALLOWANCE/CONTINGENCY FOR A TOTAL OF \$1,500,000 (10%) TO THE LOWEST RESPONSIVE BIDDER, ROBERT CLAPPER CONSTRUCTION SERVICES, INC., FOR THE REGIONAL ALL-RISK TRAINING CENTER, INCREMENT 1, CONSTRUCTION PROJECT TO BE FUNDED FROM ACCOUNT NUMBER 3288501-5650/1735288-6314

RECOMMENDATION

Fire District staff recommend that the Fire Board accept the bid, and award and authorize the execution of the contract for \$14,368,000 plus a \$600,000 allowance and appropriate an additional \$900,000 allowance/contingency for a total of \$1,500,000 (10%) to the lowest responsive bidder, Robert Clapper Construction Services, Inc. for construction of Increment 1, of the regional All-Risk Training Center Project to be funded from Account Number 3288501-5650/1735288-6314.

BACKGROUND

As the Fire Board will recall, on February 16, 2016, the Fire Board took action to approve plans, specifications, and estimates and authorized the City Clerk to advertise the Notice Inviting Bids for the construction regional All-Risk Training Center. On February 16, 2016, the City Clerk's office opened the bids; however, all bids were significantly higher than the Engineer's estimate. Therefore, on March 2, 2016, the Fire Board rejected all bids with the understanding that the District refine the design of the project and the updated project would bid in two (2) phases, Increment 1 and Increment 2.

Increment 1 consists of the construction of a simulated 2-story residential training house, a warehouse/parts storage building, a multi-story training tower, and a 70' tall communication-training tower. This also includes all other site work, demolition, grading, parking lots, underground utilities and all work associated with the rear site training area improvements, at the existing Jersey Fire Station 174. Much of this scope has gone unchanged as it originally bid relatively close to the Engineer's estimate. The contract

CONSIDERATION TO ACCEPT THE BID RECEIVED, AND AWARD AND AUTHORIZE THE EXECUTION OF THE CONTRACT IN THE AMOUNT OF \$14,968,000 (INCLUDES A \$600,000 ALLOWANCE) AND APPROPRIATE AN ADDITIONAL \$900,000 ALLOWANCE/CONTINGENCY FOR A TOTAL OF \$1,500,000 (10%) TO THE LOWEST RESPONSIVE BIDDER, ROBERT CLAPPER CONSTRUCTION SERVICES, INC., FOR THE REGIONAL ALL-RISK TRAINING CENTER, INCREMENT 1, CONSTRUCTION PROJECT TO BE FUNDED FROM ACCOUNT NUMBER 3288501-5650/1735288-6314 JULY 20, 2016

documents call for four hundred and fifty-seven (457) working days to complete this construction.

Increment 2 includes up to three (3) buildings, the main classroom building, Data Center and a Locker room/Laundry. The Data Center and Locker room buildings will be designated as alternates, as well as the completion of the landscape, walkways and surrounding curb appeal in the area of these buildings. Multiple methods were used to reduce costs in Phase II including the reduction of square footage, changing the construction height of the buildings (2-story to 1-story) and changes in building materials to lower cost, but using equally durable and aesthetically pleasing materials. These changes were made without sacrificing the critical scope for functionality of the project.

On May 18, 2016, the Fire Board authorized the City Clerk to re-advertise for the plans, specifications and estimates for the updated project, Increment 1 of the regional All-Risk Training Center. The City Clerk's office opened bids on June 21, 2016. The lowest responsive bid, Robert Clapper Construction Services, Inc., up-to 4.7% (\$660,355) over the Engineer's estimate of \$13,707,645. District Staff, along with the Construction Management Firm and Architect, have reviewed this bid and found it to be complete and in accordance with the bid requirements. A background investigation was completed and Staff finds that the lowest responsive bidder, Robert Clapper Construction Services, Inc. meets the requirements of the bid documents.

Prior to the date for receipt of bids, Fireblast Global (a non-bidder, but a company that supplies products similar to those identified and particularly described in the bid specifications) submitted seven (7) requests to have its products determined to be "equal" to the brand name products which were specified for ease of reference, or "Basis of Design", as is common in the industry. State law generally prohibits an awarding body from specifying a brand name without also providing an opportunity to bidders to offer an "equal" product. The required substitution approval process was expressly set forth in the bid documents. The District's consultant carefully evaluated each substitution request that was submitted by Fireblast, but was only able to approve one substitution. After bids were received, Fireblast submitted a protest asserting that its substitution requests should have been approved. District staff and legal counsel reviewed the protest as well as the substitution requests and written responses thereto, and believe that the consultant's decisions were correct and that the protest should be denied.

Staying in line with the Fire District's goal of providing "Premier Service," the regional All-Risk Training Center will maximize current and future skills / capabilities of not only Rancho Cucamonga Fire District personnel, but also our Rancho Sheriff, City Personnel and other public safety organizations and regional public safety partners. The Training Center will also provide a realistic environment for our local teams of trained citizen volunteers (CERT) and offer a meeting location for public education and other civic organizations.

CONSIDERATION TO ACCEPT THE BID RECEIVED, AND AWARD AND AUTHORIZE THE EXECUTION OF THE CONTRACT IN THE AMOUNT OF \$14,968,000 (INCLUDES A \$600,000 ALLOWANCE) AND APPROPRIATE AN ADDITIONAL \$900,000 ALLOWANCE/CONTINGENCY FOR A TOTAL OF \$1,500,000 (10%) TO THE LOWEST RESPONSIVE BIDDER, ROBERT CLAPPER CONSTRUCTION SERVICES, INC., FOR THE REGIONAL ALL-RISK TRAINING CENTER, INCREMENT 1, CONSTRUCTION PROJECT TO BE FUNDED FROM ACCOUNT NUMBER 3288501-5650/1735288-6314 JULY 20, 2016

The Training Center is included in the list of adopted Council goals and represents the final phase of the Jersey Fire Station site plan created in 1989. Therefore, District staff recommends that the Fire Board accept the bid, authorize the execution of the contract for \$14,968,000 to Robert Clapper Construction Services, Inc., and appropriate \$900,000 for the additional allowance/contingency from capital reserves.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. Costello", with a horizontal line extending to the right.

Mike Costello
Fire Chief

STAFF REPORT

RANCHO CUCAMONGA FIRE PROTECTION DISTRICT



Date: July 20, 2016

To: President and Members of the Board of Directors
John R. Gillison, City Manager

From: Mike Costello, Fire Chief
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director 
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX LEVY FOR MELLO-ROOS COMMUNITY FACILITIES DISTRICT NO. 85-1 FOR FISCAL YEAR 2016/17, WITH NO RATE INCREASE.**

RECOMMENDATION

It is recommended that the Fire Board adopt the attached Resolution setting the annual special tax levy for Mello-Roos Community Facilities District No. 85-1 for Fiscal Year 2016/17. Pursuant to the provisions of the Mello-Roos Facilities Act of 1982, the Fire Board is authorized to annually levy the tax rate for fire protection services.

BACKGROUND

On December 10, 1985, the qualified voters approved the formation of Mello-Roos Community Facilities District No. 85-1 ("CFD No. 85-1") that authorized CFD No. 85-1 to annually levy a special tax to provide for fire protection services. The special tax is necessary to provide the required operation and maintenance revenue specific to ongoing fire protection and life safety services within CFD No. 85-1. This voter approved Mello-Roos and associated special tax was first initiated in Fiscal Year 1986/87.

At the time that CFD No. 85-1 was formed, the Mello-Roos Act provided that the Board of Directors, acting as the legislative body of CFD No. 85-1, may, by ordinance, levy the special taxes at the rate and apportion such special taxes in the manner specified in the Rate and Method. Each year since CFD No. 85-1 was formed, the Board of Directors has adopted an ordinance to levy the special taxes within CFD No. 85-1. The Mello-Roos Act has subsequently been amended to provide that the legislative body of a community facilities district may initially provide for the levy of a special tax by ordinance and through the enactment of such ordinance provide, by resolution, for the levy of the special tax in the current or future tax years. On May 18, 2011, an ordinance was introduced authorizing the levy of special taxes within CFD No. 85-1 by resolution rather than by ordinance. The ordinance was adopted and became effective July 1, 2011.

CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX LEVY FOR MELLO-ROOS COMMUNITY FACILITIES DISTRICT NO. 85-1 FOR FISCAL YEAR 2016/17, WITH NO RATE INCREASE.

JULY 20, 2016

PAGE 2

ANALYSIS

It has been determined that there are sufficient revenues available in CFD No. 85-1 to meet all financial obligations; hence, there will be no increase in the actual assessment rate for Fiscal Year 2016/17. The maximum tax rate which could be levied is adjusted per the March Los Angeles-Riverside-Orange Co. Consumer Price Index.

The attached Resolution submitted for your approval establishes the recommended annual special tax to be levied in Fiscal Year 2016/17 as identified in Exhibit "A". The maximum special tax which could be levied is illustrated in Exhibit "B" of the Resolution, utilizing the lesser of: changes in cost of living; or changes in cost of living and changes in population as defined in Section 7901 of the Government Code. Changes in cost of living for Fiscal Year 2016/17 are calculated at 1.70% while changes in per capita cost of living and changes in population resulted in a calculation of 6.61%. Therefore, the lesser of the two calculations, the changes in cost of living of 1.70% is utilized to determine the maximum special tax rate.

During the budget workshops held on June 7 and 9, 2016, the proposed CFD No. 85-1 budget was reviewed by the Board.

The proposed special tax levy rate for Fiscal Year 2016/17 is listed below.

<u>FISCAL YEAR</u>	<u>RESIDENTIAL DWELLINGS</u>	<u>COMMERCIAL PROPERTIES</u>	<u>INDUSTRIAL PROPERTIES</u>
2015/16	\$144.12 per DU	\$144.12 per AC + 0.078 SF	\$144.12 per AC + 0.095 SF

Proposed

2016/17	\$144.12 per DU	\$144.12 per AC + 0.078 SF	\$144.12 per AC + 0.095 SF
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Respectfully submitted,



Mike Costello
Fire Chief

Attachments:

1. Resolution No. FD 16-024
2. Annual Report
3. CFD No. 85-1 Map

**RANCHO CUCAMONGA
FIRE PROTECTION DISTRICT**

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 85-1**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On December 10, 1985, the electors within the boundary of Community Facilities District No. 85-1 (CFD No. 85-1) the Rancho Cucamonga Fire Protection District (formerly Foothill Fire Protection District, the "District") voted in favor of a proposition to authorize the levy of a special tax for fire suppression services and facilities, to establish an appropriations limit and to annually adjust the special tax and appropriations limit based upon changes in the cost of living and changes in population. CFD No. 85-1 is bounded generally on the north by the 210 Freeway, on the east by Etiwanda, on the south by 4th and on the west by Archibald.

The maximum special tax shall be annually adjusted for the lesser of (a) changes in cost of living; or (b) changes in the cost of living and changes in population as defined in Section 7901 of the Government Code, as amended. It has been determined that there are sufficient revenues available in the CFD No. 85-1 to meet all financial obligations without an increase to the CFD No. 85-1 for Fiscal Year 2016/17. The maximum tax rate which could be levied is adjusted per the March Los Angeles-Riverside-Orange Co. Consumer Price Index.

FISCAL YEAR 2016/17

The change in the Cost of Living is 1.70% for Fiscal Year 2016/17.

**COMMUNITY FACILITIES DISTRICT NO. 85-1
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

<u>STRUCTURES</u>	<u>ANNUAL SPECIAL TAX</u>		
Residential			\$144.12 per DU
Multi-Family Residential	2 DU	1.75	(\$144.12)
	3 DU	2.25	(\$144.12)
	4 DU	2.65	(\$144.12)
	5 - 14 DU	2.65	(\$144.12) + {.35 (TU - 4) (\$144.12)}
	15 - 30 DU	6.15	(\$144.12) + {.30 (TU - 14) (\$144.12)}
	31 - 80 DU	10.65	(\$144.12) + {.25 (TU - 30) (\$144.12)}
	81 - up DU	23.15	(\$144.12) + {.20 (TU - 80) (\$144.12)}
Commercial			\$144.12 per acre + \$.078 per SF
Industrial			\$144.12 per acre + \$.095 per SF

NOTE: DU = Dwelling Unit
TU = Total Units
SF = Square Foot

Reduction

Commercial and industrial structures shall be granted a \$0.01 reduction in the special tax for the installation of complete sprinkler systems. In addition, multi-floor commercial and industrial structures shall also be granted a \$0.01 reduction (not cumulative) in special tax for each separate floor above or below the main ground floor of the structure.

Resolution No. FD 16-024

**COMMUNITY FACILITIES DISTRICT NO. 85-1
PROPOSED SOURCES AND USES OF FUNDS**

	<u>Fiscal Year 2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 5,908,080
Anticipated Prior Year Delinquencies Collection	47,220
Subtotal - Taxes	5,955,300
Interest Revenue	34,710
CFD Annexations	1,800
Total Proposed Sources	\$ 5,991,810
 <u>Uses</u>	
Communications	300,150
Fire Suppression	4,938,390
Fire Station Operations and Maintenance	161,610
Vehicle and Equipment Maintenance	175,740
Admin./General Overhead	231,270
Total Proposed Uses	\$ 5,807,160
Contribution to/(Use of) Fund Balance	\$ 184,650

RESOLUTION NO. FD 16-024

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT, SAN
BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING THE
ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES
DISTRICT NO. 85-1 FOR FISCAL YEAR 2016/17**

WHEREAS, the Board of Directors of the Rancho Cucamonga Fire Protection District, California, (formerly Foothill Fire Protection District, hereinafter referred to as the "legislative body"), (a) initiated proceedings in 1985 to (i) form the Foothill Fire Protection District Community Facilities District No. 85-1 ("CFD No. 85-1") and (ii) authorize the levy of special taxes within CFD No. 85-1; (b) held a public hearing regarding the foregoing and formed CFD No. 85-1; and (c) conducted an election on December 10, 1985 and more than two-thirds (2/3) of the qualified electors voted in favor of a proposition authorizing the levy of special taxes in CFD No. 85-1, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

WHEREAS, this legislative body, by ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the annual levy of a special tax to pay for costs and expenses related to said CFD No. 85-1 at the rate and apportion the special tax in the manner specified in the resolution adopted pursuant to Article 2 (commencing with Section 53318 of the Government Code), except that this Board of Directors may levy the special tax at a lower rate; and

WHEREAS, this Board of Directors desires to levy a special tax in the CFD No. 85-1 for the Fiscal Year 2016/17.

NOW, THEREFORE, the Board of Directors of the Rancho Cucamonga Fire Protection District does hereby resolve, determine and order as follows:

SECTION 1: Levy of Special Tax. That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the CFD No. 85-1 is hereby determined and established as set forth in the attached, referenced and incorporated Exhibit "A".

SECTION 2: Exempt Properties. That properties or entities of the State, Federal or other local governments shall be exempt from such special tax.

SECTION 3: Use of Special Tax. That the proceeds of the special tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

- (a) The construction, acquisition, expansion and/or rehabilitation of public facilities, within or for the benefit of the CFD No. 85-1 generally described as follows:

Fire protection and suppression facilities and appurtenances, including; equipment, real property and other tangible property with an estimated useful life of five years or longer.

- (b) The services to be provided within the CFD No. 85-1 are generally described as follows:

The performance by employees of functions, operations and maintenance and repair activities in order to provide fire protection within the CFD No. 85-1.

- (c) The repayment of advances and loans. The special tax shall be used solely for the purposes specified above and for no other purpose.

SECTION 4: Annual Adjustment in Maximum Special Tax. Pursuant to authorization of the qualified electorate, this Board of Directors hereby declares that it shall annually adjust the maximum special tax based upon the lesser of:

- (a) changes in cost of living; or
- (b) changes in cost of living and changes in population as defined in Section 7901 of the Government Code occurring within the CFD No. 85-1 in the immediately preceding fiscal year.
- (c) The maximum authorized special tax rates are set forth in the attached referenced and incorporated Exhibit "B"

SECTION 5: Collection of Special Tax. The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, President

ATTEST:

Janice C. Reynolds, Secretary

I, JANICE C. REYNOLDS, SECRETARY of the Rancho Cucamonga Fire Protection District, do hereby certify that the foregoing Resolution was duly passed, approved, and adopted by the Board of Directors of the Rancho Cucamonga Fire Protection District, at a regular meeting of said Board held on the 20th day of July 2016.

Executed this 20th day of July 2016 at Rancho Cucamonga, California.

Janice C. Reynolds, Secretary

EXHIBIT "A"

SPECIAL TAX FOR FISCAL YEAR 2016/17 IN
 MELLO-ROOS COMMUNITY FACILITIES DISTRICT NO. 85-1

RANCHO CUCAMONGA FIRE PROTECTION DISTRICT

<u>STRUCTURES</u>	<u>ANNUAL SPECIAL TAX FISCAL YEAR 2016/17</u>		
Residential			\$144.12 per DU
Multi-Family Residential	2 DU	1.75	(\$144.12)
	3 DU	2.25	(\$144.12)
	4 DU	2.65	(\$144.12)
	5 - 14 DU	2.65	(\$144.12) + {.35 (TU - 4) (\$144.12)}
	15 - 30 DU	6.15	(\$144.12) + {.30 (TU - 14) (\$144.12)}
	31 - 80 DU	10.65	(\$144.12) + {.25 (TU - 30) (\$144.12)}
	81 - up DU	23.15	(\$144.12) + {.20 (TU - 80) (\$144.12)}
Commercial			\$144.12 per acre + \$0.078 per SF
Industrial			\$144.12 per acre + \$0.095 per SF

NOTE: DU = Dwelling Unit
 TU = Total Units
 SF = Square Foot

Reduction

Commercial and industrial structures shall be granted a \$0.01 reduction in the special tax for the installation of complete sprinkler systems. In addition, multi-floor commercial and industrial structures shall also be granted a \$0.01 reduction (not cumulative) in special tax for each separate floor above or below the main ground floor of the structure.

EXHIBIT “B”

**MAXIMUM SPECIAL TAX FOR
MELLO-ROOS COMMUNITY FACILITIES
DISTRICT NO. 85-1 IN FISCAL YEAR 2016/17**

RANCHO CUCAMONGA FIRE PROTECTION DISTRICT

<u>PER CAPITA COST OF LIVING CHANGE</u>	<u>FISCAL YEAR 2015/16 BASE</u>	<u>MAXIMUM SPECIAL TAX FISCAL YEAR 2016/17</u>
1.70%	\$156.92 DU	\$159.59 DU
		<u>MAXIMUM ANNUAL SPECIAL TAX FISCAL YEAR 2016/17</u>
<u>STRUCTURES</u>		
Residential		\$159.59 per DU
Multi-Family Residential	2 DU 1.75	(\$159.59)
	3 DU 2.25	(\$159.59)
	4 DU 2.65	(\$159.59)
	5 - 14 DU 2.65	(\$159.59) + {.35 (TU - 4) (\$159.59)}
	15 - 30 DU 6.15	(\$159.59) + {.30 (TU - 14) (\$159.59)}
	31 - 80 DU 10.65	(\$159.59) + {.25 (TU - 30) (\$159.59)}
	81 - up DU 23.15	(\$159.59) + {.20 (TU - 80) (\$159.59)}
Commercial		\$159.59 per acre + \$0.084 per SF
Industrial		\$159.59 per acre + \$0.102 per SF

NOTE: DU = Dwelling Unit
TU = Total Units
SF = Square Foot

Reduction

Commercial and industrial structures shall be granted a \$0.01 reduction in the special tax for the installation of complete sprinkler systems. In addition, multi-floor commercial and industrial structures shall also be granted a \$0.01 reduction (not cumulative) in special tax for each separate floor above or below the main ground floor of the structure.

STAFF REPORT

RANCHO CUCAMONGA FIRE PROTECTION DISTRICT



Date: July 20, 2016

To: President and Members of the Board of Directors
John R. Gillison, City Manager

From: Mike Costello, Fire Chief
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *ML*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX LEVY FOR MELLO-ROOS COMMUNITY FACILITIES DISTRICT NO. 88-1 FOR FISCAL YEAR 2016/17, WITH NO RATE INCREASE.**

RECOMMENDATION

It is recommended that the Fire Board adopt the attached Resolution setting the annual special tax levy for Mello-Roos Community Facilities District No. 88-1 for Fiscal Year 2016/17. Pursuant to the provisions of the Mello-Roos Facilities Act of 1982, the Fire Board is authorized to annually levy the tax rate for fire protection services.

BACKGROUND

On April 4, 1989, the qualified voters approved the formation of Mello-Roos Community Facilities District No. 88-1 ("CFD No. 88-1") and authorized the CFD No. 88-1 to annually levy a special tax to provide for fire protection services within northeast Etiwanda. On May 19, 1989, the Board adopted an Ordinance authorizing the annual levy of a special tax in CFD No. 88-1. The Ordinance authorized the District, by Resolution, to annually levy the special tax for purposes of land acquisition, fire station construction, purchase of equipment, and operations and maintenance costs for fire protection services. This voter approved CFD No. 88-1 and associated special tax was first initiated in Fiscal Year 1989/90. Fiscal Year 2016/17 is the twenty-seventh (27th) consecutive year the District has levied a special tax to provide required revenues for capital improvements (land, fire station facility, equipment) and fire protection services (personnel, operations and maintenance ("O&M")) within CFD No. 88-1. Accordingly, the Fiscal Year 2016/17 budget includes fully burdened personnel costs associated with existing memorandums of understanding between the District and its bargaining units, as well as all related O&M costs and capital improvements.

ANALYSIS

For Fiscal Year 2016/17, staff has determined that there are sufficient revenues available to meet all financial obligations; hence, there will be no increase to the actual assessment rate for CFD No. 85-1 for Fiscal Year 2016/17. The proposed Fiscal Year 2016/17 special tax levy will cover only a

CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX LEVY FOR MELLO-ROOS
COMMUNITY FACILITIES DISTRICT NO. 88-1 FOR FISCAL YEAR 2016/17, WITH NO RATE
INCREASE.

JULY 20, 2016

PAGE 2

portion of the ongoing personnel and fire station O&M costs within CFD No. 88-1; all remaining costs are covered by the Fire General Fund.

The attached Resolution submitted for your approval establishes the recommended annual special tax to be levied in Fiscal Year 2016/17 and is identified in Exhibit "A". The maximum special tax which could be levied has been adjusted utilizing the State of California, Department of Finance methodology for adjusting appropriations limits for State and Local Governments and for adjusting the maximum special tax rate that could be levied and is illustrated in Exhibit "B" of the Resolution. The recommended special tax levy remains at less than half the special tax which could be levied, with the exception of the vacant land rate. During the budget workshops held on June 7 and 9, 2016, the proposed CFD No. 88-1 budget was reviewed.

Respectfully submitted,



Mike Costello
Fire Chief

Attachment

1. Resolution No. FD 16-025
2. Annual Report
3. CFD No. 88-1 Map

**RANCHO CUCAMONGA
FIRE PROTECTION DISTRICT**

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 88-1**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On April 4, 1989, the qualified voters approved the formation of Mello-Roos Community Facilities District No. 88-1 ("CFD No. 88-1") and authorized CFD No. 88-1 to annually levy a special tax to provide for fire protection services within northeast Etiwanda. On May 19, 1989, the Board of Directors of the Rancho Cucamonga Fire Protection District (formerly Foothill Fire Protection District) adopted an Ordinance authorizing the CFD No. 88-1, by Resolution, to annually levy a special tax in CFD No. 88-1 for purposes of land acquisition, fire station construction, purchase of equipment, and operations and maintenance costs for fire protection services. CFD No. 88-1 is located within the boundaries of Highland, Cherry, Day Creek Channel and the San Bernardino National Forest.

For Fiscal Year 2016/17, staff has determined that there are sufficient revenues available to meet all financial obligations; hence, there will be no increase in the actual assessment rate for CFD No. 88-1 for Fiscal Year 2016/17. The maximum special tax shall be annually adjusted for changes in cost of living; or changes in the cost of living and changes in population as defined in Section 7901 of the Government Code, as amended, whichever is lesser. The change in the cost of living and changes in population is 1.0661% for Fiscal Year 2016/17.

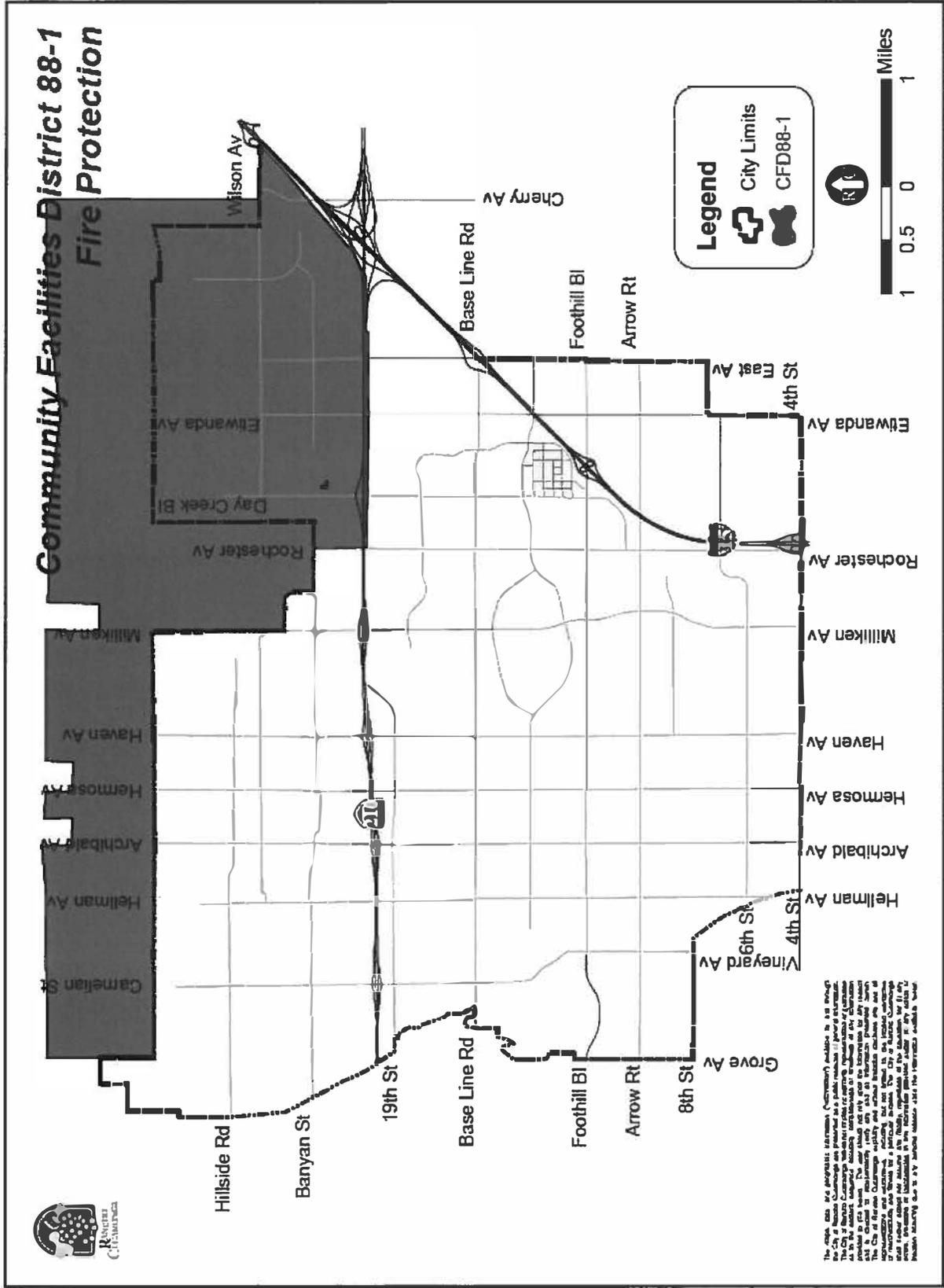
**COMMUNITY FACILITIES DISTRICT NO. 88-1
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

DEVELOPED	A. Residential Class 1	\$440.08/sfd
	B. Residential Class 2	\$339.09/sfd
	C. Residential Class 3	\$269.89/sfd
	D. Residential Class 4	\$235.85/sfd
	E. Residential Class 5	\$204.22/sfd
	F. Residential Class 6	\$186.00/sfd
	G. Residential Class 7	\$167.75/sfd
	H. Commercial/Industrial	\$677.13/acre or \$0.061/ sq. ft. or whichever is greater
APPROVED		\$200.00/lot or parcel
UNDEVELOPED		\$10.00/acre

Resolution No. FD 16-025

**COMMUNITY FACILITIES DISTRICT NO. 88-1
PROPOSED SOURCES AND USES OF FUNDS**

	<u>Fiscal Year 2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 1,208,320
Anticipated Prior Year Delinquencies Collection	26,410
Subtotal - Taxes	1,234,730
CFD Annexations	560
Transfers In from Fire Fund	953,800
Total Proposed Sources	\$ 2,189,090
 <u>Uses</u>	
Communications	75,050
Fire Suppression	1,975,020
Fire Station Operations and Maintenance	43,000
Admin./General Overhead	96,020
Total Proposed Uses	\$ 2,189,090



The map and the district boundaries are presented as a public record. It is not intended to be used as a legal document. The City of Reno, Nevada, is not responsible for any errors or omissions on this map. The map should not be used for any purpose other than for general information. The City of Reno, Nevada, is not responsible for any errors or omissions on this map. The map should not be used for any purpose other than for general information.

RESOLUTION NO. FD 16-025**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CUCAMONGA FIRE PROTECTION DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 88-1 FOR FISCAL YEAR 2016/17**

WHEREAS, the Board of Directors of the Rancho Cucamonga Fire Protection District, California, (formerly Foothill Fire Protection District, hereinafter referred to as the "legislative body"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California. This community facilities district shall hereinafter be referred to as Community Facilities District No. 88-1 (hereinafter referred to as the "CFD No. 88-1"); and

WHEREAS, this legislative body, by ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said CFD No. 88-1, and this legislative body is desirous to establish the specific rate of the special tax to be collected for the next fiscal year and to adjust the maximum special tax authorization to be levied.

NOW, THEREFORE, the Board of Directors of the Rancho Cucamonga Fire Protection District does hereby resolve, determine and order as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the referenced CFD No. 88-1 is hereby determined and established as set forth in the attached, referenced and incorporated Exhibit "A".

SECTION 3: That the rate as set forth above does not exceed the amount as previously authorized by ordinance of this legislative body, and is not in excess of that as previously approved by the qualified electors of the CFD No. 88-1.

SECTION 4: That the proceeds of the special tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal and interest on any outstanding authorized bonded indebtedness, if any;
- B. Necessary replenishment of bond reserve funds or other reserve funds, including sinking funds;
- C. Payment of costs and expenses of authorized public facilities and public services, including the administration of the special tax levy;
- D. Repayment of advances and loans, if appropriate. The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: That the maximum authorized special tax rates for all developed properties are hereby adjusted pursuant to Ordinance No. 17. The maximum authorized special tax rates are set forth in the attached, referenced and incorporated Exhibit "B".

SECTION 6: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 7: All monies above collected shall be paid into the CFD No. 88-1 funds, including any bond fund and reserve fund.

SECTION 8: The County Auditor is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked "public improvements," "special tax" or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax reference is made to the attached Exhibit "A".

SECTION 9: The County Auditor shall then, at the close of the tax collection period, promptly render to the Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, President

ATTEST:

Janice C. Reynolds, Secretary

I, JANICE C. REYNOLDS, SECRETARY of the Rancho Cucamonga Fire Protection District, do hereby certify that the foregoing Resolution was duly passed, approved, and adopted by the Board of Directors of the Rancho Cucamonga Fire Protection District, at a regular meeting of said Board held on the 20th day of July 2016.

Executed this 20th day of July 2016 at Rancho Cucamonga, California.

Janice C. Reynolds, Secretary

EXHIBIT "A"

RANCHO CUCAMONGA FIRE PROTECTION DISTRICT

COMMUNITY FACILITIES DISTRICT NO. 88-1

**SPECIAL TAX LEVY
FISCAL YEAR 2016/17**

<u>TAXING CLASSIFICATION</u>	<u>SPECIAL TAX LEVY FISCAL YEAR 2015/16</u>	<u>SPECIAL TAX LEVY FISCAL YEAR 2016/17</u>
1. DEVELOPED PROPERTY		
A. Residential Class I (more than 3,590 SF)	\$440.08	\$440.08
B. Residential Class II (3,077 to 3,589 SF)	\$339.09	\$339.09
C. Residential Class III (2,564 to 3,076 SF)	\$269.89	\$269.89
D. Residential Class IV (2,308 to 2,563 SF)	\$235.85	\$235.85
E. Residential Class V (2,051 to 2,307 SF)	\$204.22	\$204.22
F. Residential Class VI (1,795 to 2,050 SF)	\$186.00	\$186.00
G. Residential Class VII (less than 1,795 SF)	\$167.75	\$167.75
Commercial/Industrial Property	\$677.13 per acre or \$0.061 per sq. ft. of building area, whichever is greater.	\$677.13 per acre or \$0.061 per sq. ft. of building area, whichever is greater.
2. APPROVED PROPERTY	\$200 per lot or parcel	\$200.00 per lot or parcel
3. VACANT PROPERTY	\$10.00 per acre	\$10.00 per acre

SF = Square Feet

EXHIBIT "B"

**RANCHO CUCAMONGA FIRE PROTECTION DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 88-1**

**MAXIMUM SPECIAL TAX RATES
FISCAL YEAR 2016/17
DEVELOPED PROPERTY**

<u>MAXIMUM SPECIAL TAX RATE TAXING CLASSIFICATION</u>	<u>FISCAL YEAR 2015/16</u>	<u>FISCAL YEAR 2016/17</u>
1. DEVELOPED PROPERTY		
A. Residential Class I (more than 3,590 SF)	\$1,171.89	\$1,249.35
B. Residential Class II (3,077 to 3,589 SF)	\$898.61	\$958.00
C. Residential Class III (2,564 to 3,076 SF)	\$717.11	\$764.51
D. Residential Class IV (2,308 to 2,563 SF)	\$628.55	\$670.09
E. Residential Class V (2,051 to 2,307 SF)	\$537.88	\$573.43
F. Residential Class VI (1,795 to 2,050 SF)	\$496.81	\$529.64
G. Residential Class VII (less than 1,795 SF)	\$449.26	\$478.29
H. Commercial/Industrial Property	\$1,803.66 per acre or \$0.14579 per sq. ft. of bldg area, whichever is greater.	\$1,922.88 per acre or \$0.15544 per sq. ft. of building area, whichever is greater.
2. APPROVED PROPERTY	\$200.00 per lot or parcel	\$200.00 per lot or parcel
3. VACANT PROPERTY	\$10.00 per acre	\$10.00 per acre

SF = Square Feet

NOTE: Escalation of maximum special rate. Calculation formula Fiscal Year 2016/17

$$\frac{\text{Population Change}}{1.0118} \times \frac{\text{CPI* Change}}{1.0537} = \text{Factor } 1.0661$$

*CPI - California Per Capita Personal Income

STAFF REPORT

PUBLIC WORKS SERVICES DEPARTMENT



Date: July 20, 2016

To: Mayor and Members of the City Council
President and Members of the Board of Directors
John R. Gillison, City Manager

From: William Wittkopf, Public Works Services Director
Mike Costello, Fire Chief

By: Ty Quaintance, Facilities Superintendent
Inge Tungaldjaja, Management Analyst I

Subject: CONSIDERATION TO APPROVE AMENDMENT NO. 005 (CONTRACT CO#FD 13-004) WITH VORTEX INDUSTRIES THROUGH JUNE 30, 2017 WITH NO PRICE INCREASE, IN AN AMOUNT NOT TO EXCEED \$90,000 (\$40,000 CITY, \$50,000 FIRE DISTRICT) ANNUALLY FOR THE REPAIR OF ALL CITY AND FIRE DISTRICT FACILITIES' OVERHEAD DOORS AND GATES TO BE FUNDED FROM VARIOUS CITY AND FIRE DISTRICT ACCOUNTS AS APPROVED IN THE FY 2016-2017 BUDGET

RECOMMENDATION

It is recommended that the City Council and Board approve Amendment No. 005 (Contract CO#FD13-004) with Vortex Industries through June 30, 2017 with no price increase, in an amount not to exceed \$90,000 (\$40,000 City, \$50,000 Fire District) annually for the repair of all City and Fire District facilities' overhead doors and gates to be funded from various City and Fire District accounts as approved in the FY 2016-2017 budget.

BACKGROUND/ANALYSIS

In January of 2013, staff went out to bid for overhead roll-up door and gate maintenance services and repairs for both City and Fire District facilities. As a result of this competitive bid process, Vortex Industries was awarded a maintenance contract to perform preventive maintenance and repairs on all City and Fire District overhead roll-up doors and gates.

The City is responsible for ensuring the proper operation, maintenance, and repairs are performed on approximately 40 motorized and manual overhead doors, security gates, and air wall divider systems at multiple locations. With the high use of these systems on a daily basis, it is imperative that preventive maintenance on these systems is performed on a regular basis.

The Rancho Cucamonga Fire District is responsible for ensuring the proper maintenance and operation of approximately 80 motorized and manual high bay doors, roll-up doors, and electronic security gates at all the Fire District locations is performed. With the high demand of the Fire District, the doors and motorized operators are in constant action and experience excessive wear and tear on all the equipment. As first responders, it is imperative the equipment be maintained to the highest standards to eliminate failures during emergency situations.

Vortex has sent the City a Letter of Intent (LOI) expressing their desire to continue service to City and Fire facilities with no price increase for the 2016-2017 fiscal year. This agreement has been in effect for four (4) years and has an option to renew in one (1) year increments for a total of seven (7) years.

APPROVE CONTRACT AMENDMENT NO. 005 (CO# FD 13-004) WITH VORTEX INDUSTRIES FOR OVERHEAD
DOOR AND GATE MAINTENANCE

JULY 20, 2016

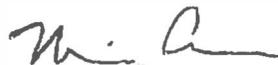
PAGE TWO

Therefore, staff recommends the Council authorize a one-year contract extension with Vortex Industries for fiscal year 2016-2017.

Respectfully submitted,



William Wittkopf
Public Works Services Director



Mike Costello
Fire Chief

STAFF REPORT

SUCCESSOR AGENCY TO THE RANCHO CUCAMONGA REDEVELOPMENT AGENCY



Date: July 20, 2016

To: Chairman and Members of the Successor Agency
John R. Gillison, City Manager

From: Linda D. Daniels, Assistant City Manager

By: Donna Finch, Management Analyst I

Subject: **Approval of a Professional Services Agreement with HdL Companies to Provide a Fiscal Analysis for a Proposed Refunding of the Rancho Cucamonga Redevelopment Agency Tax Exempt 2007 Housing Bonds, Series A, in the amount of \$22,500 plus a 10% contingency.**

RECOMMENDATION

Approve a contract with HdL Companies to provide a fiscal analysis for a proposed refunding of the Rancho Cucamonga Redevelopment Agency Tax Exempt 2007 Housing Bonds, Series A, in the amount of \$22,500 plus a 10% contingency.

BACKGROUND/ANALYSIS

Pursuant to Health and Safety Code Section 34172 (a), the Rancho Cucamonga Redevelopment Agency (the "Former Agency") was dissolved on February 1, 2012 and no longer exists as a public body. Prior to the dissolution of redevelopment, the Former Agency issued \$73,305,00 in 2007 Housing Set-Aside Tax Allocation Bonds, Series A (the "2007A Bonds") for the purpose of financing redevelopment housing projects. City staff and its financial advisor have evaluated the 2007A bond issue and have determined that refunding the bonds would be economically beneficial based on current interest rates. The savings in debt service payments over the life of the bonds is estimated at approximately \$12.5 million, which is a 20% savings on the current debt service.

As part of the preparation of the bond refunding, the services of a consultant are needed to prepare a fiscal analysis. With the elimination of redevelopment and the recent fluctuations of assessed valuations in the State and San Bernardino County, it is important to confirm for potential buyers of the refunding bonds that the Successor Agency has the ability to make the required debt service payments. The fiscal analysis will be incorporated into the bond documents and will add value in demonstrating the overall strength and economic benefit of the bond refunding.

The consultant will prepare the fiscal report which will include research and verification of financial information including a historic review of the assessed values, appeals, delinquencies, diversification of tax payers, a ten year projection of revenues and other financial data of the former Project Area. This analysis will present the historic and future estimated revenues of the Successor Agency that are available to pay debt service through verified data. From this, the relationship and ratio of the proposed debt service to the overall revenues that are available to pay the debt service can be determined. And equally important, the analysis will be included in the bond documents so prospective bond purchasers can evaluate the strength of the bond refunding.

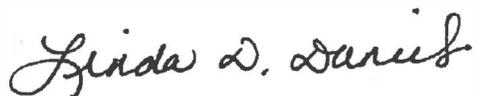
APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH HDL COMPANIES TO PROVIDE A
FISCAL ANALYSIS FOR A PROPOSED REFUNDING OF THE RANCHO CUCAMONGA REDEVELOPMENT
AGENCY TAX EXEMPT 2007 HOUSING BONDS, SERIES A, IN THE AMOUNT OF \$22,500 PLUS A 10%
CONTINGENCY.

PAGE 2

JULY 20, 2016

The contract with HdL Companies is intended to be paid from the refunding bond costs of issuance. Should the refunding bond not go forward, then the contract will be paid from the City's professional services budget cost center.

Respectfully Submitted,



Linda D. Daniels
Assistant City Manager

Attachment: HdL Companies Contract



Delivering Revenue,
Insight and Efficiency
to Local Government

1340 Valley Vista Drive
Suite 200
Diamond Bar
California 91765

909.851.0326
Fax 909.851.7726
909.851.1370
www.hdlcompanies.com

June 10, 2016

Ms. Linda Daniels
Assistant City Manager
City of Rancho Cucamonga
10500 Civic Center Drive
Rancho Cucamonga, CA 91730

Dear Linda:

HdL Coren & Cone is pleased to present this proposal to provide services for the preparation of a fiscal consultant's report in connection with the anticipated issuance of the 2016 Tax Allocation Refunding Bonds by the Successor Agency to the Redevelopment Agency of the City of Rancho Cucamonga (the Agency). We understand that the proposed financing will be secured by pledges of revenue from the former Rancho Cucamonga Redevelopment Project (the Project Area).

Description of the Firm's Business

HdL Coren & Cone (HdLCC) was established in 1992 to provide property tax data base management, analytical and auditing services to cities, redevelopment agencies, special districts and Counties. HdLCC, along with Hinderliter de Llamas & Associates and HdL Software comprise the HdL Companies. The HdL Companies are located in Diamond Bar, California.

Our services are based upon the firm's large investment in computers and specially designed software for the management of large property tax databases. We currently have on line more than 400 gigabits of property tax data, including the complete secured and unsecured tax rolls for San Bernardino County since 1992. HdLCC currently is providing on-going property tax analytical and auditing services for over 200 cities, counties, successor agencies and special districts. For these clients we serve as adjunct staff on all property tax matters, including auditing county allocation procedures, researching property tax related issues, providing revenue estimates to assist in the budget process, and preparing updated tables for continuing disclosure.

In addition to our property tax expertise HdLCC has extensive experience working with successor agencies and with redevelopment finance. HdLCC has participated in the issuance of tax increment supported debt for more than 300 bond issues involving more than \$6.8 billion of total bonds. We have provided fiscal consulting services for many of the former redevelopment agencies in San Bernardino County since 1994, including the provision of analysis, tax increment projections and tax sharing interpretations.

HdLCC has been at the forefront of the analysis and implementation of AB 1x 26, AB 1x 27 and AB 1484. We have worked with our client agencies, CRA and other consultants to

Successor Agency to the Redevelopment Agency of the City of Rancho Cucamonga
 Fiscal Consultant's Report Proposal
 June 10, 2016, Page 2

determine how these new laws would affect redevelopment in California and to assist former redevelopment agencies to adapt to and work within the new laws.

The HdLCC staff is experienced in all aspects of fiscal consulting for redevelopment agencies and has been at the forefront of working within the new regulations adopted pursuant to AB 1x 26 and AB 1484. David Schey will be the principal responsible for services to the Successor Agency. All of the HdLCC staff will be available to assist as needed with services to the Successor Agency. Mr. Schey's principal associate for services to the Successor Agency will be Cheryl Murase. All HdLCC staff is located in the Diamond Bar Office and may be reached at (909) 861-4335.

Scope of Services

The services under this proposal include the following:

1. A historical review of the assessed values of the former Project Area;
2. An investigation and verification, if required, of any anomalies or discrepancies revealed by the historical review of the Project Area assessed values;
3. A ten-year projection of tax increment revenues for the former Project Area will initially be based upon 2015-16 assessed values, property tax growth trends and transfers of ownership. Once the assessed values for the 2016-17 tax rolls are available, the projection will be updated as necessary;
4. A listing of the top ten taxpayers in the Project Area and a determination of their tax payment status (i.e. delinquencies);
5. A review of the tax allocation and disbursement procedures of San Bernardino County in the aftermath of AB 1x 26 and AB 1484;
6. A review of outstanding appeals of property taxes for the Project Area;
7. A review of the recently adopted legislation and its impact on the pledge of the tax increment revenues of the Project Area;
8. Preparation of the Fiscal Consultant's Report describing our assumptions and presenting our projections of the Project Area revenues as well as an aggregation of these revenues for inclusion with the offering documents of the proposed bond issuance;
9. Attendance at one meeting as authorized by the Successor Agency;
10. Review of the bond issuance offering documents as they relate to the Project Area revenues and issues discussed in the Fiscal Consultant's Report;
11. Additional Services are services not described above which are authorized in writing by the Successor Agency. Additional Services may include, but are

Successor Agency to the Redevelopment Agency of the City of Rancho Cucamonga
 Fiscal Consultant's Report Proposal
 June 10, 2016, Page 3

not limited to, additional meetings and presentations to rating agencies and insurance companies.

Fees

HdLCC is prepared to provide services for a fee of \$20,500 plus 1.15 times actual incurred expenses, if any. Actual incurred expenses include such items as express deliveries, travel to rating agency and insurance presentation and/or overnight accommodations, and other out-of-pocket expenses, which may be incurred. Additional Services described in Item 13 above will be provided at the following hourly rates plus 1.15 times actual incurred expenses, if any.

Partner	\$225.00 per hour
Principal	\$195.00 per hour
Associate	\$150.00 per hour
Senior Analyst	\$100.00 per hour
Analyst	\$ 65.00 per hour

All fees will be billed and payable the sooner of the close of the bond sale, one year from authorization to proceed or upon the Successor Agency's determination not to proceed with a bond issue. In the event that the Successor Agency determines not to proceed with the issuance of the bonds, the fee, less \$5,000, will be prorated based upon the percentage of completion of the scope of work at the time of the Successor Agency's determination. If the scope of work has been completed prior to the Successor Agency's determination not to proceed with the issuance of the bonds the fee, less \$5,000, will be due and payable.

Schedule

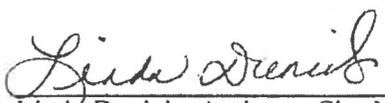
We are prepared to proceed with the Scope of Work based on your verbal authorization and in a time frame as required in order to accommodate the Successor Agency's schedule. The completion of Additional Services, if any, will be scheduled at the time of authorization.

An authorized signature below will be considered our authorization to proceed. Please call David Schey or Cheryl Murase if you have any questions.

HdL Coren & Cone

David Schey
 Principal

Authorized:



 Linda Daniels, Assistant City Manager

June 13, 2016

 Date

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Agenda Check Register

6/29/2016 through 7/12/2016

<u>Check No.</u>	<u>Check Date</u>	<u>Vendor Name</u>	<u>City</u>	<u>Fire</u>	<u>Amount</u>
AP 00006200	06/29/2016	PEEK, LINDA V	10,000.00	0.00	10,000.00
AP 00006201	07/06/2016	VIASYN INC	2,906.42	0.00	2,906.42
AP 00006202	07/06/2016	CALIF GOVERNMENT VEBA/RANCHO CUCAMONGA	10,230.00	0.00	10,230.00
AP 00006203	07/06/2016	METROPOLITAN WATER DISTRICT, THE	1,578.00	0.00	1,578.00
AP 00006204	07/06/2016	RCCEA	1,633.00	0.00	1,633.00
AP 00006205	07/06/2016	RCPFA	11,029.18	0.00	11,029.18
AP 00370569	06/29/2016	ABLE BUILDING MAINTENANCE	9,130.21	0.00	9,130.21
AP 00370570	06/29/2016	ACEY DECY EQUIPMENT INC.	72.57	0.00	72.57
AP 00370571	06/29/2016	ADAMS, SHANE	0.00	35.00	35.00
AP 00370572	06/29/2016	AIR & HOSE SOURCE INC.	13.64	0.00	13.64
AP 00370573	06/29/2016	ALL WELDING	2,929.00	0.00	2,929.00
AP 00370574	06/29/2016	ALPHAGRAPHICS	68.04	0.00	68.04
AP 00370575	06/29/2016	ARTISTIC RESOURCES CORPORATION	19,940.20	0.00	19,940.20
AP 00370576	06/29/2016	AUNTIE M CREATIVE CONSULTANTS INC.	1,570.79	0.00	1,570.79
AP 00370577	06/29/2016	AUTO AND RV SPECIALISTS INC.	164.68	0.00	164.68
AP 00370578	06/29/2016	BARNES AND NOBLE	3,663.83	0.00	3,663.83
AP 00370579	06/29/2016	BC TRAFFIC SPECIALISTS	2,963.41	0.00	2,963.41
AP 00370580	06/29/2016	BELTRAN, OSBALDO ALVARADO	783.00	0.00	783.00
AP 00370581	06/29/2016	BILL AND WAGS INC.	0.00	585.00	585.00
AP 00370582	06/29/2016	BISHOP COMPANY	410.35	0.00	410.35
AP 00370583	06/29/2016	BLOOM, JEFFREY A	95.16	0.00	95.16
AP 00370584	06/29/2016	BRIGHTVIEW LANDSCAPE DEVELOPMENT INC.	94,334.07	0.00	94,334.07
AP 00370587	06/29/2016	C V W D	83,024.27	532.80	83,557.07 ***
AP 00370588	06/29/2016	CABLE INC.	8,647.74	0.00	8,647.74
AP 00370589	06/29/2016	CAIN, RUTH	34.02	0.00	34.02
AP 00370590	06/29/2016	CARGANILLA, PAUL	700.00	0.00	700.00
AP 00370591	06/29/2016	CARQUEST AUTO PARTS	28.32	41.67	69.99 ***
AP 00370592	06/29/2016	CASTREJON, DONNA	95.04	0.00	95.04
AP 00370593	06/29/2016	CCS ORANGE COUNTY JANITORIAL INC.	622.14	0.00	622.14
AP 00370594	06/29/2016	CINTAS CORPORATION #150	1,892.92	419.75	2,312.67 ***
AP 00370595	06/29/2016	CLEAR COAST CONSTRUCTION	5,257.67	0.00	5,257.67
AP 00370596	06/29/2016	CLEAR COAST CONSTRUCTION	610.22	0.00	610.22
AP 00370597	06/29/2016	CLIENT FIRST CONSULTING GROUP	1,050.00	0.00	1,050.00
AP 00370598	06/29/2016	COMMUNITY BANK	7,756.58	0.00	7,756.58
AP 00370599	06/29/2016	COMMUNITY COLLABORATIVE CHARTER SCHOOL	500.00	0.00	500.00
AP 00370600	06/29/2016	CONFIRE JPA	0.00	50,733.46	50,733.46
AP 00370601	06/29/2016	COUNTRY ESTATE FENCE CO INC	2,578.81	0.00	2,578.81
AP 00370602	06/29/2016	CUCAMONGA VALLEY WATER DISTRICT	11,200.00	420.00	11,620.00 ***
AP 00370603	06/29/2016	CYBER SECURITY SOURCE	450.00	0.00	450.00
AP 00370604	06/29/2016	DEMPSTER, KERI	126.00	0.00	126.00
AP 00370605	06/29/2016	DREAM SHAPERS	1,000.00	0.00	1,000.00
AP 00370606	06/29/2016	DUMBELL MAN FITNESS EQUIPMENT, THE	125.00	0.00	125.00
AP 00370607	06/29/2016	E POLY STAR INC.	1,682.10	0.00	1,682.10
AP 00370608	06/29/2016	EDWARD PROFESSIONAL ADVISORS	9,900.00	0.00	9,900.00
AP 00370609	06/29/2016	EIGHTH AVENUE ENTERPRISE LLC	333.52	0.00	333.52
AP 00370610	06/29/2016	ENERGY CONSERVATION & SUPPLY INC.	3,726.00	0.00	3,726.00
AP 00370611	06/29/2016	EXCAL VISUAL INC	611.75	0.00	611.75

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AP 00370612	06/29/2016	FELICIANO, ANTHONY	144.00	0.00	144.00
AP 00370613	06/29/2016	FERGUSON ENTERPRISES INC #1350	20.33	0.00	20.33
AP 00370614	06/29/2016	FIRST CLASS HEATING & AIR	396.47	0.00	396.47
AP 00370615	06/29/2016	FIRST CLASS HEATING & AIR	776.63	0.00	776.63
AP 00370616	06/29/2016	FIRST CLASS HEATING & AIR	4,000.00	0.00	4,000.00
AP 00370617	06/29/2016	FLAG SYSTEMS INC.	3,400.00	0.00	3,400.00
AP 00370618	06/29/2016	CALIFORNIA NEWSPAPERS PARTNERSHIP	1,075.00	0.00	1,075.00
AP 00370619	06/29/2016	GAIL MATERIALS	1,010.80	0.00	1,010.80
AP 00370620	06/29/2016	GEORGE HILLS COMPANY	2,264.12	0.00	2,264.12
AP 00370621	06/29/2016	GOLDEN SUN	1,258.20	0.00	1,258.20
AP 00370622	06/29/2016	GOOD YEAR TIRE AND RUBBER CO.	371.87	362.45	734.32 ***
AP 00370623	06/29/2016	GRAINGER	4,060.62	94.10	4,154.72 ***
AP 00370624	06/29/2016	GRAPHICS FACTORY INC.	2,549.88	0.00	2,549.88
AP 00370625	06/29/2016	HAGGINS, ROSALIE	115.00	0.00	115.00
AP 00370626	06/29/2016	HEARTSAVERS LLC	80.00	0.00	80.00
AP 00370627	06/29/2016	HENRY SCHEIN ANIMAL HEALTH SUPPLY	212.20	0.00	212.20
AP 00370628	06/29/2016	HI WAY SAFETY INC	50.25	0.00	50.25
AP 00370629	06/29/2016	HILL, MEGAN	436.50	0.00	436.50
AP 00370630	06/29/2016	HILLS PET NUTRITION SALES INC	312.83	0.00	312.83
AP 00370631	06/29/2016	HOCHHALTER, JENAH	486.00	0.00	486.00
AP 00370632	06/29/2016	HORIZONS CONSTRUCTION COMPANY INTERNATION	163,352.14	0.00	163,352.14
AP 00370633	06/29/2016	HOSE MAN INC	20.75	0.00	20.75
AP 00370634	06/29/2016	HOYT LUMBER CO., SM	0.00	19.42	19.42
AP 00370635	06/29/2016	INLAND EMPIRE TOURS AND TRANSPORTATION	1,363.00	0.00	1,363.00
AP 00370636	06/29/2016	IRON MOUNTAIN OSDP	782.07	0.00	782.07
AP 00370637	06/29/2016	J C TECHNOLOGY INC	14,214.84	0.00	14,214.84
AP 00370638	06/29/2016	JOHN'S INCREDIBLE PIZZA	2,002.81	0.00	2,002.81
AP 00370639	06/29/2016	JOHNNY ALLEN TENNIS ACADEMY	1,356.60	0.00	1,356.60
AP 00370640	06/29/2016	JONES AND MAYER, LAW OFFICES OF	3,168.00	0.00	3,168.00
AP 00370641	06/29/2016	JRC HOUSING	4,850.00	0.00	4,850.00
AP 00370642	06/29/2016	KB HOME	15,000.00	0.00	15,000.00
AP 00370643	06/29/2016	KLAUS AND SONS	5,140.00	0.00	5,140.00
AP 00370644	06/29/2016	KONE INC	655.47	0.00	655.47
AP 00370645	06/29/2016	KVAC ENVIRONMENTAL SERVICES INC	1,222.00	0.00	1,222.00
AP 00370646	06/29/2016	LAURIE, TRACY	12.64	0.00	12.64
AP 00370647	06/29/2016	LEAL, RUTH	90.00	0.00	90.00
AP 00370648	06/29/2016	LIEBERT CASSIDY WHITMORE	1,650.00	0.00	1,650.00
AP 00370649	06/29/2016	LIU, XIANGYUAN	0.00	634.95	634.95
AP 00370650	06/29/2016	LOPEZ, CAITLIN	216.00	0.00	216.00
AP 00370651	06/29/2016	LORBEL INC	18,401.36	0.00	18,401.36
AP 00370652	06/29/2016	MARIPOSA LANDSCAPES INC	30,905.62	0.00	30,905.62
AP 00370653	06/29/2016	MARRUFO, JOANNA	19.00	0.00	19.00
AP 00370654	06/29/2016	MARTINEZ, DIANE	0.00	8.53	8.53
AP 00370655	06/29/2016	MASTERS ELECTRIC	51,471.90	0.00	51,471.90
AP 00370656	06/29/2016	MATANGA, JULIE EDWARD	127.50	0.00	127.50
AP 00370657	06/29/2016	MCMaster CARR SUPPLY COMPANY	301.27	0.00	301.27
AP 00370658	06/29/2016	MDS CONSULTING	54.58	0.00	54.58

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AP 00370659	06/29/2016	MINUTEMAN PRESS	1,103.36	0.00	1,103.36
AP 00370660	06/29/2016	MINUTEMAN PRESS	62.91	0.00	62.91
AP 00370661	06/29/2016	MITY LITE INC.	1,805.74	0.00	1,805.74
AP 00370662	06/29/2016	MONROY, ANGLICA	500.00	0.00	500.00
AP 00370663	06/29/2016	MUNICIPAL CODE CORPORATION	900.00	0.00	900.00
AP 00370664	06/29/2016	NAPA AUTO PARTS	88.52	0.00	88.52
AP 00370665	06/29/2016	NAVARRETTE, DANIEL	0.00	260.00	260.00
AP 00370666	06/29/2016	NEWCOMB ANDERSON MCCORMICK INC	7,453.24	4,968.83	12,422.07 ***
AP 00370667	06/29/2016	OCCUPATIONAL HEALTH CTRS OF CA	3,028.35	78.00	3,106.35 ***
AP 00370668	06/29/2016	OFFICE DEPOT	3,980.51	0.00	3,980.51
AP 00370669	06/29/2016	OKOYE FOUNDATION	400.00	0.00	400.00
AP 00370670	06/29/2016	OLD TOWN TROLLEY TOURS	680.00	0.00	680.00
AP 00370671	06/29/2016	ONTARIO WINNELSON CO	335.02	0.00	335.02
AP 00370672	06/29/2016	ONWARD ENGINEERING	13,366.25	0.00	13,366.25
AP 00370673	06/29/2016	ORBISON, ANDREW	399.00	0.00	399.00
AP 00370674	06/29/2016	ORFILA, YAZMIN ABELLA	173.27	0.00	173.27
AP 00370675	06/29/2016	PANDEY, SHASHI	12.83	0.00	12.83
AP 00370676	06/29/2016	PCN3 INC	147,375.08	0.00	147,375.08
AP 00370677	06/29/2016	PERSONAL STRENGTHS PUBLISHING INC	6,950.00	0.00	6,950.00
AP 00370678	06/29/2016	PETES ROAD SERVICE INC	1,010.19	0.00	1,010.19
AP 00370679	06/29/2016	PLANTATION PRODUCTIONS INC	2,375.00	0.00	2,375.00
AP 00370680	06/29/2016	PRIME GLASS	179.09	0.00	179.09
AP 00370681	06/29/2016	PRISTINE UNIFORMS LLC	0.00	146.84	146.84
AP 00370682	06/29/2016	PSA PRINT GROUP	163.56	0.00	163.56
AP 00370683	06/29/2016	RDO EQUIPMENT CO	131.92	0.00	131.92
AP 00370684	06/29/2016	RECYCLE A WAY LLC	1,336.82	0.00	1,336.82
AP 00370685	06/29/2016	RICHARD HEATH AND ASSOCIATES	2,660.00	0.00	2,660.00
AP 00370686	06/29/2016	RICHARDS WATSON AND GERSHON	0.00	2,499.00	2,499.00
AP 00370687	06/29/2016	RJM DESIGN GROUP INC	47,661.17	0.00	47,661.17
AP 00370688	06/29/2016	ROADLINE PRODUCTS INC	1,509.84	0.00	1,509.84
AP 00370689	06/29/2016	RODRIGUEZ INC, RY	223.90	0.00	223.90
AP 00370690	06/29/2016	RODRIGUEZ, LUIS	50.00	0.00	50.00
AP 00370691	06/29/2016	ROTO ROOTER	4,223.07	0.00	4,223.07
AP 00370692	06/29/2016	ROVICS CONSTRUCTION INC	195.46	0.00	195.46
AP 00370693	06/29/2016	RUBENS AUTO COLLISION CENTER	150.00	0.00	150.00
AP 00370694	06/29/2016	SAFELITE AUTOGLASS	195.64	0.00	195.64
AP 00370695	06/29/2016	SAFEWAY SIGN COMPANY	659.50	0.00	659.50
AP 00370696	06/29/2016	SAN BERNARDINO CLERK OF THE BOARD OF SUPERN	50.00	0.00	50.00
AP 00370697	06/29/2016	SAN BERNARDINO COUNTY SHERIFFS DEPT	9,974.25	0.00	9,974.25
AP 00370698	06/29/2016	SAN BERNARDINO CTY	0.00	14,126.50	14,126.50
AP 00370699	06/29/2016	SCOTT, APRIL	297.00	0.00	297.00
AP 00370700	06/29/2016	SHRED IT USA LLC	190.90	0.00	190.90
AP 00370701	06/29/2016	SHRED PROS	65.00	55.00	120.00 ***
AP 00370702	06/29/2016	SIEMENS INDUSTRY INC	1,516.45	0.00	1,516.45
AP 00370703	06/29/2016	SIGMANET	8,800.00	0.00	8,800.00
AP 00370704	06/29/2016	SIGNATURE SYSTEMS GROUP LLC	3,966.57	0.00	3,966.57
AP 00370705	06/29/2016	SIMS HEATING AND AIR	137.81	0.00	137.81

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AP 00370706	06/29/2016	SITEONE LANDSCAPE SUPPLY LLC	306.38	0.00	306.38
AP 00370707	06/29/2016	SMITH, ANGELA	173.27	0.00	173.27
AP 00370708	06/29/2016	SO CALIF GAS COMPANY	6,945.47	313.73	7,259.20 ***
AP 00370709	06/29/2016	SOLAR CITY CORPORATION	539.04	0.00	539.04
AP 00370710	06/29/2016	SOLAR CITY CORPORATION	808.56	0.00	808.56
AP 00370711	06/29/2016	SOLAR CITY CORPORATION	322.28	0.00	322.28
AP 00370712	06/29/2016	SONSRAY MACHINERY LLC	39.86	0.00	39.86
AP 00370719	06/29/2016	SOUTHERN CALIFORNIA EDISON	12,184.49	915.22	13,099.71 ***
AP 00370720	06/29/2016	SOUTHERN CALIFORNIA NEWS GROUP	397.80	0.00	397.80
AP 00370721	06/29/2016	SOUTHLAND SPORTS OFFICIALS	552.00	0.00	552.00
AP 00370722	06/29/2016	SOUTHWEST TRAFFIC SYSTEMS INC	2,747.52	0.00	2,747.52
AP 00370723	06/29/2016	SPIKES, BRIANNA	56.16	0.00	56.16
AP 00370724	06/29/2016	STAFFORD, DANIEL	100.00	0.00	100.00
AP 00370725	06/29/2016	STANDARD INSURANCE COMPANY	13,386.94	0.00	13,386.94
AP 00370726	06/29/2016	STOTZ EQUIPMENT	463.74	0.00	463.74
AP 00370727	06/29/2016	SUNGARD PUBLIC SECTOR INC	80.00	0.00	80.00
AP 00370728	06/29/2016	SUTPHEN, LACHELLE	2,300.00	0.00	2,300.00
AP 00370729	06/29/2016	THE COUNSELING TEAM INTERNATIONAL	0.00	1,200.00	1,200.00
AP 00370730	06/29/2016	THOMPSON PLUMBING SUPPLY	3,360.84	0.00	3,360.84
AP 00370731	06/29/2016	TOMCO LLC	205.20	0.00	205.20
AP 00370732	06/29/2016	TRAFFIC PARTS	5,173.65	0.00	5,173.65
AP 00370733	06/29/2016	TURF STAR INC	726.42	0.00	726.42
AP 00370734	06/29/2016	U S LEGAL SUPPORT INC	417.08	0.00	417.08
AP 00370735	06/29/2016	UNDERGROUND SVC ALERT OF SO CAL	171.00	0.00	171.00
AP 00370736	06/29/2016	UNIQUE MANAGEMENT SERVICES INC	283.42	0.00	283.42
AP 00370737	06/29/2016	UPS	436.66	0.00	436.66
AP 00370738	06/29/2016	UTILIQUEST	1,362.85	0.00	1,362.85
AP 00370739	06/29/2016	V MONTOYA ENTERPRISES INC	291.60	0.00	291.60
AP 00370740	06/29/2016	VANDERAA, JAKOB	100.00	0.00	100.00
AP 00370741	06/29/2016	VASTA, WILLIAM	1,050.00	0.00	1,050.00
AP 00370742	06/29/2016	VORTEX INDUSTRIES INC	1,913.00	614.10	2,527.10 ***
AP 00370743	06/29/2016	WALTERS WHOLESALE ELECTRIC CO	1,289.52	157.84	1,447.36 ***
AP 00370744	06/29/2016	WATSON, TINA	0.00	44.16	44.16
AP 00370745	06/29/2016	WAXIE SANITARY SUPPLY	4,701.83	1,142.80	5,844.63 ***
AP 00370746	06/29/2016	WAYNE BOEHM AND ALAN J REINACH	11,200.00	0.00	11,200.00
AP 00370747	06/29/2016	WESTRUX INTERNATIONAL INC	42.91	0.00	42.91
AP 00370748	06/29/2016	XPO LOGISTICS FREIGHT INC	20.00	0.00	20.00
AP 00370749	06/29/2016	ZERETZKE, JOHN	2,500.00	0.00	2,500.00
AP 00370750	06/30/2016	ABC LOCKSMITHS	4,259.47	0.00	4,259.47
AP 00370751	06/30/2016	BRODART BOOKS	348.44	0.00	348.44
AP 00370752	06/30/2016	CALSENSE	791.13	0.00	791.13
AP 00370753	06/30/2016	CITRUS MOTORS ONTARIO INC	0.00	260.04	260.04
AP 00370754	06/30/2016	EMCOR SERVICE	15,660.32	0.00	15,660.32
AP 00370755	06/30/2016	EWING IRRIGATION PRODUCTS	707.66	0.00	707.66
AP 00370756	06/30/2016	FASTENAL COMPANY	1,223.43	0.00	1,223.43
AP 00370757	06/30/2016	FORD OF UPLAND INC	114.29	0.00	114.29
AP 00370758	06/30/2016	HOLLIDAY ROCK CO INC	3,018.43	0.00	3,018.43

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AP 00370759	06/30/2016	IMPERIAL SPRINKLER SUPPLY INC	4,995.64	0.00	4,995.64
AP 00370760	06/30/2016	KME FIRE APPARATUS	0.00	2,373.57	2,373.57
AP 00370761	06/30/2016	LIMS AUTO INC	2,222.51	0.00	2,222.51
AP 00370762	06/30/2016	ORKIN PEST CONTROL	875.16	0.00	875.16
AP 00370763	06/30/2016	PENNY PLUMBING	144.00	0.00	144.00
AP 00370764	06/30/2016	TARGET SPECIALTY PRODUCTS	1,536.16	0.00	1,536.16
AP 00370765	06/30/2016	TOMARK SPORTS INC	1,422.46	0.00	1,422.46
AP 00370766	07/06/2016	10-8 RETROFIT INC.	86.60	0.00	86.60
AP 00370767	07/06/2016	3SI SECURITY SYSTEMS	1,020.00	0.00	1,020.00
AP 00370768	07/06/2016	4 IMPRINT	1,456.19	0.00	1,456.19
AP 00370769	07/06/2016	A AND R TIRE SERVICE	1,113.77	0.00	1,113.77
AP 00370770	07/06/2016	ADVANCED CHEMICAL TRANSPORT	1,376.50	0.00	1,376.50
AP 00370771	07/06/2016	ALBERT A. WEBB	1,627.50	0.00	1,627.50
AP 00370772	07/06/2016	ALL WELDING	2,929.00	0.00	2,929.00
AP 00370773	07/06/2016	APPLIED METERING TECHNOLOGIES INC	11,759.48	0.00	11,759.48
AP 00370774	07/06/2016	BATTERY POWER INC	627.49	0.00	627.49
AP 00370775	07/06/2016	BC TRAFFIC SPECIALISTS	523.14	0.00	523.14
AP 00370776	07/06/2016	BERN MARIES PROMOTIONAL PRODUCTS	2,188.94	0.00	2,188.94
AP 00370777	07/06/2016	BIGNAMI, ROSEMARY	25.94	0.00	25.94
AP 00370778	07/06/2016	BISHOP COMPANY	2,105.19	0.00	2,105.19
AP 00370779	07/06/2016	BRIGHTON ETIWANDA HOA	150.00	0.00	150.00
AP 00370780	07/06/2016	BUTSKO UTILITY DESIGN INC.	21,314.08	0.00	21,314.08
AP 00370781	07/06/2016	CADET TIRE COMPANY INC.	3,095.80	0.00	3,095.80
AP 00370782	07/06/2016	CARQUEST AUTO PARTS	207.81	0.00	207.81
AP 00370783	07/06/2016	CARTY, DIANE	432.00	0.00	432.00
AP 00370784	07/06/2016	CHAVEZ, ALIESE	0.00	50.93	50.93
AP 00370785	07/06/2016	CINTAS CORPORATION #150	1,160.06	0.00	1,160.06
AP 00370786	07/06/2016	CITY RENTALS	132.00	0.00	132.00
AP 00370787	07/06/2016	CONCEPT POWDER COATING	1,580.00	0.00	1,580.00
AP 00370788	07/06/2016	CONFIRMDelivery.COM	231.95	0.00	231.95
AP 00370789	07/06/2016	CONSOLIDATED ELECTRICAL DISTR INC	986.04	0.00	986.04
AP 00370790	07/06/2016	CONSTRUCTION EQUIP 4 LESS.COM	2,581.20	0.00	2,581.20
AP 00370791	07/06/2016	COPELAND, PATRICK	500.00	0.00	500.00
AP 00370792	07/06/2016	CPS HR CONSULTING	7,500.00	0.00	7,500.00
AP 00370793	07/06/2016	CUCAMONGA VALLEY WATER DISTRICT	3,139.60	116.28	3,255.88 ***
AP 00370794	07/06/2016	D AND K CONCRETE COMPANY	550.39	0.00	550.39
AP 00370795	07/06/2016	DANCE DYNAMICS	12,759.00	0.00	12,759.00
AP 00370796	07/06/2016	DANCE TERRIFIC	1,173.90	0.00	1,173.90
AP 00370797	07/06/2016	DIVANGO	52.50	0.00	52.50
AP 00370798	07/06/2016	DOWNEY, JENNIFER	13.39	0.00	13.39
AP 00370799	07/06/2016	DUNN, ANN MARIE	244.80	0.00	244.80
AP 00370800	07/06/2016	DURKEL, CAROL	262.98	0.00	262.98
AP 00370801	07/06/2016	ECHEVARRIA, ERIKA	53.31	0.00	53.31
AP 00370802	07/06/2016	EIGHTH AVENUE ENTERPRISE LLC	433.08	0.00	433.08
AP 00370803	07/06/2016	EMPIRE ECONOMICS INC	950.00	0.00	950.00
AP 00370804	07/06/2016	EXPRESS BRAKE SUPPLY	34.98	0.00	34.98
AP 00370805	07/06/2016	FEDERAL EXPRESS CORP	85.62	0.00	85.62

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AP 00370806	07/06/2016	FELGAR, LINDA	68.00	0.00	68.00
AP 00370807	07/06/2016	G AND M BUSINESS INTERIORS	384.71	0.00	384.71
AP 00370808	07/06/2016	GALE/CENGAGE LEARNING	1,207.49	0.00	1,207.49
AP 00370809	07/06/2016	GEOGRAPHICS	1,831.00	0.00	1,831.00
AP 00370810	07/06/2016	GOOD YEAR TIRE AND RUBBER CO.	2,386.90	0.00	2,386.90
AP 00370811	07/06/2016	GOSE, DALE	73.88	0.00	73.88
AP 00370812	07/06/2016	GRAINGER	5,797.01	0.00	5,797.01
AP 00370813	07/06/2016	GRAVES & KING LLP	1,391.20	0.00	1,391.20
AP 00370814	07/06/2016	GRAYBAR	297.10	0.00	297.10
AP 00370815	07/06/2016	GREEN ROCK POWER EQUIPMENT	595.33	0.00	595.33
AP 00370816	07/06/2016	GROSLAND, PATRICIA	32.00	0.00	32.00
AP 00370817	07/06/2016	HEARTSAVERS LLC	262.27	0.00	262.27
AP 00370818	07/06/2016	HENRY SCHEIN ANIMAL HEALTH SUPPLY	264.85	0.00	264.85
AP 00370819	07/06/2016	HERTZ FURNITURE	25.36	0.00	25.36
AP 00370820	07/06/2016	HI WAY SAFETY INC	2,970.84	0.00	2,970.84
AP 00370821	07/06/2016	HILLS PET NUTRITION SALES INC	1,503.94	0.00	1,503.94
AP 00370822	07/06/2016	HOLDEN, GRACY	59.14	0.00	59.14
AP 00370823	07/06/2016	HOYT LUMBER CO., SM	8.74	0.00	8.74
AP 00370824	07/06/2016	HUNTINGTON HARDWARE	112.49	0.00	112.49
AP 00370825	07/06/2016	INDERWIESCHE, MATT	1,438.20	0.00	1,438.20
AP 00370826	07/06/2016	INLAND PRESORT & MAILING SERVICES	157.19	0.00	157.19
AP 00370827	07/06/2016	INLAND VALLEY RV SERVICE & SUPPLIES	412.92	0.00	412.92
AP 00370828	07/06/2016	J & D GUILLIAM CONSTRUCTION INC	1,050.00	0.00	1,050.00
AP 00370829	07/06/2016	JACOBSEN DIVISION OF TEXTRON INC	192.47	0.00	192.47
AP 00370830	07/06/2016	K K WOODWORKING	73.37	0.00	73.37
AP 00370831	07/06/2016	KROGER	4.38	0.00	4.38
AP 00370832	07/06/2016	LADAGE, JIM	28.01	0.00	28.01
AP 00370833	07/06/2016	LAKESHORE LEARNING MATERIALS	1,936.69	0.00	1,936.69
AP 00370834	07/06/2016	LANGUAGE PLANET	1,200.00	0.00	1,200.00
AP 00370835	07/06/2016	LEAGUE OF CALIFORNIA CITIES	80.00	0.00	80.00
AP 00370836	07/06/2016	LEWIS OPERATING CORPORATION	272.00	0.00	272.00
AP 00370837	07/06/2016	LIEBERT CASSIDY WHITMORE	14,368.40	0.00	14,368.40
AP 00370838	07/06/2016	LIVE OAK DOG OBEDIENCE	588.00	0.00	588.00
AP 00370839	07/06/2016	LOS ANGELES FREIGHTLINER	111.35	0.00	111.35
AP 00370840	07/06/2016	LOS ANGELES TIMES	519.66	0.00	519.66
AP 00370841	07/06/2016	MAIN STREET SIGNS	1,614.60	0.00	1,614.60
AP 00370842	07/06/2016	MARIPOSA LANDSCAPES INC	47,731.85	0.00	47,731.85
AP 00370843	07/06/2016	MARK CHRISTOPHER INC	266.24	0.00	266.24
AP 00370844	07/06/2016	MCALLISTER, WILLIAM	700.66	0.00	700.66
AP 00370845	07/06/2016	MEDIWASTE DISPOSAL LLC	40.00	0.00	40.00
AP 00370846	07/06/2016	MIDWEST TAPE	3,184.19	0.00	3,184.19
AP 00370847	07/06/2016	MILANES, YIKCIA	350.00	0.00	350.00
AP 00370848	07/06/2016	MISSION REPROGRAPHICS	51.86	0.00	51.86
AP 00370849	07/06/2016	MORRIS, RICHARD	67.20	0.00	67.20
AP 00370850	07/06/2016	MOUNTAIN VIEW SMALL ENG REPAIR	923.36	0.00	923.36
AP 00370851	07/06/2016	MOUSSAVI, SARAH	76.78	0.00	76.78
AP 00370852	07/06/2016	MULTICULTURAL BOOKS & VIDEOS	429.59	0.00	429.59

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Agenda Check Register

6/29/2016 through 7/12/2016

<u>Check No.</u>	<u>Check Date</u>	<u>Vendor Name</u>	<u>City</u>	<u>Fire</u>	<u>Amount</u>
AP 00370853	07/06/2016	MUSICSTAR	5,949.00	0.00	5,949.00
AP 00370854	07/06/2016	NAPA AUTO PARTS	72.15	0.00	72.15
AP 00370855	07/06/2016	NEW COLOR SCREEN PRINTING & EMBROIDERY	184.68	0.00	184.68
AP 00370856	07/06/2016	NOVELTY PRINTING	833.80	0.00	833.80
AP 00370857	07/06/2016	O'CONNOR, MICKEY	1,000.00	0.00	1,000.00
AP 00370858	07/06/2016	OCCUPATIONAL HEALTH CTRS OF CA	0.00	212.48	212.48
AP 00370859	07/06/2016	OFFICE DEPOT	3,816.86	0.00	3,816.86
AP 00370860	07/06/2016	ONTARIO WINNELSON CO	221.40	0.00	221.40
AP 00370861	07/06/2016	ONTRAC	32.31	0.00	32.31
AP 00370862	07/06/2016	OPARC	352.00	0.00	352.00
AP 00370863	07/06/2016	PACIFIC UTILITY INSTALLATION INC	21,525.00	0.00	21,525.00
AP 00370864	07/06/2016	PACIFIC YOUTH SPORTS	1,506.00	0.00	1,506.00
AP 00370865	07/06/2016	PETES ROAD SERVICE INC	578.59	0.00	578.59
AP 00370866	07/06/2016	PITASSI ARCHITECTS INC	4,200.00	0.00	4,200.00
AP 00370867	07/06/2016	PRECISION GYMNASTICS	2,464.70	0.00	2,464.70
AP 00370868	07/06/2016	PRO SALES GROUP INC	381.82	0.00	381.82
AP 00370869	07/06/2016	PRO-LINE INDUSTRIAL PRODUCTS INC	429.84	0.00	429.84
AP 00370870	07/06/2016	PVP COMMUNICATIONS INC	975.28	0.00	975.28
AP 00370871	07/06/2016	PW GILLIBRAND INC	1,680.72	0.00	1,680.72
AP 00370872	07/06/2016	R AND R AUTOMOTIVE	1,421.94	0.00	1,421.94
AP 00370873	07/06/2016	RAMIREZ, SANDRA	460.00	0.00	460.00
AP 00370874	07/06/2016	RANCHO CUCAMONGA QUAKES	6,500.00	0.00	6,500.00
AP 00370875	07/06/2016	RANCHO REGIONAL VETERINARY HOSPITAL INC	139.32	0.00	139.32
AP 00370876	07/06/2016	RBM LOCK AND KEY SERVICE	115.02	0.00	115.02
AP 00370877	07/06/2016	REBONG, LOIDA	5.00	0.00	5.00
AP 00370878	07/06/2016	RELIABLE MONITORING SERVICES INC	1,258.00	0.00	1,258.00
AP 00370879	07/06/2016	RICHARDS WATSON AND GERSHON	1,108.65	0.00	1,108.65
AP 00370880	07/06/2016	ROSEBURROUGH TOOLS INC	199.94	0.00	199.94
AP 00370881	07/06/2016	SAFELITE FULFILLMENT INC	393.78	0.00	393.78
AP 00370882	07/06/2016	SAN BERNARDINO CTY	15,723.00	0.00	15,723.00
AP 00370883	07/06/2016	SAN BERNARDINO, CITY OF	957.22	0.00	957.22
AP 00370884	07/06/2016	SHEAKLEY PENSION ADMINISTRATION	307.80	0.00	307.80
AP 00370885	07/06/2016	SHEAKLEY PENSION ADMINISTRATION	0.00	154.70	154.70
AP 00370886	07/06/2016	SIGN SHOP, THE	439.56	0.00	439.56
AP 00370887	07/06/2016	SITEONE LANDSCAPE SUPPLY LLC	1,034.80	0.00	1,034.80
AP 00370888	07/06/2016	SOCIAL VOCATIONAL SERVICES	3,388.00	0.00	3,388.00
AP 00370889	07/06/2016	SONSRAY MACHINERY LLC	39.86	0.00	39.86
AP 00370892	07/06/2016	SOUTHERN CALIFORNIA EDISON	25,654.73	4,291.76	29,946.49 ***
AP 00370893	07/06/2016	SOUTHERN CALIFORNIA EDISON	2,281.05	0.00	2,281.05
AP 00370894	07/06/2016	SOUTHLAND SPORTS OFFICIALS	552.00	0.00	552.00
AP 00370895	07/06/2016	STOTZ EQUIPMENT	3,012.69	0.00	3,012.69
AP 00370896	07/06/2016	STOVER SEED COMPANY	529.01	0.00	529.01
AP 00370897	07/06/2016	SUPERIOR TANK COMPANY INC	400.00	0.00	400.00
AP 00370898	07/06/2016	TRUELINE CONSTRUCTION & SURFACING INC	450.00	0.00	450.00
AP 00370899	07/06/2016	UNITED ROTARY BRUSH CORPORATION	520.38	0.00	520.38
AP 00370900	07/06/2016	UNITED SITE SERVICES OF CA INC	233.91	0.00	233.91
AP 00370901	07/06/2016	UNIVERSAL MARTIAL ARTS CENTERS	399.00	0.00	399.00

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Agenda Check Register

6/29/2016 through 7/12/2016

<u>Check No.</u>	<u>Check Date</u>	<u>Vendor Name</u>	<u>City</u>	<u>Fire</u>	<u>Amount</u>
AP 00370902	07/06/2016	UNIVERSITY ENTERPRISES CORP @ CSUSB, THE	7,000.00	0.00	7,000.00
AP 00370903	07/06/2016	UTILIQUEST	702.50	0.00	702.50
AP 00370904	07/06/2016	VAN SCOYOC ASSOCIATES INC	4,000.00	0.00	4,000.00
AP 00370909	07/06/2016	VERIZON WIRELESS - LA	7,786.05	0.00	7,786.05
AP 00370910	07/06/2016	VICTOR MEDICAL COMPANY	1,899.30	0.00	1,899.30
AP 00370911	07/06/2016	VISION COMMUNICATIONS CO	661.13	0.00	661.13
AP 00370912	07/06/2016	VORTEX INDUSTRIES INC	741.95	0.00	741.95
AP 00370913	07/06/2016	WAXIE SANITARY SUPPLY	2,351.28	0.00	2,351.28
AP 00370914	07/06/2016	WILLIAMS ARCHITECTS INC	4,410.00	0.00	4,410.00
AP 00370915	07/06/2016	WILLIAMS, KEVIN	10.27	0.00	10.27
AP 00370916	07/06/2016	WILSON, LYSTRA	250.00	0.00	250.00
AP 00370919	07/06/2016	XEROX CORPORATION	10,949.03	469.92	11,418.95 ***
AP 00370920	07/06/2016	XTEND BARRE	92.40	0.00	92.40
AP 00370921	07/06/2016	YORK INDUSTRIES	1,267.04	0.00	1,267.04
AP 00370922	07/06/2016	AFLAC GROUP INSURANCE	79.40	0.00	79.40
AP 00370923	07/06/2016	AMTECH ELEVATOR SERVICES	285.28	0.00	285.28
AP 00370924	07/06/2016	BAKER, CLIFF	200.00	0.00	200.00
AP 00370925	07/06/2016	BLR	463.32	0.00	463.32
AP 00370926	07/06/2016	CAL PERS LONG TERM CARE	294.91	0.00	294.91
AP 00370927	07/06/2016	CALIFORNIA, STATE OF	233.59	0.00	233.59
AP 00370928	07/06/2016	CALIFORNIA, STATE OF	100.00	0.00	100.00
AP 00370929	07/06/2016	CALIN, ANGELA	816.00	0.00	816.00
AP 00370930	07/06/2016	DELTA DENTAL	1,469.88	0.00	1,469.88
AP 00370931	07/06/2016	DELTA DENTAL	40,071.76	0.00	40,071.76
AP 00370932	07/06/2016	EPSTEIN, JOSH	816.00	0.00	816.00
AP 00370933	07/06/2016	HORTON, GWENDOLYN	1,000.00	0.00	1,000.00
AP 00370934	07/06/2016	INCENDIO MUSIC	2,000.00	0.00	2,000.00
AP 00370935	07/06/2016	INFOGROUP	11,600.00	0.00	11,600.00
AP 00370936	07/06/2016	KAISER FOUNDATION HEALTH PLAN INC	191,481.66	0.00	191,481.66
AP 00370937	07/06/2016	KERRY, DANIELLE	1,500.00	0.00	1,500.00
AP 00370938	07/06/2016	LE VANGIE, NATALIE	376.23	0.00	376.23
AP 00370939	07/06/2016	MANKE, ART	1,066.00	0.00	1,066.00
AP 00370940	07/06/2016	NEOPOST USA INC	122.26	0.00	122.26
AP 00370941	07/06/2016	NEWSBANK INC	7,355.00	0.00	7,355.00
AP 00370942	07/06/2016	NIGHTHAWK TOTAL CONTROL	133.75	0.00	133.75
AP 00370943	07/06/2016	OSHIRO, ALLEN	1,400.00	0.00	1,400.00
AP 00370944	07/06/2016	PAL CAMPAIGN	10.00	0.00	10.00
AP 00370945	07/06/2016	PRE-PAID LEGAL SERVICES INC	96.59	0.00	96.59
AP 00370946	07/06/2016	PYRO SPECTACULARS INC	26,000.00	0.00	26,000.00
AP 00370947	07/06/2016	RAGAN COMMUNICATIONS INC	29.95	0.00	29.95
AP 00370948	07/06/2016	RANCHO CUCAMONGA CHAMBER OF COMMERCE	3,166.66	0.00	3,166.66
AP 00370949	07/06/2016	READ THE BOOKS LLC	1,070.00	0.00	1,070.00
AP 00370950	07/06/2016	SBPEA	959.04	0.00	959.04
AP 00370951	07/06/2016	SEXTON, SHEILA	3.00	0.00	3.00
AP 00370952	07/06/2016	SHERIFFS COURT SERVICES	390.64	0.00	390.64
AP 00370953	07/06/2016	STANDARD INSURANCE COMPANY	3,928.07	0.00	3,928.07
AP 00370954	07/06/2016	TUTOR.COM INC	18,400.00	0.00	18,400.00

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Agenda Check Register

6/29/2016 through 7/12/2016

<u>Check No.</u>	<u>Check Date</u>	<u>Vendor Name</u>	<u>City</u>	<u>Fire</u>	<u>Amount</u>
AP 00370955	07/06/2016	UNITED WAY	151.00	0.00	151.00
AP 00370956	07/06/2016	WESTERN CITY MAGAZINE	39.00	0.00	39.00
AP 00370957	07/06/2016	WRIST BAND	900.00	0.00	900.00
AP 00370961	07/07/2016	CALIFORNIA BOARD OF EQUALIZATION, STATE OF	1,870.30	1,833.55	3,703.85 ***
AP 00370962	07/07/2016	CASTILLO, JESSIE	942.56	0.00	692.56
AP 00370963	07/07/2016	EMCOR SERVICE	-1,350.00	4,171.97	0.00 ***
AP 00370964	07/07/2016	GOOD YEAR TIRE AND RUBBER CO.	503.11	0.00	0.00
AP 00370965	07/07/2016	INLAND EMPIRE FIRE EXPLORERS ASSOC	0.00	1,860.00	0.00
AP 00370966	07/07/2016	NEOPOST USA INC	122.26	0.00	0.00
AP 00370967	07/07/2016	PITNEY BOWES	207.36	0.00	0.00
AP 00370968	07/07/2016	SAN BERNARDINO COUNTY SHERIFFS DEPT	179,610.90	0.00	0.00
AP 00370969	07/07/2016	BRODART BOOKS	35,373.57	0.00	35,373.57
AP 00370970	07/07/2016	EMCOR SERVICE	295.00	0.00	295.00
AP 00370971	07/07/2016	FASTENAL COMPANY	4.58	0.00	4.58
AP 00370972	07/07/2016	HOLLIDAY ROCK CO INC	621.95	0.00	621.95
AP 00370973	07/07/2016	INTERSTATE BATTERIES	1,475.68	0.00	1,475.68
AP 00370974	07/07/2016	LIMS AUTO INC	69.23	0.00	69.23
AP 00370975	07/07/2016	ORKIN PEST CONTROL	488.00	0.00	488.00
AP 00370976	07/07/2016	SUNRISE FORD	9.74	0.00	9.74

Total City:	\$1,922,880.15
Total Fire:	\$96,204.35
Grand Total:	<u>\$2,019,084.50</u>

Note:

***** Check Number includes both City and Fire District expenditures**

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Electronic Debit Register

June 1, 2016 - June 30, 2016

<u>DATE</u>	<u>DESCRIPTION</u>	<u>CITY</u>	<u>FIRE</u>	<u>AMOUNT</u>
6/1	U.S. BANK - Purchasing Card Payment - May 2016	59,973.03	9,260.17	69,233.20
6/1	U.S. BANK - Corporate Card Payment - May 2016	56,125.59	23,815.67	79,941.26
6/1	Workers Comp - City Account Transfer	198.80		198.80
6/2	AUTHNET GATEWAY BILLING CCD 75379588	53.40		53.40
6/2	Workers Comp - City Account Transfer	2,476.75		2,476.75
6/2	Workers Comp - Fire Account Transfer		6,164.74	6,164.74
6/3	Workers Comp - City Account Transfer	148.60		148.60
6/3	Workers Comp - Fire Account Transfer		372.65	372.65
6/6	Workers Comp - City Account Transfer	2,720.29		2,720.29
6/6	Workers Comp - Fire Account Transfer		25.66	25.66
6/7	Workers Comp - City Account Transfer	460.00		460.00
6/7	Workers Comp - Fire Account Transfer		250.00	250.00
6/8	STATE DISBURSEMENT UNIT - Child Support Payments	1,690.48		1,690.48
6/8	STATE DISBURSEMENT UNIT - Child Support Payments		6,174.92	6,174.92
6/8	Workers Comp - City Account Transfer	1,364.59		1,364.59
6/8	Workers Comp - Fire Account Transfer		858.41	858.41
6/9	CALPERS - City - Retirement Account Deposit	31,365.18		31,365.18
6/9	CALPERS - City - Retirement Account Deposit	194,612.27		194,612.27
6/9	CALPERS - Fire - Retirement Account Deposit		766.92	766.92
6/9	CALPERS - Fire - Retirement Account Deposit		1,510.30	1,510.30
6/9	CALPERS - Fire - Retirement Account Deposit		4,710.77	4,710.77
6/9	CALPERS - Fire - Retirement Account Deposit		5,820.26	5,820.26
6/9	CALPERS - Fire - Retirement Account Deposit		7,671.36	7,671.36
6/9	CALPERS - Fire - Retirement Account Deposit		105,580.54	105,580.54
6/9	Workers Comp - City Account Transfer	874.15		874.15
6/9	Workers Comp - Fire Account Transfer		734.75	734.75
6/10	Workers Comp - City Account Transfer	1,171.88		1,171.88
6/13	Wire Transfer to California ISO for Power Resources	68,378.07		68,378.07
6/13	Workers Comp - City Account Transfer	7,785.21		7,785.21
6/13	Workers Comp - Fire Account Transfer		3,535.86	3,535.86
6/14	Workers Comp - City Account Transfer	117.00		117.00
6/15	CALPERS - Fire - Retirement Account Deposit		129.59	129.59
6/15	CALPERS - Fire - Retirement Account Deposit		255.29	255.29
6/15	CALPERS - Fire - Retirement Account Deposit		316.62	316.62
6/15	CALPERS - Fire - Retirement Account Deposit		395.93	395.93
6/15	CALPERS - Fire - Retirement Account Deposit		1,388.41	1,388.41
6/15	CALPERS - Fire - Retirement Account Deposit		1,396.35	1,396.35
6/15	CALPERS - Fire - Retirement Account Deposit		4,703.55	4,703.55
6/15	CALPERS - Fire - Retirement Account Deposit		20,738.30	20,738.30
6/15	Wire Transfer to Community Bank for Escrow Dep. I-15 Base Line Interchange	587,867.56		587,867.56
6/15	Workers Comp - City Account Transfer	10,530.59		10,530.59
6/15	Workers Comp - Fire Account Transfer		6,671.46	6,671.46
6/16	Workers Comp - City Account Transfer	2,188.74		2,188.74
6/16	Workers Comp - Fire Account Transfer		3,487.13	3,487.13
6/17	CALPERS - City - Retirement Account Deposit	28,682.00		28,682.00
6/17	CALPERS - City - Retirement Account Deposit	175,226.00		175,226.00
6/17	CALPERS - Fire - Retirement Account Deposit		690.00	690.00
6/17	CALPERS - Fire - Retirement Account Deposit		1,360.00	1,360.00
6/17	CALPERS - Fire - Retirement Account Deposit		4,240.00	4,240.00
6/17	CALPERS - Fire - Retirement Account Deposit		5,238.00	5,238.00
6/17	CALPERS - Fire - Retirement Account Deposit		6,767.00	6,767.00
6/17	CALPERS - Fire - Retirement Account Deposit		95,022.00	95,022.00
6/17	Workers Comp - City Account Transfer	110.71		110.71
6/20	Workers Comp - City Account Transfer	386.07		386.07
6/21	Workers Comp - City Account Transfer	2,301.56		2,301.56

**CITY OF RANCHO CUCAMONGA
AND
RANCHO CUCAMONGA FIRE PROTECTION DISTRICT**

Electronic Debit Register

June 1, 2016 - June 30, 2016

<u>DATE</u>	<u>DESCRIPTION</u>	<u>CITY</u>	<u>FIRE</u>	<u>AMOUNT</u>
6/21	Workers Comp - Fire Account Transfer		844.93	844.93
6/22	Workers Comp - City Account Transfer	1,121.01		1,121.01
6/22	Workers Comp - Fire Account Transfer		3,953.86	3,953.86
6/23	STATE DISBURSEMENT UNIT - Child Support Payments		6,338.77	6,338.77
6/23	STATE DISBURSEMENT UNIT - Child Support Payments	1,568.08		1,568.08
6/23	Workers Comp - City Account Transfer	1,849.03		1,849.03
6/23	Workers Comp - Fire Account Transfer		929.22	929.22
6/24	Workers Comp - City Account Transfer	2,334.53		2,334.53
6/24	Workers Comp - Fire Account Transfer		2,994.23	2,994.23
6/27	ANALYSIS DEFICIT - Bank Fee - May 2016	19,185.23		19,185.23
6/27	Wire Transfer to California ISO for Power Resources	8,734.91		8,734.91
6/27	Workers Comp - City Account Transfer	489.05		489.05
6/27	Workers Comp - Fire Account Transfer		1,554.43	1,554.43
6/29	Wire Transfer to US BANK for PARS Sec. 115 Post Employee Benefits	1,774,000.00		1,774,000.00
6/29	Wire Transfer to US BANK for PARS Sec. 115 Post Employee Benefits		3,824,000.00	3,824,000.00
6/29	Workers Comp - City Account Transfer	1,733.33		1,733.33
6/29	Workers Comp - Fire Account Transfer		391.28	391.28
6/30	Workers Comp - City Account Transfer	1,036.01		1,036.01
6/30	Workers Comp - Fire Account Transfer		5,283.33	5,283.33

Total City	\$ 3,048,859.70
Total Fire	\$ 4,176,342.66
GRAND TOTAL	<u>\$ 7,225,202.36</u>



City of Rancho Cucamonga Portfolio Management Portfolio Summary June 30, 2016

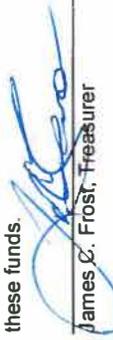
Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Fund	59,218,430.14	59,218,430.14	59,218,430.14	21.51	1	1	0.568	0.576
Certificates of Deposit/Neg. - Bank	4,000,000.00	3,994,750.00	3,994,573.33	1.45	137	74	1.323	1.342
Commercial Paper - Discount	9,000,000.00	8,983,101.60	8,972,957.78	3.26	162	106	0.669	0.678
Federal Agency Issues - Coupon	177,395,000.00	178,137,092.56	177,342,371.48	64.42	1,546	1,013	1.279	1.297
Savings/Miscellaneous Accounts	3,830,152.62	3,830,152.62	3,830,152.62	1.39	1	1	0.197	0.200
Municipal Bonds	18,360,000.00	18,634,226.80	18,436,232.72	6.70	1,303	752	1.385	1.404
Corporate Notes	3,500,000.00	3,540,887.00	3,495,799.24	1.27	1,826	723	1.757	1.782
Investments	275,303,582.76	276,338,640.72	275,290,517.31	100.00%	1,114	717	1.105	1.120

Cash and Accrued Interest								
Accrued Interest at Purchase		145.83	145.83					
Subtotal		145.83	145.83					
Total Cash and Investments	275,303,582.76	276,338,786.55	275,290,663.14		1,114	717	1.105	1.120

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	267,088.59	3,011,721.40	3,011,721.40
Average Daily Balance	276,612,322.26	255,833,356.86	
Effective Rate of Return	1.17%	1.17%	

I certify that this report accurately reflects all City pooled investments and is in conformity with the investment policy adopted September 17, 2014. A copy of the investment policy is available in the Administrative Services Department. The Investment Program herein shown provides sufficient cash flow liquidity to meet the next six months estimated expenditures. The month-end market values were obtained from (IDC)-Interactive Data Corporation pricing service.

The attached Summary of Cash and Investments with Fiscal Agents is provided under the City official Investment Policy. The provisions of the individual bond documents govern the management of these funds.


 James C. Frost, Treasurer

**City of Rancho Cucamonga
Portfolio Management
Portfolio Details - Investments
June 30, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Local Agency Investment Fund												
SYS00005	00005	LOCAL AGENCY INVST FUND			59,218,430.14	59,218,430.14	59,218,430.14	0.576		0.576	1	
		Subtotal and Average	53,568,430.14		59,218,430.14	59,218,430.14	59,218,430.14	0.576		0.576	1	
Certificates of Deposit/Neg. - Bank												
62478XJD3	1644	UNION BANK LA		04/29/2016	4,000,000.00	3,994,750.00	3,994,573.33	0.660	P-1	1.323	74	09/13/2016
		Subtotal and Average	3,993,510.00		4,000,000.00	3,994,750.00	3,994,573.33			1.323	74	
Commercial Paper - Discount												
89233GJ72	1643	TOYOTA MOTOR CREDIT CORP.		04/29/2016	4,000,000.00	3,995,545.60	3,991,557.78	0.580	P-1	0.589	68	09/07/2016
89233GLE4	1646	TOYOTA MOTOR CREDIT CORP.		05/12/2016	5,000,000.00	4,987,556.00	4,981,400.00	0.720	P-1	0.733	136	11/14/2016
		Subtotal and Average	8,972,957.78		9,000,000.00	8,983,101.60	8,972,957.78			0.669	106	
Federal Agency Issues - Coupon												
3133ECCZ5	1522	FEDERAL FARM CREDIT BANK		01/16/2013	4,000,000.00	4,000,072.00	4,000,000.00	0.900	Aaa	0.900	564	01/16/2018
3133ECL44	1527	FEDERAL FARM CREDIT BANK		04/11/2013	5,000,000.00	5,000,115.00	4,997,333.33	1.000	Aaa	1.031	649	04/11/2018
3133ECMM3	1528	FEDERAL FARM CREDIT BANK		04/25/2013	5,000,000.00	5,000,415.00	4,998,989.38	0.600	Aaa	0.625	298	04/25/2017
3133ECP1	1539	FEDERAL FARM CREDIT BANK		06/11/2013	5,000,000.00	5,038,865.00	4,985,727.78	1.150	Aaa	1.302	710	06/11/2018
3133ECS96	1540	FEDERAL FARM CREDIT BANK		06/18/2013	2,300,000.00	2,314,018.50	2,299,507.30	1.130	Aaa	1.148	444	09/18/2017
3133ECT79	1545	FEDERAL FARM CREDIT BANK		06/27/2013	2,500,000.00	2,507,450.00	2,500,000.00	1.000	Aaa	1.000	243	03/01/2017
3133EDGW6	1564	FEDERAL FARM CREDIT BANK		03/11/2014	3,000,000.00	3,032,433.00	2,998,874.51	1.300	Aaa	1.316	710	06/11/2018
3133EEZF0	1602	FEDERAL FARM CREDIT BANK		04/27/2015	3,000,000.00	3,000,036.00	3,000,000.00	1.100	Aaa	1.100	658	04/20/2018
3133EEM49	1610	FEDERAL FARM CREDIT BANK		05/22/2015	5,000,000.00	5,628,051.00	5,512,602.21	1.600	Aaa	0.263	1,267	12/20/2019
3133EFEL7	1619	FEDERAL FARM CREDIT BANK		09/23/2015	4,000,000.00	4,007,784.00	4,000,000.00	1.600	Aaa	1.600	1,179	09/23/2019
3133EFKQ9	1622	FEDERAL FARM CREDIT BANK		10/23/2015	4,000,000.00	4,001,812.00	3,998,275.86	1.625	Aaa	1.635	1,573	10/21/2020
3133EFKY2	1625	FEDERAL FARM CREDIT BANK		10/30/2015	3,500,000.00	3,501,333.50	3,500,000.00	1.360	Aaa	1.360	1,214	10/28/2019
3133EFNM5	1627	FEDERAL FARM CREDIT BANK		11/09/2015	3,500,000.00	3,505,470.50	3,495,426.67	1.800	Aaa	1.832	1,592	11/09/2020
3133EFR82	1639	FEDERAL FARM CREDIT BANK		03/23/2016	3,000,000.00	3,021,837.00	3,000,000.00	1.850	Aaa	1.850	1,726	03/23/2021
3133EFR25	1640	FEDERAL FARM CREDIT BANK		03/23/2016	4,000,000.00	4,017,436.00	4,000,000.00	1.590	Aaa	1.590	1,361	03/23/2020
3133EGBL8	1647	FEDERAL FARM CREDIT BANK		05/19/2016	4,500,000.00	4,508,167.50	4,484,709.38	1.370	Aaa	1.460	1,418	05/19/2020
313379FW4	1541	FEDERAL HOME LOAN BANK		06/24/2013	2,500,000.00	2,509,762.50	2,496,786.04	1.000	Aaa	1.140	343	06/09/2017
313383HQ7	1544	FEDERAL HOME LOAN BANK		06/27/2013	4,000,000.00	4,035,068.00	4,000,000.00	1.200	Aaa	1.200	726	06/27/2018
3130A0YY0	1562	FEDERAL HOME LOAN BANK		02/20/2014	3,000,000.00	3,015,774.00	3,000,495.00	1.020	Aaa	1.005	413	08/18/2017
3130A26V3	1576	FEDERAL HOME LOAN BANK		05/30/2014	5,000,000.00	5,109,390.00	5,003,903.06	1.600	Aaa	1.572	1,062	05/29/2019
3130A4BK7	1594	FEDERAL HOME LOAN BANK		02/27/2015	4,000,000.00	4,023,588.00	4,000,000.00	1.500	Aaa	1.500	971	02/27/2019
3130A4G89	1599	FEDERAL HOME LOAN BANK		03/24/2015	3,000,000.00	3,023,667.00	3,000,000.00	1.650	Aaa	1.650	1,180	09/24/2019
3130A55T2	1601	FEDERAL HOME LOAN BANK		04/27/2015	2,000,000.00	2,003,064.00	1,999,684.15	1.000	Aaa	1.009	665	04/27/2018

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**City of Rancho Cucamonga
Portfolio Management
Portfolio Details - Investments
June 30, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3130A5T33	1617	FEDERAL HOME LOAN BANK		07/22/2015	4,000,000.00	4,001,932.00	4,000,000.00	1.500	Aaa	1.500	1,025	04/22/2019
3130A6G66	1618	FEDERAL HOME LOAN BANK		09/22/2015	1,595,000.00	1,601,775.56	1,594,462.68	0.875	Aaa	0.903	448	09/22/2017
3130A6ZK6	1631	FEDERAL HOME LOAN BANK		01/15/2016	5,000,000.00	5,001,020.00	5,000,000.00	1.450	Aaa	1.450	928	01/15/2019
3130A8AE3	1649	FEDERAL HOME LOAN BANK		05/26/2016	3,000,000.00	3,004,731.00	2,999,126.92	1.250	Aaa	1.260	1,151	08/26/2019
3134G43V8	1532	FEDERAL HOME LOAN MORTG. CORP.		05/23/2013	3,000,000.00	3,000,690.00	2,997,720.74	1.050	Aaa	1.092	683	05/15/2018
3134G43L0	1533	FEDERAL HOME LOAN MORTG. CORP.		05/24/2013	3,500,000.00	3,500,588.00	3,499,019.49	1.100	Aaa	1.116	675	05/07/2018
3134G6Y23	1615	FEDERAL HOME LOAN MORTG. CORP.		06/12/2015	3,000,000.00	3,008,571.00	3,000,000.00	1.375	Aaa	1.375	894	12/12/2018
3134G8GZ6	1633	FEDERAL HOME LOAN MORTG. CORP.		01/29/2016	4,000,000.00	4,001,484.00	4,000,000.00	1.500	Aaa	1.500	1,123	07/29/2019
3134G8QA0	1636	FEDERAL HOME LOAN MORTG. CORP.		03/30/2016	4,000,000.00	4,003,752.00	4,000,000.00	1.625	Aaa	1.625	1,368	03/30/2020
3134G8RA9	1637	FEDERAL HOME LOAN MORTG. CORP.		03/30/2016	3,500,000.00	3,512,708.50	3,500,000.00	1.500	Aaa	1.500	1,460	06/30/2020
3134G8SV2	1638	FEDERAL HOME LOAN MORTG. CORP.		03/30/2016	3,000,000.00	3,007,335.00	3,000,000.00	1.500	Aaa	1.500	1,277	12/30/2019
3134G8YU7	1641	FEDERAL HOME LOAN MORTG. CORP.		04/27/2016	5,000,000.00	5,005,905.00	4,996,470.52	1.050	Aaa	1.081	847	10/26/2018
3134G9PV3	1651	FEDERAL HOME LOAN MORTG. CORP.		05/27/2016	3,000,000.00	3,015,153.00	3,000,000.00	1.550	Aaa	1.550	1,791	05/27/2021
3136G0ZH7	1518	FEDERAL NATL MTG ASSN		09/05/2012	4,000,000.00	4,019,624.00	4,000,000.00	1.050	Aaa	1.050	431	09/05/2017
3136G1AZ2	1524	FEDERAL NATL MTG ASSN		01/30/2013	3,000,000.00	3,000,477.00	3,000,000.00	1.000	Aaa	1.000	578	01/30/2018
3136G1K57	1529	FEDERAL NATL MTG ASSN		04/30/2013	3,000,000.00	3,000,618.00	3,000,000.00	1.100	Aaa	1.100	668	04/30/2018
3135G0WJ8	1531	FEDERAL NATL MTG ASSN		05/23/2013	5,000,000.00	5,019,790.00	4,983,283.65	0.875	Aaa	1.057	689	05/21/2018
3135G0ZY2	1586	FEDERAL NATL MTG ASSN		12/04/2014	2,500,000.00	2,570,320.00	2,500,000.00	1.750	Aaa	1.750	1,243	11/26/2019
3136G2EP8	1595	FEDERAL NATL MTG ASSN		02/27/2015	4,000,000.00	4,028,096.00	4,000,000.00	1.540	Aaa	1.314	1,244	11/27/2019
3135G0GZ3	1623	FEDERAL NATL MTG ASSN		10/29/2015	3,500,000.00	3,501,442.00	3,500,000.00	1.300	Aaa	1.300	1,032	04/29/2019
3136G2SD0	1624	FEDERAL NATL MTG ASSN		10/30/2015	2,500,000.00	2,500,490.00	2,500,000.00	1.400	Aaa	1.400	1,215	10/29/2019
3136G2S57	1628	FEDERAL NATL MTG ASSN		11/25/2015	4,000,000.00	4,010,964.00	4,000,000.00	1.700	Aaa	1.700	1,608	11/25/2020
3136G2WA1	1635	FEDERAL NATL MTG ASSN		01/29/2016	3,000,000.00	3,001,125.00	2,999,972.81	1.750	Aaa	1.750	1,489	07/29/2020
3136G3QQ1	1648	FEDERAL NATL MTG ASSN		05/25/2016	4,000,000.00	4,010,836.00	4,000,000.00	1.500	Aaa	1.500	1,608	11/25/2020
3136G3RF4	1650	FEDERAL NATL MTG ASSN		05/26/2016	4,000,000.00	4,008,156.00	4,000,000.00	1.350	Aaa	1.350	1,243	11/26/2019
3136G3WM3	1653	FEDERAL NATL MTG ASSN		06/30/2016	4,000,000.00	3,993,900.00	4,000,000.00	1.200	Aaa	1.200	1,277	12/30/2019
		Subtotal and Average	186,224,600.85		177,395,000.00	178,137,092.56	177,342,371.48			1.297	1,013	
Savings/Miscellaneous Accounts												
SY500180	00180	UNION BANC INVESTMENT SERVICES			3,830,152.62	3,830,152.62	3,830,152.62	0.200	P-1	0.200	1	
		Subtotal and Average	1,916,883.33		3,830,152.62	3,830,152.62				0.200	1	
Municipal Bonds												
157432JJ5	1583	CHAFFEY CMNTY COLLEGE DIST CA		10/16/2014	200,000.00	200,962.00	200,176.70	1.499	Aa	1.401	335	06/01/2017
157432JL0	1584	CHAFFEY CMNTY COLLEGE DIST CA		10/16/2014	200,000.00	205,830.00	200,780.72	2.392	Aa	2.251	1,065	06/01/2019
623040HA3	1552	MOUNT SAN ANTONIO CAL		08/01/2013	1,000,000.00	1,000,740.00	1,000,000.00	1.467	Aa	1.467	31	08/01/2016

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**City of Rancho Cucamonga
Portfolio Management
Portfolio Details - Investments
June 30, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity	Maturity Date
Municipal Bonds												
623040HB1	1553	MOUNT SAN ANTONIO CAL		08/01/2013	500,000.00	508,745.00	500,000.00	2.101	Aa	2.101	396	08/01/2017
630360EJ0	1577	NAPA VALLEY CMNTY CLG DIST		06/26/2014	3,460,000.00	3,519,269.80	3,469,429.97	1.776	Aa	1.640	761	08/01/2018
768874SV2	1550	CITY OF RIVERSIDE CA ELECTRIC		07/25/2013	2,000,000.00	2,016,720.00	2,014,621.47	4.000		1.021	92	10/01/2016
768874SW0	1551	CITY OF RIVERSIDE CA ELECTRIC		07/25/2013	1,000,000.00	1,054,860.00	1,042,767.93	5.000		1.461	457	10/01/2017
13063CSQ4	1604	CALIF STATE TXBL GO		04/29/2015	5,000,000.00	5,122,200.00	5,011,046.84	1.800	Aa	1.738	1,370	04/01/2020
13063CF79	1642	CALIF STATE TXBL GO		04/28/2016	5,000,000.00	5,004,900.00	4,997,409.09	0.900	Aa	0.930	639	04/01/2018
		Subtotal and Average	18,440,226.35		18,360,000.00	18,634,226.80	18,436,232.72			1.404	752	
Corporate Notes												
166764AE0	1547	CHEVRON CORP		06/24/2013	3,500,000.00	3,540,887.00	3,495,799.24	1.718	Aa	1.782	723	06/24/2018
		Subtotal and Average	3,495,713.81		3,500,000.00	3,540,887.00	3,495,799.24			1.782	723	
		Total and Average	276,612,322.26		275,303,582.76	276,338,640.72	275,290,517.31			1.120	717	

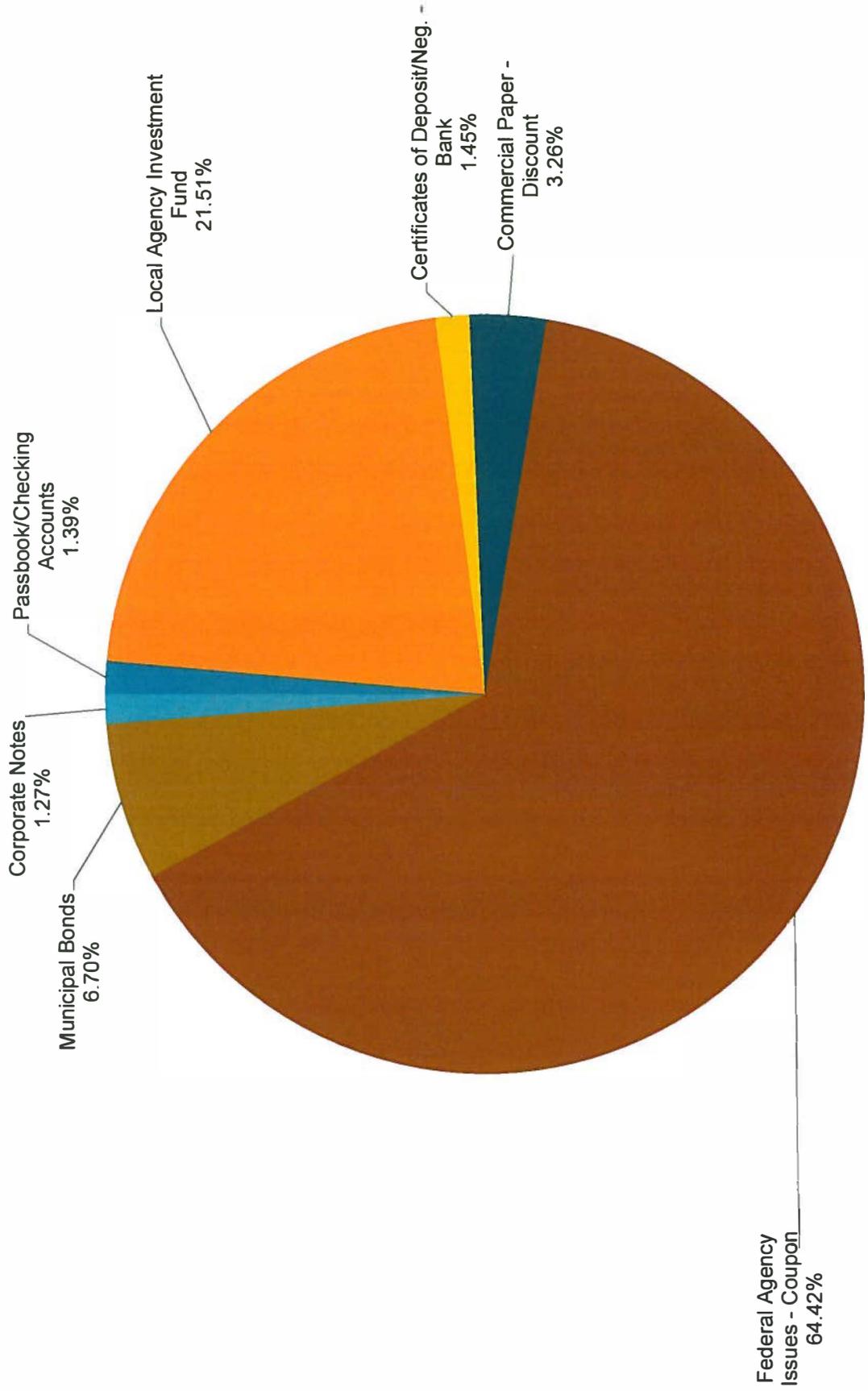
**City of Rancho Cucamonga
Portfolio Management
Portfolio Details - Cash
June 30, 2016**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity
		Average Balance	0.00	Accrued Interest at Purchase		145.83	145.83				0
		Subtotal			275,303,582.76	276,338,786.55	275,290,663.14			1.120	717
Total Cash and Investments			276,612,322.26								

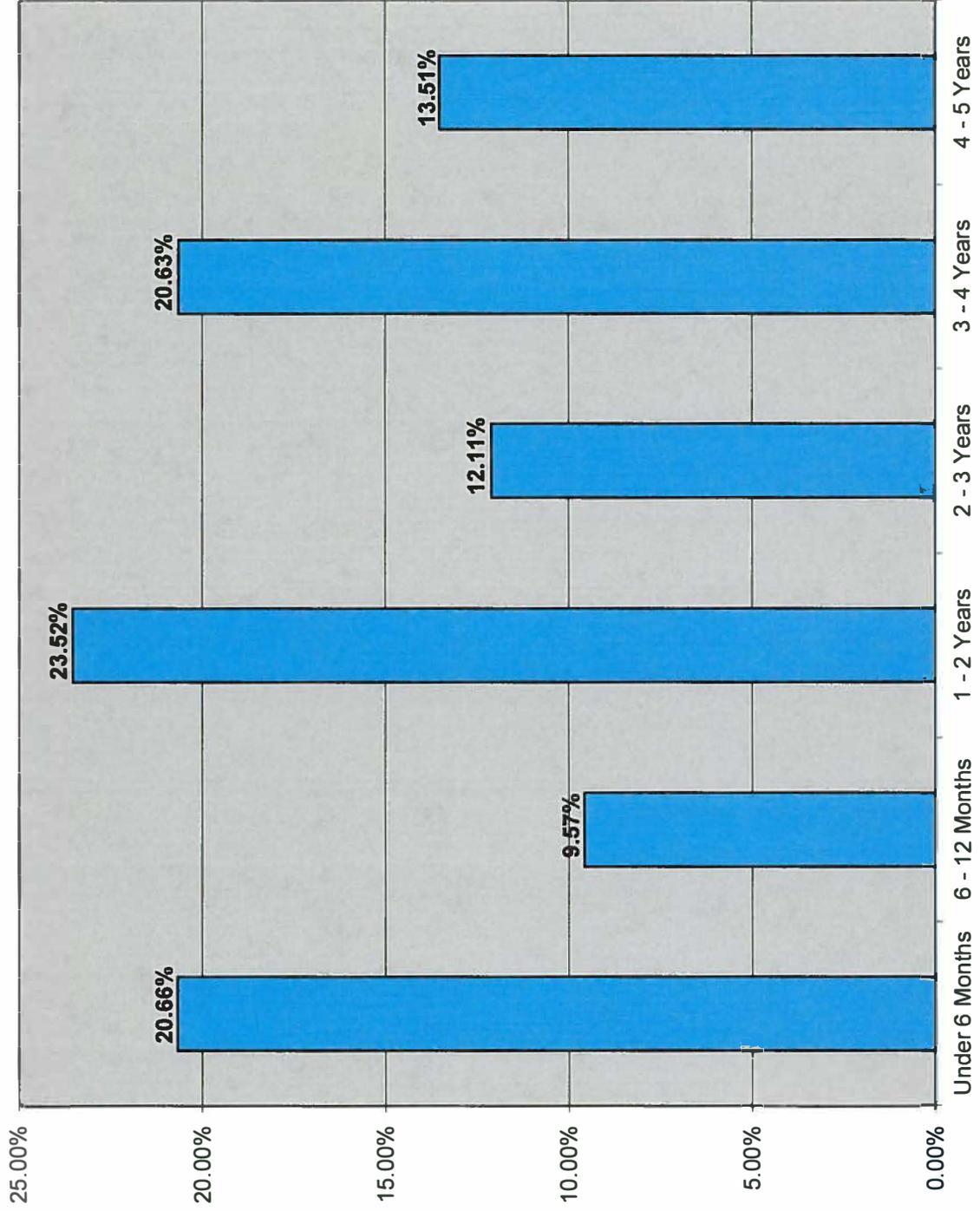
City of Rancho Cucamonga
Portfolio Management
Activity By Type
June 1, 2016 through June 30, 2016

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Local Agency Investment Fund (Monthly Summary)							
SYS00005	00005	LOCAL AGENCY INVST FUND	0.576		11,500,000.00	5,000,000.00	59,218,430.14
		Subtotal			11,500,000.00	5,000,000.00	
Certificates of Deposit/Neg. - Bank							
		Subtotal					3,994,573.33
Commercial Paper - Discount							
		Subtotal					8,972,957.78
Federal Agency Issues - Coupon							
3133EFHP5	1621	FEDERAL FARM CREDIT BANK	1.700	06/28/2016	0.00	4,500,000.00	
3130A5L98	1616	FEDERAL HOME LOAN BANK	2.000	06/30/2016	0.00	4,000,000.00	
3134G8FZ7	1630	FEDERAL HOME LOAN MORTG. CORP.	2.000	06/30/2016	0.00	5,000,000.00	
3136G3WM3	1653	FEDERAL NATL MTG ASSN	1.200	06/30/2016	4,000,000.00	0.00	
		Subtotal			4,000,000.00	13,500,000.00	177,342,371.48
Savings/Miscellaneous Accounts (Monthly Summary)							
SYS00180	00180	UNION BANC INVESTMENT SERVICES	0.200		1,979,244.09	0.00	
		Subtotal			1,979,244.09	0.00	3,830,152.62
Municipal Bonds							
769036AV6	1613	RIVERSIDE CA PENSION OBLIG	0.750	06/01/2016	0.00	3,500,000.00	
		Subtotal			0.00	3,500,000.00	18,436,232.72
Corporate Notes							
		Subtotal					3,495,799.24
		Total			17,479,244.09	22,000,000.00	275,290,517.31

City of Rancho Cucamonga Portfolio Composition June 30, 2016



**City of Rancho Cucamonga
Portfolio Maturity Distribution
June 30, 2016**



Note: Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

City of Rancho Cucamonga
 Summary of Cash and Investments with Fiscal Agents
 For the Month Ended June 30, 2016

<u>Bond Issue</u>	<u>Trustee and/or Paying Agent</u>	<u>Account Name</u>	<u>Trust Account #</u>	<u>Investment</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Yield</u>	<u>Cost Value</u>
Assessment District No 93-1 Mas/ Plaza	Wells Fargo	Imprvmtnt Fund	16913302	Money Market Fund	8/4/1997	N/A	0.01%	\$ 290,305.09
		Reserve Fund	16913301	Money Market Fund	8/4/1997	N/A	0.01%	242,500.00
		Redemp. Fund	16913300	Money Market Fund	8/4/1997	N/A	0.01%	532,805.14
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CFD 2003-01 Improvement Area 1 (2013)	Wells Fargo	Reserve Fund	46571801	Money Market Fund	9/1/2013	N/A	0.01%	\$ 1,417,059.03
		Agency Project	46571807	Money Market Fund	9/1/2013	N/A	0.01%	74,911.82
		Cultural Center Fund	46571808	Money Market Fund	9/1/2013	N/A	0.01%	184,694.41
		Bond Fund	46571800	Money Market Fund	9/1/2013	N/A	0.01%	1.11
		Developer Project	46571806	Money Market Fund	9/1/2013	N/A	0.01%	94,436.82
Special Tax	46571805	Money Market Fund			N/A		\$ 1,771,103.19	
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CFD 2003-01 Improvement Area 2 (2013)	Wells Fargo	Bond Fund	46659800	Money Market Fund	12/1/2013	N/A	0.01%	\$ 0.19
		Reserve Fund	46659801	Money Market Fund	12/1/2013	N/A	0.01%	132,479.23
		Refund Prepayment	46659802	Money Market Fund	12/1/2013	N/A	0.01%	-
		Special Tax Fund	46659805	Money Market Fund	12/1/2013	N/A	0.01%	-
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CFD No 2004-01 Rancho Etiwanda Series	Wells Fargo	Admin Expense Fund	48436802	Money Market Fund		N/A	0.01%	\$ -
		Bond Fund	48436800	Money Market Fund		N/A	0.01%	2.25
		Reserve Fund	48436801	Money Market Fund		N/A	0.01%	1,189,447.53
		Special Tax Fund	48436807	Money Market Fund				-
		Project Fund	48436809	Money Market Fund				71,857.07
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2014 Rancho Summit		Cost of Issuance Fund	48709906	Money Market Fund				\$ 0.86
		Bond Fund	48709900	Money Market Fund				1.82
		Reserve Fund	48709901	Money Market Fund				262,110.54
		Special Tax Fund	48709907	Money Market Fund				-
		Rebate Fund	48709908	Money Market Fund				-
Redemption Fund	48709903	Money Market Fund				-		
Prepayment Fund	48709904	Money Market Fund				-		
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City of Rancho Cucamonga
 Summary of Cash and Investments with Fiscal Agents
 For the Month Ended June 30, 2016

Bond Issue	Trustee and/or Paying Agent	Account Name	Trust Account #	Investment	Purchase Date	Maturity Date*	Yield	Cost Value
Series 2015	Union Bank	Costs of Issuance Account	6712140107	Money Market Fund	7/30/2015	N/A	0.00%	\$ 262,113.22
CFD No. 2000-01 South Etiwanda	Union Bank	Rancho Cucamonga 2015 CFD2000-1 AGY	6712140200	Money Market Fund	7/30/2015	N/A	-	\$ -
		Special Tax Fund	6712140201	Money Market Fund	7/30/2015	N/A	-	\$ -
		Bond Fund	6712140202	Money Market Fund	7/30/2015	N/A	-	\$ -
		Prepayment Fund	6712140203	Money Market Fund	7/30/2015	N/A	-	\$ -
		Reserve Fund	6712140204	Money Market Fund	7/30/2015	N/A	0.00%	\$ 22,750.00
								\$ 22,750.00
CFD No. 2000-02 Rancho Cucamonga Corporate Park	Union Bank	Rancho Cucamonga 2015 CFD2000-2 AGY	6712140300	Money Market Fund	7/30/2015	N/A	-	\$ -
		Special Tax Fund	6712140301	Money Market Fund	7/30/2015	N/A	-	\$ -
		Bond Fund	6712140302	Money Market Fund	7/30/2015	N/A	-	\$ -
		Prepayment Fund	6712140303	Money Market Fund	7/30/2015	N/A	-	\$ -
		Reserve Fund	6712140304	Money Market Fund	7/30/2015	N/A	0.00%	\$ 208,900.00
								\$ 208,900.00
CFD No. 2001-01 IA 1&2, Series A	Union Bank	Rancho Cucamonga 2015 CFD2001-1 AGY	6712140400	Money Market Fund	7/30/2015	N/A	-	\$ -
		Special Tax Fund	6712140401	Money Market Fund	7/30/2015	N/A	-	\$ -
		Bond Fund	6712140402	Money Market Fund	7/30/2015	N/A	-	\$ -
		Prepayment Fund	6712140403	Money Market Fund	7/30/2015	N/A	-	\$ -
		Reserve Fund	6712140404	Money Market Fund	7/30/2015	N/A	0.00%	\$ 303,538.25
								\$ 303,538.25
CFD No. 2001-01 IA3, Series B	Union Bank	Rancho Cucamonga 2015 CFD2001-1 AGY	6712140500	Money Market Fund	7/30/2015	N/A	-	\$ -
		Special Tax Fund	6712140501	Money Market Fund	7/30/2015	N/A	-	\$ -
		Bond Fund	6712140502	Money Market Fund	7/30/2015	N/A	-	\$ -
		Prepayment Fund	6712140503	Money Market Fund	7/30/2015	N/A	-	\$ -
		Reserve Fund	6712140504	Money Market Fund	7/30/2015	N/A	0.00%	\$ 29,470.25
								\$ 29,470.25
CFD No. 2006-01 Vintner's Grove	Union Bank	Rancho Cucamonga 2015 CFD2006-1 AGY	6712140600	Money Market Fund	7/30/2015	N/A	-	\$ -
		Special Tax Fund	6712140601	Money Market Fund	7/30/2015	N/A	-	\$ -
		Bond Fund	6712140602	Money Market Fund	7/30/2015	N/A	-	\$ -
		Prepayment Fund	6712140603	Money Market Fund	7/30/2015	N/A	-	\$ -
		Reserve Fund	6712140604	Money Market Fund	7/30/2015	N/A	0.00%	\$ 131,839.55
								\$ 131,839.55

City of Rancho Cucamonga
 Summary of Cash and Investments with Fiscal Agents
 For the Month Ended June 30, 2016

<u>Bond Issue</u>	<u>Trustee and/or Paying Agent</u>	<u>Account Name</u>	<u>Trust Account #</u>	<u>Investment</u>	<u>Purchase Date</u>	<u>Maturity Date*</u>	<u>Yield</u>	<u>Cost Value</u>
CFD No. 2006-02 Amador on Rt. 66	Union Bank	Rancho Cucamonga 2015 CFD2006-2 AGY Special Tax Fund	6712140700	Money Market Fund	7/30/2015	N/A		\$ -
		Bond Fund	6712140701	Money Market Fund	7/30/2015	N/A		\$ -
		Prepayment Fund	6712140702	Money Market Fund	7/30/2015	N/A		\$ -
		Reserve Fund	6712140703	Money Market Fund	7/30/2015	N/A	0.00%	\$ -
			6712140704	Money Market Fund	7/30/2015	N/A		\$ 79,934.00
								\$ 79,934.00
								4,763,547.65
TOTAL CASH AND INVESTMENTS WITH FISCAL AGENTS								\$ 4,763,547.65

* Note: These investments are money market accounts which have no stated maturity date as they may be liquidated upon demand.

STAFF REPORT

Public Works Services Department



Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: William Wittkopf, Public Works Services Director

By: Ty Quaintance, Facilities Superintendent
Kenneth Fung, Assistant Engineer

Subject: CONSIDERATION OF APPROVAL TO RELEASE MAINTENANCE BOND NO. 070018403 IN THE AMOUNT OF \$21,393.20 FOR THE "CIVIC CENTER – ROOF SYSTEM RESTORATION PROJECT," CONTRACT NO. 14-200

RECOMMENDATION

It is recommended that the City Council authorize the City Clerk to release Maintenance Bond No. 070018403 in the amount of \$21,393.20, for the "Civic Center – Roof System Restoration Project," Contract No. 14-200.

BACKGROUND/ANALYSIS

On August 6, 2014, the Council awarded a contract to All Surface Roofing and Waterproofing, Inc. for the "Civic Center – Roof System Restoration Project" and accepted the project as complete on May 20, 2015.

This project addressed two specific areas of the Civic Center: the low slope roof system and the mechanical well roof sections.

The Civic Center Roof Restoration Project scope of work for the low-slope main roof sections of the Civic Center involved the installation of Title 24 compliant and Energy Star rated off white reflective roof coating over polyester reinforced fabric, as well as replacement of the existing roof flashing and elastomeric sealant.

The scope of work for the mechanical well roof sections consisted of the application of a fluid-applied pedestrian traffic coating system. The existing metal flashing was also replaced as part of this project.

The required one-year maintenance period has ended. Some warranty repairs were required; uncooperative weather prevented the Contractor from performing the warranted repairs until recently. Otherwise, the improvements remain free from defects in materials and workmanship.

The project has been completed in accordance with the approved plans and specifications and to the satisfaction of the Public Works Services Director.

Contractor: All Surface Roofing & Waterproofing, Inc.
923 N. Logan
Santa Ana, CA 92701

Respectfully submitted,

William Wittkopf
Public Works Services Director

WW:TQ:kf



STAFF REPORT

Public Works Services Department

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: William Wittkopf, Public Works Services Director

By: Ty Quaintance, Facilities Superintendent
Kenneth Fung, Assistant Engineer

Subject: CONSIDERATION OF APPROVAL TO RELEASE MAINTENANCE BOND NO. 703761P IN THE AMOUNT OF \$9,369 FOR THE "CIVIC CENTER – PARKING LOT LIGHTING PROJECT", CONTRACT NO. 15-036

RECOMMENDATION

It is recommended that the City Council authorize the City Clerk to release Maintenance Bond No. 703761P in the amount of \$9,369 for the "Civic Center – Parking Lot Lighting Project", Contract No. 15-036.

BACKGROUND/ANALYSIS

On February 4, 2015, the Council awarded a contract to S & Sons Electrical Contractors Corporation for the "Civic Center – Parking Lot Lighting Project" and accepted the project as complete on July 15, 2015.

The project's scope of work consisted of the removal and replacement of existing High Intensity Discharge (HID) lighting fixtures in the north employee parking lot, the public parking deck, and the south employee parking lot with new LED fixtures. The project also replaced the existing roof fixtures with new LED fixtures. Finally, this project demolished the existing up light fixtures along the sidewalk on the north side of Civic Center Drive and replaced them with new pole mounted LED walkway lights.

The required one-year maintenance period has ended and the improvements remain free from defects in materials and workmanship.

Contractor: S & Sons Electrical Contractors Corporation
18442 Danbury Avenue
Hesperia, CA 92345

Respectfully submitted,

William Wittkopf
Public Works Services Director

WW:TQ:kf

STAFF REPORT

PUBLIC WORKS SERVICES DEPARTMENT



Date: July 20, 2016
To: Mayor and Members of the City Council
John R. Gillison, City Manager
From: William Wittkopf, Public Works Services Director
By: Dean Rodia, Parks and Landscape Superintendent
Kenneth Fung, Assistant Engineer

Subject: CONSIDERATION TO APPROVE SPECIFICATIONS FOR THE "LMD-4R PARK LIGHTING RETROFIT FINAL PHASE PROJECT" AND AUTHORIZE THE CITY CLERK TO ADVERTISE THE "NOTICE INVITING BIDS", TO BE FUNDED FROM ACCOUNT 1134303-5650/1858134-0 (LMD-4R)

RECOMMENDATION

Staff recommends the City Council approve the specifications for the "LMD-4R Park Lighting Retrofit Final Phase Project" and approve the attached resolution authorizing the City Clerk to advertise the "Notice Inviting Bids"; to be funded from account 1134303-5650/1858134-0 (LMD-4R).

BACKGROUND/ANALYSIS

This project will complete the Public Works Services Department's program to reduce utility costs in the LMD-4R parks and paseos.

During the February 20, 2013 meeting, the City Council awarded the first phase which replaced the existing light fixtures in 13 of the 15 LMD-4R paseos with new, energy efficient LED light fixtures (total of 138 paseo light fixtures). The first phase also replaced the existing park light fixtures at Coyote Canyon Park (6) and Spruce Avenue Park (5) with an equal amount of new energy efficient inductive light fixtures.

Subsequently, during the June 18, 2014 meeting, the City Council awarded the second phase of the project. The scope of work involved the removal and replacement of all the light fixtures, poles, foundations and conduits in the remaining two LMD-4R paseos. With remaining funds, the second phase also replaced all but 5 of the existing park light fixtures at Milliken Park with new energy efficient inductive light fixtures.

The scope of work for this last phase will remove and replace the existing park lighting fixtures with energy efficient inductive fixtures at Ralph M. Lewis Park (32) and Mountain View Park (33) and the remaining park light fixtures (5) at Milliken Park. These new lighting fixtures will use 33% less electricity than the existing lighting fixtures. In addition, they will require less maintenance because they have a significantly longer service life than the existing lighting fixtures.

APPROVAL OF SPECIFICATIONS FOR THE LMD-4R PARK LIGHTING RETROFIT FINAL PHASE
PROJECT AND AUTHORIZE THE CITY CLERK TO ADVERTISE THE "NOTICE INVITING BIDS"

JULY 20, 2016

PAGE 2

This project will have four Additive Bids. These additive bids involve the removal and replacement of existing photo cells at Milliken Park (2) and the removal and replacement of older basic timers at Ralph M. Lewis Park (1) & Mountain View Park (1) with new astronomic timers. The new astronomic timers are programmed using latitude and longitude coordinates allowing them to be automatically updated according to the actual sunset and sunrise. This timing accuracy will save on improper energy use and will automatically adjust for daylight savings, eliminating the labor used for reprogramming them during the time change.

Legal advertising is scheduled for July 26, 2016 and August 2, 2016 with a bid opening at 2:00 p.m. on Tuesday, August 23, 2016, unless extended by Addenda. A mandatory pre-bid job walk is scheduled at 10:00 a.m. on Tuesday, August 9, 2016. Staff anticipates awarding a contract on September 21, 2016. The contractor will have 30 working days to complete the work. If any of the Additive Bids are awarded, two (2) additional working days will be added to the contract length for each Additive Bid awarded.

Respectfully submitted,



William Wittkopf
Public Works Services Director

WW:DR/kf

Attachment: Resolution

RESOLUTION NO. 16-091

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA APPROVING SPECIFICATIONS FOR THE "LMD-4R PARK LIGHTING RETROFIT FINAL PHASE PROJECT" SAID CITY AND AUTHORIZING AND DIRECTING THE CITY CLERK TO ADVERTISE TO RECEIVE BIDS

WHEREAS, it is the intention of the City of Rancho Cucamonga to construct certain improvements in the City of Rancho Cucamonga.

WHEREAS, the City of Rancho Cucamonga has prepared specifications for the construction of certain improvements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, HEREBY RESOLVES, that the specifications presented by the City of Rancho Cucamonga be and are hereby approved as the specifications for the "LMD-4R PARK LIGHTING RETROFIT FINAL PHASE PROJECT".

BE IT FURTHER RESOLVED that the City Clerk is hereby authorized and directed to advertise as required by law for the receipt of sealed bids or proposals for doing the work specified in the aforesaid specifications, which said advertisement shall be substantially in the following words and figures, to wit:

"NOTICE INVITING SEALED BIDS OR PROPOSALS"

Pursuant to a Resolution of the Council of the City of Rancho Cucamonga, San Bernardino County, California, directing this notice, NOTICE IS HEREBY GIVEN that said City of Rancho Cucamonga will receive at the Office of the City Clerk in the offices of the City of Rancho Cucamonga, on or before the hour of 2:00 p.m. on Tuesday, August 23, 2016, sealed bids or proposals for the "LMD-4R PARK LIGHTING RETROFIT FINAL PHASE PROJECT"

Bids will be publicly opened and read in the office of the City Clerk, 10500 Civic Center Drive, Rancho Cucamonga, California 91730.

Bids must be made on a form provided for the purpose, addressed to the City of Rancho Cucamonga, California, marked, "Bid for Construction of the "LMD-4R PARK LIGHTING RETROFIT FINAL PHASE PROJECT"

A mandatory Pre-Bid meeting and site tour will be held on Tuesday, August 9, 2016, beginning at 10:00 a.m. Refer to Item "O. Pre-Bid Meeting" of the "Instructions to Bidders" of the bid documents for approximate directions. Attendees are required to sign in at the Pre-Bid meeting. Bids from companies that did not have a representative sign in at the Pre-Bid meeting will be rejected.

PREVAILING WAGE: Notice is hereby given that in accordance with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, Articles 1 and 2, the Contractor is required to pay not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work. In that regard, the Director of the Department of Industrial Relations of the State of California is required to and has determined such general prevailing rates of per diem wages. Copies of such prevailing rates of per diem wages are on file in the office of the City Clerk, City of Rancho Cucamonga, 10500 Civic Center Drive, Rancho Cucamonga, California, and are available to any interested party on request. They can also be

found at www.dir.ca.gov/ under the "Statistics and Research" Tab. The Contracting Agency also shall cause a copy of such determinations to be posted at the job site.

Pursuant to provisions of Labor Code Section 1775, the Contractor shall forfeit, as penalty to the City of Rancho Cucamonga, not more than two hundred dollars (\$200.00) for each laborer, workman, or mechanic employed for each calendar day or portion thereof, if such laborer, workman or mechanic is paid less than the general prevailing rate of wages herein before stipulated for any work done under the attached contract, by him or by any subcontractor under him, in violation of the provisions of said Labor Code.

Attention is directed to the provisions in Sections 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by the Contractor or any subcontractor under him.

Section 1777.5, as amended, requires the Contractor or subcontractor employing tradesmen in any apprenticeship occupation to apply to the joint apprenticeship committee nearest the site of the public works project and which administers the apprenticeship program in that trade for a certificate of approval. The certificate will also fix the ratio of apprentices to journeymen that will be used in the performance of the contract. The ratio of apprentices to journeymen in such cases shall not be less than one to five except:

- A. When unemployment in the area of coverage by the joint apprenticeship committee has exceeded an average of 15 percent in the 90 days prior to the request of certificate, or
- B. When the number of apprentices in training in the area exceeds a ratio of one to five, or
- C. When the trade can show that it is replacing at least 1/30 of its membership through apprenticeship training on an annual basis statewide or locally, or
- D. When the Contractor provides evidence that he employs registered apprentices on all of his contracts on an annual average of not less than one apprentice to eight journeymen.

The Contractor is required to make contributions to funds established for the administration of apprenticeship programs if he employs registered apprentices or journeymen in any apprenticeship trade on such contracts and if other Contractors on the public works site are making such contributions.

The Contractor and subcontractor under him shall comply with the requirements of Sections 1777.5 and 1777.6 in the employment of apprentices.

Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex-officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

Eight (8) hours of labor shall constitute a legal day's work for all workmen employed in the execution of this contract and the Contractor and any subcontractor under him shall comply with and be governed by the laws of the State of California having to do with working hours as set forth in Division 2, Part 7, Chapter 1, Article 3 of the Labor Code of the State of California as amended.

The Contractor shall forfeit, as a penalty to the City of Rancho Cucamonga, twenty-five dollars (\$25.00) for each laborer, workman, or mechanic employed in the execution of the contract, by him or any subcontractor under him, upon any of the work herein before mentioned, for each

calendar day during which said laborer, workman, or mechanic is required or permitted to labor more than eight (8) hours in violation of said Labor Code.

Contractor agrees to pay travel and subsistence pay to each workman needed to execute the work required by this contract as such travel and subsistence payments are defined in the applicable collective bargaining agreement filed in accordance with Labor Code Section 1773.1.

The bidder must submit with his proposal, cash, cashier's check, certified check, or bidder's bond, payable to the City of Rancho Cucamonga for an amount equal to at least 10% of the amount of said bid as a guarantee that the bidder will enter into the proposed contract if the same is awarded to him, and in event of failure to enter into such contract said cash, cashiers' check, certified check, or bond shall become the property of the City of Rancho Cucamonga.

If the City of Rancho Cucamonga awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the City of Rancho Cucamonga to the difference between the low bid and the second lowest bid, and the surplus, if any shall be returned to the lowest bidder.

The amount of the bond to be given to secure a faithful performance of the contract for said work shall be 100% of the contract price thereof, and an additional bond in an amount equal to 100% of the contract price for said work shall be given to secure the payment of claims for any materials or supplies furnished for the performance of the work contracted to be done by the Contractor, or any work or labor of any kind done thereon, and the Contractor will also be required to furnish a certificate that he carries compensation insurance covering his employees upon work to be done under contract which may be entered into between him and the said City of Rancho Cucamonga for the construction of said work.

Contractor shall possess any and all contractor licenses, in form and class as required by any and all applicable laws with respect to any and all of the work to be performed under this contract; including, but not limited to, a Class "C-10" (Electrical Contractor) License in accordance with the provisions of the Contractor's License Law (California Business and Professions Code, Section 7000 et. seq.) and rules and regulation adopted pursuant thereto.

The Contractor, pursuant to the "California Business and Professions Code," Section 7028.15, shall indicate his or her State License Number on the bid, together with the expiration date, and be signed by the Contractor declaring, under penalty of perjury, that the information being provided is true and correct.

The work is to be done in accordance with the specifications of the City of Rancho Cucamonga on file in the Office of the City Clerk at 10500 Civic Center Drive, Rancho Cucamonga, California.

In an effort to go green and paperless, digital copies of the plans, specifications, and bid proposal, including any future addenda or revisions to the bid documents, are available by going to www.ciplist.com and signing up, by going to Member Login or Member Signup (it's free), then choose California, then scroll down to San Bernardino County and click on Browse Cities, then scroll down to Rancho Cucamonga and click on City Projects, then click on the Project of interest under the Title and follow directions for download. Note, copies of the plans, specifications, bid proposal, addendums and revisions will not be provided, digital copies must be downloaded from the above website then printed. Prospective bidders must register for an account on www.ciplist.com to be included on the prospective bidder's list(s) and to receive email updates of any addenda or revisions to the bid documents. Be advised that the information contained on this site may change over time and without notice to prospective bidders or registered users. While effort is made to keep information current and accurate and to notify registered prospective bidders of any changes to the bid documents, it is the responsibility of each prospective bidder to register with www.ciplist.com and to check this website on a DAILY basis through the close of

bids for any applicable addenda or updates.

No proposal will be considered from a Contractor to whom a proposal form has not been issued by the City of Rancho Cucamonga to registered prospective bidders from www.ciplist.com.

The successful bidder will be required to enter into a contract satisfactory to the City of Rancho Cucamonga.

In accordance with the requirements of Section 9-3.2 of the General Provisions, as set forth in the Specifications regarding the work contracted to be done by the Contractor, the Contractor may, upon the Contractor's request and at the Contractor's sole cost and expense, substitute authorized securities in lieu of monies withheld (performance retention).

The City of Rancho Cucamonga, reserves the right to reject any or all bids.

Questions regarding this Notice Inviting Bids for the "LMD-4R PARK LIGHTING RETROFIT FINAL PHASE PROJECT" may be directed to:

Chris Gilli
Parks Supervisor
8794 Lion St.
Rancho Cucamonga, CA 91730
(909) 477-2730, ext. 4119
(e-mail at Chris.Gilli@cityofrc.us)

and

Kenneth Fung
Assistant Engineer
8794 Lion St.
Rancho Cucamonga, CA 91730
(909) 477-2730 ext. 4139
(e-mail at Kenneth.Fung@cityofrc.us)

All questions regarding this Notice Inviting Bids must be in writing (e-mail is acceptable) and received by the City no later than 5:00 pm on Thursday, August 11, 2016. The City is not responsible for questions undeliverable.

ADVERTISE ON: July 26, 2016 and August 2, 2016

STAFF REPORT

PUBLIC WORKS SERVICES DEPARTMENT



Date: July 20, 2016

To: Mayor and Members of the City Council
President and Members of the Board of Directors
John R. Gillison, City Manager

From: William Wittkopf, Public Works Services Director
Mike Costello, Fire Chief

By: Ty Quaintance, Facilities Superintendent
Inge Tunggal djaja, Management Analyst I

Subject: CONSIDERATION TO APPROVE AMENDMENT NO. 005 (CONTRACT CO#FD 13-004) WITH VORTEX INDUSTRIES THROUGH JUNE 30, 2017 WITH NO PRICE INCREASE, IN AN AMOUNT NOT TO EXCEED \$90,000 (\$40,000 CITY, \$50,000 FIRE DISTRICT) ANNUALLY FOR THE REPAIR OF ALL CITY AND FIRE DISTRICT FACILITIES' OVERHEAD DOORS AND GATES TO BE FUNDED FROM VARIOUS CITY AND FIRE DISTRICT ACCOUNTS AS APPROVED IN THE FY 2016-2017 BUDGET

RECOMMENDATION

It is recommended that the City Council and Board approve Amendment No. 005 (Contract CO#FD13-004) with Vortex Industries through June 30, 2017 with no price increase, in an amount not to exceed \$90,000 (\$40,000 City, \$50,000 Fire District) annually for the repair of all City and Fire District facilities' overhead doors and gates to be funded from various City and Fire District accounts as approved in the FY 2016-2017 budget.

BACKGROUND/ANALYSIS

In January of 2013, staff went out to bid for overhead roll-up door and gate maintenance services and repairs for both City and Fire District facilities. As a result of this competitive bid process, Vortex Industries was awarded a maintenance contract to perform preventive maintenance and repairs on all City and Fire District overhead roll-up doors and gates.

The City is responsible for ensuring the proper operation, maintenance, and repairs are performed on approximately 40 motorized and manual overhead doors, security gates, and air wall divider systems at multiple locations. With the high use of these systems on a daily basis, it is imperative that preventive maintenance on these systems is performed on a regular basis.

The Rancho Cucamonga Fire District is responsible for ensuring the proper maintenance and operation of approximately 80 motorized and manual high bay doors, roll-up doors, and electronic security gates at all the Fire District locations is performed. With the high demand of the Fire District, the doors and motorized operators are in constant action and experience excessive wear and tear on all the equipment. As first responders, it is imperative the equipment be maintained to the highest standards to eliminate failures during emergency situations.

Vortex has sent the City a Letter of Intent (LOI) expressing their desire to continue service to City and Fire facilities with no price increase for the 2016-2017 fiscal year. This agreement has been in effect for four (4) years and has an option to renew in one (1) year increments for a total of seven (7) years.

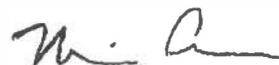
APPROVE CONTRACT AMENDMENT NO. 005 (CO# FD 13-004) WITH VORTEX INDUSTRIES FOR OVERHEAD
DOOR AND GATE MAINTENANCE
JULY 20, 2016
PAGE TWO

Therefore, staff recommends the Council authorize a one-year contract extension with Vortex Industries for fiscal year 2016-2017.

Respectfully submitted,



William Wittkopf
Public Works Services Director



Mike Costello
Fire Chief



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *TL*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL OF RESOLUTION ESTABLISHING AN ANNUAL LEVY FOR THE COSTS INCURRED IN THE COLLECTION OF ASSESSMENTS WITHIN ASSESSMENT DISTRICT NO. 93-1, MASI PLAZA. NO ACTION IS REQUIRED TO SET THE ANNUAL SPECIAL ASSESSMENT FOR THIS DISTRICT AS THE SPECIAL ASSESSMENTS WERE ESTABLISHED DURING FORMATION OF THE DISTRICT AND REMAIN UNCHANGED THROUGH THE LIFE OF THE BONDS, PURSUANT TO THE IMPROVEMENT BOND ACT OF 1915 DIVISION 10 OF THE CALIFORNIA STREETS AND HIGHWAY CODE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution authorizing an annual levy for the costs incurred in the collection of assessments within Assessment District No. 93-1 Masi Plaza (the "Assessment District"). No action is required to set the annual special assessment for the Assessment District as the special assessments were established during formation of the Assessment District and remain unchanged through the life of the bonds, pursuant to the Improvement Bond Act of 1915 Division 10 of the California Streets and Highway Code.

BACKGROUND/ANALYSIS

On August 4, 1997, \$2,990,000 in bonds were issued by the City of Rancho Cucamonga, California (the "City") pursuant to the Improvement Bond Act of 1915 Division 10 of the California Streets and Highways Code (the "Bond Law"). All of the proceedings of the City to form the Assessment District, to levy the assessments and to acquire the improvements described and being financed with the proceeds of the bonds had been undertaken pursuant to the Municipal Improvement Act of 1913, Division 12 of the California Streets and Highways Code (the "Improvement Act"), and Resolution of Intention No. 97-104 adopted by the City Council of February 19, 1997. The Assessment District, comprising approximately 23.64 acres, is situated along the south side of Foothill and the west side of Rochester and consists of twenty-five (25) developed lots subject to assessment.

Proceeds of the bonds were used to acquire certain streets, curbs, gutters, sidewalks, street lighting, traffic signal, water, sewer, storm drainage, public amenities and certain public utility improvements, constructed within the District and necessary for the existing and proposed development within the Assessment District.

CONSIDERATION OF APPROVAL OF RESOLUTION ESTABLISHING AN ANNUAL LEVY FOR THE COSTS
INCURRED IN THE COLLECTION OF ASSESSMENTS WITHIN ASSESSMENT DISTRICT NO. 93-1, MASI PLAZA
JULY 20, 2016
PAGE 2

The method of assessment for the Assessment District was determined by the Assessment Engineer. The acquisition costs and proportionate share of the incidental costs for bid items were spread on a net assessable acreage basis to those areas of subareas of the Assessment District that specifically benefited from the works of improvements to be acquired. The Assessment Engineer determined that the special benefits received from the above cited works of improvements were in direct proportion to the number of assessable net acres of the record lots. The assessments were spread over all parcels within the boundary based upon its proportion of the total assessable acreage within the Assessment District. Net assessable acreage for all lots within the Assessment District was taken directly from the "per lot" net acreage shown on the recorded parcel without offset for easements.

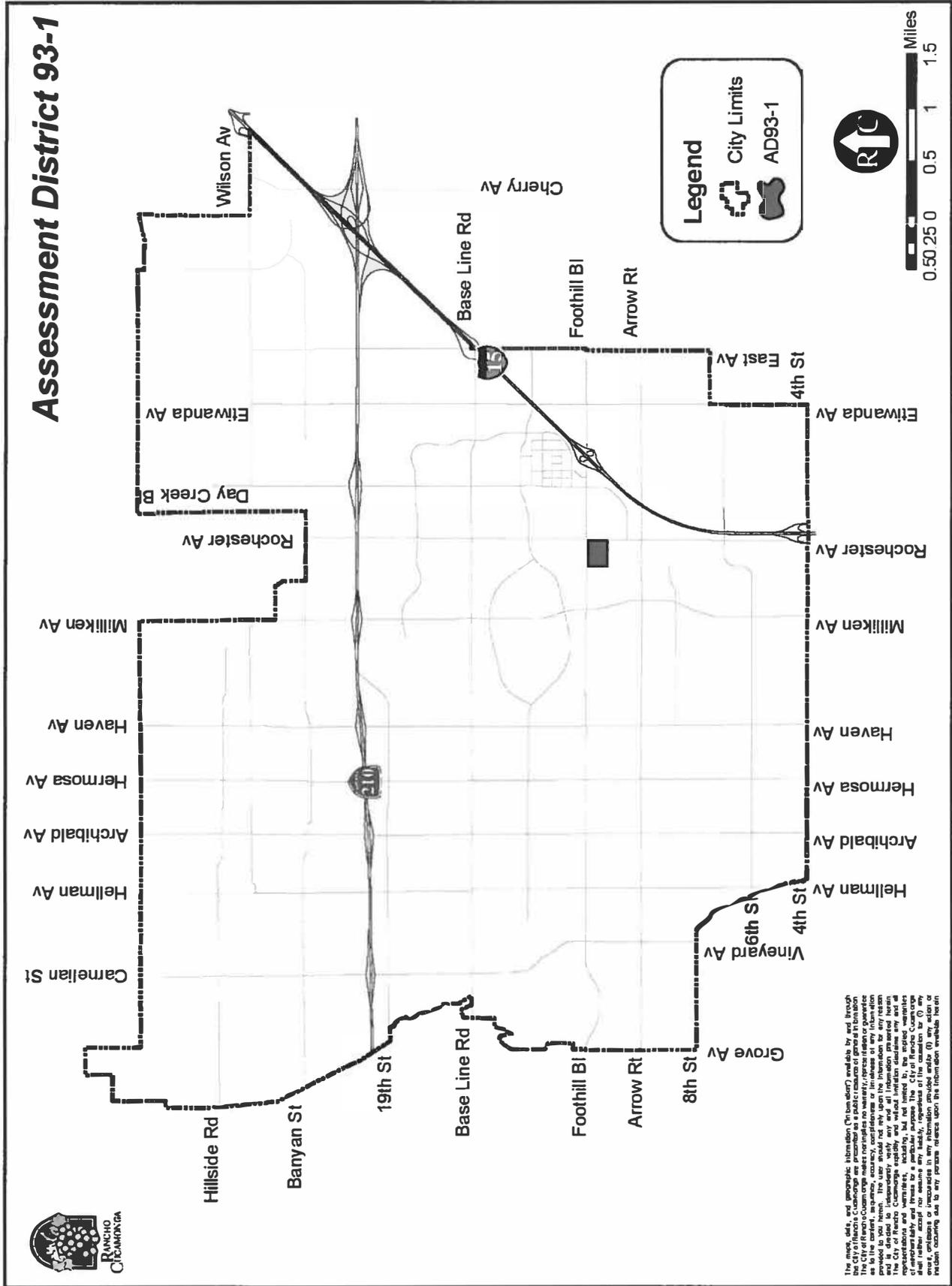
Section 8682 of the Government Code authorizes cities to collect an annual assessment fee of a maximum five percent (5%) of the amount of installments and not to exceed sixteen dollars per parcel assessment for the costs incurred in the administration and assessment collection. The requested fee will allow the City to recover funds for collection and management of the Assessment District that are applicable to the Improvement Bond Act of 1915.

The City's comprehensive management program including record keeping, cost management, payoff calculations, monthly financial reports, debt service schedules, as well as providing information to the public is funded from this fee. This fee is in place now to pay for administration and will allow the City to maintain the current rate and level of service.

The assessment shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-092
2. Annual Status Report
3. Map



CITY OF RANCHO CUCAMONGA

**ASSESSMENT DISTRICT NO. 93-1
MASI PLAZA**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On August 4, 1997, \$2,990,000 in bonds were issued by the City of Rancho Cucamonga, California (the "City") pursuant to the Improvement Bond Act of 1915 Division 10 of the California Streets and Highways Code (the "Bond Law"). All of the proceedings of the City to form the Assessment District No. 93-1 Masi Plaza (the "Assessment District"), to levy the assessments and to acquire the improvements described and being financed with the proceeds of the bonds had been undertaken pursuant to the Municipal Improvement Act of 1913, Division 12 of the California Streets and Highways Code (the "Improvement Act"), and Resolution of Intention No. 97-104 adopted by the City Council of February 19, 1997. The Assessment District, comprising approximately 23.64 acres, is situated along the south side of Foothill and the west side of Rochester and consists of twenty-five (25) developed lots subject to assessment.

Proceeds of the bonds were used to acquire certain streets, curbs, gutters, sidewalks, street lighting, traffic signal, water, sewer, storm drainage, public amenities and certain public utility improvements, constructed within the Assessment District and necessary for the existing and proposed development within the Assessment District.

The method of assessment for the Assessment District was determined by the Assessment Engineer. The acquisition costs and proportionate share of the incidental costs for bid items were spread on a net assessable acreage basis to those areas of subareas of the Assessment District that specifically benefited from the works of improvements to be acquired. The Assessment Engineer determined that the special benefits received from the above cited works of improvements were in direct proportion to the number of assessable net acres of the record lots. The assessments were spread over all parcels within the boundary based upon its proportion of the total assessable acreage within the Assessment District. Net assessable acreage for all lots within the Assessment District was taken directly from the "per lot" net acreage shown on the recorded parcel without offset for easements.

Section 8682 of the Government Code authorizes cities to collect an annual assessment fee of a maximum five percent (5%) of the amount of installments and not to exceed sixteen dollars per parcel assessment for the costs incurred in the administration and assessment collection. The requested fee will allow the City to recover funds for collection and management of the Assessment District that are applicable to the Improvement Bond Act of 1915.

The City's comprehensive management program including record keeping, cost management, payoff calculations, monthly financial reports, debt service schedules, as well as providing information to the public is funded from this fee. This fee is in place now to pay for administration and will allow the City to maintain the current rate and level of service.

The assessment shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

The following is a list of businesses located within the Assessment District:

Building	Phase	Lot	Apn	Tenants
1	I	1	22901211	Valvoline Instant Oil Change
2	I	2	22901212	Shell Service Station and Seven Eleven
3	I	3	22901213	Jack in the Box
4	I	4	22901214	Taco Hut, Popeye's Chicken, Boba and Water, 1 Empty Suite, and Manila Sunset Grille
5A	I	5	22901215	GEN Korea Barbecue, Gards Music
5B	I	5	22901215	Abi Sabi Teppan Steak House & Sushi Bar
6	I	6	22901216	Denny's Restaurant
7	I	7	22901217	Creamistry, #1 Pho Noodle & Grill, Stadium Dental, Orthodontics', Barbershop
8	I	8	22901218	Goodyear Tires
9	I	9	22901219	Quality Auto, Empty Suite
10	I	10	22901220	Lim's Honda, Acura and Mazda
11	II	11 & 27	22901230	24 Hour Fitness
12A	II	12	22901221	Legends Nails, Nutrition 4 Less, The Bra Lady, Sunshine Foot Massage
12B	II	12	22901221	Designer Suits Outlet, GQ Dress Designs and 2 Empty Suites
13	II	13	22901222	Vista Paint, Roger Dunn Golf Shop, and Proverbs 31, 909 Pub and Grill
14	II	14	22901223	Engrave'N Embrodier, Vapor Lounge, and 2 Empty Suites
15A	II	15	22901224	SummitRidge Church, Farmers Insurance and MetLife
15B	II	15	22901224	Five Empty Suites
16A	II	16	22901231	Six Empty Suites
16B	II	16	22901231	3 Suites for The Carey Agency and 2 Suites for State Farm, and Chabot Wealth Management
16C	II	16	22901232	Parking Lot
18A	III	20	22901266	Six Empty Suites
18B	III	21	22901264	Pacific Century Investments, and Four Empty Suites
19A	III	18 & 19	22901267	Mountain View Oral Surgery, True Beauty Aesthetic and one Empty Suite
19B	III	17 & 18	22901268	Two Empty Suites, and LowTCenter, 2 Suites for CW Driver Construction
20	III	22	22901269	Matrix Institute of Addiction Suites 102 A & B and one Empty Suite
24	III	24	22901261	Smog Stop, 1 Empty Suite, RalliCandi and Discount Auto
25	III	25	22901235	Eurotech Imports, Allstar Auto Center and Tint Shop
26	III	26	22901236	Empty Suite
27	II	11 & 27	22901230	24 Hour Fitness

**ASSESSMENT DISTRICT NO. 93-1
PROPOSED SOURCES AND USES OF FUNDS**

	<u>Fiscal Year 2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 247,690
Interest Revenue	4,470
Total Proposed Sources	<u>\$ 252,160</u>
 <u>Uses</u>	
Debt Service:	
Principal Repayments	\$ 155,000
Interest Expense	77,970
Subtotal - Debt Service	<u>232,970</u>
Contract Services	2,500
Assessment Administration	3,390
Admin./General Overhead	230
Total Proposed Uses	<u>\$ 239,090</u>
Contribution to/(Use of) Fund Balance	<u>\$ 13,070</u>

RESOLUTION NO. 16-092**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-AUTHORIZING THE LEVY OF AN ASSESSMENT SURCHARGE FOR THE EXPENSES INCURRED IN THE COLLECTION OF ASSESSMENTS IN ASSESSMENT DISTRICT NO. 93-1**

WHEREAS, the City Council of the City of Rancho Cucamonga, California, has heretofore undertaken proceedings pursuant to the "Municipal Improvement Act of 1913" being Division 12 of the Streets and Highways Code of the State of California, and has confirmed assessments upon land within various special assessment districts (hereinafter collectively referred to as the "Assessment District"); and

WHEREAS, said proceedings provided for and the City did subsequently issue bonds pursuant to the "Improvement Bond Act of 1915", being Division 10 of the Streets and Highways Code of the State of California, said bonds representing unpaid assessments within the Assessment District; and

WHEREAS, the City does incur necessary administrative expenses in the collection of the annual installments of the assessment within the Assessment District; and

WHEREAS, Government Code Section 8682 does authorize the City to establish an assessment surcharge to allow the City to recover its expenses of collection of said assessments; and

WHEREAS, the City desires to establish such an assessment surcharge as authorized by said Government Code Section 8682.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: Treasurer is hereby directed to add to the annual installment of assessments within the Assessment District a maximum of five percent (5%) of the amount of the installments and of the interest thereon, not to exceed the Treasurer's estimate of the expenses of collection. Said expenses of collection shall include the necessary administrative expenses of the City incurred in providing the County Auditor with current information regarding the ownership or division of the affected lots or parcels of land within the Assessment District to ensure the proper entry by the County Auditor in his or her assessment roll and the timely collection of the Assessment installments.

SECTION 3: The above assessment surcharge, when collected, shall belong to the City and shall cover the expenses and compensation of the Treasurer incurred in the collection of the assessments, and of the interest and penalties added on to the assessments.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director 
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL BENEFIT ASSESSMENTS FOR DRAINAGE AREA NO. 91-2 (DAY CANYON DRAINAGE BASIN).**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting an annual benefit assessment levy for the maintenance and/or servicing of a drainage channel within Drainage Area No. 91-2 (Day Canyon Drainage Basin).

BACKGROUND/ANALYSIS

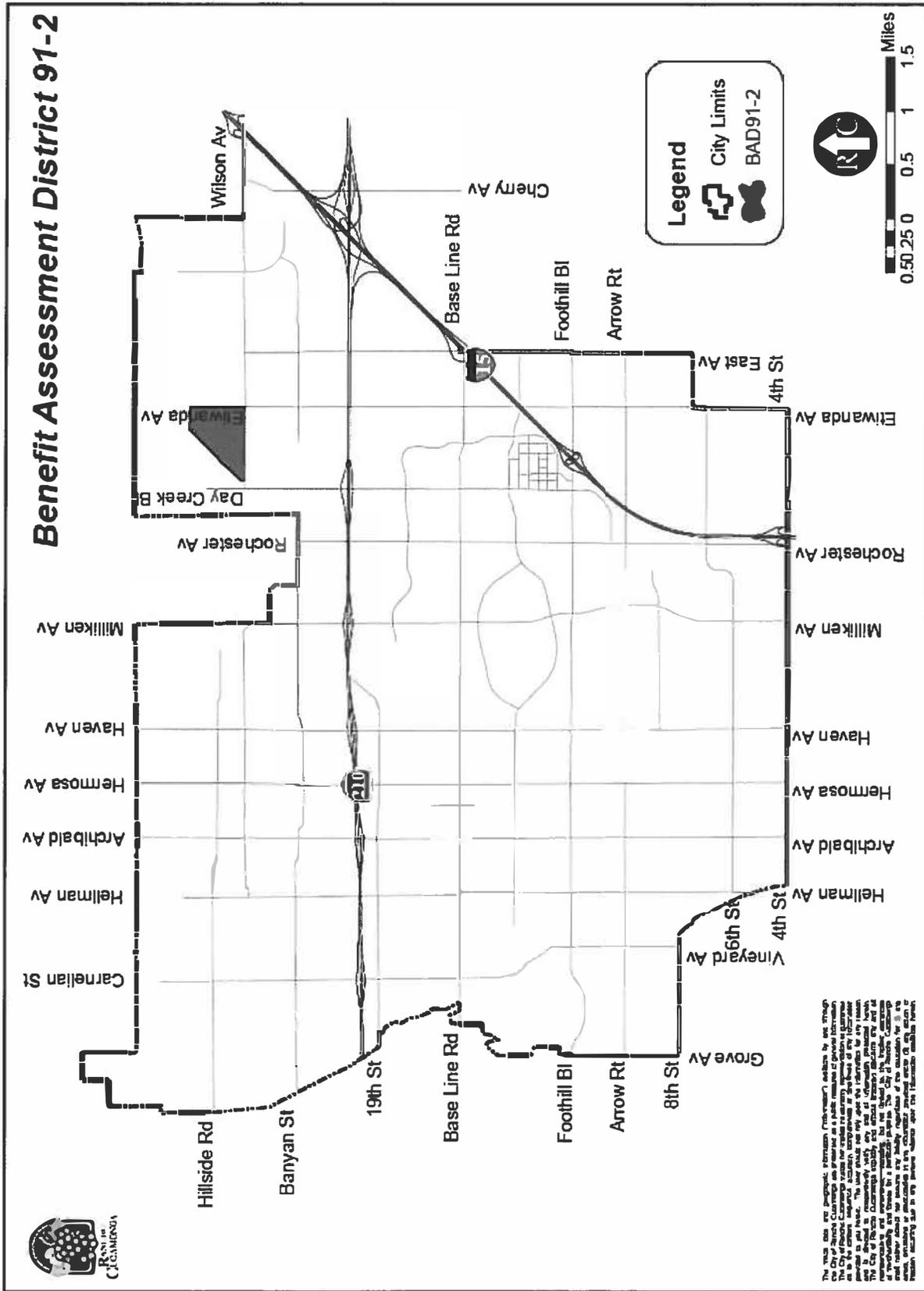
On November 6, 1991, City Council adopted Resolution No. 91-331 for the annual levy of benefit assessments for the maintenance and/or servicing of a 27+ acre-foot desilting basin and a 1,460+ linear foot concrete drainage channel within Drainage Area No. 91-2, Day Canyon Drainage Basin area (the "District").

The District was developer-initiated as the protection of the properties from the overland flows was necessary in order to receive development rights. The costs associated with the maintenance of the District are passed on to the property owners, as they receive special and direct benefit that is distinguishable from the other property owners that are outside the boundary. There are 351 single-family homes within this boundary that receive this benefit. The total annual cost for maintenance to each home is \$92.17.

Currently, the District is operating at a significant deficit and is being backfilled with District reserve funds to provide services. Staff is researching funding alternatives to alleviate the operating deficit.

Attachments

1. Resolution 16-093
2. Annual Supplement to Final Engineer's Report
3. Map



**ANNUAL SUPPLEMENT TO
FINAL ENGINEER'S REPORT
DRAINAGE AREA NO. 91-2
CITY OF RANCHO CUCAMONGA**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

JULY 2016

ANNUAL SUPPLEMENT TO
FINAL ENGINEER'S REPORT
DRAINAGE AREA NO. 91-2
CITY OF RANCHO CUCAMONGA

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Engineer's Report

Exhibit A - Description of Service

Exhibit B - Cost Estimate

Exhibit C - Assessment Schedule

Map

AGENCY: CITY OF RANCHO CUCAMONGA

PROJECT: DRAINAGE AREA NO. 91-2

TO: CITY COUNCIL
CITY OF RANCHO CUCAMONGA
STATE OF CALIFORNIA

ANNUAL SUPPLEMENT TO FINAL ENGINEER'S REPORT
PURSUANT TO BENEFIT ASSESSMENT ACT OF 1982

This Annual Supplement to the Final Engineer's Report (the "Annual Supplement") for City of Rancho Cucamonga Drainage Area No. 91-2 is hereby submitted consisting of the following documents, pursuant to the provisions of the Benefit Assessment Act of 1982, being Chapter 6.4, Division 2, Title 5 of the Government Code of the State of California, commencing with Section 54703. This Annual Supplement is applicable for the ensuing 12-month period, being the fiscal year commencing July 1, 2016 to June 30, 2017.

1. DESCRIPTION OF SERVICE (Exhibit "A"): A description of the service proposed to be financed through revenue derived from the levy and collection of the annual benefit assessment.
2. COST ESTIMATE (Exhibit "B"): A listing of all costs and expenses for the next fiscal year, including incidental expenses.
3. BENEFIT ASSESSMENT SCHEDULE (Exhibit "C"): The annual assessment schedule, setting forth the following:
 - A. Annual Benefit Assessment: The amount of the proposed benefit assessment for each parcel.
 - B. Description of Parcel: A description of each lot or parcel of property proposed to be subject to the benefit assessment, said parcel being described by the County Assessor's parcel number.

No benefit assessments shall be imposed or levied upon land owned by a Federal or State governmental agency and/or any other local agency. Any utility property and right-of-way shall be subject to assessment only to the extent that it is specifically benefited from the proposed services.

Reference is made to the Final Engineer's Report as incorporated in Resolution No. 91-331 for a description of the boundaries of the Drainage Area and each parcel therein and for the method of spreading the benefit assessment.

Executed this 20th day of July, 2016, at Rancho Cucamonga, California.

DIRECTOR OF ENGINEERING SERVICES/CITY ENGINEER
CITY OF RANCHO CUCAMONGA
STATE OF CALIFORNIA

By: _____

Final approval, confirmation, and levy of the annual benefit assessment and all matters in the Annual Supplement were made on the 20th day of July, 2016, by adoption of Resolution No. 16-093 by the City Council.

CITY CLERK
CITY OF RANCHO CUCAMONGA
STATE OF CALIFORNIA

A copy of said Assessment Roll and Annual Supplement was filed in the Office of the City Engineer and the City Clerk on the 20th day of July, 2016.

CITY CLERK
CITY OF RANCHO CUCAMONGA
STATE OF CALIFORNIA

DIRECTOR OF ENGINEERING SERVICES/CITY ENGINEER
CITY OF RANCHO CUCAMONGA
STATE OF CALIFORNIA

EXHIBIT A

DESCRIPTION OF SERVICE

The properties within Drainage Area No. 91-2 ("Drainage Area") are located within the boundaries of the Day Canyon Drainage Basin area. Protection of the properties within the Drainage Area from overland flows requires the construction of a 27+ acre-foot desilting basin and a 1,460+ linear foot concrete drainage channel. The channel improvements will intercept the overland flows prior to reaching the properties and carry the storm water runoff, sediment, trash, organic material, and related debris to a desilting basin.

Each year the sediment, trash, organic material, and other related debris that accumulates in the desilting basin and channel must be removed and transported to an approved spoils site. The services proposed to be financed from the revenue derived from the levy and collections of the annual benefit assessment are as follows:

- A. Monthly on-site inspections of the desilting basin and channel.
- B. Bi-monthly weed abatement program for the desilting basin and channel.
- C. Removal of accumulated sediment, trash, organic material, and other related debris from the desilting basin and channel to an approved spoils site. This service is expected to be provided annually. During times of excessive rainfall, this service may be required more frequently.

EXHIBIT B
COST ESTIMATE
FISCAL YEAR 2016/17

A. Cost of Annual Maintenance	
Regular Salaries	\$33,350
Fringe Benefits	<u>\$15,340</u>
Subtotal	\$48,690
 B. Incidental Expenses	
City Administration	<u>\$7,540</u>
Subtotal	\$7,540
 C. Total Annual Costs	 \$56,230
 D. Contribution to/(Use of) Fund Balance	 (\$23,070)
Interest Earnings	(\$650)
Delinquencies	<u>(\$650)</u>
 E. Estimated Assessments, Net of Estimated Delinquencies	 \$31,860
 A. Cost of Annual Maintenance	
Regular Salaries	\$33,350
Fringe Benefits	<u>\$15,340</u>
Subtotal	\$48,690
 B. Incidental Expenses	
City Administration	<u>\$7,540</u>
Subtotal	\$7,540
 C. Total Annual Costs	 \$56,230
 D. Contribution to/(Use of) Fund Balance	 (\$23,070)
Interest Earnings	(\$650)
Delinquencies	<u>(\$650)</u>
 E. Estimated Assessments, Net of Estimated Delinquencies	 \$31,860

EXHIBIT C

ASSESSMENT SCHEDULE

WHEREAS, this City Council has previously, pursuant to the terms and provisions of the "Benefit Assessment Act of 1982", being Chapter 6.4, Division 2, Title 5 of the Government Code of the State of California, commencing with Section 54703, formed Drainage Area No. 91-2 all in accordance with the provisions of said Act; and,

WHEREAS, the Annual Supplement for Fiscal Year 2016/17 consisting of certain documentation (including the amount of the proposed assessment for each parcel, a description of the parcel and a description of the service proposed to be provided) has now been prepared.

NOW, THEREFORE, the Director of Engineering Services/City Engineer by virtue of the power vested pursuant to said Act and by order of the legislative body, hereby makes and recommends the following benefit assessment to cover the costs and expenses of the service proposed to be financed through the levy of assessments and revenue derived for the Fiscal Year 2016/17. Said costs and expenses are generally as follows:

Personnel Salaries	\$48,690
Cost of Improvements	\$0
Incidental Expenses	<u>\$7,540</u>
Total Costs	\$56,230
Contribution to/(Use of) Fund Balance	<u>(\$23,070)</u>
Subtotal	\$33,160
Interest	(\$650)
Delinquent Assessments	<u>(\$650)</u>
Estimated Assessments, Net of Estimated Delinquencies	\$31,860

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within the area of benefit in proportion to the estimated benefits received, and hereby further state as follows:

A. The amount of benefit assessment imposed is specifically related to the benefit of the parcel, which will be derived from the provision of the service to be provided.

B. The annual aggregate amount of the total benefit assessment does not exceed the estimated annual cost of providing the service.

C. The revenue derived from the benefit assessment shall not be used to pay for the cost of any service other than the service for which the benefit assessment was levied.

The assessment parcels herein refer to the County Assessment Roll for a description of the lots or parcels, and said assessment roll shall govern for all details concerning the description of the lots or parcels.

The net amount to be assessed upon the lands has been spread and apportioned by formula as set forth in the Final Engineer’s Report in accordance with the benefits received from each parcel, and in my opinion, said costs and expenses have been apportioned in direct relationship to the benefits received from the maintenance works of improvement.

In the opinion of the undersigned, the benefit assessments have been spread and apportioned in accordance with the benefits to be received from the proposed work and services.

Dated: July 20, 2016

DIRECTOR OF ENGINEERING SERVICES/CITY ENGINEER
CITY OF RANCHO CUCAMONGA
STATE OF CALIFORNIA

<u>ASSESSMENT PARCEL NUMBER</u>	<u>PROPERTY DESCRIPTION</u>	<u>AMOUNT OF ASSESSMENT</u>
1087-261-01 to 11	351 Residential Parcels	\$32,352.00
1087-271-01 to 42		
1087-281-01 to 58		
1087-291-01 to 20		
1087-301-01 to 35		
1087-311-01 to 38		
1087-321-01 to 34		
1087-331-01 to 61		
1087-341-01 to 58		
Total		

RESOLUTION NO. 16-093**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, DETERMINING THE COST OF SERVICE TO BE FINANCED BY BENEFIT ASSESSMENTS TO BE LEVIED IN DRAINAGE AREA NO. 91-2 FOR FISCAL YEAR 2016/17 AND DETERMINING AND IMPOSING SUCH BENEFIT ASSESSMENTS**

WHEREAS, the City Council of the City of Rancho Cucamonga, California, previously undertook proceedings to authorize the levy and imposition of benefit assessments to pay for the annual drainage maintenance, including the removal of sediment and debris from the Day Canyon Channel improvements and basin, pursuant to the terms and provisions of the "Benefit Assessment Act of 1982", being Chapter 6.4, Division 2, Title 5 of the Government Code of the State of California (commencing with Section 54703), said area of benefit being known and designated as Drainage Area No. 91-2 (the "Drainage Area"); and

WHEREAS, at this time there has been presented to this City Council an annual Supplemental Report (the "Supplemental Report") to the Final Engineer's Report for the Drainage Area setting forth a description of the proposed service, cost estimate and assessment schedule for Fiscal Year 2016/17; and

WHEREAS, at this time this City Council desires to determine the cost of providing authorized services to be financed by the levy of a benefit assessment for Fiscal Year 2016/17 and to determine and impose such benefit assessment.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the Supplemental Report is hereby approved and ordered to be kept on file in the Office of the City Clerk as a permanent record and to remain open for public inspection. Said Supplemental Report generally consists of the following:

- A. A description of the service proposed to be financed through revenue derived through the levy and collection of the benefit assessment;
- B. A description of each lot or parcel of property proposed to be subject to the benefit assessment;
- C. The amount of the proposed assessment for each parcel.

SECTION 3: That the rate and method of apportionment of the benefit assessment as set forth in the Final Engineer's Report is hereby adopted and has been utilized as the rate and method of apportionment of the benefit assessment to be levied in Fiscal Year 2016/17.

SECTION 4: That this City Council hereby determines and orders that the benefit assessments described in the Supplemental Report within the Drainage Area are hereby confirmed and levied for Fiscal Year 2016/17.

SECTION 5: That the above confirmed and levied benefit assessment for Fiscal Year 2016/17 shall be collected at the same time and in the same manner as general County property taxes are collected and all laws providing for the collection and enforcement of such County taxes shall be applicable to the collection and enforcement of these benefit assessments.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *ML*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-01 (SOUTH ETIWANDA), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual special tax for Community Facilities District No. 2000-01 (South Etiwanda). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the special tax to pay debt service on the bonds. There is no increase from the current tax rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On November 7, 2000, an election was held and the property owners within the boundary of Community Facilities District No. 2000-01 (South Etiwanda) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$1,365,000. On November 15, 2000, the City Council adopted Ordinance No. 645 authorizing the levy of a Special Tax in the District. Bonds were issued on December 21, 2000, for the purpose of financing the acquisition of certain public facilities that included street, sewer, water, storm drain, landscaping and park improvements that were required for and would permit the development of the properties within the District. The District is located east of Interstate 15, and is bordered by Foothill to the south, East to the east, Base Line to the north, Etiwanda to the west and is intersected by Miller.

On December 7, 2011, the City Council adopted Resolution No. 11-179 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2012, in the principal amount of \$658,000 were issued on December 21, 2011. This amount represented the outstanding principal balance of the original bonds as of this date.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other community facilities districts. The Special Tax Refunding Bonds, Series 2015, were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

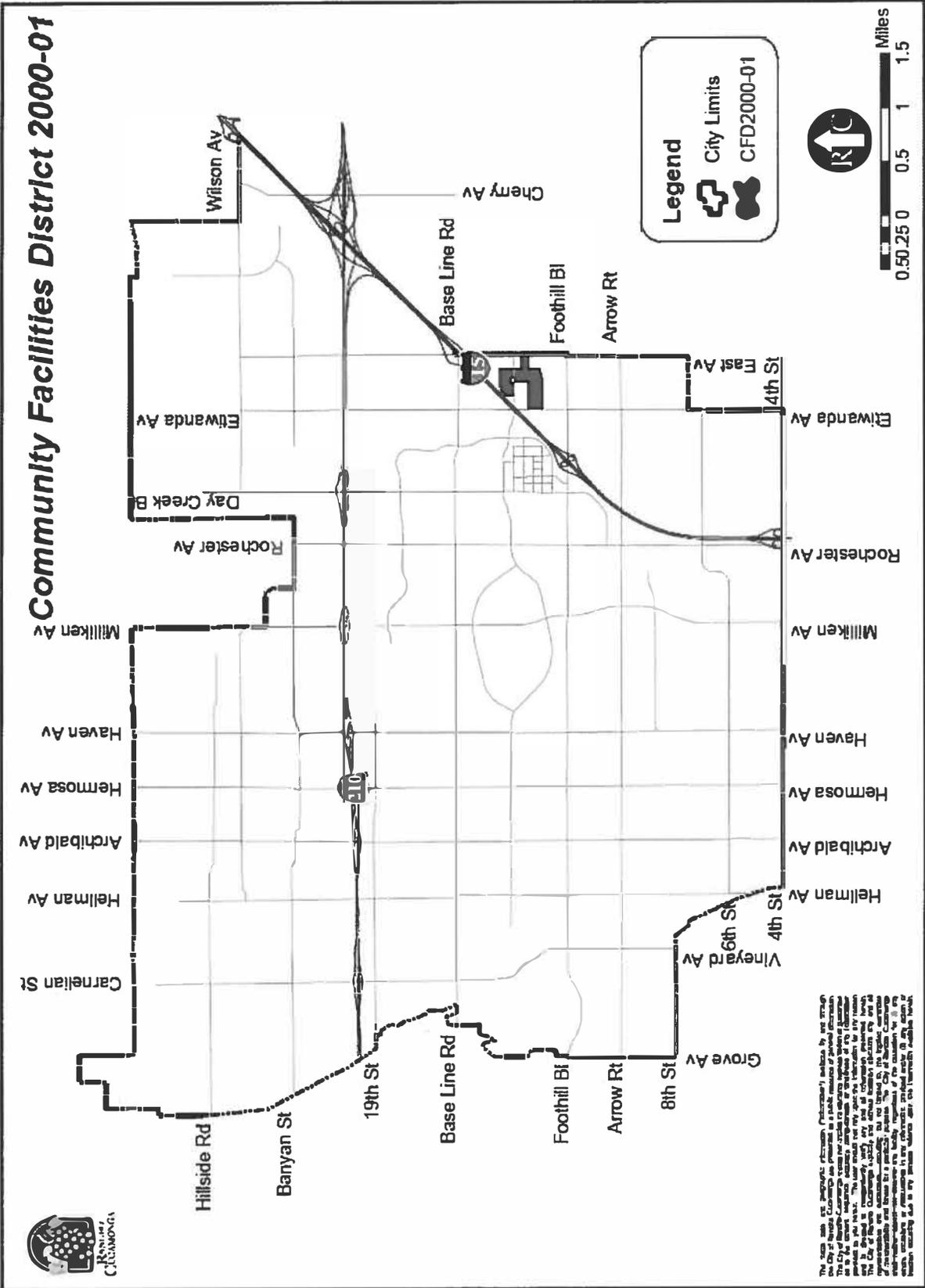
CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO.
2000-01 (SOUTH ETIWANDA), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 4.85% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

The annual special tax is based on the square footage of the home for residential properties. This special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-094
2. Annual Status Report
3. Map



RESOLUTION NO. 16-094

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT 2000-01 (SOUTH ETIWANDA) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2000-01
(South Etiwanda) (hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds were previously issued for purposes of financing the project facilities for said District (the "Prior Special Tax Bonds"); and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body, by the adoption of Resolution No. 15-147 on August 5, 2015, previously established the specific rate of the special tax to be collected for the fiscal year based, in part, upon the debt service payable on the Prior Special Tax Bonds; and

WHEREAS, on July 30, 2015, special tax refunding bonds were issued by the District to refund the Prior Special Tax Bonds resulting in a reduction in the debt service payable from the special taxes levied within the District.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rates as set forth in such Annual Status Report do not exceed the amount as previously authorized by Ordinance of this legislative body, and are not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.

- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of administering the District and any bonds of the District.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including but not limited to, any special tax fund, bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2000-01
SOUTH ETIWANDA**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On November 7, 2000, an election was held and the property owners within the boundary of Community Facilities District No. 2000-01 (South Etiwanda) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$1,365,000. On November 15, 2000, the City Council adopted Ordinance No. 645 authorizing the levy of a Special Tax in the District. Bonds were issued on December 21, 2000, for the purpose of financing the acquisition of certain public facilities that included street, sewer, water, storm drain, landscaping and park improvements that were required for and would permit the development of the properties within the District. The District is located east of Interstate 15, and is bordered by Foothill to the south, East to the east, Base Line to the north, Etiwanda to the west and is intersected by Miller.

On December 7, 2011, the City Council adopted Resolution No. 11-179 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2012, in the principal amount of \$658,000 were issued on December 21, 2011. This amount represented the outstanding principal balance of the original bonds as of this date.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other community facilities districts. The Special Tax Refunding Bonds, Series 2015, were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 4.85% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

The annual special tax is based on the square footage of the home for residential properties. This special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

**COMMUNITY FACILITIES DISTRICT NO. 2000-01
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

	<u>DESCRIPTION</u>	<u>BUILDING SIZE</u>	<u>ASSIGNED SPECIAL TAX</u>
1.	Residential Property	> 2300 Sq Ft	\$283.66
2.	Residential Property	1800 – 2300 Sq Ft	\$269.48
3.	Residential Property	<1800 Sq Ft	\$241.11

**COMMUNITY FACILITIES DISTRICT NO. 2000-01
PROPOSED SOURCES AND USES OF FUNDS**

	<u>Fiscal Year</u> <u>2016/17 Budget</u>	
<u>Sources</u>		
Taxes:		
Estimated Assessments, Net of Estimated Delinquencies	\$	74,530
Anticipated Prior Year Delinquencies Collection		1,350
Subtotal - Taxes		<u>75,880</u>
Interest Revenue		300
Total Proposed Sources	\$	<u><u>76,180</u></u>
 <u>Uses</u>		
Debt Service:		
Principal Repayments	\$	42,000
Interest Expense		12,680
Subtotal - Debt Service		<u>54,680</u>
Contract Services		3,440
Assessment Administration		19,850
Admin./General Overhead		350
Total Proposed Uses	\$	<u><u>78,320</u></u>
 Contribution to/(Use of) Fund Balance	 \$	 <u><u>(2,140)</u></u>



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *TL*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-02 (RANCHO CUCAMONGA CORPORATE PARK), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting an annual special tax levy for Community Facilities District No. 2000-02 (Rancho Cucamonga Corporate Park). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the special tax to pay debt service on the bonds. There is no increase from the current tax rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On November 7, 2000, an election was held and the property owners within the boundary of Community Facilities District No. 2000-02 (Rancho Cucamonga Corporate Park) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$6,835,000. On December 6, 2000, the City Council adopted Ordinance No. 646 authorizing the levy of a Special Tax in the District. Bonds were issued on December 21, 2000 for the purpose of financing the acquisition of street improvements on public street improvements required as a condition of approval of development of the property within the proposed district including, Milliken, Arrow and Foothill; such street improvements to include, but not to be limited to: demolition and grading, curb, gutter and sidewalks, traffic signals; entry feature and signs; fire hydrants; storm drains; water and sewer improvements; paving; striping; landscaping and irrigation improvements; public utilities and appurtenances.

On December 7, 2011, the City Council adopted Resolution No. 11-179 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2012 in the principal amount of \$5,407,000 were issued on December 21, 2011. This amount represented the outstanding principal balance of the original bonds as of this date.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015 were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-02 (RANCHO CUCAMONGA CORPORATE PARK), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 4.72% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

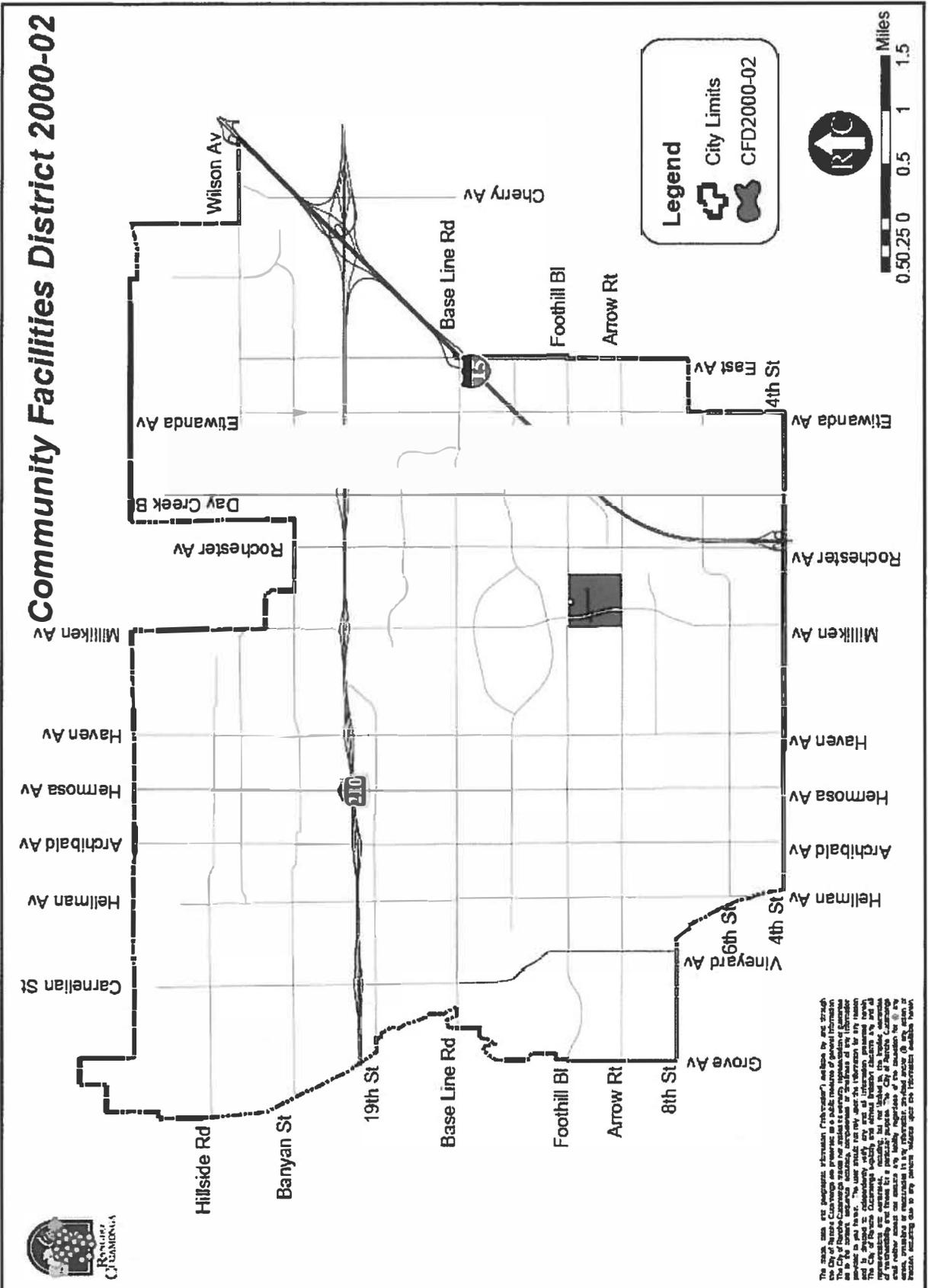
The special tax shall be levied each fiscal year as follows:

1. The special tax shall be levied on each taxable parcel in an amount equal to 100% of the applicable maximum annual special tax; or
2. If less monies are needed to satisfy the special tax requirement, the special tax shall be levied proportionally on each taxable parcel at less than 100% of the maximum annual special tax.

This special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-095
2. Annual Status Report
3. Map



RESOLUTION NO. 16-095

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT 2000-02 (RANCHO CUCAMONGA CORPORATE PARK) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2000-02
(Rancho Cucamonga Corporate Park) (hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds were previously issued for purposes of financing the project facilities for said District (the "Prior Special Tax Bonds"); and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body, by the adoption of Resolution No. 15-148 on August 5, 2015, previously established the specific rate of the special tax to be collected for the fiscal year based, in part, upon the debt service payable on the Prior Special Tax Bonds; and

WHEREAS, on July 30, 2015, special tax refunding bonds were issued by the District to refund the Prior Special Tax Bonds resulting in a reduction in the debt service payable from the special taxes levied within the District.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rates as set forth in such Annual Status Report do not exceed the amount as previously authorized by Ordinance of this legislative body, and are not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.

- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of administering the District and any bonds of the District.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including but not limited to, any special tax fund, bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2000-02
RANCHO CUCAMONGA CORPORATE PARK**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On November 7, 2000, the electors within the boundary of Community Facilities District No. 2000-02 (Rancho Cucamonga Corporate Park) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$6,835,000 for the purpose of financing the acquisition of street improvements on public street improvements required as a condition of approval of development of the property within the proposed district including Milliken, Arrow and Foothill; such street improvements to include, but not to be limited to: demolition and grading, curb, gutter and sidewalks, traffic signals; entry feature and signs; fire hydrants; storm drains; water and sewer improvements; paving; striping; landscaping and irrigation improvements; public utilities and appurtenances.

On December 7, 2011, the City Council adopted Resolution No. 11-179 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2011, in the principal amount of \$5,407,000 were issued on December 21, 2011. This amount represented the outstanding principal balance of the original bonds as of this date.

On July 1, 2015 the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015 were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 4.72% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

Each July 1, commencing July 1, 2012 the maximum annual special tax will be increased by two percent (2%) of the amount in effect for the previous fiscal year. The special taxes will be levied as follows: (1) The special tax will be levied on each taxable parcel in an amount equal to 100% of the applicable maximum annual special tax; or (2) If the special tax requirement will be satisfied by an amount less than the maximum annual special tax the special tax will be levied proportionately on each taxable parcel at less than 100% of the maximum annual special tax. Therefore, for Fiscal Year 2016/17 the current rate is sufficient to meet fiscal obligations and there is no need for an increase of the special tax by 2%. This special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

**COMMUNITY FACILITIES DISTRICT NO. 2000-02
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

There will be no increase to the special tax for the District. The annual tax rate for Fiscal Year 2016/17 will be \$3,792.06 per acre, and will provide sufficient funding for the estimated uses and contribution to fund balance in the amount of \$548,390.

**COMMUNITY FACILITIES DISTRICT NO. 2000-02
PROPOSED SOURCES AND USES OF FUNDS**

	Fiscal Year <u>2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 527,000
Anticipated Prior Year Delinquencies Collection	19,000
Subtotal - Taxes	<u>546,000</u>
Interest Revenue	2,390
Total Proposed Sources	<u><u>\$ 548,390</u></u>
 <u>Uses</u>	
Debt Service	
Principal Repayments	\$ 117,630
Interest Expense	351,000
Subtotal - Debt Service	<u>468,630</u>
Contract Services	3,440
Assessment Administration	58,370
Admin./General Overhead	730
Total Proposed Uses	<u><u>\$ 531,170</u></u>
 Contribution to/(Use of) Fund Balance	 <u><u>\$ 17,220</u></u>



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-03 (RANCHO SUMMIT), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual Special Tax for Community Facilities District No. 2000-03 (Rancho Summit). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the tax rate to pay debt service on the bonds. There is no increase from the current rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On October 11, 2000, an election was held and the property owners within the boundary of Community Facilities District No. 2000-03 (Rancho Summit) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$9,835,000. On July 6, 2005, the City Council adopted Ordinance No. 744 approving the levy of the Special Tax, and on September 21, 2005 approved Resolution No. 05-278 authorizing the issuance of bonds.

The District was authorized to finance park improvements including clearing and grading of park sites, park hardscape and restrooms, street improvements and parkway hardscape landscaping of parks and parkways and park equipment with a useful life of five (5) years or more. The District is bounded by the San Bernardino National Forest to the north; the 210 Freeway to the south; Interstate 15 Freeway to the east and East to the west.

On July 16, 2014, the City Council adopted Resolution No. 14-127 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2014 in the principal amount of \$8,500,000 were issued on July 31, 2014. By authorizing this refunding, the City Council provided annual savings to the property owners of approximately \$120,000 for the remaining life of the bond issue. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

This Special Tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-096
2. Annual Status Report
3. Map

RESOLUTION NO. 16-096

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, PROVIDING FOR THE LEVY OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-03 (RANCHO SUMMIT) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2000-03
(Rancho Summit)(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds have been authorized for purposes of financing the project facilities for said District; and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body is desirous to establish the specific rate of the special tax to be collected for the fiscal year.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the referenced District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rate as set forth above does not exceed the amount as previously authorized by Ordinance of this legislative body, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.
- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of authorized public facilities and public services.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the Community Facilities District funds, including any bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2000-03 A
(RANCHO SUMMIT)**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On October 11, 2000 an election was held and the property owners within the boundary of Community Facilities District No. 2000-03 (Rancho Summit) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$9,835,000. On July 6, 2005, the City Council adopted Ordinance No. 744 approving the levy of the special tax, and on September 21, 2005 approved Resolution No. 05-278 authorizing the issuance of bonds.

The District was authorized to finance park improvements including clearing and grading of park sites, park hardscape and restrooms, street improvements and parkway hardscape landscaping of parks and parkways and park equipment with a useful life of five (5) years or more. The District is bounded by the San Bernardino National Forest to the north; the 210 Freeway to the south; Interstate 15 Freeway to the east and East to the west.

On July 16, 2014 the City Council adopted Resolution No. 14-127 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2014 in the principal amount of \$8,500,000 were issued on July 31, 2014. By authorizing this refunding, the City Council provided annual savings to the property owners of approximately \$120,000 for the remaining life of the bond issue. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

Each Fiscal Year, all Taxable Property within the District shall be assigned to a Zone and further classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with this Amended and Restated Rate and Method of Apportionment. Residential Property shall be assigned to Land Use Classes 1 through 10 and Non-Residential Property shall be assigned to Land Use Class 11.

**Community Facilities District NO. 2000-03
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

<u>Land Use Class</u>	<u>Description</u>	<u>Residential Floor Area</u>	<u>Assigned Special Tax</u>
1	Residential Property	<1,850 Sq. Ft	N/A
2	Residential Property	1,850 – 2,049 Sq. Ft	\$1,386.74
3	Residential Property	2,050 – 2,249 Sq. Ft	\$1,480.21
4	Residential Property	2,250 – 2,449 Sq. Ft	\$1,494.09
5	Residential Property	2,450 – 2,649 Sq. Ft	\$1,505.04
6	Residential Property	2,650 – 2,849 Sq. Ft	\$1,632.10
7	Residential Property	2,850 – 3,049 Sq. Ft	\$1,797.87
8	Residential Property	3,050 – 3,049 Sq. Ft	\$1,845.33
9	Residential Property	3,250 – 3,249 Sq. Ft	\$1,954.87
10	Residential Property	=> 3,450 Sq. Ft	\$1,968.75
11	Non-Residential Property	N/A	\$9,201.11 per Acre

**COMMUNITY FACILITIES DISTRICT NO. 2000-03
PROPOSED USES AND SOURCES OF FUNDS**

	<u>Fiscal Year 2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 536,270
Anticipated Prior Year Delinquencies Collection	8,250
Subtotal - Taxes	544,520
Interest Revenue	1,760
Total Proposed Sources	\$ 546,280
 <u>Uses</u>	
Debt Service:	
Principal Repayments	\$ 265,660
Interest Expense	256,000
Subtotal - Debt Service	521,660
Contract Services	3,500
Assessment Administration	41,610
Admin./General Overhead	620
Total Proposed Uses	\$ 567,390
Contribution to/(Use of) Fund Balance	\$ (21,110)



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-03 (RANCHO SUMMIT), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual Special Tax for Community Facilities District No. 2000-03 (Rancho Summit). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the tax rate to pay debt service on the bonds. There is no increase from the current rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On October 11, 2000, an election was held and the property owners within the boundary of Community Facilities District No. 2000-03 (Rancho Summit) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$9,835,000. On July 6, 2005, the City Council adopted Ordinance No. 744 approving the levy of the Special Tax, and on September 21, 2005 approved Resolution No. 05-278 authorizing the issuance of bonds.

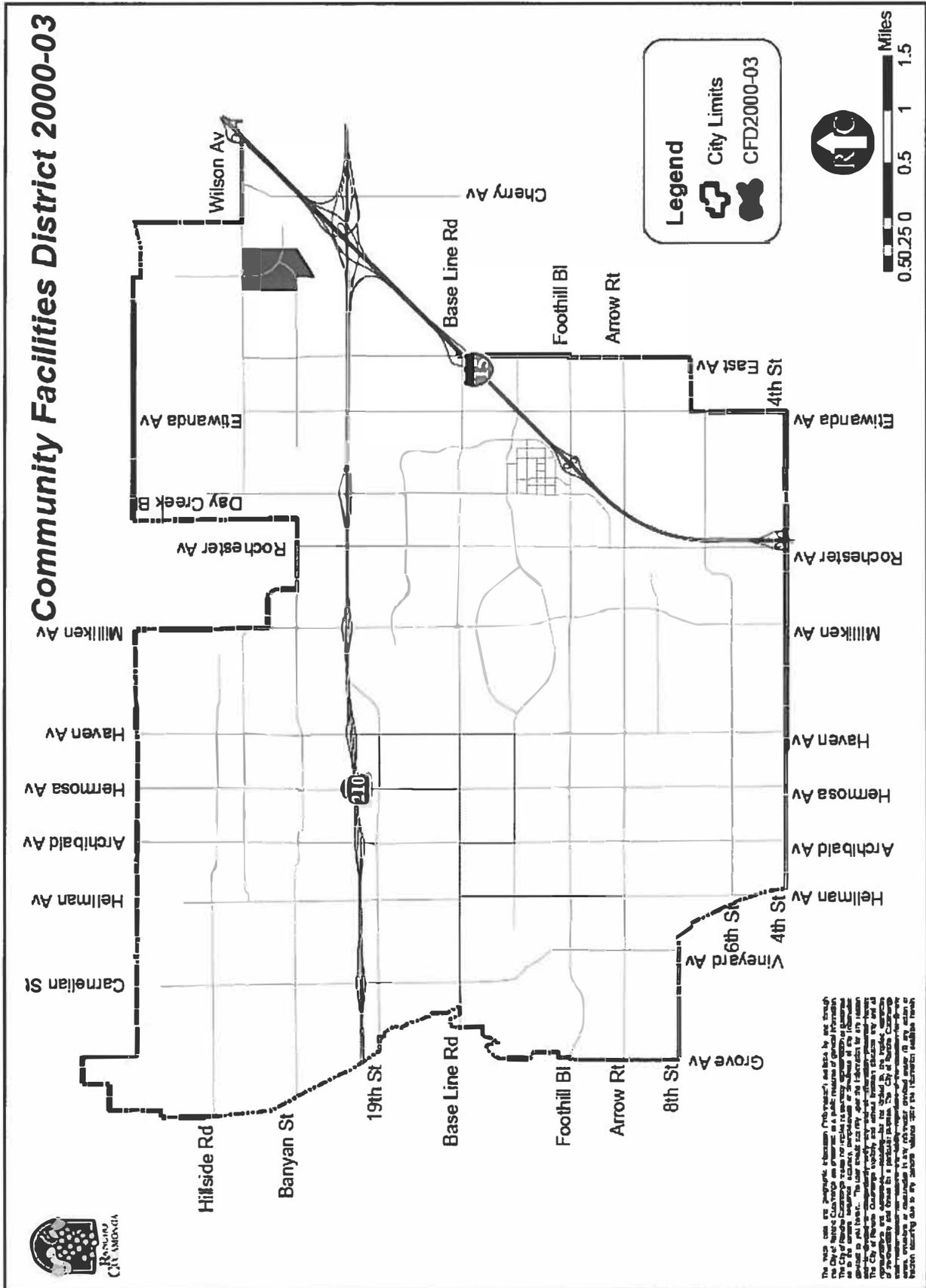
The District was authorized to finance park improvements including clearing and grading of park sites, park hardscape and restrooms, street improvements and parkway hardscape landscaping of parks and parkways and park equipment with a useful life of five (5) years or more. The District is bounded by the San Bernardino National Forest to the north; the 210 Freeway to the south; Interstate 15 Freeway to the east and East to the west.

On July 16, 2014, the City Council adopted Resolution No. 14-127 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2014 in the principal amount of \$8,500,000 were issued on July 31, 2014. By authorizing this refunding, the City Council provided annual savings to the property owners of approximately \$120,000 for the remaining life of the bond issue. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

This Special Tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-096
2. Annual Status Report
3. Map



RESOLUTION NO. 16-096

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, PROVIDING FOR THE LEVY OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2000-03 (RANCHO SUMMIT) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2000-03
(Rancho Summit)(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds have been authorized for purposes of financing the project facilities for said District; and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body is desirous to establish the specific rate of the special tax to be collected for the fiscal year.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the referenced District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rate as set forth above does not exceed the amount as previously authorized by Ordinance of this legislative body, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.
- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of authorized public facilities and public services.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the Community Facilities District funds, including any bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2000-03 A
(RANCHO SUMMIT)**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On October 11, 2000 an election was held and the property owners within the boundary of Community Facilities District No. 2000-03 (Rancho Summit) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$9,835,000. On July 6, 2005, the City Council adopted Ordinance No. 744 approving the levy of the special tax, and on September 21, 2005 approved Resolution No. 05-278 authorizing the issuance of bonds.

The District was authorized to finance park improvements including clearing and grading of park sites, park hardscape and restrooms, street improvements and parkway hardscape landscaping of parks and parkways and park equipment with a useful life of five (5) years or more. The District is bounded by the San Bernardino National Forest to the north; the 210 Freeway to the south; Interstate 15 Freeway to the east and East to the west.

On July 16, 2014 the City Council adopted Resolution No. 14-127 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2014 in the principal amount of \$8,500,000 were issued on July 31, 2014. By authorizing this refunding, the City Council provided annual savings to the property owners of approximately \$120,000 for the remaining life of the bond issue. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

Each Fiscal Year, all Taxable Property within the District shall be assigned to a Zone and further classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with this Amended and Restated Rate and Method of Apportionment. Residential Property shall be assigned to Land Use Classes 1 through 10 and Non-Residential Property shall be assigned to Land Use Class 11.

**Community Facilities District NO. 2000-03
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

<u>Land Use Class</u>	<u>Description</u>	<u>Residential Floor Area</u>	<u>Assigned Special Tax</u>
1	Residential Property	<1,850 Sq. Ft	N/A
2	Residential Property	1,850 – 2,049 Sq. Ft	\$1,386.74
3	Residential Property	2,050 – 2,249 Sq. Ft	\$1,480.21
4	Residential Property	2,250 – 2,449 Sq. Ft	\$1,494.09
5	Residential Property	2,450 – 2,649 Sq. Ft	\$1,505.04
6	Residential Property	2,650 – 2,849 Sq. Ft	\$1,632.10
7	Residential Property	2,850 – 3,049 Sq. Ft	\$1,797.87
8	Residential Property	3,050 – 3,049 Sq. Ft	\$1,845.33
9	Residential Property	3,250 – 3,249 Sq. Ft	\$1,954.87
10	Residential Property	=> 3,450 Sq. Ft	\$1,968.75
11	Non-Residential Property	N/A	\$9,201.11 per Acre

**COMMUNITY FACILITIES DISTRICT NO. 2000-03
PROPOSED USES AND SOURCES OF FUNDS**

	Fiscal Year <u>2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 536,270
Anticipated Prior Year Delinquencies Collection	8,250
Subtotal - Taxes	<u>544,520</u>
Interest Revenue	1,760
Total Proposed Sources	<u><u>\$ 546,280</u></u>
 <u>Uses</u>	
Debt Service:	
Principal Repayments	\$ 265,660
Interest Expense	256,000
Subtotal - Debt Service	<u>521,660</u>
Contract Services	3,500
Assessment Administration	41,610
Admin./General Overhead	620
Total Proposed Uses	<u><u>\$ 567,390</u></u>
 Contribution to/(Use of) Fund Balance	 <u><u>\$ (21,110)</u></u>



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *ML*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2001-01 (IMPROVEMENT AREA NO. 1 AND 2), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual special tax for Community Facilities District No. 2001-01 (Improvement Area No. 1 and 2). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the special tax to pay debt service on the bonds. There is no increase from the current tax rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On June 20, 2001, an election was held and the property owners within the boundary of Community Facilities District No. 2001-01 (Improvement Area Nos. 1 and 2) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$14,240,000. On August 15, 2001, the City Council adopted Ordinance No. 01-019 authorizing the issuance of bonds.

Bonds were issued on August 29, 2001, to share in the financing of public street improvements required for the development of the property within the District; including, improvements to Day Creek, Victoria Park, Church, Foothill, Base Line, and Arbor; landscaping improvements within public right-of-way; and storm drain and flood control improvements.

On December 7, 2011, the City Council adopted Resolution No. 11-179 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2012, in the principal amount of \$9,093,000 were issued on December 21, 2011. This amount represented the outstanding principal balance of the original bonds as of this date.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015, were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

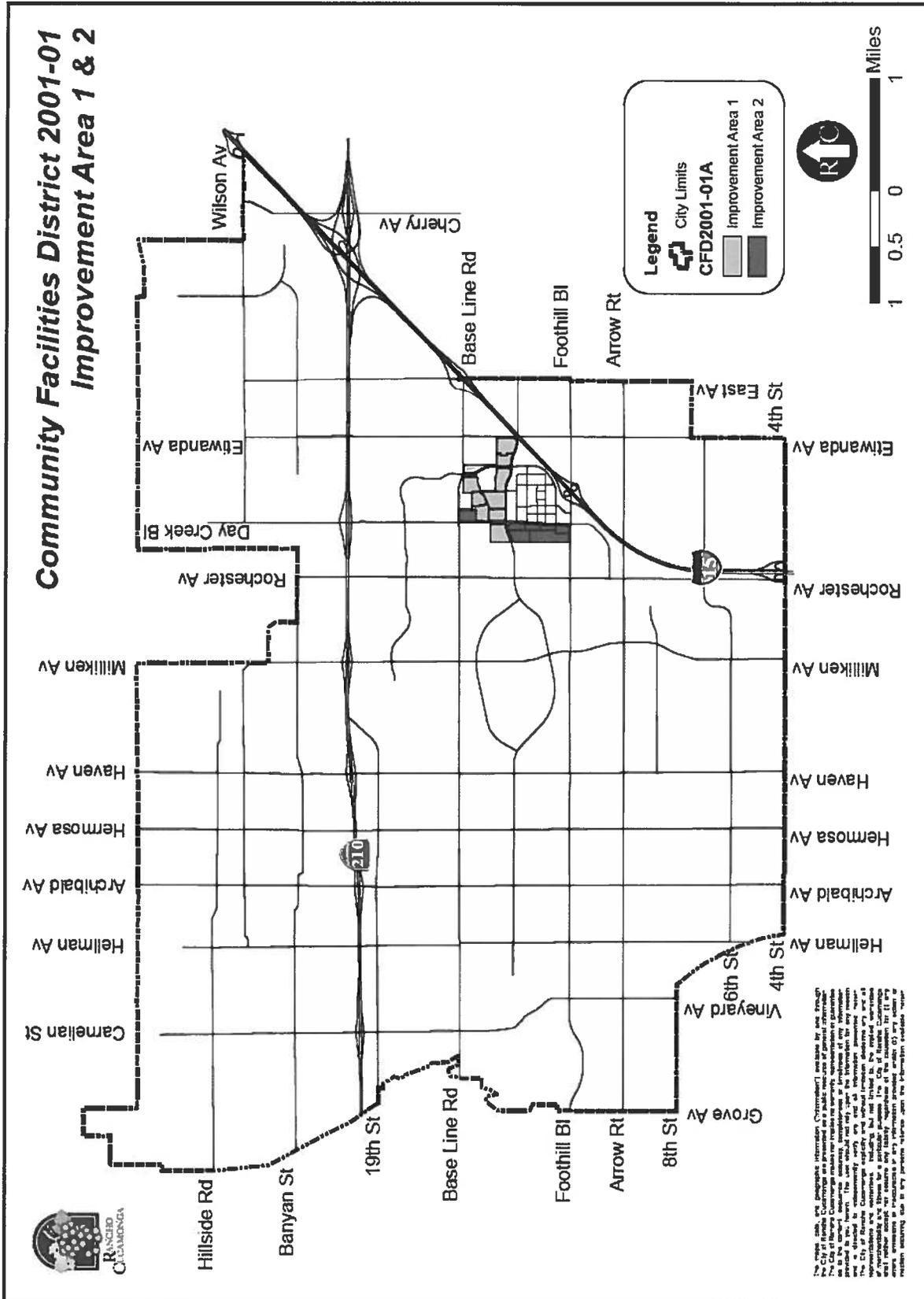
By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 12.09% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO.
2001-01 (IMPROVEMENT AREA NO. 1 AND 2), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-098
2. Annual Status Report
3. Map



RESOLUTION NO. 16-098

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT 2001-01 (IMPROVEMENT AREAS NO. 1 AND 2) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2001-01
(Improvement Area No. 1 and Improvement Area No. 2)
(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds were previously issued for purposes of financing the project facilities for said District (the "Prior Special Tax Bonds"); and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body, by the adoption of Resolution No. 15-149 on August 5, 2015, previously established the specific rate of the special tax to be collected for the fiscal year based, in part, upon the debt service payable on the Prior Special Tax Bonds; and

WHEREAS, on July 30, 2015, special tax refunding bonds were issued by the Community Facilities District to refund the Prior Special Tax Bonds resulting in a reduction in the debt service payable from the special taxes levied within the District.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rates as set forth in such Annual Status Report do not exceed the amount as previously authorized by Ordinance of this legislative body, and are not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.
- B. Necessary replenishment of bond reserve funds or other reserve funds;

- C. Payment of costs and expenses of administering the District and any bonds of the District.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including but not limited to, any special tax fund, bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2001-01
IMPROVEMENT AREA NO. 1 AND 2**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On June 20, 2001, an election was held and the property owners within the boundary of Community Facilities District No. 2001-01 (Improvement Area Nos. 1 and 2) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$14,240,000. On August 15, 2001, the City Council adopted Ordinance No. 01-019 authorizing the issuance of bonds.

Bonds were issued on August 29, 2001, to share in the financing of public street improvements required for the development of the property within the District; including, improvements to Day Creek, Victoria Park, Church, Foothill, Base Line, and Arbor; landscaping improvements within public right-of-way; and storm drain and flood control improvements.

On December 7, 2011, the City Council adopted Resolution No. 11-179 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2012, in the principal amount of \$9,093,000 were issued on December 21, 2011. This amount represented the outstanding principal balance of the original bonds as of this date.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015, were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 12.09% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Each fiscal year, all Taxable Property within Improvement Area No. 1 and Improvement Area No. 2 shall be classified as Developed Property, Final Mapped Property, Taxable Property Owner Association Property, Taxable Public Property, or Undeveloped Property, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with the rate and method of apportionment pursuant to the sections below. The property in Improvement Area No. 1 is residential in use. The property in Improvement Area No. 2 is primarily commercial and contains Victoria Gardens.

**COMMUNITY FACILITIES DISTRICT NO. 2001-01
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

IMPROVEMENT AREA NO. 1

<u>LAND USE CLASS</u>	<u>DESCRIPTION</u>	<u>RESIDENTIAL FLOOR AREA</u>	<u>ASSIGNED SPECIAL TAX</u>
1	Single Family Property	=> 3,250 Sq Ft	\$1,115.90 per Dwelling Unit
2	Single Family Property	2,950 to 3,249 Sq Ft	\$894.84 per Dwelling Unit
3	Single Family Property	2,650 to 2,949 Sq Ft	\$805.04 per Dwelling Unit
4	Single Family Property	2,350 to 2,649 Sq Ft	\$691.32 per Dwelling Unit
5	Single Family Property	2,150 to 2,349 Sq Ft	\$646.69 per Dwelling Unit
6	Single Family Property	1,950 to 2,149 Sq Ft	\$594.61 per Dwelling Unit
7	Single Family Property	< 1,950 Sq Ft	\$498.43 per Dwelling Unit
8	Apartment Property	Not Applicable	\$125.94 per Dwelling Unit
9	Non-Residential Property	Not Applicable	\$4,462.52 per Acre

IMPROVEMENT AREA NO. 2

<u>LAND USE CLASS</u>	<u>DESCRIPTION</u>	<u>ASSIGNED SPECIAL TAX</u>
1	Apartment Property	\$125.94 Per Dwelling Unit
2	Other Residential Property	\$5,721.95 per Acre
3	Non-Residential Property	\$0.33 Per Sq Ft. of Non-Residential Floor Area

**COMMUNITY FACILITIES DISTRICT NO. 2001-01
PROPOSED SOURCES AND USES OF FUNDS**

	Fiscal Year <u>2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 667,650
Anticipated Prior Year Delinquencies Collection	1,500
Subtotal - Taxes	<u>669,150</u>
Interest Revenue	<u>300</u>
Total Proposed Sources	<u><u>\$ 669,450</u></u>
 <u>Uses</u>	
Debt Service:	
Principal Repayments	\$ 245,970
Interest Expense	358,000
Subtotal - Debt Service	<u>603,970</u>
Contract Services	3,440
Assessment Administration	63,680
Admin./General Overhead	<u>1,030</u>
Total Proposed Uses	<u><u>\$ 672,120</u></u>
 Contribution to/(Use of) Fund Balance	 <u><u>\$ (2,670)</u></u>



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *TL*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2001-01 (IMPROVEMENT AREA NO. 3), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual special tax for Community Facilities District No. 2001-01 (Improvement Area No. 3). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the special tax to pay debt service on the bonds. There is no increase from the current tax rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On June 20, 2001, an election was held and the property owners within the boundary of Community Facilities District No. 2001-01 (Improvement Area No. 3) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$935,000. On August 15, 2001, the City Council adopted Ordinance No. 01-019 authorizing the issuance of bonds.

Bonds were issued on August 29, 2001, to share in the financing of public street improvements required for the development of the property within the District; including, improvements to Day Creek, Victoria Park, Church, Foothill, Base Line, and Arbor; landscaping improvements within public right-of-way; and storm drain and flood control improvements.

On December 7, 2011, the City Council adopted Resolution No. 11-179 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2012, in the principal amount of \$9,093,000 were issued on December 21, 2011. This amount represented the outstanding principal balance of the original bonds as of this date.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015 were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

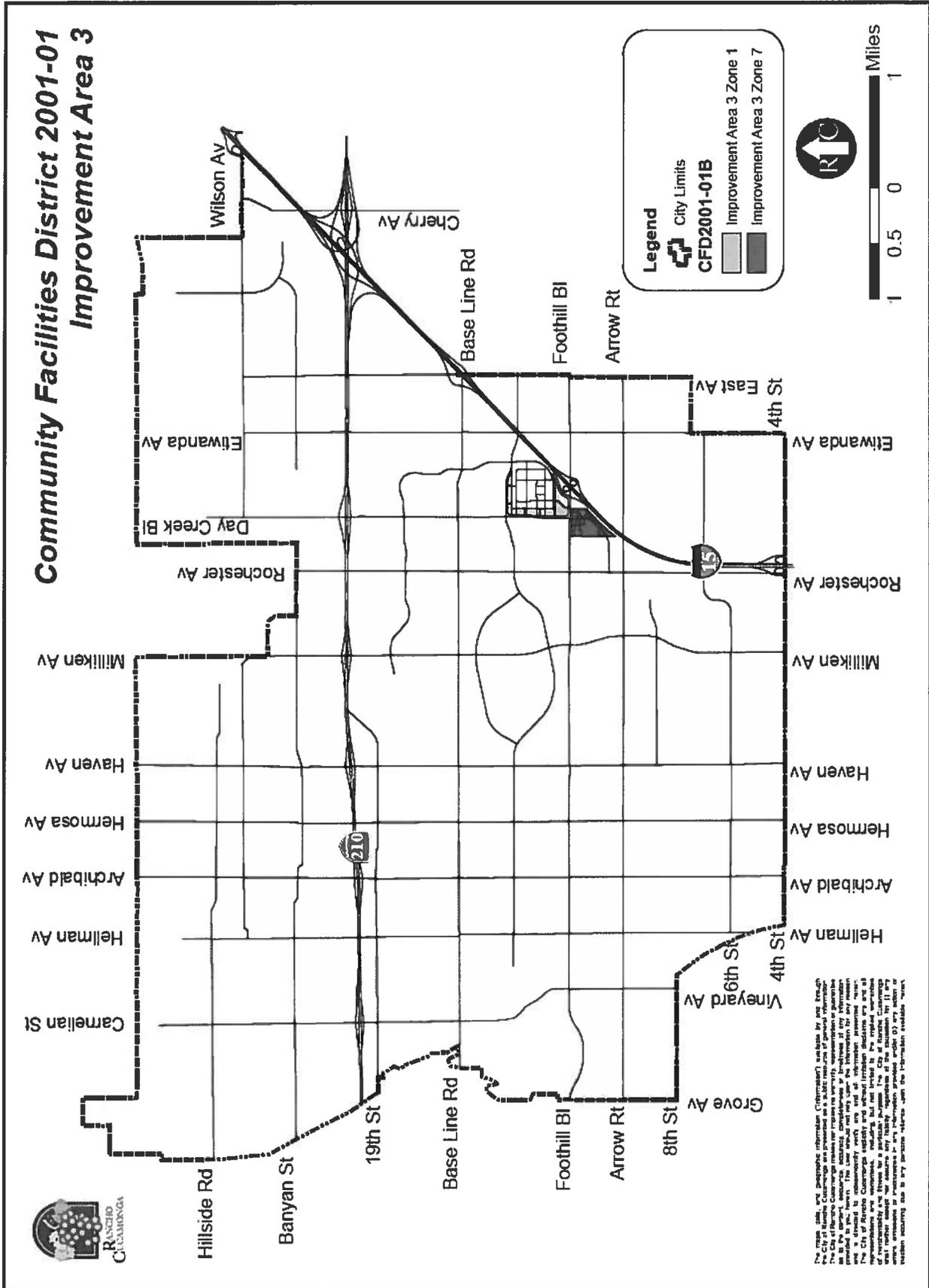
CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO.
2001-01 (IMPROVEMENT AREA NO. 3), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 6.29% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-099
2. Annual Status Report
3. Map



RESOLUTION NO. 16-099

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT 2001-01 (IMPROVEMENT AREA NO. 3) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2001-01(Improvement Area No. 3)
(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds were previously issued for purposes of financing the project facilities for said District (the "Prior Special Tax Bonds"); and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body, by the adoption of Resolution No. 15-150 on August 5, 2015, previously established the specific rate of the special tax to be collected for the fiscal year based, in part, upon the debt service payable on the Prior Special Tax Bonds; and

WHEREAS, on July 30, 2015, special tax refunding bonds were issued by the Community Facilities District to refund the Prior Special Tax Bonds resulting in a reduction in the debt service payable from the special taxes levied within the District.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rates as set forth in such Annual Status Report do not exceed the amount as previously authorized by Ordinance of this legislative body, and are not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.

- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of administering the District and any bonds of the District.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including but not limited to, any special tax fund, bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2001-01
IMPROVEMENT AREA NO. 3**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On June 20, 2001, an election was held and the property owners within the boundary of Community Facilities District No. 2001-01 (Improvement Area Nos. 3) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$935,000. On August 15, 2001, the City Council adopted Ordinance No. 01-019 authorizing the issuance of bonds.

Bonds were issued on August 29, 2001, to share in the financing of public street improvements required for the development of the property within the District; including, improvements to Day Creek, Victoria Park, Church, Foothill, Base Line, and Arbor; landscaping improvements within public right-of-way; and storm drain and flood control improvements.

On December 7, 2011, the City Council adopted Resolution No. 11-179 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2012, in the principal amount of \$9,093,000 were issued on December 21, 2011. This amount represented the outstanding principal balance of the original bonds as of this date.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015 were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 6.29% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Each fiscal year, all Taxable Property within each Zone of Improvement Area No. 3 shall be classified as Taxable or Non-Taxable Property and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with the rate and method of apportionment pursuant to the section below.

**COMMUNITY FACILITIES DISTRICT NO. 2001-01
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

	<u>TAXABLE ACREAGE</u>	<u>BOND SHARE</u>	<u>ASSIGNED TAX PER ACRE</u>
ZONE 7-LEGGIO	37.48	8.30%	\$1,640.00

**COMMUNITY FACILITIES DISTRICT NO. 2001-01
PROPOSED SOURCES AND USES OF FUNDS**

	Fiscal Year <u>2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 62,220
Interest Revenue	20
Total Proposed Sources	<u>\$ 62,240</u>
 <u>Uses</u>	
Debt Service	
Principal Repayments	\$ 23,820
Interest Expense	35,000
Subtotal - Debt Service	<u>58,820</u>
Admin./General Overhead	40
Total Proposed Uses	<u>\$ 58,860</u>
 Contribution to/(Use of) Fund Balance	 <u>\$ 3,380</u>



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *ML*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2003-01 (IMPROVEMENT AREA NO. 1), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual special tax for Community Facilities District No. 2003-01 (Improvement Area No. 1). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the tax rate to pay debt service on the bonds. There is no increase to the current rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On February 19, 2003, an election was held and the property owners within the boundary of Community Facilities District No. 2003-01 (Improvement Area No. 1) authorized the District to incur bonded indebtedness in the principal amount of \$14,645,000. On March 5, 2003, the City Council adopted Ordinance No. 699 approving the levy of the special tax, and on May 21, 2003 approved Resolution No. 03-125 authorizing the issuance of bonds.

The District consists of approximately 229 gross acres, of which 147 acres are designated as (Improvement Area No. 1). The District boundary is located in the eastern part of the City generally west of Interstate 15, south of Church, north of Arrow, and east of the Southern California Edison easement corridor from Arrow north, to Foothill and Day Creek from Foothill north, to Church. The District is located within the Victoria Planned Community.

Bonds were issued on August 20, 2003, to share in the provision of funds for the purpose of financing the acquisition and construction of the facilities which consist of Day Creek, Victoria Park, Church, Foothill, Base Line and Arbor; storm drain and flood control facilities and water and sewer improvements to be owned and operated by Cucamonga Valley Water District; and a cultural center owned by the City, that includes a performing arts center, public library and banquet hall/meeting room.

CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO.
2003-01 (IMPROVEMENT AREA No. 1), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

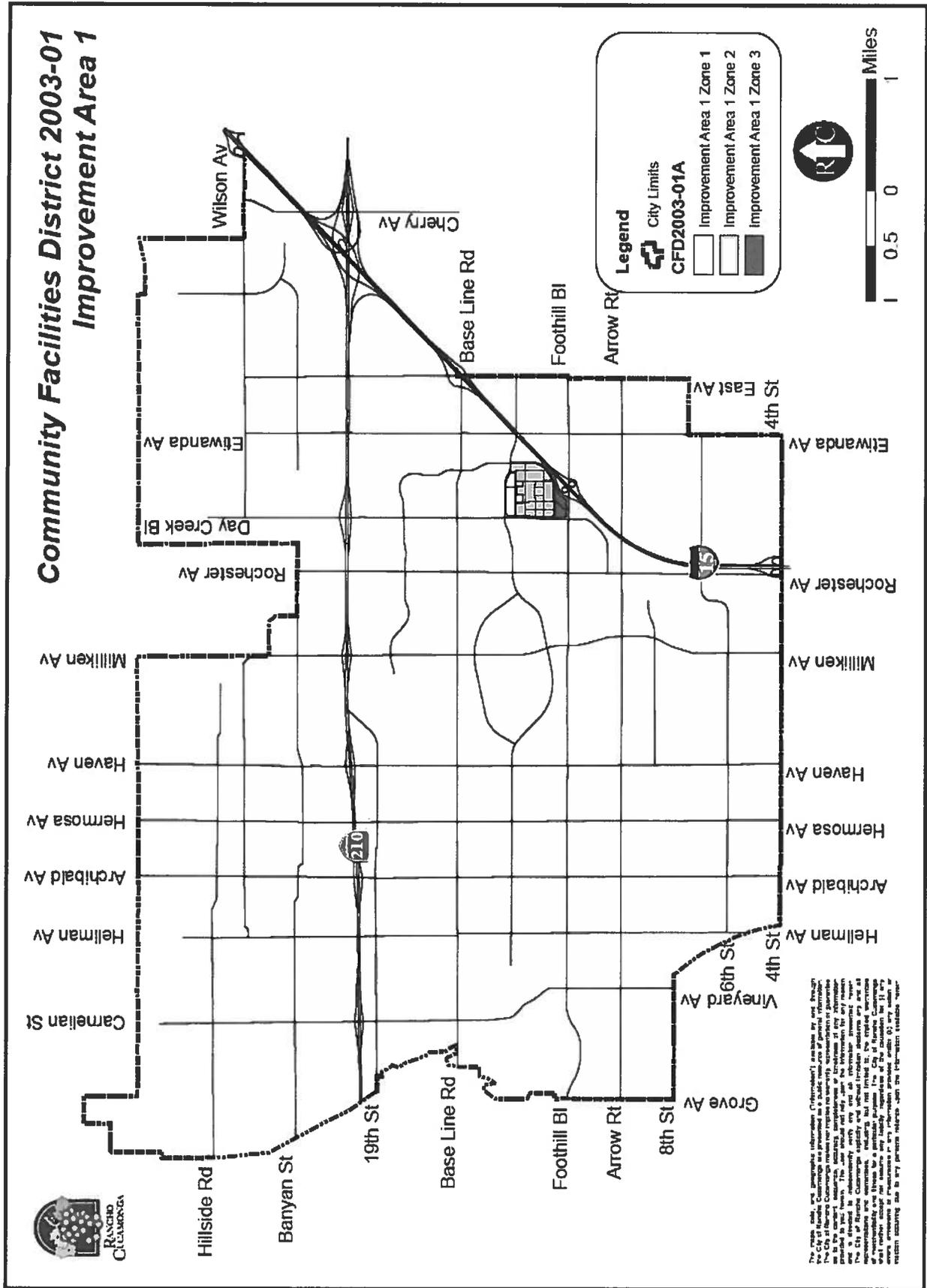
On July 3, 2013, the City Council adopted Resolution No. 13-110 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2013, in the principal amount of \$14,170,000 were issued on July 30, 2013. This amount represented the outstanding principal balance of the original bonds as of this date.

The rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-100
2. Annual Status Report
3. Map



RESOLUTION NO. 16-100

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX RATE FOR COMMUNITY FACILITIES DISTRICT 2003-01 (IMPROVEMENT AREA NO. 1), FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2003-01(Improvement Area No. 1)
(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds have been authorized for purposes of financing the project facilities for said District; and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body is desirous to establish the specific rate of the special tax to be collected for the fiscal year.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the referenced District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rate as set forth above does not exceed the amount as previously authorized by Ordinance of this legislative body, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.
- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of authorized public facilities and public services.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including any bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2003-01
IMPROVEMENT AREA NO. 1**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On February 19, 2003, an election was held and the property owners within the boundary of Community Facilities District No. 2003-01 (Improvement Area No. 1) authorized the District to incur bonded indebtedness in the principal amount of \$14,645,000. On March 5, 2003, the City Council adopted Ordinance No. 699 approving the levy of the special tax, and on May 21, 2003 approved Resolution No. 03-125 authorizing the issuance of bonds.

The District consists of approximately 229 gross acres, of which 147 acres are designated as (Improvement Area No. 1). The District boundary is located in the eastern part of the City generally west of Interstate 15, south of Church, north of Arrow, and east of the Southern California Edison easement corridor from Arrow north, to Foothill and Day Creek from Foothill north, to Church. The District is located within the Victoria Planned Community.

Bonds were issued on August 20, 2003, to share in the provision of funds for the purpose of financing the acquisition and construction of the facilities which consist of Day Creek, Victoria Park, Church, Foothill, Base Line and Arbor; storm drain and flood control facilities and water and sewer improvements to be owned and operated by Cucamonga Valley Water District; and a cultural center owned by the City, that includes a performing arts center, public library and banquet hall/meeting room.

On July 3, 2013, the City Council adopted Resolution No. 13-110 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2013, in the principal amount of \$14,170,000 were issued on July 30, 2013. This amount represented the outstanding principal balance of the original bonds as of this date.

The rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District.

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Each fiscal year, all Taxable Property within Zone 1, Zone 2, and Zone 3 of the District shall be classified as Developed Property or Undeveloped Property, and shall be subject to the levy of Special Taxes in accordance with the rate and method of apportionment pursuant to the sections below.

**COMMUNITY FACILITIES DISTRICT NO. 2003-01
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

	<u>ASSIGNED SPECIAL TAX</u>	<u>BACKUP SPECIAL TAX</u>	<u>NOTE</u>
ZONE 1 DEVELOPED PROPERTY	\$5,418.49 per Acre	\$6,206.47 per Acre	Both Assigned and Backup can increase 2% every year
ZONE 1 UNDEVELOPED PROPERTY	\$0.00 per Acre	\$6,206.47 per Acre	Backup can increase 2% every year
ZONE 2 DEVELOPED PROPERTY	\$9,802.21 per Acre	\$52,167.27 per Acre	Both Assigned and Backup can increase 2% every year
ZONE 2 UNDEVELOPED PROPERTY	\$0.00 per Acre	\$16,580.16 per Acre	Backup can increase 2% every year
ZONE 3 DEVELOPED PROPERTY	\$9,159.75 per Acre	\$14,763.93 per Acre	Both Assigned and Backup can increase 2% every year
ZONE 3 UNDEVELOPED PROPERTY	\$0.00 per Acre	\$14,763.93 per Acre	Backup can increase 2% every year

**COMMUNITY FACILITIES DISTRICT NO. 2003-01
PROPOSED SOURCES AND USES OF FUNDS**

	Fiscal Year <u>2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 1,073,990
Anticipated Prior Year Delinquencies Collection	450
Subtotal - Taxes	<u>1,074,440</u>
Interest Revenue	3,090
Total Proposed Sources	<u><u>\$ 1,077,530</u></u>
 <u>Uses</u>	
Debt Service:	
Principal Repayments	\$ 662,250
Interest Expense	360,000
Subtotal - Debt Service	<u>1,022,250</u>
Contract Services	3,500
Assessment Administration	51,740
Admin./General Overhead	770
Total Proposed Uses	<u><u>\$ 1,078,260</u></u>
 Contribution to/(Use of) Fund Balance	 <u><u>\$ (730)</u></u>

STAFF REPORT

ADMINISTRATIVE SERVICES GROUP



Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *ML*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2003-01 (IMPROVEMENT AREA NO. 2), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual special tax for Community Facilities District No. 2003-01 (Improvement Area No. 2). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the tax rate to pay debt service on the bonds. There is no increase to the current rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On February 19, 2003, an election was held and the property owners within the boundary of Community Facilities District No. 2003-01 (Improvement Area No. 2) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$2,855,000. On March 5, 2003, the City Council adopted Ordinance No. 699 approving the levy of the special tax, and on May 21, 2003, approved Resolution No. 03-125 authorizing the issuance of bonds.

The District consists of approximately 229 gross acres, of which 82 acres are designated as Improvement Area No. 2 (Zones 1 and 2). The District boundary is located in the eastern part of the City generally west of Interstate 15, south of Church, north of Arrow and east of Southern California Edison easement corridor from Arrow north, to Foothill and Day Creek from Foothill north, to Church. The District is located within the Victoria Planned Community.

Bonds were issued on August 20, 2003, to share in the provision of funds for the purpose of financing the acquisition and construction of the facilities which consist of Day Creek, Victoria Park, Church, Foothill, Base Line and Arbor; storm drain and flood control facilities and water and sewer improvements to be owned and operated by Cucamonga Valley Water District; and a cultural center owned by the City, that includes a performing arts center, public library and banquet hall/meeting room.

On September 17, 2013, the City Council adopted Resolution No. 13-162 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2013, in the principal amount of \$2,784,000 were issued on September 30, 2013. This amount represented the outstanding principal balance of the original bonds as of this date.

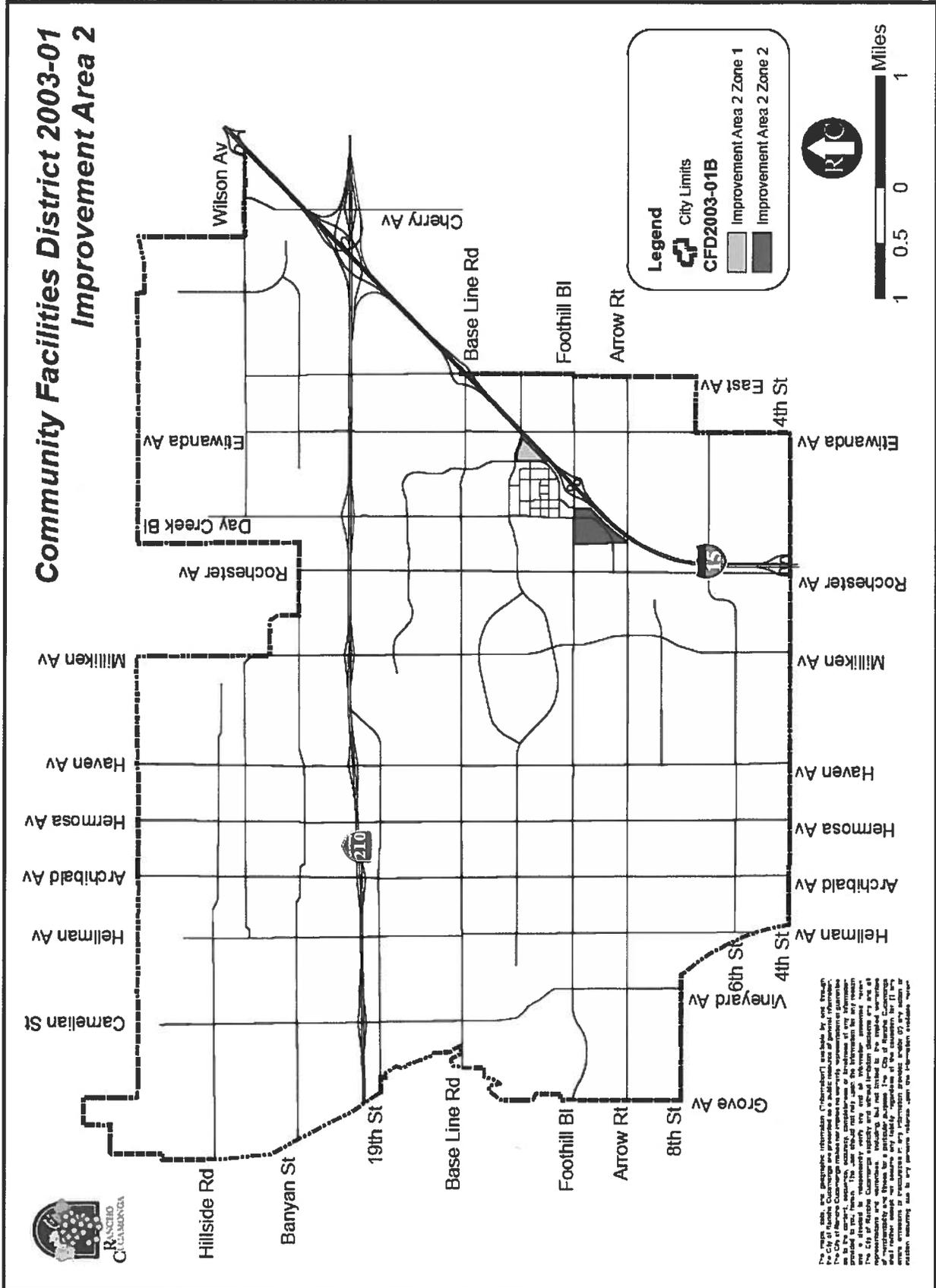
CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO.
2003-01 (IMPROVEMENT AREA NO. 2), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

The rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the district.

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-101
2. Annual Status Report
3. Map



RESOLUTION NO. 16-101

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT 2003-01 (IMPROVEMENT AREA NO. 2), FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2003-01(Improvement Area No. 2)
(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds have been authorized for purposes of financing the project facilities for said District; and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body is desirous to establish the specific rate of the special tax to be collected for the fiscal year.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the referenced District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rate as set forth above does not exceed the amount as previously authorized by Ordinance of this legislative body, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.
- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of authorized public facilities and public services.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including any bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2003-01
IMPROVEMENT AREA NO. 2**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On February 19, 2003, an election was held and the property owners within the boundary of Community Facilities District No. 2003-01 (Improvement Area No. 2) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$2,855,000. On March 5, 2003, the City Council adopted Ordinance No. 699 approving the levy of the special tax, and on May 21, 2003, approved Resolution No. 03-125 authorizing the issuance of bonds.

The District consists of approximately 229 gross acres, of which 82 acres are designated as Improvement Area No. 2 (Zones 1 and 2). The District boundary is located in the eastern part of the City generally west of Interstate 15, south of Church, north of Arrow and east of Southern California Edison easement corridor from Arrow north, to Foothill and Day Creek from Foothill north, to Church. The District is located within the Victoria Planned Community.

Bonds were issued on August 20, 2003, to share in the provision of funds for the purpose of financing the acquisition and construction of the facilities which consist of Day Creek, Victoria Park, Church, Foothill, Base Line and Arbor; storm drain and flood control facilities and water and sewer improvements to be owned and operated by Cucamonga Valley Water District; and a cultural center owned by the City, that includes a performing arts center, public library and banquet hall/meeting room.

On September 17, 2013, the City Council adopted Resolution No. 13-162 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2013, in the principal amount of \$2,784,000 were issued on September 30, 2013. This amount represented the outstanding principal balance of the original bonds as of this date.

The rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the district.

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Each fiscal year, all Taxable Property within Zone 1 and Zone 2 of the District shall be classified as Developed Property or Undeveloped Property, and shall be subject to the levy of Special Taxes in accordance with the rate and method of apportionment determined pursuant to the sections below.

**COMMUNITY FACILITIES DISTRICT NO. 2003-01
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

	<u>ASSIGNED SPECIAL TAX</u>	<u>BACKUP SPECIAL TAX</u>	<u>NOTE</u>
ZONE 1 DEVELOPED PROPERTY	\$2,331.04 per Acre	\$4023.12 per Acre	Both Assigned and Backup can increase 2% every year
ZONE 1 UNDEVELOPED PROPERTY	\$0.00 per Acre	\$4,023.12 per Acre	Backup can increase 2% every year
ZONE 2 DEVELOPED PROPERTY	\$7,084.51 per Acre	\$12,189.66 per Acre	Both Assigned and Backup can increase 2% every year
ZONE 2 UNDEVELOPED PROPERTY	\$0.00 per Acre	\$12,189.66 per Acre	Backup can increase 2% every year

**COMMUNITY FACILITIES DISTRICT NO. 2003-01
PROPOSED SOURCES AND USES OF FUNDS**

	<u>Fiscal Year</u> <u>2016/17 Budget</u>	
<u>Sources</u>		
Taxes:		
Estimated Assessments, Net of Estimated Delinquencies	\$	198,940
Interest Revenue		1,510
Total Proposed Sources	\$	200,450
<u>Uses</u>		
Debt Service:		
Principal Repayments	\$	112,010
Interest Expense		74,000
Subtotal - Debt Service		186,010
Contract Services		4,000
Assessment Administration		12,930
Admin./General Overhead		250
Total Proposed Uses	\$	203,190
Contribution to/(Use of) Fund Balance	\$	(2,740)



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director 
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2004-01 (RANCHO ETIWANDA ESTATES), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual special tax for Community Facilities District No. 2004-01 (Rancho Etiwanda Estates). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the tax rate to pay debt service on the bonds. There is no increase to the current rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On September 15, 2004, an election was held and the property owners within the boundary of Community Facilities District No. 2004-01 (the "District") authorized the District to incur bonded indebtedness in the maximum principal amount of \$45,000,000. On October 6, 2004, the City Council adopted Ordinance No. 735 approving the levy of the special tax, and on June 7, 2006 approved Resolution No. 06-185 authorizing the issuance of bonds. Bonds were issued on July 13, 2006 to share in the provision of funds for the acquisition and construction of certain public facilities, to serve property located within the District.

The District was authorized to finance the following improvements:

- Day Creek Boulevard - grading, storm drain, sewer, water, dry utilities, streets and landscaping;
- Etiwanda Avenue - grading, sewer, water, dry utilities, streets and landscaping;
- Cucamonga Valley Water District ("CVWD") reservoir transmission main;
- Storm drain facilities including the northern property line storm drain and the Etiwanda Avenue storm drain;
- Park facilities;
- Equestrian facilities;
- School facilities now owned by the Etiwanda School District and by the Chaffey Joint Union High School District;
- Water and sewer facilities now owned by CVWD which were authorized and financed from the proceeds of capacity charges levied by CVWD;
- Flood control facilities now owned by the San Bernardino County Flood Control District; and,
- Open space owned by the County of San Bernardino.

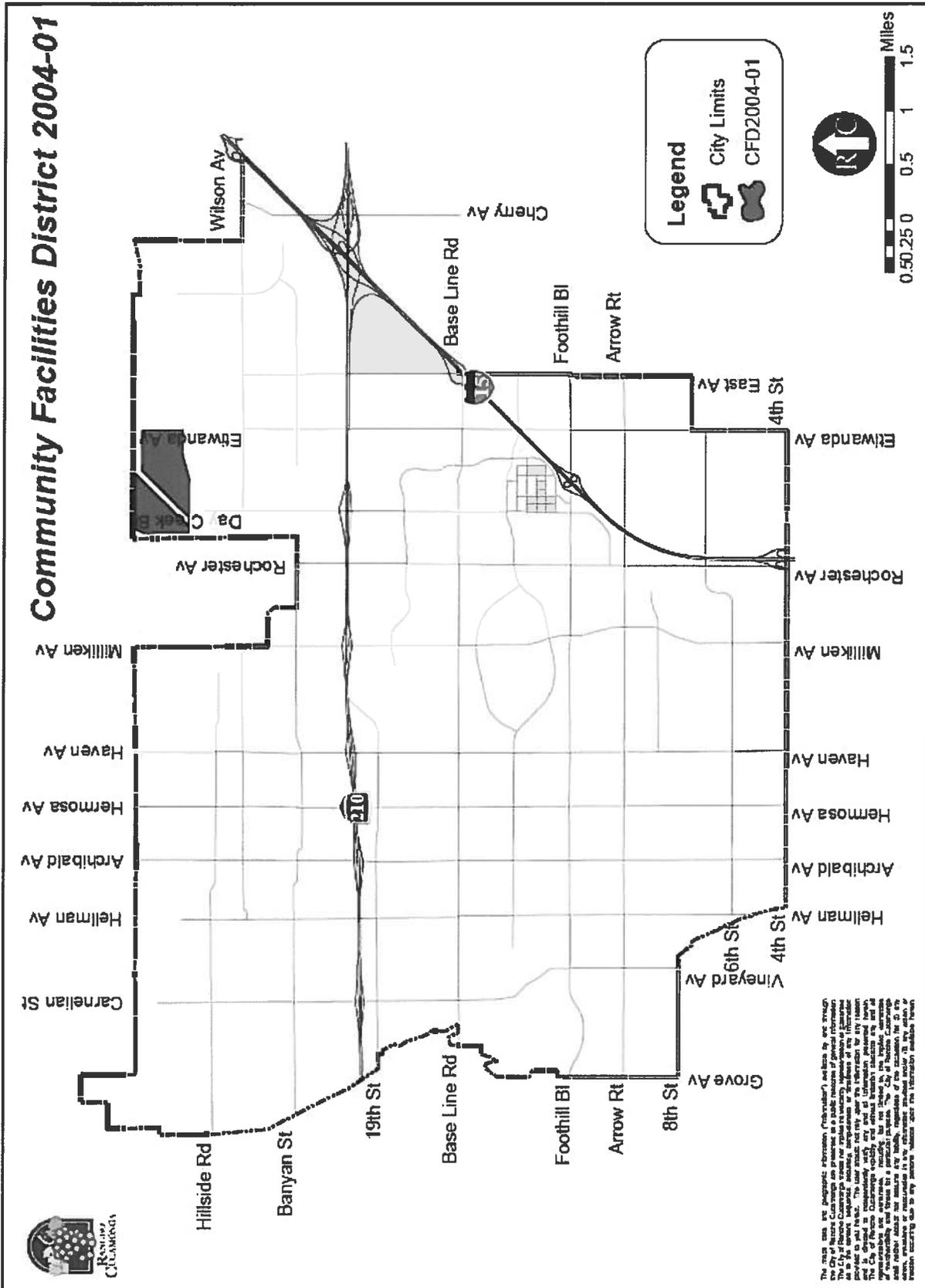
CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO.
2004-01 (RANCHO ETIWANDA ESTATES), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

On January 15, 2014, the City Council adopted Resolution No. 14-005 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2014, in the principal amount of \$34,384,000 were issued on February 07, 2014. This amount represented the outstanding principal balance of the original bonds as of this date. The rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the district.

The Special Tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-102
2. Annual Status Report
3. Map



RESOLUTION NO. 16-102

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT 2004-01 (RANCHO ETIWANDA ESTATES) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2004-01 (Rancho Etiwanda Estates)
(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds have been authorized for purposes of financing the project facilities for said District; and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body is desirous to establish the specific rate of the special tax to be collected for the fiscal year.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the referenced District is hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rate as set forth above does not exceed the amount as previously authorized by Ordinance of this legislative body, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.
- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of authorized public facilities and public services.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including any bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2004-01
RANCHO ETIWANDA ESTATES**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On September 15, 2004, an election was held and the property owners within the boundary of Community Facilities District No. 2004-01 (the "District") authorized the District to incur bonded indebtedness in the maximum principal amount of \$45,000,000. On October 6, 2004, the City Council adopted Ordinance No. 735 approving the levy of the special tax, and on June 7, 2006 approved Resolution No. 06-185 authorizing the issuance of bonds. Bonds were issued on July 13, 2006 to share in the provision of funds for the acquisition and construction of certain public facilities, to serve property located within the District.

The District was authorized to finance the following improvements:

- Day Creek Boulevard - grading, storm drain, sewer, water, dry utilities, streets and landscaping,
- Etiwanda Avenue - grading, sewer, water, dry utilities, streets and landscaping;
- Cucamonga Valley Water District ("CVWD") reservoir transmission main,
- Storm drain facilities including the northern property line storm drain and the Etiwanda Avenue storm drain,
- Park facilities,
- Equestrian facilities,
- School facilities now owned by the Etiwanda School District and by the Chaffey Joint Union High School District,
- Water and sewer facilities now owned by CVWD which were authorized and financed from the proceeds of capacity charges levied by CVWD,
- Flood control facilities now owned by the San Bernardino County Flood Control District, and
- Open space owned by the County of San Bernardino.

On January 15, 2014, the City Council adopted Resolution No. 14-005 authorizing the issuance of special tax refunding bonds for this District. The Special Tax Refunding Bonds, Series 2014 in the principal amount of \$34,384,000 were issued on February 07, 2014. This amount represented the outstanding principal of the original bonds as of this date. The rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the district.

The special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

TERM OF SPECIAL TAX

The Special Tax shall be levied for a period not to exceed fifty years commencing with Fiscal Year 2005/06 provided, however, that special taxes will cease to be levied in an earlier fiscal year if the Community Facilities District Administrator has determined (i) that all required interest and principal payments on the District’s bonds have been paid; and (ii) all authorized facilities have been constructed.

ANNUAL SPECIAL TAX

FISCAL YEAR 2016/17

Land Use Category	Developed Floor Area	Maximum Special Tax	Actual Special Tax
1 - Residential Property	Greater than 4,000 sq ft	\$5,555 per unit	\$5,194 per unit
2 - Residential Property	3,801 – 4,000 sq ft	\$5,325 per unit	\$4,979 per unit
3 - Residential Property	3,601 – 3,800 sq ft	\$5,151 per unit	\$4,817 per unit
4 - Residential Property	3,400 – 3,600 sq ft	\$4,896 per unit	\$4,578 per unit
5 - Residential Property	Less than 3,400 sq ft	\$4,410 per unit	\$4,124 per unit
6 - Non-Residential Property	NA	\$14,800 per acre	\$0.00 per acre

**COMMUNITY FACILITIES DISTRICT NO. 2004-01
PROPOSED SOURCES AND USES OF FUNDS**

	<u>Fiscal Year 2016/17 Budget</u>
<u>Sources</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 2,419,820
Anticipated Prior Year Delinquencies Collection	23,500
Subtotal - Taxes	2,443,320
Interest Revenue	11,030
Total Proposed Sources	\$ 2,454,350
 <u>Uses</u>	
Debt Service:	
Principal Repayments	\$ 1,328,790
Interest Expense	1,050,000
Subtotal - Debt Service	2,378,790
Contract Services	3,500
Assessment Administration	41,030
Admin./General Overhead	1,060
Total Proposed Uses	\$ 2,424,380
Contribution to/(Use of) Fund Balance	\$ 29,970



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *ML*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-01 (VINTNER'S GROVE), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual special tax for Community Facilities District No. 2006-01 (Vintner's Grove). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the tax rate to pay debt service on the bonds. There is no increase from the current tax rate for Fiscal Year 2016/17.

BACKGROUND/ANALYSIS

On October 18, 2006, an election was held and the property owners within the boundary of Community Facilities District No. 2006-01 (Vintner's Grove) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$5,800,000. On November 1, 2006, the City Council adopted Ordinance No. 769 approving the levy of the special tax, and on December 20, 2006 approved Resolution No. 06-401 authorizing the issuance of bonds. The District boundary is located on the south side of Arrow, east of Center, north of 26th and west of Haven.

Bonds were issued on January 25, 2007, to share in the provision of funds for the acquisition of street improvements, landscape improvements within the public right-of-way, and water and sewer improvements.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015 were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 37.85% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District. The reason for such a large savings was due to the higher interest rate environment that existed when the prior bonds were sold.

CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO.
2006-01 (VINTNER'S GROVE), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

This special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-103
2. Annual Status Report
3. Map

RESOLUTION NO. 16-103

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-01 (VINTNER'S GROVE) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2006-01 (Vintner's Grove)
(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds were previously issued for purposes of financing the project facilities for said District (the "Prior Special Tax Bonds"); and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body, by the adoption of Resolution No. 15-151 on August 5, 2015, established the specific rate of the special tax to be collected for the Fiscal Year based, in part, upon the debt service payable on the Prior Special Tax Bonds; and

WHEREAS, on July 30, 2015, special tax refunding bonds were issued by the District to refund the Prior Special Tax Bonds resulting in a reduction in the debt service payable from the special taxes levied within the District; and

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the District are hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rates as set forth in such Annual Status Report do not exceed the amount as previously authorized by Ordinance of this legislative body, and are not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.

- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of administering the District and any bonds of the District.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including but not limited to, any special tax fund, bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2006-01
VINTNER'S GROVE**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On October 18, 2006, an election was held and the property owners within the boundary of Community Facilities District No. 2006-01 (Vintner's Grove) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$5,800,000. On November 1, 2006, the City Council adopted Ordinance No. 769 approving the levy of the special tax, and on December 20, 2006 approved Resolution No. 06-401 authorizing the issuance of bonds. The District boundary is located on the south side of Arrow, east of Center, north of 26th and west of Haven.

Bonds were issued on January 25, 2007, to share in the provision of funds for the acquisition of street improvements, landscape improvements within the public right-of-way, and water and sewer improvements.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015 were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 37.85% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District. The reason for such a large savings was due to the higher interest rate environment that existed when the prior bonds were sold.

This special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Each fiscal year, all Taxable Property within the District shall be classified as Developed Property or Undeveloped Property, and shall be subject to the levy of Special Taxes in accordance with the rate and method of apportionment determined pursuant to the section below.

**COMMUNITY FACILITIES DISTRICT NO. 2006-01 (VINTNER'S GROVE)
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

<u>Floor Plan</u>	<u>Home Size (Sq. Ft.)</u>	<u>Number of Units</u>	<u>Special Tax</u>
Tri-Plex Plan 1	1,335	26	\$ 1,444.32
Tri-Plex Plan 2	1,803	26	\$ 1,664.32
Tri-Plex Plan 3	1,920	26	\$ 1,723.98
SFD Plan 4	2,188	28	\$ 1,932.18
SFD Plan 5	2,627	28	\$ 2,099.98
SFD Plan 6	3,173	22	\$ 2,291.39

**COMMUNITY FACILITIES DISTRICT NO. 2006-01
PROPOSED SOURCES AND USES OF FUNDS**

	<u>Fiscal Year</u> <u>2016/17 Budget</u>	
<u>Sources</u>		
Taxes:		
Estimated Assessments, Net of Estimated Delinquencies	\$	287,760
Anticipated Prior Year Delinquencies Collection		<u>2,500</u>
Subtotal - Taxes		290,260
Interest Revenue		<u>2,450</u>
Total Proposed Sources	\$	<u><u>292,710</u></u>
 <u>Uses</u>		
Debt Service:		
Principal Repayments	\$	141,980
Interest Expense		<u>120,000</u>
Subtotal - Debt Service		261,980
Contract Services		3,500
Assessment Administration		25,780
Admin./General Overhead		<u>590</u>
Total Proposed Uses	\$	<u><u>291,850</u></u>
 Contribution to/(Use of) Fund Balance	 \$	 <u><u>860</u></u>



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *TL*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-02 (AMADOR ON ROUTE 66), WITH NO INCREASE TO THE CURRENT RATE.**

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution setting the annual special tax for Community Facilities District No. 2006-02 (Amador on Route 66). Pursuant to Section 53340 and 53358 of the Government Code Mello-Roos Community Facilities District Act of 1982, the City Council is authorized to annually levy the tax rate to pay debt service on the bonds. There is no increase from the current tax rate for FY 2016/17.

BACKGROUND/ANALYSIS

On October 18, 2006, an election was held and the property owners within the boundary of Community Facilities District No. 2006-02 (Amador on Route 66) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$2,980,000. On November 1, 2006, the City Council adopted Ordinance No. 770 approving the levy of the special tax, and on December 20, 2006 approved Resolution No. 06-402 authorizing the issuance of bonds. The District boundary is located south of Garcia, east of Etiwanda, north of Foothill and west of East.

Bonds were issued on January 25, 2007, to share in the provision of funds for the acquisition of street improvements, landscape improvements within the public right-of-way, and water and sewer improvements.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The 2015 Special Tax Refunding Bonds, Series 2015 were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

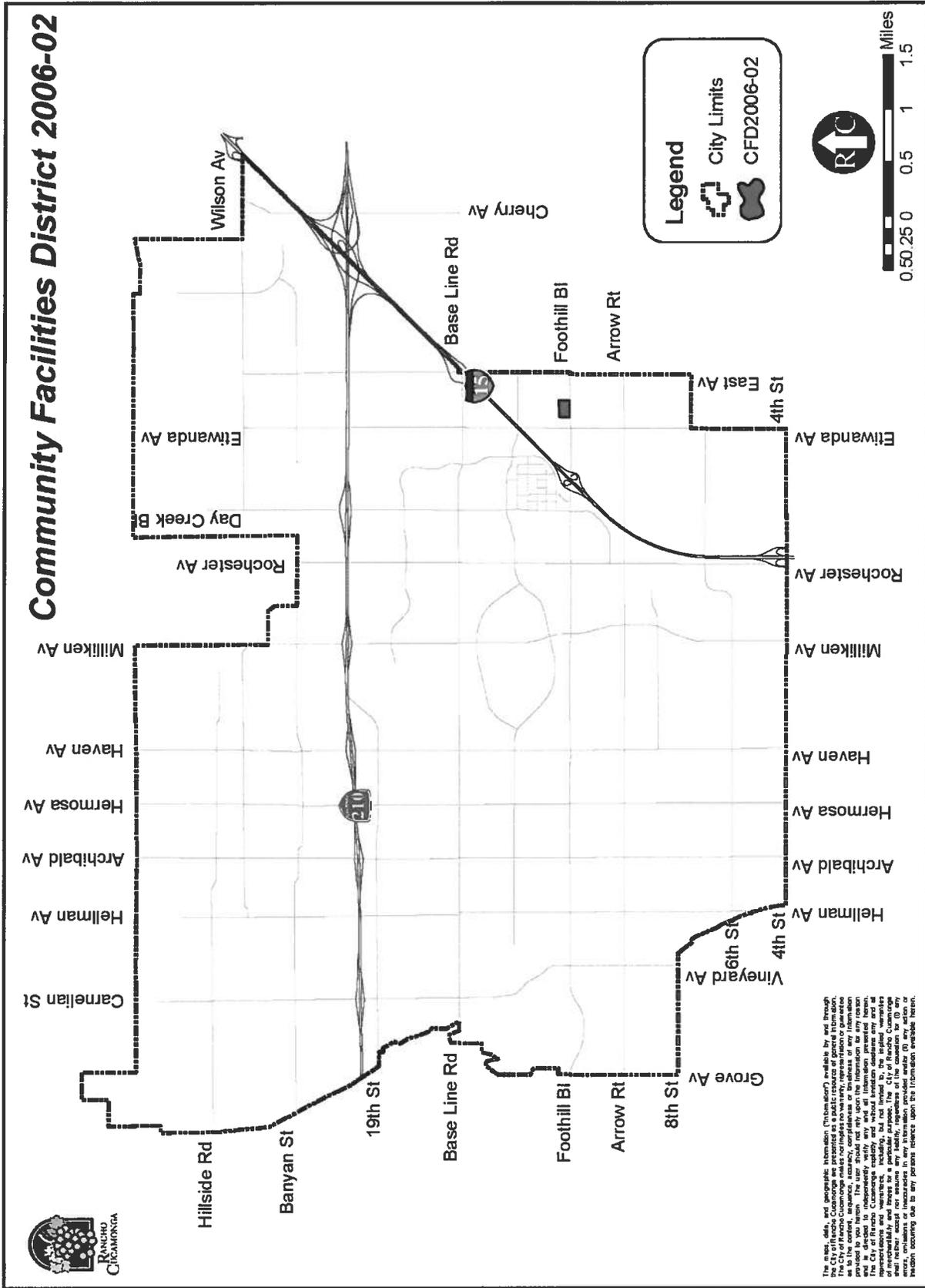
By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 28.42% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District. The reason for such a large savings was due to the higher interest rate environment that existed when the prior bonds were sold.

CONSIDERATION OF APPROVAL TO SET ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO.
2006-02 (AMADOR ON ROUTE 66), WITH NO INCREASE TO THE CURRENT RATE
JULY 20, 2016
PAGE 2

This special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Attachments

1. Resolution 16-104
2. Annual Status Report
3. Map



RESOLUTION NO. 16-104

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, RE-ESTABLISHING ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT 2006-02 (AMADOR ON ROUTE 66) FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga, California, (hereinafter referred to as the "legislative body of the local Agency"), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a Community Facilities District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code for the State of California. This Community Facilities District shall hereinafter be referred to as

COMMUNITY FACILITIES DISTRICT NO. 2006-02 (Amador on Route 66)
(hereinafter referred to as the "District"); and

WHEREAS, at this time, bonds were previously issued for purposes of financing the project facilities for said District (the "Prior Special Tax Bonds"); and

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said District, and this legislative body, by the adoption of Resolution No. 15-152 on August 5, 2015, established the specific rate of the special tax to be collected for the fiscal year based, in part, upon the debt service payable on the Prior Special Tax Bonds; and

WHEREAS, on July 30, 2015, special tax refunding bonds were issued by the Community Facilities District to refund the Prior Special Tax Bonds resulting a reduction in the debt service payable from the special taxes levied within the District.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga does hereby resolve as follows:

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

SECTION 2: That the specific rate and amount of the special tax to be collected to pay for the costs and expenses for the Fiscal Year 2016/17 for the District is hereby determined and established as set forth in the attached, referenced and incorporated in the Annual Status Report.

SECTION 3: That the rates as set forth in such Annual Status Report do not exceed the amount as previously authorized by Ordinance of this legislative body, and are not in excess of that as previously approved by the qualified electors of the District.

SECTION 4: That the proceeds of the special tax are used to pay, in whole or in part, the costs of the following, in the following order of priority:

- A. Payment of principal of and interest on any outstanding authorized bonded indebtedness.

- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs and expenses of administering the District and any bonds of the District.
- D. Repayment of advances and loans, if appropriate.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5: The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6: All monies above collected shall be paid into the District funds, including but not limited to, any special tax fund, bond fund and reserve fund.

SECTION 7: The County Auditor is hereby directed to enter in the next county assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax", or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the attached Annual Status Report.

SECTION 8: The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice Reynolds, City Clerk

I, Janice Reynolds, City Clerk of the City of Rancho Cucamonga, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a Meeting of said Council on the 20th day of July, 2016.

Executed this 20th day of July, 2016 at Rancho Cucamonga, California.

Janice Reynolds, City Clerk

CITY OF RANCHO CUCAMONGA

**MELLO-ROOS COMMUNITY
FACILITIES DISTRICT NO. 2006-02
AMADOR ON ROUTE 66**

ANNUAL STATUS REPORT

JULY, 2016

BACKGROUND

On October 18, 2006, an election was held and the property owners within the boundary of Community Facilities District No. 2006-02 (Amador on Route 66) (the "District") authorized the District to incur bonded indebtedness in the principal amount of \$2,980,000. On November 1, 2006, the City Council adopted Ordinance No. 770 approving the levy of the special tax, and on December 20, 2006 approved Resolution No. 06-402 authorizing the issuance of bonds. The District boundary is located south of Garcia, east of Etiwanda, north of Foothill and west of East.

Bonds were issued on January 25, 2007, to share in the provision of funds for the acquisition of street improvements, landscape improvements within the public right-of-way, and water and sewer improvements.

On July 1, 2015, the City Council adopted Resolution No. 15-115 authorizing the issuance of special tax refunding bonds for this District in conjunction with various other Community Facilities Districts. The Special Tax Refunding Bonds, Series 2015, were refunded with a total principal amount of \$18,546,000 and were issued on July 30, 2015.

By authorizing this refunding, the City Council provided savings to the property owners for the remaining life of the bond issue, that translated to a 28.42% overall reduction in the annual debt service payment paid by property owners. Consequently, the rates for the District will not increase in Fiscal Year 2016/17 because the current rate is sufficient to meet fiscal obligations for the District. The reason for such a large savings was due to the higher interest rate environment that existed when the prior bonds were sold.

This special tax shall be levied only so long as required for each parcel of taxable property to discharge bond obligations.

Each fiscal year, all Taxable Property within the District shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property or Undeveloped Property, and shall be subject to the levy of Special Taxes in accordance with the rate and method of apportionment determined pursuant to the section below.

**COMMUNITY FACILITIES DISTRICT NO. 2006-02 (AMADOR ON ROUTE 66)
ANNUAL SPECIAL TAX
FISCAL YEAR 2016/17**

<u>Land Use Class</u>	<u>Description</u>	<u>Residential Floor Area</u>	<u>Assigned Special Tax</u>	<u># of Units</u>
1	Single Family Detached Property	>1,850 Sq. Ft.	\$2,015.67 per unit	33
2	Single Family Detached Property	1,601 - 1,850 Sq. Ft.	\$1,930.49 per unit	33
3	Single Family Detached Property	1,351 - 1,600 Sq. Ft.	\$1,767.30 per unit	0
4	Single Family Detached Property	<1,351 Sq. Ft.	\$1,604.09 per unit	33
5	Non-Residential Property	N/A	\$0.00 per acre	0

**COMMUNITY FACILITIES DISTRICT NO. 2006-02
PROPOSED SOURCES AND USES OF FUNDS**

	<u>Fiscal Year 2016/17 Budget</u>	
<u>Sources</u>		
Taxes:		
Estimated Assessments, Net of Estimated Delinquencies	\$	185,660
Anticipated Prior Year Delinquencies Collection		12,500
Subtotal - Taxes		<u>198,160</u>
Interest Revenue		1,530
Total Proposed Sources	\$	<u><u>199,690</u></u>
 <u>Uses</u>		
Debt Service:		
Principal Repayments	\$	75,000
Interest Expense		84,860
Subtotal - Debt Service		<u>159,860</u>
Contract Services		3,500
Assessment Administration		25,800
Admin./General Overhead		470
Total Proposed Uses	\$	<u><u>189,630</u></u>
 Contribution to/(Use of) Fund Balance	 \$	 <u><u>10,060</u></u>



STAFF REPORT

ENGINEERING SERVICES DEPARTMENT

Date: July 20, 2016
To: Mayor and Members of the City Council
John R. Gillison, City Manager
From: Jason C. Welday, Director of Engineering Services/City Engineer
By: Curt Billings, Associate Engineer *CB*
Shelley Hayes, Assistant Engineer *SH*
Subject: CONSIDERATION TO RELEASE MAINTENANCE GUARANTEE BOND NO. PRF7640285-M IN THE AMOUNT OF \$45,947.19, FOR THE BASE LINE ROAD AT I-15 FREEWAY UTILITY UNDERGROUND PROJECT PROJECT, CONTRACT NO. 14-118

RECOMMENDATION

It is recommended that the City Council authorize the City Clerk to release Maintenance Guarantee Bond No. PRF7640285-M in the amount of \$45,947.19, for the Base Line Road at I-15 Freeway Utility Underground project, Contract No. 14-118.

BACKGROUND/ANALYSIS

The required one-year maintenance period has ended and the improvements remain free from defects in materials and workmanship.

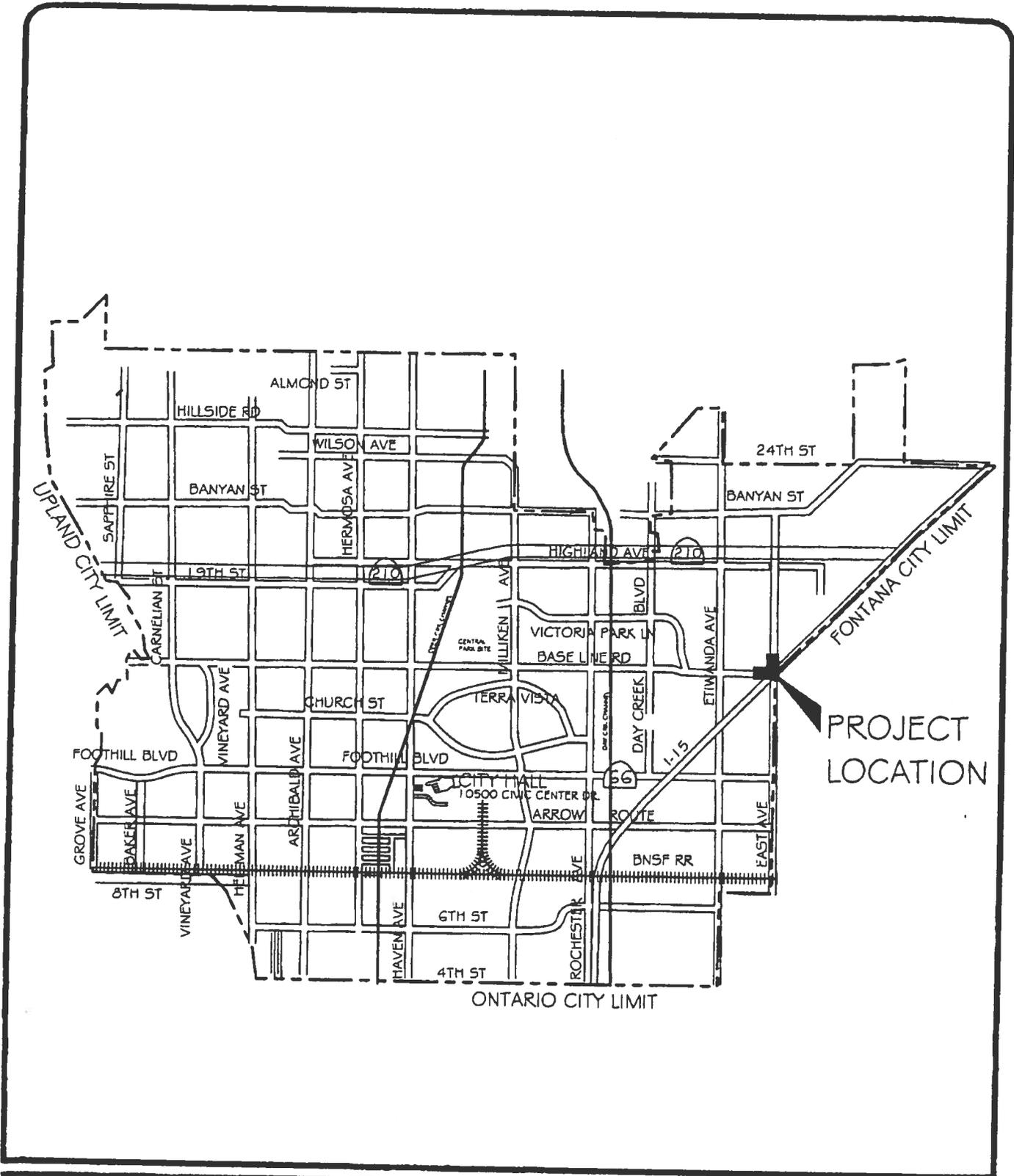
Contractor: Herman Weissker Inc.
1645 Brown Avenue
Riverside, CA 92509

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jason C. Welday", is positioned above the typed name.

Jason C. Welday
Director of Engineering Services/City Engineer

JCW/CB/SH:ls



	<p>CITY OF RANCHO CUCAMONGA BASE LINE ROAD AT I-15 FREEWAY UTILITY UNDERGROUND PROJECT VICINITY MAP</p>	
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STAFF REPORT

ENGINEERING SERVICES DEPARTMENT



Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Jason C. Welday, Director of Engineering Services/City Engineer

By: Willie Valbuena, Assistant Engineer

Subject: CONSIDERATION OF APPROVAL OF MAP, IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITIES, MONUMENTATION CASH DEPOSIT AND ORDERING THE ANNEXATION TO LANDSCAPE MAINTENANCE DISTRICT NO. 3B AND STREET LIGHT MAINTENANCE DISTRICT NOS. 1 AND 6 FOR PARCEL MAP 19666, LOCATED AT THE SOUTHWEST CORNER OF FOOTHILL BOULEVARD AND SPRUCE AVENUE, SUBMITTED BY CI, RANCHO II, LLC

RECOMMENDATION

It is recommended that the City Council adopt the attached resolutions approving the Final Parcel Map, Improvement Agreement, Improvement Securities, Monumentation Cash Deposit and ordering the annexation to Landscape Maintenance District No. 3B and Street Light Maintenance District Nos. 1 and 6 for Parcel Map 19666 and authorizing the Mayor to sign said agreements and authorizing the City Clerk to cause said map to record.

BACKGROUND/ANALYSIS

Tentative Parcel Map 19666, located at the southwest corner of Foothill Boulevard and Spruce Avenue, in the Industrial Park (IP) District, was approved by the Planning Commission on February 24, 2016. This project is for a subdivision of 2 parcels on 2.25 acres of land.

The Developer, CI, Rancho II, LLC, is submitting an Improvement Agreement, Improvement Securities and Monumentation Cash Deposit to guarantee the construction of the public improvements in the following amounts:

Faithful Performance Bond	\$ 16,900.00
Labor and Material Bond	\$ 16,900.00
Monumentation Cash Deposit	\$ 2,726.00

Copies of the agreement and securities are available in the City Clerk's Office.

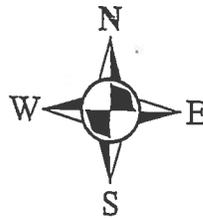
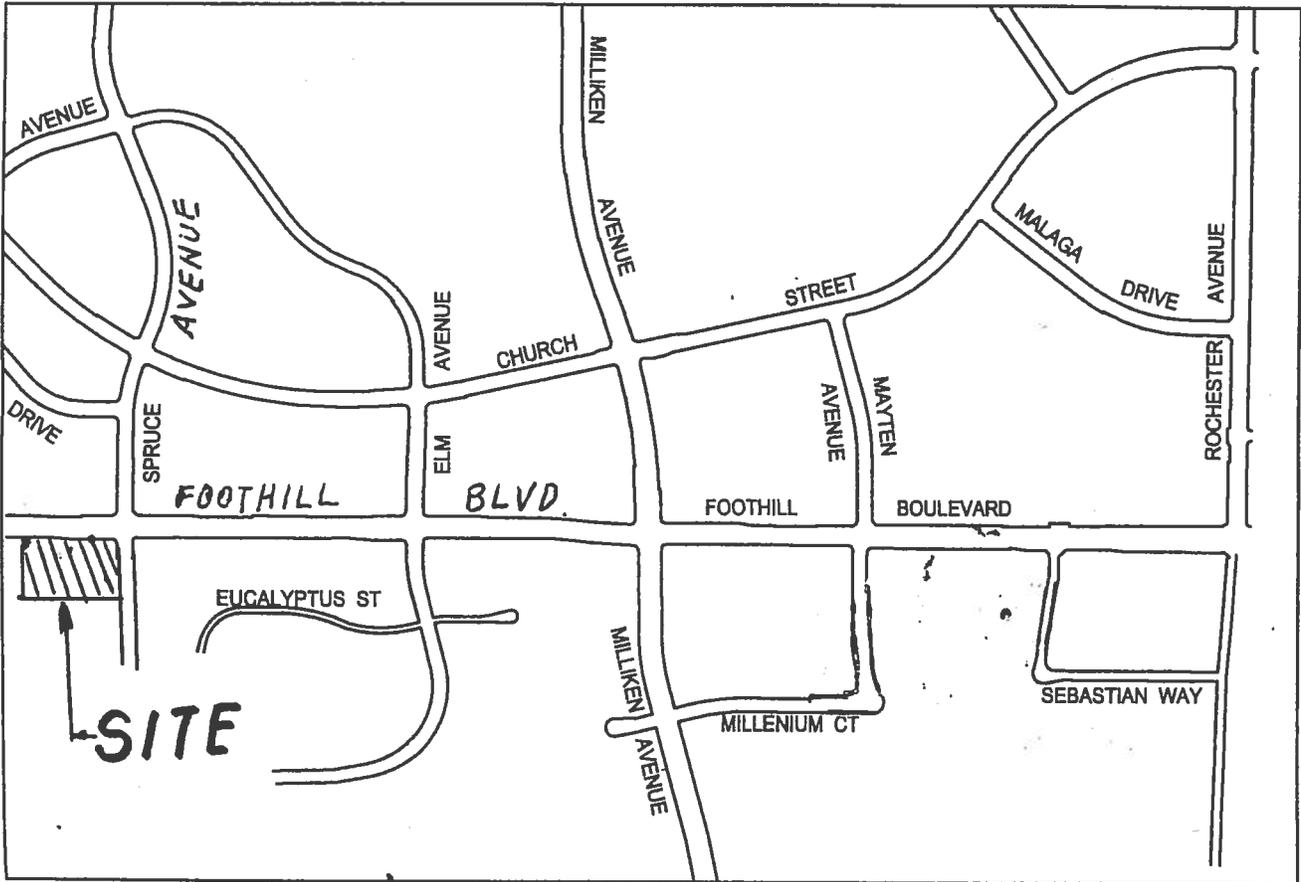
The Consent and Waiver to Annexation forms signed by the Developer are on file in the City Clerk's Office.

Respectfully submitted,

Jason C. Welday
Director of Engineering Services/City Engineer

JCW:WAV/rf

City of Rancho Cucamonga Engineering Division Vicinity Map



Item: PARCEL MAP 19666

Title: VICINITY MAP

RESOLUTION NO. 16-105

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE FINAL MAP, IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITIES AND MONUMENTATION CASH DEPOSIT FOR PARCEL MAP 19666

WHEREAS, Tentative Parcel Map 19666 submitted by CI, Rancho II, LLC, and consisting of a subdivision of 2.25 acres of land into 2 parcels, located at the southwest corner of Foothill Boulevard and Spruce Avenue, was approved by the Planning Commission on February 24, 2016; and

WHEREAS, Parcel Map 19666 is the final map of the division of land approved as shown on the Tentative Tract Map; and

WHEREAS, all the requirements established as prerequisite to approval of the installation of public street improvements by the City Council of said City have now been met by posting the Improvement Securities and Monumentation Cash Deposit by CI, Rancho II, LLC, as developer; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, HEREBY RESOLVES, that said Improvement Agreement, Improvement Securities and Monumentation Cash Deposit submitted by said developer be and the same are hereby approved and the Mayor is hereby authorized to sign said Improvement Agreement on behalf of the City of Rancho Cucamonga and that said Parcel Map 19666 be and the same is hereby approved and the City Engineer is authorized to present same to the County Recorder to be filed for record.

RESOLUTION NO. 16-106

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO LANDSCAPE MAINTENANCE DISTRICT NO. 3B (COMMERCIAL INDUSTRIAL MAINTENANCE DISTRICT) FOR PM19666

WHEREAS, the City Council of the City of Rancho Cucamonga, California, has previously formed a special maintenance district pursuant to the terms of the "Landscape and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Act", said special maintenance district known and designated as Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District) (the "District")); and

WHEREAS, the provisions of Article 2 of Chapter 2 of the Act authorize the annexation of additional territory to the District; and

WHEREAS, such provisions also provide that the requirement for the preparation of resolutions, and assessment engineer's report, notices of public hearing and the right of majority protest may be waived in writing with the written consent of all of the owners of property within the territory to be annexed; and

WHEREAS, notwithstanding that such provisions of the Act related to the annexation of territory to the District, Article XIII D of the Constitution of the State of California ("Article XIII D") establishes certain procedural requirements for the authorization to levy assessments which apply to the levy of annual assessments for the District on the territory proposed to be annexed to such District; and

WHEREAS, the owners of certain property described in Exhibit A attached hereto, and incorporated herein by this reference, have requested that such property (collectively, the "Territory") be annexed to the District in order to provide for the levy of annual assessments to finance the maintenance of certain improvements described in Exhibit B hereto (the "Improvements"); and

WHEREAS, all of the owners of the Territory have filed with the City Clerk duly executed forms entitled "Consent And Waiver To Annexation Of Certain Real Property To A Maintenance District And Approval Of The Levy Of Assessments On Such Real Property" (the "Consent and Waiver"); and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have expressly waived any and all of the procedural requirements as prescribed in the Act to the annexation of the Territory to the District and have expressly consented to the annexation of the Territory to the District; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly waived any and all of the procedural requirements as prescribed in the Act and/or Article XIII D applicable to the authorization to levy the proposed annual assessment against the Territory set forth in Exhibit B attached hereto and incorporated herein by this reference and have declared support for, consent to and approval of the authorization to levy such proposed annual assessment set forth in Exhibit C attached hereto; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly agreed for themselves, their heirs, successors and assigns that:

(1) The proportionate special benefit derived by each parcel in the Territory from the District Improvements has been determined in relationship to the entirety of the maintenance and operation expenses of the Improvements;

(2) The proposed annual assessment does not exceed the reasonable cost of the proportional special benefit from the Improvements conferred on each parcel in the Territory.

(3) Only the special benefits derived or to be derived by each parcel in the Territory from the Improvements have been included in the proposed annual assessment.

WHEREAS, at this time the City Council desires to order the annexation of the Territory to the District and to authorize the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C hereto.

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

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

SECTION 2: The City Council hereby finds and determines that:

- a. The annual assessments proposed to be levied on each parcel in the Territory do not exceed the reasonable cost of the proportional special benefit conferred on each such parcel from the Improvements.
- b. The proportional special benefit derived by each parcel in the Territory from the Improvements has been determined in relationship to the entirety of the cost of the maintenance of the Improvement.
- c. Only special benefits will be assessed on the Territory by the levy of the proposed annual assessments.

SECTION 3: This legislative body hereby orders the annexation the Territory to the District, approves the financing of the maintenance of the Improvements from the proceeds of annual assessments to be levied against the Territory and approves and orders the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C.

SECTION 4: All future proceedings of the District, including the levy of all assessments, shall be applicable to the Territory.

Exhibit A

Identification of the Owner and Description of the Property to be Annexed

The Owner of the Property is:

CI RANCHO II, LLC

The legal description of the Property is:

PARCEL 1 OF PARCEL MAP NO. 10444, IN THE CITY OF RANCHO CUCAMONGA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 119, PAGES 22 THROUGH 24 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Assessor's Parcels Numbers of the Property:

0208-353-14

Exhibit B

Description of the District Improvements
Fiscal Year 2016/2017

Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District):

Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District) (the "Maintenance District") represents landscape sites throughout the Commercial/Industrial Maintenance District.

The various landscape sites that are maintained by this district consist of median islands, parkways, street trees and entry monuments.

Proposed additions to the Improvements for Project PM 19666:

STREET TREES 0 EACH

Exhibit C

Proposed Annual Assessment
Fiscal Year 2016/2017

Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District):

The following table summarizes the assessment rate for Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District) for PM19666:

Land Use	Basis	EBU Factor*	Rate per EBU*
Commercial/ Industrial	Acre	1.00	352.80
Vacant	Acre	1.00	352.80

*EBU means Equivalent Benefit Unit.

The proposed annual assessment for the property described in Exhibit A is as follows:

$$\underline{2.22} \text{ Acres} \times \underline{1} \text{ EBU Factor} \times \$352.80 \text{ Rate per EBU} = \$ \underline{783.22} \text{ Annual Assessment}$$

RESOLUTION NO. 16-107

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 1 (ARTERIAL STREETS) FOR PM 19666

WHEREAS, the City Council of the City of Rancho Cucamonga, California, has previously formed a special maintenance district pursuant to the terms of the "Landscape and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Act", said special maintenance district known and designated as Street Light Maintenance District No. 1 (Arterial Streets) (the "District"); and

WHEREAS, the provisions of Article 2 of Chapter 2 of the Act authorize the annexation of additional territory to the District; and

WHEREAS, such provisions also provide that the requirement for the preparation of resolutions, and assessment engineer's report, notices of public hearing and the right of majority protest may be waived in writing with the written consent of all of the owners of property within the territory to be annexed; and

WHEREAS, notwithstanding that such provisions of the Act related to the annexation of territory to the District, Article XIII D of the Constitution of the State of California ("Article XIII D") establishes certain procedural requirements for the authorization to levy assessments which apply to the levy of annual assessments for the District on the territory proposed to be annexed to such District; and

WHEREAS, the owners of certain property described in Exhibit A attached hereto, and incorporated herein by this reference, have requested that such property (collectively, the "Territory") be annexed to the District in order to provide for the levy of annual assessments to finance the maintenance of certain improvements described in Exhibit B hereto (the "Improvements"); and

WHEREAS, all of the owners of the Territory have filed with the City Clerk duly executed forms entitled "Consent And Waiver To Annexation Of Certain Real Property To A Maintenance District And Approval Of The Levy Of Assessments On Such Real Property" (the "Consent and Waiver"); and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have expressly waived any and all of the procedural requirements as prescribed in the Act to the annexation of the Territory to the District and have expressly consented to the annexation of the Territory to the District; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly waived any and all of the procedural requirements as prescribed in the Act and/or Article XIII D applicable to the authorization to levy the proposed annual assessment against the Territory set forth in Exhibit B attached hereto and incorporated herein by this reference and have declared support for, consent to and approval of the authorization to levy such proposed annual assessment set forth in Exhibit C attached hereto; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly agreed for themselves, their heirs, successors and assigns that:

(1) The proportionate special benefit derived by each parcel in the Territory from the District Improvements has been determined in relationship to the entirety of the maintenance and operation expenses of the Improvements;

(2) The proposed annual assessment does not exceed the reasonable cost of the proportional special benefit from the Improvements conferred on each parcel in the Territory.

(3) Only the special benefits derived or to be derived by each parcel in the Territory from the Improvements have been included in the proposed annual assessment.

WHEREAS, at this time the City Council desires to order the annexation of the Territory to the District and to authorize the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C hereto.

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

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

SECTION 2: The City Council hereby finds and determines that:

- a. The annual assessments proposed to be levied on each parcel in the Territory do not exceed the reasonable cost of the proportional special benefit conferred on each such parcel from the Improvements.
- b. The proportional special benefit derived by each parcel in the Territory from the Improvements has been determined in relationship to the entirety of the cost of the maintenance of the Improvement.
- c. Only special benefits will be assessed on the Territory by the levy of the proposed annual assessments.

SECTION 3: This legislative body hereby orders the annexation the Territory to the District, approves the financing of the maintenance of the Improvements from the proceeds of annual assessments to be levied against the Territory and approves and orders the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C.

SECTION 4: All future proceedings of the District, including the levy of all assessments, shall be applicable to the Territory.

Exhibit A

Identification of the Owner and Description of the Property to be Annexed

The Owner of the Property is:

CI RANCHO II, LLC

The legal description of the Property is:

PARCEL 1 OF PARCEL MAP NO. 10444, IN THE CITY OF RANCHO CUCAMONGA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 119, PAGES 22 THROUGH 24 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Assessor's Parcels Numbers of the Property:

0208-353-14

Exhibit B

Description of the District Improvements
Fiscal Year 2016/2017

Street Light Maintenance District No. 1 (Arterial Streets):

Street Light Maintenance District No. 1 (Arterial Streets) (the "Maintenance District") is used to fund the maintenance and/or installation of street lights and traffic signals located on arterial streets throughout the City. These sites consist of several non-contiguous areas throughout the City.

The sites maintained by the district consist of street lights on arterial streets and traffic signals on arterial streets within the rights-of-way or designated easements of streets dedicated to the City.

Proposed additions to the Improvements for Project PM 19666:

STREET LIGHTS 3 EACH (EXISTING)

Exhibit C

Proposed Annual Assessment
Fiscal Year 2016/2017

Street Light Maintenance District No.1 (Arterial Streets):

The following table summarizes the assessment rate for Street Light Maintenance District No.1 (Arterial Streets) for PM 19666:

Land Use	Basis	EBU Factor*	Rate per EBU*
Single Family	Parcel	1.00	\$17.77
Multi-Family	Parcel	1.00	17.77
Commercial	Acre	2.00	17.77
Vacant	Acre	2.00	17.77

*EBU means Equivalent Benefit Unit.

The proposed annual assessment for the property described in Exhibit A is as follows:

$$2.22 \text{ Acres} \times 2.00 \text{ EBU Factor} \times \$17.77 \text{ Rate per EBU} = \$ 78.89 \text{ Annual Assessment}$$

RESOLUTION NO. 16-108

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 6 (COMMERCIAL/INDUSTRIAL) FOR PM 19666

WHEREAS, the City Council of the City of Rancho Cucamonga, California, has previously formed a special maintenance district pursuant to the terms of the "Landscape and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Act", said special maintenance district known and designated as Street Light Maintenance District No. 6 (Commercial/Industrial)(the "District"); and

WHEREAS, the provisions of Article 2 of Chapter 2 of the Act authorize the annexation of additional territory to the District; and

WHEREAS, such provisions also provide that the requirement for the preparation of resolutions, and assessment engineer's report, notices of public hearing and the right of majority protest may be waived in writing with the written consent of all of the owners of property within the territory to be annexed; and

WHEREAS, notwithstanding that such provisions of the Act related to the annexation of territory to the District, Article XIII D of the Constitution of the State of California ("Article XIII D") establishes certain procedural requirements for the authorization to levy assessments which apply to the levy of annual assessments for the District on the territory proposed to be annexed to such District; and

WHEREAS, the owners of certain property described in Exhibit A attached hereto, and incorporated herein by this reference, have requested that such property (collectively, the "Territory") be annexed to the District in order to provide for the levy of annual assessments to finance the maintenance of certain improvements described in Exhibit B hereto (the "Improvements"); and

WHEREAS, all of the owners of the Territory have filed with the City Clerk duly executed forms entitled "Consent And Waiver To Annexation Of Certain Real Property To A Maintenance District And Approval Of The Levy Of Assessments On Such Real Property" (the "Consent and Waiver"); and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have expressly waived any and all of the procedural requirements as prescribed in the Act to the annexation of the Territory to the District and have expressly consented to the annexation of the Territory to the District; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly waived any and all of the procedural requirements as prescribed in the Act and/or Article XIII D applicable to the authorization to levy the proposed annual assessment against the Territory set forth in Exhibit B attached hereto and incorporated herein by this reference and have declared support for, consent to and approval of the authorization to levy such proposed annual assessment set forth in Exhibit C attached hereto; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly agreed for themselves, their heirs, successors and assigns that:

(1) The proportionate special benefit derived by each parcel in the Territory from the District Improvements has been determined in relationship to the entirety of the maintenance and operation expenses of the Improvements;

(2) The proposed annual assessment does not exceed the reasonable cost of the proportional special benefit from the Improvements conferred on each parcel in the Territory.

(3) Only the special benefits derived or to be derived by each parcel in the Territory from the Improvements have been included in the proposed annual assessment.

WHEREAS, at this time the City Council desires to order the annexation of the Territory to the District and to authorize the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C hereto.

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

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

SECTION 2: The City Council hereby finds and determines that:

- a. The annual assessments proposed to be levied on each parcel in the Territory do not exceed the reasonable cost of the proportional special benefit conferred on each such parcel from the Improvements.
- b. The proportional special benefit derived by each parcel in the Territory from the Improvements has been determined in relationship to the entirety of the cost of the maintenance of the Improvement.
- c. Only special benefits will be assessed on the Territory by the levy of the proposed annual assessments.

SECTION 3: This legislative body hereby orders the annexation the Territory to the District, approves the financing of the maintenance of the Improvements from the proceeds of annual assessments to be levied against the Territory and approves and orders the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C.

SECTION 4: All future proceedings of the District, including the levy of all assessments, shall be applicable to the Territory.

Exhibit A

Identification of the Owner and Description of the Property to be Annexed

The Owner of the Property is:

CI RANCHO II, LLC

The legal description of the Property is:

PARCEL 1 OF PARCEL MAP NO. 10444, IN THE CITY OF RANCHO CUCAMONGA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 119, PAGES 22 THROUGH 24 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Assessor's Parcels Numbers of the Property:

0208-353-14

Exhibit B

Description of the District Improvements
Fiscal Year 2016/2017

Street Light Maintenance District No. 6 (Commercial/Industrial):

Street Light Maintenance District No. 6 (the "Maintenance District") is used to fund the maintenance and/or installation of street lights and traffic signals located on commercial and industrial streets throughout the City but excluding those areas already in a local maintenance district. Generally, this area encompasses the industrial area of the City south of Foothill Boulevard

The sites maintained by the district consist of street lights on industrial or commercial streets and traffic signals (or a portion thereof) on industrial or commercial streets generally south of Foothill Boulevard.

Proposed additions to the Improvements for Project PM 19666:

STREET LIGHTS 1 EACH (EXISTING)

Exhibit C

Proposed Annual Assessment
Fiscal Year 2016/2017

Street Light Maintenance District No. 6 (Commercial/Industrial):

The following table summarizes the assessment rate for Street Light Maintenance District No. 6 (Commercial/Industrial) for PM 19666:

Land Use	Basis	EBU Factor*	Rate per EBU*
Commercial/ Industrial	Acre	1.00	51.40
Vacant	Acre	2.00	51.40

*EBU means Equivalent Benefit Unit.

The proposed annual assessment for the property described in Exhibit A is as follows:

$$2.22 \text{ Acres} \times 1 \text{ EBU Factor} \times \$51.40 \text{ Rate per EBU} = \$ 114.11 \text{ Annual Assessment}$$

STAFF REPORT

ENGINEERING SERVICES DEPARTMENT



Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Jason C. Welday, Director of Engineering Services/City Engineer

By: Charlie Moussa, Engineering Technician

Subject: CONSIDERATION OF APPROVAL TO ACCEPT IMPROVEMENTS (WARDMAN BULLOCK ROAD), RELEASE THE FAITHFUL PERFORMANCE BOND, ACCEPT A MAINTENANCE BOND AND FILE A NOTICE OF COMPLETION FOR IMPROVEMENTS FOR TRACT 16324 LOCATED ON THE NORTH END OF WARDMAN BULLOCK ROAD, SUBMITTED BY MERITAGE HOMES OF CALIFORNIA, INC

RECOMMENDATION

The required improvements for Tract 16324 (Wardman Bullock Road) have been completed in an acceptable manner, and it is recommended that the City Council accept said improvements, authorize the City Engineer to file a Notice of Completion and authorize the City Clerk to release the Faithful Performance Bond and accept a Maintenance Bond.

BACKGROUND/ANALYSIS

As a condition of approval of completion of Tract 16324, located on the North end of Wardman Bullock Road, the applicant was required to install related public improvements. All public improvements required of this development have been completed to the standards of the City. The public improvements will be re-inspected in approximately nine months prior to release of the maintenance bond.

Developer: Meritage Home of California, INC
1250 Corona Pointe Court, Suite 210
Corona, CA 92879

Release:	Faithful Performance Bond	# 5039028	\$136,400.00
		(Bond No.)	
Accept:	Maintenance Bond	# 800028352	\$ 13,640.00
		(Bond No.)	

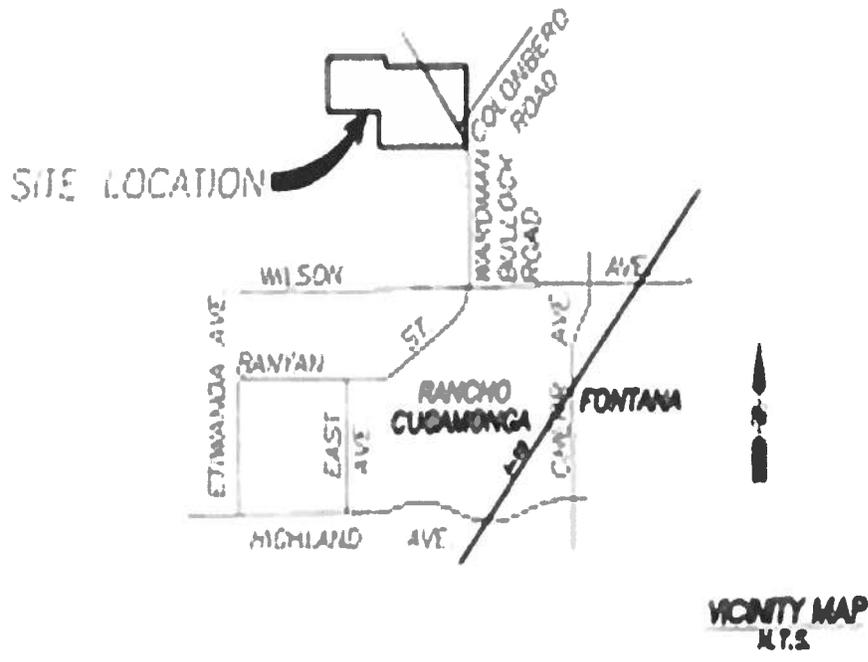
Respectfully submitted,

Jason C. Welday
Director of Engineering Services/City Engineer

JCW:CM/rif

Attachment: Vicinity Map

TRACT 16324



RESOLUTION NO. 16-109

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ACCEPTING THE PUBLIC IMPROVEMENTS FOR TRACT 16324 AND AUTHORIZING THE FILING OF A NOTICE OF COMPLETION FOR THE WORK

WHEREAS, the construction of public improvements for Tract 16324 have been completed to the satisfaction of the City Engineer; and

WHEREAS, a Notice of Completion is required to be filed, certifying the work is complete.

NOW, THEREFORE, the City Council of the City of Rancho Cucamonga hereby resolves, that the work is hereby accepted and the City Engineer is authorized to sign and file a Notice of Completion with the County Recorder of San Bernardino County.

STAFF REPORT

ENGINEERING SERVICES DEPARTMENT



Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Jason C. Welday, Director of Engineering Services/City Engineer

By: Willie Valbuena, Assistant Engineer

Subject: CONSIDERATION OF APPROVAL OF REDUCTIONS IN IMPROVEMENT SECURITIES FOR TRACT 16113 PUBLIC IMPROVEMENTS, LOCATED ON THE WEST SIDE OF EAST AVENUE, SOUTH OF WILSON AVENUE, SUBMITTED BY DESERT CANDLE, LP

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution accepting reduced securities for the remaining work for frontage public improvements that are partially completed within Tract 16113.

BACKGROUND/ANALYSIS

Tentative Tract Map 16113, located on the west side of East Avenue, south of Wilson Avenue, in the Very Low Residential District (Etiwanda Specific Plan), was approved by the Planning Commission on June 27, 2001. This project is for a subdivision of 23 parcels on 17.2 acres of land.

On July 21, 2004, the City Council approved an agreement and securities submitted by the Developer, Trimark Pacific Rancho Cucamonga, LLC for the installation of frontage public improvements. The majority of the frontage public improvements have been constructed except portions of the north end of Horse Thief Place and portions of the Community Trail on the west end of the project. There is one remaining lot to be built on on this tract. Due to the downturn of the housing market in 2008, the bank took over the remainder of the development and sold it to a new developer. The new developer, Desert Candle, LP is now requesting a reduction in their bonds, for the remaining items.

	<u>Permit ROW</u>	<u>FP Bond</u>	<u>Remaining Work</u>	<u>New FP Amt</u>	<u>New L&M</u>
TR 16113	2007-00189	\$2,433,600	\$35,900	\$71,800	\$71,800

The Subdivision Map Act requires developers to furnish performance bonds or other security to ensure that public improvements are built to City standards. Prior to 2006, cities had the discretion to either release said security in full, upon completion of all improvements, or to do a partial release upon partial performance. The City of Rancho Cucamonga chose the former. Assembly Bill 1460 removed that local agency discretion, requiring cities and counties to provide for partial releases of security under specific circumstances. Effective January 1, 2006, subdividers are allowed to request one bond reduction. Government Code 66499.7 states that subdividers may provide substitute bonds or other security to cover 200 percent of the cost of the remaining work, subject to City approval.

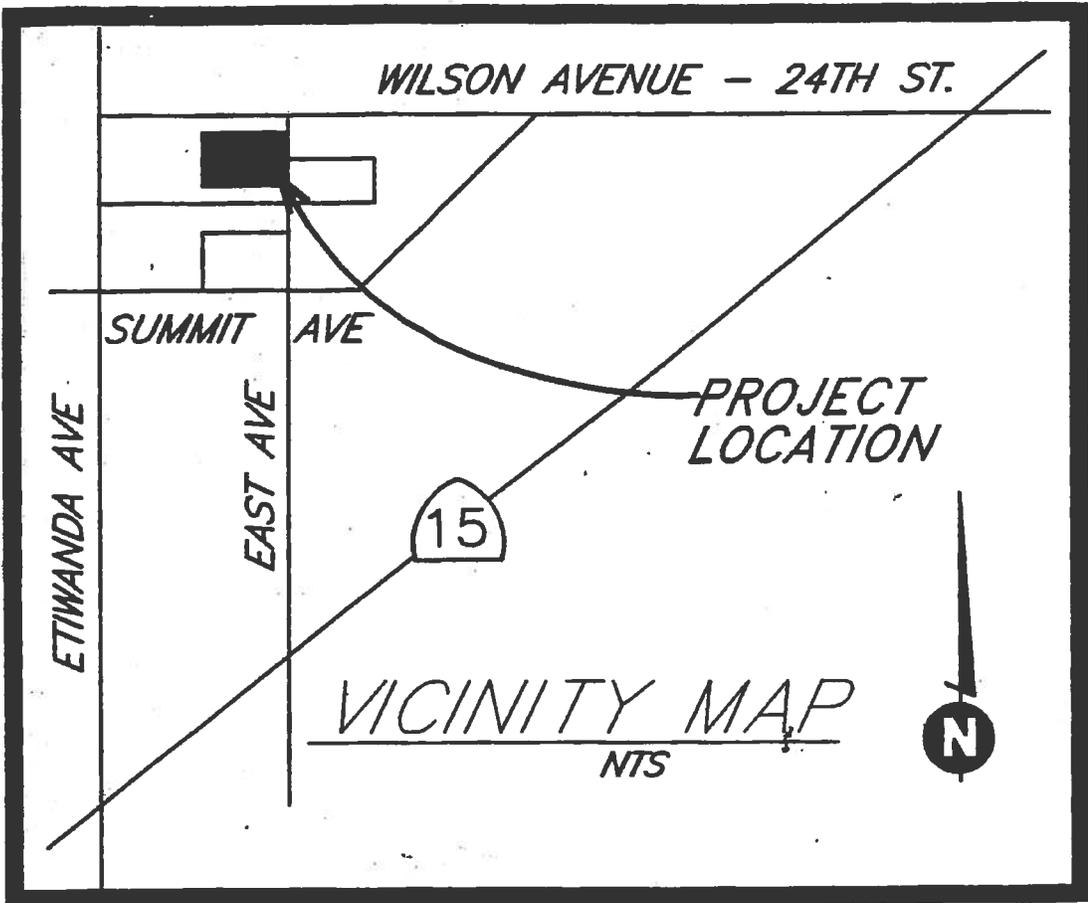
Respectfully Submitted

Jason C. Welday
Director of Engineering Services/City Engineer

JCW:WAV/rif

Attachment: Vicinity Map

City of Rancho Cucamonga Engineering Division Vicinity Map



Item: **TRACT 16113**

Title: **VICINITY MAP**

RESOLUTION NO. 16-110

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE REDUCTIONS IN IMPROVEMENT SECURITIES FOR TRACT 16113 PUBLIC IMPROVEMENTS

WHEREAS, The City Council of the City of Rancho Cucamonga, California, previously approved an Improvement Agreement guaranteed by acceptable Improvement Securities by Trimark Pacific Rancho Cucamonga, LLC, as developer, for the improvement of public right-of-way adjacent to the real property described therein, and generally located on the west side of East Avenue, south of Wilson Avenue; and

WHEREAS, the installation of frontage public improvements, described in said Improvement Agreement and subject to the terms thereof, has been partially completed, in conjunction with the development of said real property referred to as Tract 16113; and

WHEREAS, a new developer, Desert Candle, LP has requested approval for a bond reduction of the Improvement Securities, to reflect the remaining work to be completed; and

NOW THEREFORE, the City Council of the City of Rancho Cucamonga hereby resolves that said request for bond reduction of the Improvement Securities submitted by said new developer be and the same are hereby approved and the City Clerk is hereby authorized to accept on behalf of the City the new reduced bond.



STAFF REPORT

ENGINEERING SERVICES DEPARTMENT

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Jason C. Welday, Director of Engineering Services/City Engineer

By: Willie Valbuena, Assistant Engineer

Subject: CONSIDERATION OF APPROVAL OF REDUCTIONS IN IMPROVEMENT SECURITIES FOR TRACT 16114 PUBLIC IMPROVEMENTS, LOCATED ON THE EAST SIDE OF EAST AVENUE, SOUTH OF WILSON AVENUE, SUBMITTED BY DESERT CANDLE, LP

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution accepting reduced securities for the remaining work for frontage public improvements, community trail and storm drain improvements that are partially completed within Tract 16114.

BACKGROUND/ANALYSIS

Tentative Tract Map 16114, located on the east side of East Avenue, south of Wilson Avenue, in the Very Low Residential District (Etiwanda Specific Plan), was approved by the Planning Commission on April 26, 2006. This project is for a subdivision of 21 parcels on 15.0 acres of land.

On December 20, 2006, the City Council approved an agreement and securities submitted by the Developer, Trimark Pacific Rancho Cucamonga, LLC for the installation of frontage public improvements, community trail and storm drain improvements. The majority of the public improvements have been constructed except portions of the east end half of the project. There are 10 remaining lots to be built on on this tract. Due to the downturn of the housing market in 2008, the bank took over the remainder of the development and sold it to a new developer. The new developer, Desert Candle, LP is now requesting a reduction in their bonds, for the remaining items.

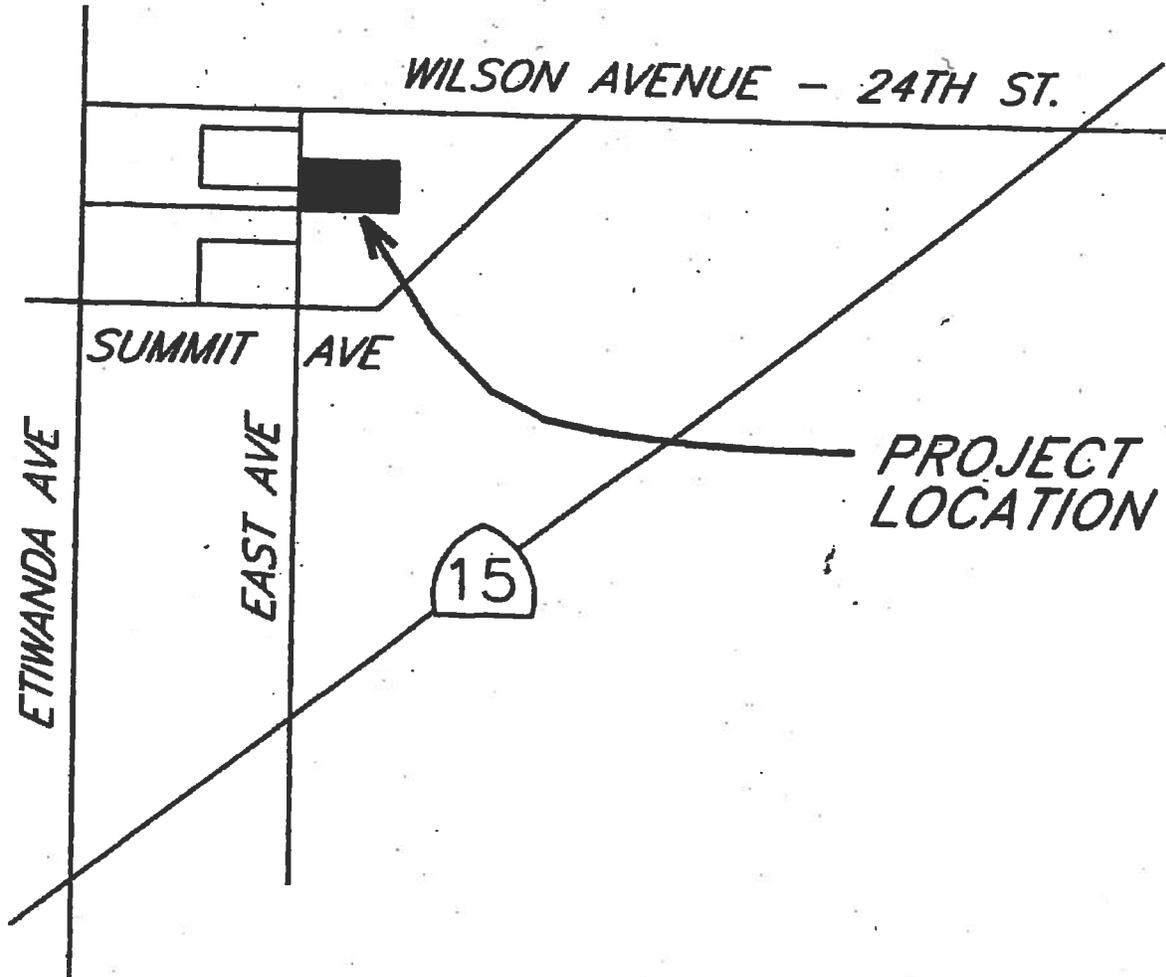
	<u>Permit ROW</u>	<u>FP Bond</u>	<u>Remaining Work</u>	<u>New FP Amt</u>	<u>New L&M</u>
TR 16114	2006-00878				
Community Trail/Street		\$1,112,500	\$166,000	\$332,000	\$332,000
Storm Drain		\$132,000	\$61,500	\$123,000	\$123,000

The Subdivision Map Act requires developers to furnish performance bonds or other security to ensure that public improvements are built to City standards. Prior to 2006, cities had the discretion to either release said security in full, upon completion of all improvements, or to do a partial release upon partial performance. The City of Rancho Cucamonga chose the former. Assembly Bill 1460 removed that local agency discretion, requiring cities and counties to provide for partial releases of security under specific circumstances. Effective January 1, 2006, subdividers are allowed to request one bond reduction. Government Code 66499.7 states that subdividers may provide substitute bonds or other security to cover 200 percent of the cost of the remaining work, subject to City approval.

Respectfully submitted,

Jason C. Welday
Director of Engineering Services/City Engineer

Attachment: Vicinity Map



CITY OF
RANCHO CUCAMONGA
ENGINEERING DIVISION

ITEM: TRACT 16114
TITLE: VICINITY MAP

RESOLUTION NO. 16-111

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, APPROVING THE REDUCTIONS IN IMPROVEMENT SECURITIES FOR TRACT 16114 PUBLIC IMPROVEMENTS

WHEREAS, The City Council of the City of Rancho Cucamonga, California, previously approved an Improvement Agreement guaranteed by acceptable Improvement Securities by Trimark Pacific Rancho Cucamonga, LLC, as developer, for the improvement of public right-of-way adjacent to the real property described therein, and generally located on the east side of East Avenue, south of Wilson Avenue; and

WHEREAS, the installation of frontage public improvements, described in said Improvement Agreement and subject to the terms thereof, has been partially completed, in conjunction with the development of said real property referred to as Tract 16114; and

WHEREAS, a new developer, Desert Candle, LP has requested approval for a bond reduction of the Improvement Securities, to reflect the remaining work to be completed; and

NOW THEREFORE, the City Council of the City of Rancho Cucamonga hereby resolves that said request for bond reduction of the Improvement Securities submitted by said new developer be and the same are hereby approved and the City Clerk is hereby authorized to accept on behalf of the City the new reduced bond.

STAFF REPORT

ENGINEERING SERVICES DEPARTMENT



Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Jason C. Welday, Director of Engineering Services/City Engineer

By: Willie Valbuena, Assistant Engineer

Subject: CONSIDERATION OF APPROVAL OF IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITIES AND ORDERING THE ANNEXATION TO LANDSCAPE MAINTENANCE DISTRICT NO. 3B AND STREET LIGHT MAINTENANCE DISTRICT NOS. 1 AND 6 FOR DRC2015-00402, LOCATED ON THE WEST SIDE OF PITTSBURGH AVENUE, SOUTH OF 6TH STREET, SUBMITTED BY INLAND EMPIRE LAND DEVELOPMENT 1, LLC

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolutions accepting the subject Improvement Agreement, Improvement Securities and ordering the Annexation to Landscape Maintenance District No. 3B and Street Light Maintenance District Nos. 1 and 6 for DRC2015-00402 and authorizing the Mayor to sign said agreement.

BACKGROUND/ANALYSIS

DRC2015-00402, located on the west side of Pittsburgh Avenue, south of 6th Street, in the Industrial Park (IP) District, was approved by the Planning Commission on March 9, 2016. This project is for the construction of a 45,797 SF industrial building on a 2.32 acres of land.

The Developer, Inland Empire Land Development, LLC, is submitting agreement and securities to guarantee the construction of the public street improvements in the following amounts:

Faithful Performance Cash Bond	\$ 13,300.00
Labor and Material Cash Bond	\$ 13,300.00

Copies of the agreements and securities are available in the City Clerk's Office.

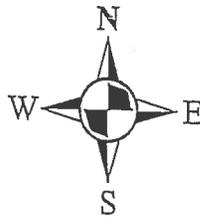
The Consent and Waiver to Annexation forms signed by the Developer are on file in the City Clerk's Office.

Respectively submitted,

Jason C. Welday
Director of Engineering Services/City Engineer

JCW:WAV/rif

City of Rancho Cucamonga
Engineering Division
Vicinity Map



Item: DRC 2015-00402

Title: VICINITY MAP

RESOLUTION NO. 16-112

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
RANCHO CUCAMONGA, CALIFORNIA, APPROVING
IMPROVEMENT AGREEMENT AND IMPROVEMENT
SECURITIES FOR DRC2015-00402

WHEREAS, DRC2015-00402, submitted by Inland Empire Land Development, LLC, located on west side of Pittsburgh Avenue, south of 6th Street, in the Industrial Park (IP) District, was approved by the Planning Commission of the City of Rancho Cucamonga on March 9, 2016; and

WHEREAS, said Improvement Agreement is secured and accompanied by good and sufficient Improvement Securities, which are identified in said Improvement Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, HEREBY RESOLVES as follows:

1. That said Improvement Agreement, be and the same is approved and the Mayor is authorized to execute same on behalf of said City and the City Clerk is authorized to attest thereto; and
2. That said Improvement Securities are accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney

RESOLUTION NO. 16-113

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO LANDSCAPE MAINTENANCE DISTRICT NO. 3B (COMMERCIAL INDUSTRIAL MAINTENANCE DISTRICT) FOR DRC2015-00402

WHEREAS, the City Council of the City of Rancho Cucamonga, California, has previously formed a special maintenance district pursuant to the terms of the "Landscape and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Act", said special maintenance district known and designated as Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District) (the "District"); and

WHEREAS, the provisions of Article 2 of Chapter 2 of the Act authorize the annexation of additional territory to the District; and

WHEREAS, such provisions also provide that the requirement for the preparation of resolutions, and assessment engineer's report, notices of public hearing and the right of majority protest may be waived in writing with the written consent of all of the owners of property within the territory to be annexed; and

WHEREAS, notwithstanding that such provisions of the Act related to the annexation of territory to the District, Article XIII D of the Constitution of the State of California ("Article XIII D") establishes certain procedural requirements for the authorization to levy assessments which apply to the levy of annual assessments for the District on the territory proposed to be annexed to such District; and

WHEREAS, the owners of certain property described in Exhibit A attached hereto, and incorporated herein by this reference, have requested that such property (collectively, the "Territory") be annexed to the District in order to provide for the levy of annual assessments to finance the maintenance of certain improvements described in Exhibit B hereto (the "Improvements"); and

WHEREAS, all of the owners of the Territory have filed with the City Clerk duly executed forms entitled "Consent And Waiver To Annexation Of Certain Real Property To A Maintenance District And Approval Of The Levy Of Assessments On Such Real Property" (the "Consent and Waiver"); and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have expressly waived any and all of the procedural requirements as prescribed in the Act to the annexation of the Territory to the District and have expressly consented to the annexation of the Territory to the District; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly waived any and all of the procedural requirements as prescribed in the Act and/or Article XIII D applicable to the authorization to levy the proposed annual assessment against the Territory set forth in Exhibit B attached hereto and incorporated herein by this reference and have declared support for, consent to and approval of the authorization to levy such proposed annual assessment set forth in Exhibit C attached hereto; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly agreed for themselves, their heirs, successors and assigns that:

(1) The proportionate special benefit derived by each parcel in the Territory from the District Improvements has been determined in relationship to the entirety of the maintenance and operation expenses of the Improvements;

(2) The proposed annual assessment does not exceed the reasonable cost of the proportional special benefit from the Improvements conferred on each parcel in the Territory.

(3) Only the special benefits derived or to be derived by each parcel in the Territory from the Improvements have been included in the proposed annual assessment.

WHEREAS, at this time the City Council desires to order the annexation of the Territory to the District and to authorize the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C hereto.

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

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

SECTION 2: The City Council hereby finds and determines that:

- a. The annual assessments proposed to be levied on each parcel in the Territory do not exceed the reasonable cost of the proportional special benefit conferred on each such parcel from the Improvements.
- b. The proportional special benefit derived by each parcel in the Territory from the Improvements has been determined in relationship to the entirety of the cost of the maintenance of the Improvement.
- c. Only special benefits will be assessed on the Territory by the levy of the proposed annual assessments.

SECTION 3: This legislative body hereby orders the annexation the Territory to the District, approves the financing of the maintenance of the Improvements from the proceeds of annual assessments to be levied against the Territory and approves and orders the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C.

SECTION 4: All future proceedings of the District, including the levy of all assessments, shall be applicable to the Territory.

Exhibit A

Identification of the Owner and Description of the Property to be Annexed

The Owner of the Property is:

INLAND EMPIRE LAND DEVELOPMENT 1, LLC

The legal description of the Property is:

SEE ATTACHED EXHIBIT "A"

Assessor's Parcels Numbers of the Property:

229-341-15

Exhibit B

Description of the District Improvements
Fiscal Year 2016/2017

Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District):

Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District) (the "Maintenance District") represents landscape sites throughout the Commercial/Industrial Maintenance District.

The various landscape sites that are maintained by this district consist of median islands, parkways, street trees and entry monuments.

Proposed additions to the Improvements for Project DRC2015-00402:

STREET TREES 0 EACH

Exhibit C

Proposed Annual Assessment
Fiscal Year 2016/2017

Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District):

The following table summarizes the assessment rate for Landscape Maintenance District No. 3B (Commercial Industrial Maintenance District) for DRC2015-00402:

Land Use	Basis	EBU Factor*	Rate per EBU*
Commercial/ Industrial	Acre	1.00	282.24
Vacant	Acre	1.00	282.24

*EBU means Equivalent Benefit Unit.

The proposed annual assessment for the property described in Exhibit A is as follows:

$$2.40 \text{ Acres} \times 1 \text{ EBU Factor} \times \$ 282.24 \text{ Rate per EBU} = \$ 677.38 \text{ Annual Assessment}$$

RESOLUTION NO. 16-114

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 1 (ARTERIAL STREETS) FOR DRC2015-00402

WHEREAS, the City Council of the City of Rancho Cucamonga, California, has previously formed a special maintenance district pursuant to the terms of the "Landscape and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Act", said special maintenance district known and designated as Street Light Maintenance District No. 1 (Arterial Streets) (the "District"); and

WHEREAS, the provisions of Article 2 of Chapter 2 of the Act authorize the annexation of additional territory to the District; and

WHEREAS, such provisions also provide that the requirement for the preparation of resolutions, and assessment engineer's report, notices of public hearing and the right of majority protest may be waived in writing with the written consent of all of the owners of property within the territory to be annexed; and

WHEREAS, notwithstanding that such provisions of the Act related to the annexation of territory to the District, Article XIII D of the Constitution of the State of California ("Article XIII D") establishes certain procedural requirements for the authorization to levy assessments which apply to the levy of annual assessments for the District on the territory proposed to be annexed to such District; and

WHEREAS, the owners of certain property described in Exhibit A attached hereto, and incorporated herein by this reference, have requested that such property (collectively, the "Territory") be annexed to the District in order to provide for the levy of annual assessments to finance the maintenance of certain improvements described in Exhibit B hereto (the "Improvements"); and

WHEREAS, all of the owners of the Territory have filed with the City Clerk duly executed forms entitled "Consent And Waiver To Annexation Of Certain Real Property To A Maintenance District And Approval Of The Levy Of Assessments On Such Real Property" (the "Consent and Waiver"); and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have expressly waived any and all of the procedural requirements as prescribed in the Act to the annexation of the Territory to the District and have expressly consented to the annexation of the Territory to the District; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly waived any and all of the procedural requirements as prescribed in the Act and/or Article XIII D applicable to the authorization to levy the proposed annual assessment against the Territory set forth in Exhibit B attached hereto and incorporated herein by this reference and have declared support for, consent to and approval of the authorization to levy such proposed annual assessment set forth in Exhibit C attached hereto; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly agreed for themselves, their heirs, successors and assigns that:

(1) The proportionate special benefit derived by each parcel in the Territory from the District Improvements has been determined in relationship to the entirety of the maintenance and operation expenses of the Improvements;

(2) The proposed annual assessment does not exceed the reasonable cost of the proportional special benefit from the Improvements conferred on each parcel in the Territory.

(3) Only the special benefits derived or to be derived by each parcel in the Territory from the Improvements have been included in the proposed annual assessment.

WHEREAS, at this time the City Council desires to order the annexation of the Territory to the District and to authorize the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C hereto.

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

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

SECTION 2: The City Council hereby finds and determines that:

- a. The annual assessments proposed to be levied on each parcel in the Territory do not exceed the reasonable cost of the proportional special benefit conferred on each such parcel from the Improvements.
- b. The proportional special benefit derived by each parcel in the Territory from the Improvements has been determined in relationship to the entirety of the cost of the maintenance of the Improvement.
- c. Only special benefits will be assessed on the Territory by the levy of the proposed annual assessments.

SECTION 3: This legislative body hereby orders the annexation the Territory to the District, approves the financing of the maintenance of the Improvements from the proceeds of annual assessments to be levied against the Territory and approves and orders the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C.

SECTION 4: All future proceedings of the District, including the levy of all assessments, shall be applicable to the Territory.

Exhibit A

Identification of the Owner and Description of the Property to be Annexed

The Owner of the Property is:

INLAND EMPIRE LAND DEVELOPMENT 1, LLC

The legal description of the Property is:

SEE ATTACHED EXHIBIT "A"

Assessor's Parcels Numbers of the Property:

229-341-15

EXHIBIT "A"

THE LAND REFERRED TO IN THIS COMMITMENT IS SITUATED IN THE CITY OF RANCHO CUCAMONGA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL "A" OF EXHIBIT "A" AS SHOWN ON LOT LINE ADJUSTMENT NO. 343, RECORDED JULY 24, 1991, INSTRUMENT NO. 91-280685, OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO DESCRIBED IN SAID DOCUMENT AS FOLLOWS:

THOSE PORTIONS OF PARCELS 5 AND 7 OF PARCEL MAP NO. 9896, IN THE CITY OF RANHCO CUCAMONGA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 109 OF PARCEL MAPS, PAGE(S) 41 TO 43, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL 7; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID PARCEL 7, SOUTH 0 DEGREE 05' 14" EAST, 3.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 89 DEGREES 54' 40" WEST, 51.08 FEET; THENCE NORTH 0 DEGREE 05' 20" WEST, 34.25 FEET; THENCE SOUTH 89 DEGREES 54' 40" WEST, 84.00 FEET; THENCE NORTH 0 DEGREE 05' 20" WEST, 37.00 FEET; THENCE SOUTH 89 DEGREES 54' 40" WEST, 175.00 FEET TO THE WESTERLY LINE OF SAID PARCEL 5; THENCE ALONG THE FOLLOWING WESTERLY NORTHERLY AND EASTERLY COURSES OF SAID PARCEL 5:

1. THENCE NORTH 00 DEGREE 05' 20" WEST, 304.77 FEET;
2. THENCE SOUTH 89 DEGREES 54' 02" EAST, 355.39 FEET;
3. THENCE SOUTH 14 DEGREES 10' 46" WEST, 130.34 FEET TO A POINT ON A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 427.00 FEET;
4. THENCE SOUTHERLY ALONG SAID CURVE, 106.32 FEET THROUGH A CENTRAL ANGLE OF 14 DEGREES 16' 00";

THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID PARCEL 5 AND THE EASTERLY LINE OF SAID PARCEL 7, SOUTH 0 DEGREE 05' 14" EAST, 143.30 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL TWO:

A RECIPROCAL EASEMENT FOR PEDESTRIAN, VEHICULAR TRAVEL AND INGRESS AND EGRESS AS DESCRIBED IN THE DOCUMENT RECORDED SEPTEMBER 4, 1991 AS INSTRUMENT NO. 91-335004 OF OFFICIAL RECORDS, AND AS AMENDED BY FIRST AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT DATED JULY 26, 2011, RECORDED JULY 29, 2011, AS INSTRUMENT NO. 20110307275 OF OFFICIAL RECORDS.

APN: 0229-341-15-0-000

Exhibit B

Description of the District Improvements
Fiscal Year 2016/2017

Street Light Maintenance District No. 1 (Arterial Streets):

Street Light Maintenance District No. 1 (Arterial Streets) (the "Maintenance District") is used to fund the maintenance and/or installation of street lights and traffic signals located on arterial streets throughout the City. These sites consist of several non-contiguous areas throughout the City.

The sites maintained by the district consist of street lights on arterial streets and traffic signals on arterial streets within the rights-of-way or designated easements of streets dedicated to the City.

Proposed additions to the Improvements for Project DRC2015-00402:

STREET LIGHT 0 EACH

Exhibit C

Proposed Annual Assessment
Fiscal Year 2016/2017

Street Light Maintenance District No.1 (Arterial Streets):

The following table summarizes the assessment rate for Street Light Maintenance District No.1 (Arterial Streets) for DRC2015-00402:

Land Use	Basis	EBU Factor*	Rate per EBU*
Single Family	Parcel	1.00	\$17.77
Multi-Family	Parcel	1.00	17.77
Commercial	Acre	2.00	17.77
Vacant	Acre	2.00	17.77

*EBU means Equivalent Benefit Unit.

The proposed annual assessment for the property described in Exhibit A is as follows:

$$2.40 \text{ Acres} \times 2.0 \text{ EBU Factor} \times \$17.77 \text{ Rate per EBU} = \$ 85.30 \text{ Annual Assessment}$$

RESOLUTION NO. 16-115

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ORDERING THE ANNEXATION OF CERTAIN TERRITORY TO STREET LIGHT MAINTENANCE DISTRICT NO. 6 (COMMERCIAL/INDUSTRIAL) FOR DRC2015-00402

WHEREAS, the City Council of the City of Rancho Cucamonga, California, has previously formed a special maintenance district pursuant to the terms of the "Landscape and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Act", said special maintenance district known and designated as Street Light Maintenance District No. 6 (Commercial/Industrial)(the "District"); and

WHEREAS, the provisions of Article 2 of Chapter 2 of the Act authorize the annexation of additional territory to the District; and

WHEREAS, such provisions also provide that the requirement for the preparation of resolutions, and assessment engineer's report, notices of public hearing and the right of majority protest may be waived in writing with the written consent of all of the owners of property within the territory to be annexed; and

WHEREAS, notwithstanding that such provisions of the Act related to the annexation of territory to the District, Article XIII D of the Constitution of the State of California ("Article XIII D") establishes certain procedural requirements for the authorization to levy assessments which apply to the levy of annual assessments for the District on the territory proposed to be annexed to such District; and

WHEREAS, the owners of certain property described in Exhibit A attached hereto, and incorporated herein by this reference, have requested that such property (collectively, the "Territory") be annexed to the District in order to provide for the levy of annual assessments to finance the maintenance of certain improvements described in Exhibit B hereto (the "Improvements"); and

WHEREAS, all of the owners of the Territory have filed with the City Clerk duly executed forms entitled "Consent And Waiver To Annexation Of Certain Real Property To A Maintenance District And Approval Of The Levy Of Assessments On Such Real Property" (the "Consent and Waiver"); and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have expressly waived any and all of the procedural requirements as prescribed in the Act to the annexation of the Territory to the District and have expressly consented to the annexation of the Territory to the District; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly waived any and all of the procedural requirements as prescribed in the Act and/or Article XIII D applicable to the authorization to levy the proposed annual assessment against the Territory set forth in Exhibit B attached hereto and incorporated herein by this reference and have declared support for, consent to and approval of the authorization to levy such proposed annual assessment set forth in Exhibit C attached hereto; and

WHEREAS, by such Consent and Waiver, all of the owners of the Territory have also expressly agreed for themselves, their heirs, successors and assigns that:

(1) The proportionate special benefit derived by each parcel in the Territory from the District Improvements has been determined in relationship to the entirety of the maintenance and operation expenses of the Improvements;

(2) The proposed annual assessment does not exceed the reasonable cost of the proportional special benefit from the Improvements conferred on each parcel in the Territory.

(3) Only the special benefits derived or to be derived by each parcel in the Territory from the Improvements have been included in the proposed annual assessment.

WHEREAS, at this time the City Council desires to order the annexation of the Territory to the District and to authorize the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C hereto.

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

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

SECTION 2: The City Council hereby finds and determines that:

- a. The annual assessments proposed to be levied on each parcel in the Territory do not exceed the reasonable cost of the proportional special benefit conferred on each such parcel from the Improvements.
- b. The proportional special benefit derived by each parcel in the Territory from the Improvements has been determined in relationship to the entirety of the cost of the maintenance of the Improvement.
- c. Only special benefits will be assessed on the Territory by the levy of the proposed annual assessments.

SECTION 3: This legislative body hereby orders the annexation the Territory to the District, approves the financing of the maintenance of the Improvements from the proceeds of annual assessments to be levied against the Territory and approves and orders the levy of annual assessments against the Territory in amounts not to exceed the amounts set forth in Exhibit C.

SECTION 4: All future proceedings of the District, including the levy of all assessments, shall be applicable to the Territory.

Exhibit A

Identification of the Owner and Description of the Property to be Annexed

The Owner of the Property is:

INLAND EMPIRE LAND DEVELOPMENT 1, LLC

The legal description of the Property is:

SEE ATTACHED EXHIBIT "A"

Assessor's Parcels Numbers of the Property:

229-341-15

EXHIBIT "A"

THE LAND REFERRED TO IN THIS COMMITMENT IS SITUATED IN THE CITY OF RANCHO CUCAMONGA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL "A" OF EXHIBIT "A" AS SHOWN ON LOT LINE ADJUSTMENT NO. 343, RECORDED JULY 24, 1991, INSTRUMENT NO. 91-280685, OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO DESCRIBED IN SAID DOCUMENT AS FOLLOWS:

THOSE PORTIONS OF PARCELS 5 AND 7 OF PARCEL MAP NO. 9896, IN THE CITY OF RANHCO CUCAMONGA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 109 OF PARCEL MAPS, PAGE(S) 41 TO 43, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL 7; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID PARCEL 7, SOUTH 0 DEGREE 05' 14" EAST, 3.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 89 DEGREES 54' 40" WEST, 51.08 FEET; THENCE NORTH 0 DEGREE 05' 20" WEST, 34.25 FEET; THENCE SOUTH 89 DEGREES 54' 40" WEST, 84.00 FEET; THENCE NORTH 0 DEGREE 05' 20" WEST, 37.00 FEET; THENCE SOUTH 89 DEGREES 54' 40" WEST, 175.00 FEET TO THE WESTERLY LINE OF SAID PARCEL 5; THENCE ALONG THE FOLLOWING WESTERLY NORTHERLY AND EASTERLY COURSES OF SAID PARCEL 5:

1. THENCE NORTH 00 DEGREE 05' 20" WEST, 304.77 FEET;
2. THENCE SOUTH 89 DEGREES 54' 02" EAST, 355.39 FEET;
3. THENCE SOUTH 14 DEGREES 10' 46" WEST, 130.34 FEET TO A POINT ON A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 427.00 FEET;
4. THENCE SOUTHERLY ALONG SAID CURVE, 106.32 FEET THROUGH A CENTRAL ANGLE OF 14 DEGREES 16' 00";

THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID PARCEL 5 AND THE EASTERLY LINE OF SAID PARCEL 7, SOUTH 0 DEGREE 05' 14" EAST, 143.30 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL TWO:

A RECIPROCAL EASEMENT FOR PEDESTRIAN, VEHICULAR TRAVEL AND INGRESS AND EGRESS AS DESCRIBED IN THE DOCUMENT RECORDED SEPTEMBER 4, 1991 AS INSTRUMENT NO. 91-335004 OF OFFICIAL RECORDS, AND AS AMENDED BY FIRST AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT DATED JULY 26, 2011, RECORDED JULY 29, 2011, AS INSTRUMENT NO. 20110307275 OF OFFICIAL RECORDS.

APN: 0229-341-15-0-000

Exhibit B

Description of the District Improvements
Fiscal Year 2016/2017

Street Light Maintenance District No. 6 (Commercial/Industrial):

Street Light Maintenance District No. 6 (the "Maintenance District") is used to fund the maintenance and/or installation of street lights and traffic signals located on commercial and industrial streets throughout the City but excluding those areas already in a local maintenance district. Generally, this area encompasses the industrial area of the City south of Foothill Boulevard

The sites maintained by the district consist of street lights on industrial or commercial streets and traffic signals (or a portion thereof) on industrial or commercial streets generally south of Foothill Boulevard.

Proposed additions to the Improvements for Project DRC2015-00402:

STREET LIGHTS 2 EACH

Exhibit C

Proposed Annual Assessment
Fiscal Year 2016/2017

Street Light Maintenance District No. 6 (Commercial/Industrial):

The following table summarizes the assessment rate for Street Light Maintenance District No. 6 (Commercial/Industrial) for DRC2015-00402:

Land Use	Basis	EBU Factor*	Rate per EBU*
Commercial/ Industrial	Acre	1.00	51.40
Vacant	Acre	2.00	51.40

*EBU means Equivalent Benefit Unit.

The proposed annual assessment for the property described in Exhibit A is as follows:

$$2.40 \text{ Acres} \times 1 \text{ EBU Factor} \times \$51.40 \text{ Rate per EBU} = \$ 123.36 \text{ Annual Assessment}$$



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services

By: Robert Neuber, Human Resources Director

Subject: CONSIDER APPROVAL OF A RESOLUTION ADOPTING A SIDE LETTER AGREEMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF RANCHO CUCAMONGA AND THE TEAMSTERS LOCAL 1932

RECOMMENDATION

Staff is recommending that the City Council of the City of Rancho Cucamonga adopt the attached resolution approving a Side Letter Agreement between the City of Rancho Cucamonga and the Teamsters Local 1932.

BACKGROUND

On September 17, 2014, The City Council approved the Teamsters Local 1932 Memorandum of Understanding (MOU). The current MOU is effective from July 1, 2014 until June 30, 2018. Teamsters Local 1932 is the recognized employee organization for City employees in the Maintenance Bargaining Unit.

The City recently met and conferred with Teamsters Local 1932 over several issues. Those issues included:

- Contracting out of additional park maintenance service in Park and Recreation Improvement District 85 (PD 85), in order to help the City address long term funding concerns in PD 85.
- Contracting out of Street Sweeping Services by Burrtec, as Burrtec offered to provide the service free of charge to the City as part of their recent refuse agreement with the City.
- Union Release Time

The City and Teamsters local 1932 worked together to make sure the employees affected by the contracting out of these services were able to remain with the City, retain their job titles and salaries, and will be able to continue to provide excellent service to the community in other areas of the City. The results of our negotiations are outlined in the signed Side Letter agreement, which is before the City Council for your consideration this evening.

CONCLUSION

Teamsters Local 1932 have approved and signed the Side Letter Agreement. It is recommended that the City Council approve Resolution No. 16-116 adopting a Side Letter Agreement to the Memorandum of Understanding between the City of Rancho Cucamonga and Teamsters Local 1932.

Attachments

Resolution 16-116 Approving Side Letter Agreement
Side Letter Agreement

RESOLUTION NO. 16-116**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA APPROVING SIDE LETTER AGREEMENTS BETWEEN THE CITY OF RANCHO CUCAMONGA AND TEAMSTERS LOCAL 1932**

WHEREAS, Representatives of the City of Rancho Cucamonga (City) have met and conferred with the representatives of the Teamsters Local 1932 (SBPEA) pursuant to the provisions of the Meyers-Milias-Brown Act (California Government Code §3500, et seq.) with regard to terms and conditions of employment; and

WHEREAS, Representatives of the City and Teamsters Local 1932 have agreed upon and presented to this City Council a Side Letter Agreement (see attached Side Letter Agreement) that amends the current Teamsters Local 1932 Memorandum of Understanding, related to the contracting out of additional Park Maintenance services in Park and Recreation Improvement District 85 (PD 85), the contracting out of Street Sweeping Services, a subsequent follow-up meeting and union release time for Stewards as outlined in the Side Letter Agreement.

WHEREAS, Representatives of the City and Teamsters Local 1932 have agreed that keeping City Employees whole is important, which is reflected in this Side Letter Agreement. Employees who currently perform park maintenance services in PD 85 will be assigned to other park districts and maintenance activities with comparable work. Employees affected by the proposal to contract out street sweeping services will be assigned to other Equipment Operator duties within Public Works. These employees will be retained in similar positions and at the same pay.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA HEREBY RESOLVES that said Side Letter Agreement with Teamsters Local 1932 are hereby approved and the City Manager is hereby authorized to sign said Side Letter Agreements on behalf of the City of Rancho Cucamonga and the City Clerk to attest thereto.

**SIDE LETTER OF AGREEMENT
BETWEEN THE CITY OF RANCHO CUCAMONGA AND
THE TEAMSTERS LOCAL 1932**

The City of Rancho Cucamonga ("City") and the Teamsters Local 1932 have a Memorandum of Understanding ("MOU") that commenced on July 1, 2014 and is set to end on June 30, 2018. The Parties now wish to enter into this new Side Letter of Agreement to memorialize the following changes to the MOU agreed to by both sides.

The contracting out of additional park maintenance service in PD 85 and the following changes for staff effective January 1, 2017:

- The Senior Maintenance Worker (SMW), Daniel Aviles, would remain a SMW working in Parks but now be working in Eastside Parks and to be funded out of LMD 4
- Lead Maintenance Worker (LMW) Hank Merenda, would remain a LMW working in Parks but now Eastside Parks and to be funded out of LMD 2 and LMD 4
- The Maintenance Worker (MW), Matthew Barajas, would remain a MW working in Parks but now Eastside Parks and to be funded out of LMD 9 and LMD 10
- The Maintenance Worker, Adrian Cortez, would remain a MW working in Parks at the new Los Amigos Park to be funded by the General Fund
- The Maintenance Worker, Gilbert Amador, would remain a MW funded out of PD 85 and remain working primarily at Red Hill Park and remain funded in PD 85

The contracting with Burrtec to provide street sweeping service and that effective January 1, 2017, the three Equipment Operators would now mainly operate other assigned heavy equipment instead of street sweepers with their job titles and salary will remain the same. By contracting out street sweeping services and keeping the Equipment Operators the City will be able to provide additional services to the Community and save on maintenance and replacement costs for the sweepers. The City agrees to refill Equipment Operator positions affected by this proposal with Equipment Operators as long as they are needed for the thermoplastic crew.

All of the positions and salaries of the employees affected by this proposal will remain the same and, the City is committed to working with these employees to provide any additional safety and/or job-related training necessary to help the employees succeed. If the affected employees would prefer to transfer into another comparable open position, we will work with them to achieve that goal.

A Labor Management (LM) meeting in July of 2017. The purpose of said LM meeting is to review the work contracted out and determine if city services are being handled in this area as per the standards set by the City. Further reinstating such services as a service provided by City Employees can be considered in these meetings. The Labor Management meeting shall not be a meet and confer session and the City is under no obligation to meet and confer with the Union over the issue of reinstating City services to be performed by City employees during the term of the MOU.

The City and Teamsters Local 1932 also agree to the following release time for City Union Stewards:

- a) Release of 1 steward for up to 3 hours each month for the Unions Local Wide Steward Meeting.
- b) Release of 1 Steward for a full day each month if elected to the Union's Executive Board.

- c) Release of up to 2 stewards for training for up to a full day of training as stewards no more than once a fiscal year (July to June).

The release of stewards as above shall be paid by the City. Release may be denied if a supervisor/manager determines the employee is needed for a crucial assignment or the need for emergency staffing condition exists. Release per this section will not be unreasonably denied.

For The City of Rancho Cucamonga:

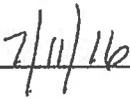
For the Teamsters Local 1932:

 John R. Gillison
 City Manager



 Brett Lance
 Teamsters Local 1932 President

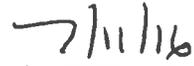
 Date



 Date



 Steve Matthews
 Teamsters Local 1932
 Business Agent Supervisor



 Date

Duly approved and adopted by the City Council at a public meeting this date of ____, ____.

City Clerk



STAFF REPORT

ENGINEERING SERVICES DEPARTMENT

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Jason C. Welday, Director of Engineering Services/City Engineer

By: Linda Ceballos, Environmental Programs Manager

Subject: **CONSIDERATION TO APPROVE FIRST AMENDMENT TO INTEGRATED SOLID WASTE MANAGEMENT AGREEMENT BETWEEN THE CITY OF RANCHO CUCAMONGA AND BURRTEC WASTE INDUSTRIES, INC. TO INCLUDE STREET SWEEPING SERVICES**

RECOMMENDATION

Staff recommends that the City Council approve the amendment to the Integrated Solid Waste Management agreement between the City of Rancho Cucamonga and Burrtec Waste Industries, Inc. to include street sweeping services.

BACKGROUND/ANALYSIS

On June 15, 2016, the City Council approved the Integrated Solid Waste Management agreement between the City of Rancho Cucamonga (City) and Burrtec Waste Industries, Inc. (Burrtec). Pursuant to Section 2.3 and 4.16 of the agreement, Burrtec agreed to amend the agreement to include the provision of street sweeping services if the City satisfied its obligations under the Myers-Milias-Brown Act regarding street sweeping services.

The City recently concluded negotiations with Teamsters Local 1932, satisfying its obligation under the Myers-Milias-Brown Act with regard to street sweeping. An amendment to the agreement with Burrtec is necessary in order to enact the following provisions:

- Burrtec to provide street sweeping services as described in Exhibit 1 at no additional cost to the City or to customers.
- The amendment for street sweeping services shall become effective September 1, 2016. The agreement term will continue to June 30, 2028. The term shall automatically be extended for successive five (5) year periods unless either party serves a notice of non-renewal at least two (2) years prior to the expiration of the term, or of any five (5) year extension of that term.

If approved, the City will experience an annual savings of approximately \$400,000, previously budgeted for street sweeping fuel and equipment. The annual savings will be reinvested in a new thermoplastic traffic striping program to replace regular painted traffic markings. Additional cost avoidance, nearing \$2 million over the term of the agreement, will be seen as the City will not need to replace its aged fleet of street sweeping vehicles, which cost approximately \$350,000 each in today's dollars.

Respectfully submitted,

Jason C. Welday
Director of Engineering Services/City Engineer

Attachments

FIRST AMENDMENT TO AGREEMENT FOR
INTEGRATED SOLID WASTE MANAGEMENT SERVICES

This First Amendment (“First Amendment”) is made and entered into between the City of Rancho Cucamonga, a California municipal corporation (“City”), and Burrtec Waste Industries, Inc., a California corporation (the “Contractor”), this 20th day of July, 2016.

RECITALS

A. City and Contractor entered into that certain Agreement Between City of Rancho Cucamonga and Burrtec Waste Industries, Inc. for Integrated Solid Waste Management Services dated June 15, 2016 (the “Agreement”);

B. Pursuant to Sections 2.3 and 4.16 of the Agreement, Contractor agreed to amend the Agreement to include the provision of Street Sweeping Services if City satisfies its obligations under the Myers-Milias-Brown Act regarding contracting out Street Sweeping Services; and

C. City has satisfied its obligations under the Myers-Milias-Brown Act regarding contracting out Street Sweeping Services, and City and Contractor desire to amend the Agreement to include the requirement that Contractor provide Street Sweeping Services;

NOW, THEREFORE, the parties agree as follows:

Section 1. The above Recitals are incorporated into this First Amendment. All defined terms herein, as shown by initial capitalization, shall have the meanings ascribed to them in the Agreement, unless otherwise indicated.

Section 2. Section 2.3 of the Agreement is hereby amended to replace the second paragraph with the following:

“Contractor shall commence providing Street Sweeping Services by the date specified in Section 4.16.”

Section 3. Section 4.16 of the Agreement is hereby amended as follows:

“Contractor shall provide Street Sweeping Services in accordance with the requirements in Exhibit 1, at no charge to City or Customers. Contractor shall commence the provision of Street Sweeping Services in accordance with Exhibit 1 on September 1, 2016.”

Section 4. In the event of any conflict between this First Amendment and provisions of the Agreement, the provisions of this First Amendment shall control. Except as amended herein, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above stated.

CITY OF RANCHO CUCAMONGA,
a California municipal corporation

_____, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM

James L. Markman
City Attorney

BURRTEC WASTE INDUSTRIES, INC.

_____, President

EXHIBIT 1
STREET SWEEPING SPECIFICATIONS

A. Description of Work

1. Contractor shall provide street sweeping of City of Rancho Cucamonga public streets in accordance with these Street Sweeping Specifications, at no cost to City. All references in these Street Sweeping Specifications to the City's Public Works Services Director shall mean the Public Works Services Director, or his/her designee.
2. All regularly scheduled sweeping services of major arterials, medians, residential and industrial areas shall be performed twice per month. Street sweeping after a rain or wind event may be required at no cost to City, as provided in Section D.2.
3. Contractor shall use and furnish, at his own expense, all labor, equipment, materials, overhead, and insurance or bonding necessary for the satisfactory performance of street sweeping, including medians, curb and gutter, and edge of pavement sweeping work set-forth herein.
4. Street sweeping debris shall be properly disposed of, as described in Section C, at Contractor's expense.

B. Street Sweeping Specifications

1. When necessary for proper cleaning, Contractor shall make more than one pass on a street. The acceptable standard is no trash, leaves, sediment and/or debris remaining within sweeper path after completion of pass. All work shall be "broom clean" after completion of pass by street sweeper:
2. Contractor shall be required to perform all maintenance tasks as described in these Street Sweeping Specifications as outlined in sections A through Q.
3. Contractor shall be required to provide all street sweeping related maintenance labor, equipment, roll-offs, parts and supplies. To include all vehicles, street sweepers and equipment associated with the street sweeping program i.e., main brooms, gutter brooms, hydraulic motors, bearings, drag shoes, elevator parts, hydraulic hoses, water pumps and systems, safety lighting, etc.
4. Contractor shall provide a field supervisor. The field supervisor shall be available by cellular telephone which is able to clearly transmit and receive anywhere within the City Limits at all times during the workday for communication with City representative as needed. The field supervisor shall be authorized by Contractor to make necessary changes in operation procedures required by this Agreement. At City's request, the field supervisor shall meet or contact City's Public Works Services Director to determine if additional sweeping services will be requested, discuss quality of sweeping, areas that may require special attention to clean, and to discuss any complaints received by City about the sweeping.
5. All drivers shall meet applicable State and Federal commercial driver licenses for the designated equipment. Contractor shall provide proof of drivers' qualifications upon City request. Contractor shall be required to monitor on a day-to-day basis the status of the operator's driver's license and record and provide this information to City upon request. All contract employees/drivers shall wear the appropriate work attire and personal protective equipment (PPE) i.e., shirts, pants, boots, safety vests, safety glasses, ear plugs, works gloves, and any related PPE.

6. Contractor shall sweep all medians including the nose or gore point of each median, curbs and other locations. Along major arterials where there is no median and there is a center left turn lane, Contractor shall sweep the left turn median on the same frequency as the rest of the street segment. Contractor shall not allow trash, leaves, sediment and/or debris to build up in intersections.
7. Contractor shall operate the sweeper(s) at an appropriate speed equivalent to the manufacturer's recommended optimal sweeping speed; however, at no time shall the sweeper exceed twelve (12) miles per hour while sweeping.
8. Contractor shall operate the sweeper(s) flush with the curb or edge of pavement where no curb exists, unless parked vehicles, structures, or other objects or un-sweepable conditions prohibit the safe sweeping at this distance.
9. Contractor shall sweep a path of not less than eight (8) feet wide for every curb mile. Should additional passes of the sweeper be required to achieve the specified path width, these additional passes shall not be included in the total number of curb miles to be swept.
10. Contractor shall arrange with the Cucamonga Valley Water District at 10440 Ashford Street, Rancho Cucamonga, (909) 987-2591 to use fire hydrants to obtain the water necessary for the street sweeping operation.
11. Contractor shall be required to report obstructions such as low hanging tree branches, abandoned vehicles and signs to City's Public Works Services Department at (909) 477-2730 ext. 4100.
12. Large items, such as cardboard, palm fronds, rocks, etc., shall when possible be physically picked up and placed in the street sweeper by the driver or other personnel. Contractor shall notify City's Public Works Services Department of more excessively large items in the area to be swept.
13. Contractor shall not sweep areas the day garbage is being collected. Street sweeping shall take place a day or two after garbage is collected.

C. Recycling, Waste Reduction and Diversion

Contractor shall legally dispose of all debris and materials collected sweeping streets in Rancho Cucamonga. Roll-offs or refuse bins placed on City streets or City property shall be placed in locations that do not inconvenience the public and removed at end of each workday. The dumping of sweeper debris on the ground is not permitted. Contractor will be responsible for maintenance of the area used, including clean up the area to City's satisfaction upon City's authorized representative's request.

Contractor shall make all reasonable efforts to recycle all waste materials generated during sweeping operations such as green wastes, recyclables and inerts, through a permitted waste processor/composter and shall minimize the amount of materials landfilled. Contractor shall provide documentation on a monthly basis to City's Engineering Department, Environmental Program Manager or his/her designee regarding the recycling efforts. The documentation may include but not be limited to copies of weight tickets from a permitted waste processor/composter or other records as may be deemed acceptable. Contractor is encouraged to meet with City's Environmental Program Manager to identify available and appropriate waste diversion activities prior to commencing work.

D. Additional Work

1. New Streets: City anticipates extending the street sweeping program to include newly constructed streets. When this occurs, after the effective date of the Agreement, the additional sweeping required of Contractor, shall be included in the scope of work at no cost to City.
2. Extra Services: Requests for special (non-emergency) street sweeping may be made from time to time. Contactor shall provide twelve (12) On-Call emergency response street sweeping in addition to special events street sweeping as described in this Section D.2, at no cost to City.
3. Contractor shall provide street sweeping of the Founders Day Parade route in November, Holiday Lights area (Hillside Rd to Banyan St and west of Carnelian Ave to west City Limits) once-a-week in the month of December and four (4) Special Events a year (as needed) at no cost to City.
4. Contractor may be required to provide additional street sweeping after a rain or wind event as directed by the Public Works Services Director, at no cost to City.
5. Contractor shall be available within two (2) days of a request for special service made by City. Occasional requests for Emergency Services will be made by City of Rancho Cucamonga personnel. In the event of such emergency request Contractor shall respond within one (1) hour of receipt of notice.

E. Call Backs

After sweeping, curbs and gutters shall be left in a clean condition. A clean condition is defined as the absence of residue in the streets and gutters upon the completion of the sweeping operation. Whenever, in the opinion of the Public Works Services Director, a section of street is inadequately swept or has been missed for reasons other than parked vehicles, garbage containers, or other obstacles over which Contractor has no control, Contractor shall re-sweep the section of street at its cost.

F. Missed Streets

Streets left un-swept on the regularly scheduled day shall be rescheduled for sweeping the following day, or as mutually agreed upon.

G. Inspection

City intends to monitor the work to ascertain that the contract is proceeding in accordance with the requirements and intentions of these specifications. Specifically, City may select streets immediately prior to each sweeping schedule within the sweeping system for comparing the condition of the streets and then after the sweeping has been completed.

City may also randomly inspect routes on the day of the sweeping or the day following the scheduled sweeping. If any route has more than ten percent (10%) of its scheduled streets either un-swept or poorly swept, City may ask Contractor to re-sweep.

H. Establishment of Sweeping Schedule

Street sweeping services shall be conducted Monday through Thursday; however Contractor may schedule street sweeping on Fridays as needed. Contractor shall use the current street sweeping schedule and map provided by City. Deviation from the approved schedule is not permitted without the written consent of City of Rancho Cucamonga's Public Works Services Director. All

City of Rancho Cucamonga streets shall be swept at the frequency of twice per month. Street sweeping shall include all existing streets within the City of Rancho Cucamonga. No work will be permitted on residential streets or neighborhoods before 7:00 a.m. on any day of the week, except for emergency call out services. Major arterials, medians, and the industrial areas may be swept between the hours of 10:00 p.m. and 7:00 a.m.

Contractor shall schedule the hours of operations as approved by the Public Works Services Director, so as to sweep the streets when a minimum number of vehicles are expected to be parked at the curb, and to avoid sweeping on days that curbside refuse and recycling services are scheduled.

In the event Contractor is prevented from completing the sweeping as provided in the schedule because of equipment breakdown or reasons other than inclement weather, Contractor shall be required to provide replacement sweepers and resume the sweeping schedule within twenty-four (24) hours. Contractor shall notify the Public Works

Services Director of the revised schedule on or before the day that the schedule is interrupted.

I. Inclement Weather and Holidays

No street sweeping shall be performed on streets during or after rainstorms where standing or running water in the gutter makes sweeping impractical as determined by City. When inclement weather prevents adherence to the regular sweeping schedule, the sweeping areas so affected by the inclement weather shall be swept within seven (7) days from the date of the scheduled sweeping without interruption of the regular sweeping schedule. Should inclement weather continue for periods longer than seven (7) days, the Public Works Services Director shall decide when street sweeping will resume. Contractor may be required to provide additional street sweeping after a rain or wind event as directed by the Public Works Services Director, at no cost to City.

Contractor shall not be required to perform scheduled sweeping on the observed holidays listed below, but shall make up regularly scheduled sweeping days missed during those holidays. When any fixed holiday or observance occurs on a regularly scheduled sweeping day, the area shall be swept within two (2) working days from the regularly scheduled sweeping day. Observed holidays include: Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and New Year's Day.

J. Equipment and Maintenance

1. Operations of street sweepers are governed by AQMD Rule 1186, Paragraph (e) Street Sweeper Testing and Rule 1186-1 Less Polluting Sweepers. All sweepers used within the City shall comply with these rules, as they now exist or may subsequently be amended.
2. Contractor shall keep street sweeper(s) clean and maintained in proper working condition at all times.
3. All street sweeper(s) shall be clearly identified with the name of Contractor, address of local office and telephone number on each side of unit.
4. All street sweeper(s) and vehicle(s) amber safety lighting shall be operational and equipped in accordance with State laws while operating in the public right-of-way.

K. National Pollution Discharge Elimination System Requirements

1. Contractor shall comply with all applicable requirements of the National Pollution Discharge Elimination System (NPDES) as set forth under the permit for San Bernardino County as issued by the Santa Ana Regional Water Quality Control Board. Contractor shall institute appropriate Best Management Practices (BMPs) as appropriate for sweeping activities. Contractor shall ensure that any vehicle fluids leaking from contractor's equipment are promptly cleaned up and disposed of appropriately and in accordance with applicable state and Federal requirements.

2. Contractor shall train its staff on an annual basis relating to NPDES program requirements, including illicit discharge and illicit connection requirements, in accordance with requirements set forth in permit requirements and shall provide documentation to City regarding this training by July 15th of each contract year. New hires shall be trained regarding the NPDES program requirements within six (6) months of hire date.

3. During sweeping operations, Contractor's staff shall be alert for evidence of illegal discharges to City's streets from businesses and residences. Such evidence may include active discharge of liquids, oils, greases, soaps, or other potentially hazardous materials, staining of driveway aprons or street surfaces, or other illicit discharges. Contractor shall immediately notify City's Environmental Programs Manager or designee by telephone when evidence of illicit discharge is observed. Contractor shall provide the street address or nearest cross streets of the illicit discharge, and whether an active illegal discharge is occurring, and what is being discharged. Once information has been received by City and acknowledged, the sweeper may continue to perform their normal sweeping duties and routes. Contractor's staff may be interviewed for additional information relating to the discharge by City staff as needed.

4. During sweeping operations, in the event that Contractor notices locations in which illegal dumping or littering is occurring frequently or routinely, Contractor shall notify City of these locations for additional investigation by City staff by telephone as soon as possible but no later than twenty-four (24) hours to allow for investigation.

5. Contractor shall submit a NPDES report to Environmental Programs Section of the Engineering Services Department by July 15th of every year. This report shall include a total inventory of miles swept, frequency, percentage of miles swept for each area (Residential, Commercial, Industrial, and total debris collected in tons for each area (Residential, Commercial, Industrial). Report format to be approved by City.

L. Sound Control Requirements

The noise level from Contractor's operations, between the hours of 10:00 p.m. and 7:00 a.m., shall not exceed 86dbA, at a distance of fifty (50) feet in all residential areas. This noise level requirement shall apply to all equipment on the work or related work. The use of loud sound signals shall be avoided in favor of light warnings except those required by safety laws for the protection of personnel.

M. Record Keeping and Reporting Requirements

Contractor shall maintain full and complete books of account and other records showing all business transacted by Contractor in connection with services provided by Contractor pursuant to

these Street Sweeping Specifications. All such books and records shall be subject to audit and inspection at any and all reasonable times by City and its authorized officers, agents, or employees, and shall be made available at the office of Contractor upon request or demand of the authorized City official.

Contractor shall maintain a record, which indicates dates, times, streets, and miles swept. A copy of the record shall be made available upon request of City. In addition to the other data files with City, Contractor shall, on a monthly basis, file a report with City enumerating the following information for the previous weeks:

- Curb miles swept each day
- Scheduled areas missed
- Scheduled areas swept
- Percentage of Scheduled route swept
- Date and time missed areas were swept
- Number of complaints received each day to include Names, Address, and Route
- Reasons scheduled sweeping was not done or completed as scheduled

Daily Reports: Contractor shall report to the Public Works Services Director any equipment, mechanical, or other difficulties or problems experienced within one (1) working day of the incident when service or the sweeping scheduled is affected.

Street sweepers shall be equipped with a Vehicle GPS Tracking system. Upon request Contractor shall provide City with vehicle reports which provides the following data: date, vehicle unit number, start time, end time, idle time, travel details, travel speed, real-time snapshot of driver adherence to route and route history.

N. Telephone Answering Service

Contractor shall provide a local or toll-free answering service for routine business and service calls, twenty-four (24) hours a day, seven days a week, three hundred and sixty-five (365) days a year. The phone number must be local to the City of Rancho Cucamonga. The answering service shall have the capability of contacting contract supervisors, sweeper operators, pickup equipment requests and relaying instructions from City.

O. Protection/Restoration of Public and Private Property

Contractor shall be responsible for protecting existing improvements, adjacent property, utility, and other facilities, and trees and plants from injury or damage resulting from Contractor's operations.

Contractor shall repair or replace all existing improvements, property, utilities of other facilities which are damaged or removed as a result of sweeping operations.

Trees, lawns, and shrubbery which are damaged or removed because of Contractor's operations shall be restored or replaced in as nearly the original condition and locations as reasonably possible. That portion or trees or shrubs extend into the street past the face of the curb is excluded.

All costs to Contractor for protecting, removing, and restoring existing improvements, trees, lawns, and shrubbery shall be included in the proposal for the applicable proposal price and no other compensation will be paid.

P. Complaints

Complaints regarding the street sweeping operations, which the Public Works Services Director considers justifiable and the responsibility of Contractor, will be referred to Contractor for immediate attention. A report of the action taken on each complaint may be requested by the Public Works Services Director. If requested, Contractor shall submit the report in writing to the Public Works Services Director within one (1) business day.

Contractor shall report what actions were taken to resolve the complaint. Contractor is expected to keep complaints to the maximum level of two (2) substantiated complaints per week or less. Contractor shall provide a local or toll-free telephone number for the public to call for complaints or information about street sweeping services. This number shall be staffed from 7:00 a.m. to 6:00 p.m. each work day. Contractor shall investigate all public complaints concerning street cleaning and action will be taken to mitigate the cause of the complaint. Complaints brought to Contractor's attention after 3:00 p.m. shall be investigated before noon of the following day.

Q. Coordination with Other City Programs

The services required by these Street Sweeping Specifications require that Contractor establish and maintain good working relationships with various work units in the City. Contractor shall be responsible for cooperating and coordinating with the following City programs:

Refuse and Recycling Collection Program: This program consists of the collection of refuse and recyclable materials in residential, commercial, and industrial areas. The frequency of collection for residential refuse and recycling service is once a week and the days of collection are Monday through Friday. Frequency of refuse and recycling collection for commercial and industrial customers varies and the days of collection are Monday through Saturday. Contractor shall not sweep residential areas the day garbage is being collected.

Tree Pruning Program: City prunes street trees and removes trees as necessary. Tree crews work daily, Mondays through Fridays.

Road Work: City, County, and Utility staff or contractors may have projects or be working on repairs that could affect street sweeping operations.

Traffic Counters: Contractor is cautioned that at various times and locations City will temporarily install portable traffic counters, which utilize one or more hoses, placed in the roadway. Contractor shall work with City on its sweeping schedule to avoid sweeping areas with counters in place. If an area with a counter must be swept, care should be taken to avoid the traffic counter hose(s). If Contractor's equipment causes damage to such a counter or its

appurtenances, Contractor shall bear the entire cost of restoration, repair, testing, or replacement of the traffic counter.

STAFF REPORT

ADMINISTRATIVE SERVICES GROUP



Date: July 20, 2016

To: Mayor and Members of the City Council
President and Members of the Board of Directors
John R. Gillison, City Manager

From: Ruth Cain, CPPB, Purchasing Manager

Subject: CONSIDERATION FOR AUTHORIZATION TO UTILIZE A PIGGYBACK OPPORTUNITY FROM THE COUNTY OF SAN BERNARDINO CONTRACTS TO YAMADA ENTERPRISES OF HUNTINGTON BEACH, CALIFORNIA, CRAWFORD & COMPANY OF POWAY, CALIFORNIA, BUSINESS INTERIORS BY STAPLES OF CIRCLE PINE, MN, G/M BUSINESS INTERIORS OF RIVERSIDE, CALIFORNIA AND SYSTEMS SOURCE, INC. OF IRVINE, CALIFORNIA TO PROVIDE AND INSTALL SYSTEMS AND FREE STANDING FURNITURE, CARPETING AND OTHER FURNITURE RELATED ITEMS FOR VARIOUS CITY DEPARTMENTS AND FACILITIES, TO BE FUNDED FROM VARIOUS CITY AND FIRE ACCOUNTS

RECOMMENDATION

Staff recommends that the City Council and Fire Board authorize the use of a piggyback opportunity from the County of San Bernardino contracts to Yamada Enterprises of Huntington Beach, California, Crawford & Company of Poway, California, Business Interiors by Staples of Circle Pine, MN, G/M Business Interiors of Riverside, California and Systems Source, Inc. of Irvine, California to provide and install systems and free standing furniture, carpeting and other furniture related items for various City departments and facilities, to be funded from various city and fire accounts.

BACKGROUND/ANALYSIS

In 2008, the City Council approved the use of a piggyback contract awarded by the County of San Bernardino to G/M Business Interiors, which, has expired. The County of San Bernardino has conducted a competitive bid process and awarded contracts to the above named vendors for furnishing line items in accordance to the lowest bid at the best value to the County.

Per the City of Rancho Cucamonga's Municipal Code, Section 3.08.070, the City may award contracts that are to be in the City's best interest and when the contracts are from supplier(s)

CONSIDERATION FOR AUTHORIZATION TO UTILIZE A PIGGYBACK OPPORTUNITY FROM THE COUNTY OF SAN BERNARDINO CONTRACTS TO YAMADA ENTERPRISES OF HUNTINGTON BEACH, CALIFORNIA, CRAWFORD & COMPANY OF POWAY, CALIFORNIA, BUISNESS INTERIORS BY STAPLES OF CIRCLE PINE, MN, G/M BUSINESS INTERIORS OF RIVERSIDE, CALIFORNIA AND SYSTEMS SOURCE, INC. OF IRVINE, CALIFORNIA TO PROVIDE AND INSTALL SYSTEMS AND FREE STANDING FURNITURE, CARPETING AND OTHER FURNITURE RELATED ITEMS FOR VARIOUS CITY DEPARTMENTS AND FACILITIES, TO BE FUNDED FROM VARIOUS CITY AND FIRE ACCOUNTS

JULY 20, 2016

that were awarded a specific item(s) in a contract resulting from a formal competitive process by another governmental agency. The above-mentioned contract allows other government agencies to utilize the contract at the same prices, terms and conditions. Purchasing has reviewed the bid documents and awarded contracts and is satisfied that the solicitation process and terms meet the City's requirements. The City and Fire District will receive a discount off the most recent published list price, which would not be offered in a stand-alone contract due to the City's relatively low purchasing volume.

Therefore, staff recommends that the City Council and Fire Board authorize the piggyback use of contracts #16-153 Yamada Enterprises of Huntington Beach, California, #16-155 Crawford & Company of Poway, California, #16-152 Business Interiors by Staples of Circle Pine, MN, #16/156 G/M Business Interiors of Riverside, California and #16-154 Systems Source, Inc. of Irvine, California, awarded by the County of San Bernardino, for the full contract term through March 21, 2021 unless otherwise terminated in accordance with the provisions of the contracts.

All applicable bid documentation is on file in the Purchasing Division.

Respectfully submitted,



Ruth Cain, CPPB, Purchasing Manager



STAFF REPORT

RANCHO CUCAMONGA POLICE DEPARTMENT

DATE: July 20, 2016
TO: Mayor and Members of the City Council
John R. Gillison, City Manager
FROM: Danielle Boldt, Police Chief 
BY: Frank Montanez, Lieutenant
Steve Wolff, Detective

SUBJECT: CONSIDERATION TO APPROVE THE SINGLE SOURCE PURCHASE FROM LEVERAGE INFORMATION SYSTEMS, INC. FOR A WIRELESS LINK TO CONNECT THE CITY'S PUBLIC SAFETY VIDEO NETWORK TO THE CHAFFEY JOINT UNION HIGH SCHOOL DISTRICT'S NETWORK AT LOS OSOS HIGH SCHOOL; AND TO AUTHORIZE AN APPROPRIATION IN THE AMOUNT OF \$35,645.17 FROM COPS PROGRAM GRANT-STATE FUND BALANCE INTO ACCOUNT NUMBER 1354701-5603 (CAPITAL OUTLAY- EQUIPMENT) AND APPROPRIATION IN THE AMOUNT OF \$3,530.47 COPS PROGRAM GRANT-STATE FUND BALANCE INTO ACCOUNT NUMBER 1354701-5300 (CONTRACT SERVICES).

RECOMMENDATION

Staff recommends the approval of a single source purchase from Leverage Information Systems, Inc. for a wireless link to connect the City's Public Safety Video Network to the Chaffey Joint Union High School District's network at Los Osos High School; and the authorization of an appropriation in the amount of \$35,645.17 from the COPS Program Grant-State Fund Balance into Account Number 1354701-5603 (Capital Outlay – Equipment) and the appropriation in the amount of \$3,530.47 from the COPS Program Grant-State Fund balance into Account Number 1354701-5300 (Contract Services).

BACKGROUND

The Public Safety Video Network (PSVN) was launched in 2013 with the deployment of 10 cameras in and around the area of Victoria Gardens. During the last three years, Police Department staff members have worked diligently with various City departments and local school districts in an effort to expand the PSVN. This ongoing project has recently installed cameras at the Metrolink Parking Lot and will soon install equipment at City Hall, the Archibald and Biane Libraries as well as the new Los Amigos Park. This expansion eventually led to a proposed pilot project with the Chaffey Joint Union High School District (District). The project would integrate existing surveillance cameras on all four high school campuses with the PSVN.

CONSIDERATION TO APPROVE THE SINGLE SOURCE PURCHASE FROM LEVERAGE INFORMATION SYSTEMS, INC. FOR A WIRELESS LINK TO CONNECT THE CITY'S PUBLIC SAFETY VIDEO NETWORK TO THE CHAFFEY JOINT UNION HIGH SCHOOL DISTRICT'S NETWORK AT LOS OSOS HIGH SCHOOL; AND TO AUTHORIZE AN APPROPRIATION IN THE AMOUNT OF \$35,645.17 FROM COPS PROGRAM GRANT-STATE FUND BALANCE INTO ACCOUNT NUMBER 1354701-5603 (CAPITAL OUTLAY- EQUIPMENT) AND APPROPRIATION IN THE AMOUNT OF \$3,530.47 COPS PROGRAM GRANT-STATE FUND BALANCE INTO ACCOUNT NUMBER 1354701-5300 (CONTRACT SERVICES).

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JULY 20, 2016

ANALYSIS

All four campuses are currently networked together by gigabit fiber which is provided by the District. By making a single wireless link/connection to one campus, we are able to utilize the District's existing network infrastructure to connect to the other three campuses. Los Osos High School was selected as the best location to make this interconnect because of its geographical location in relationship to our existing backhaul equipment installed on Water Tower 6B at the north end of Haven Avenue.

A full duplex microwave transceiver will be installed on the roof of the Los Osos High School Gymnasium and will be positioned to connect to the Haven Avenue water tower. A custom designed magnetic mount antenna will be added to the water tower to support this connection. The final leg of the connection will be made through our existing wireless link that connects the Haven Avenue water tower to the roof of the court house. Radio equipment on the roof of the court house takes the wireless data and connects it to the PSVN fiber backbone.

Once this link becomes operational it will provide access to all of the existing cameras on the four high school campuses. Each campus will maintain their original network video recorders and video will be recorded locally at each campus to minimize the load on both networks. The PSVN will receive a live video stream of a slightly degraded quality from any selected camera on the four campuses. This live stream will be recorded by the PSVN whenever it is selected. Should the need arise to retrieve the highest quality video available it can always be retrieved from the local network video recorders found at each campus.

This link will also provide additional connection points for the PSVN. The remaining high school campuses are located in a relatively straight line that follows Baseline Road. Since we will already be connected to the District's network we will have a network presence at each campus. By adding an additional antenna at any of these remaining campuses we would be able to use the campus as a reach back point to the PSVN. Each campus could be used as an aggregation point that would support additional PSVN cameras. With these campuses located near the center of the city they provide a valuable connection potential especially where no network infrastructure currently exists.

SOLE SOURCE VENDOR – Leverage Information Systems.

The vendor selected for the PSVN is Leverage Information Systems. Since the original deployment, Leverage has installed cameras at the Metrolink parking complex and additional projects are scheduled for City Hall, The Archibald and Biane Libraries and city parks. The overall design of the Leverage Video Management Software is structured to unify video assets among various different departments. This design along with their proactive approach to public safety makes them unique in the industry. In order to maintain the integrity of the system and the enhanced functionality of all components, it is wise and prudent to keep Leverage as the sole vendor.

CONSIDERATION TO APPROVE THE SINGLE SOURCE PURCHASE FROM LEVERAGE INFORMATION SYSTEMS, INC. FOR A WIRELESS LINK TO CONNECT THE CITY'S PUBLIC SAFETY VIDEO NETWORK TO THE CHAFFEY JOINT UNION HIGH SCHOOL DISTRICT'S NETWORK AT LOS OSOS HIGH SCHOOL; AND TO AUTHORIZE AN APPROPRIATION IN THE AMOUNT OF \$35,645.17 FROM COPS PROGRAM GRANT-STATE FUND BALANCE INTO ACCOUNT NUMBER 1354701-5603 (CAPITAL OUTLAY- EQUIPMENT) AND APPROPRIATION IN THE AMOUNT OF \$3,530.47 COPS PROGRAM GRANT-STATE FUND BALANCE INTO ACCOUNT NUMBER 1354701-5300 (CONTRACT SERVICES).

JULY 20, 2016

SYSTEM COST AND RECURRING COSTS

The total cost for this full duplex wireless link is \$39,175.64 which includes a maintenance and service contract at a cost of \$3,530.47. The maintenance and service contract is reviewed annually and can be extended if desired. The recurring cost would only take affect if the maintenance and service contract were extended beyond the first year.

Attachment:

Leverage Information Systems Quote 1603311

Los Osos High School to Rancho Cucamonga Wireless Bridge Proposal



Leverage Information Systems
 Phone: 425-482-9200
 Fax: 425-485-9400
 PO Box 630
 Woodinville, WA 98072

Quote
 No.: **1603311**
 Date: 06/29/2016

Prepared for:
 Steve Wolff (909) 477-2857
 City of Rancho Cucamonga

Prepared by: Colin McElroy
 Account No.: 2150
 Type: Open Market
 Job: Los Osos HS Wireless

CLIN	Qty.	Item ID	Description	UOM	Ea. Price	Total
- Hardware -						
001	1	EH1200FX-Kit-2'	EtherHaul 1200FX Kit w/ 2' antenna - 1.0Gbps, full-duplex, med-range link, E Band Licensed, PoE	EA	\$8,780.00	\$8,780.00
002	2	EH-SRG	Ethernet/PoE Surge Protector	EA	\$100.00	\$200.00
003	2	EH-OPT-AES	AES Encryption	EA	\$428.57	\$857.14
004	1	ASA5525-K9	ASA 5525-X with SW, 8GE Data, 1GE Mgmt, AC, 3DES/AES	EA	\$5,796.78	\$5,796.78
005	1	GLC-T=	1000BASE-T SFP	EA	\$254.56	\$254.56
006	1	LC-MCGSFP	Ethernet Media Converter 10/100/1000TX RJ45 to Single Gigabit SFP Socket	EA	\$107.11	\$107.11
007	1	LC-SFPMM-220-550M	SFP Module Multimode Duplex LC (850nm) (220m/550m)	EA	\$49.97	\$49.97
- Installation Materials -						
008	1.00	LOT - EQUIP	Installation Materials	EA	\$4,963.70	\$4,963.70
- Labor -						
038	1.00	OSINSTALL	Onsite Installation	EA	\$12,400.00	\$12,400.00
- Onsite & Warranty Support -						
043	1	LM-ASA5525-K9-OS-1 YR	12 Months On-Site NBD Support (8-5/ M-F)	EA	\$1,223.10	\$1,223.10
044	1	CON-SNT-A25K9	Non-Deliverable SMARTNET 8X5XNBD ASA 5525-X with SW,	EA	\$923.14	\$923.14
045	1	LM-EH1200FX-Kit-2'-O S-1YR	12 Months On-Site NBD Support (8-5/ M-F)	EA	\$1,384.23	\$1,384.23
046	2	SR-EW-1Y-F	Service&Support Plan - Extended Warranty - 1 Year. 1st year included in product warranty	EA	\$0.00	\$0.00
- Freight -						
047	1.00	Freight - Fixed Price	Fixed Freight Charge	EA	\$595.54	\$595.54
048	1.00	Customer Credit	Surveillance Solution Customer Discount	EA	(\$1,000.00)	(\$1,000.00)

Quote

No.: **1603311**

Date: 06/29/2016

	Your Price:	\$36,535.26
	Sales Tax	\$2,640.38
	SubTotal:	\$39,175.64
	Total:	\$39,175.64

Prices are firm until 7/29/2016

Terms: Net 30

Quoted by: Colin McElroy, colin.mcelroy@leverageis.com

Date: 6/29/2016

Signature: _____ **PO#:** _____

Date: _____

Print Name: _____ **Title:** _____

PH# : _____

Disclaimer

Unless otherwise quoted, Standard delivery charges are 30 days ARO. Expedited freight will be charged prepay and add. Please notify your sales rep should you want to use a freight account.

If applicable, sales tax will be charged when invoiced.

Leverage Information Systems 30 day return policy does not apply to changed, opened, or cancelled orders. In the event the customer chooses to change or cancel an order, restocking fees may apply.

- Leverage is a Small Business Enterprise
- Pricing is valid for (30) days
- Accepted Methods of Payment - Check or EFT, Please contact your sales rep for re-quote should you like to pay via Credit Card

Tax ID / EIN# 91-1607710
DUNS# 807596051
Cage Code: 0X6H7



**CITY OF RANCHO CUCAMONGA
SINGLE/SOLE SOURCE JUSTIFICATION
FOR PURCHASES \$5,000 AND ABOVE**

The below information is provided in support of my Department requesting approval for a single/sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for single or sole source.

Vendor: Leverage Information Systems Inc. Date: Jul 20, 2016

Commodity/Service: PSVN Wireless Link with Chaffey Joint Union High School District

Estimated expenditure: \$39,175.64 Your Name: Steve Wolff 

Extent of market search conducted: Internet Search

Price Reasonableness: The price is competitive with similar products on the market

Does moving forward on this product/service further obligate the City to future similar contract actual arrangements? There will be an annual service agreement for hardware Support for the network devices.

DEFINITIONS:

SINGLE SOURCE – a transaction with a business entity that is chosen, without competition, from among two or more business entities capable of supplying or providing the goods or services that meet the specified need.

SOLE SOURCE - A transaction with the **only** business entity capable of supplying or providing the goods or services that meet the specified need.

Initial all entries below that apply to the proposed purchase (more than one entry will apply to most single/sole source products/services requested). If needed, attach a memorandum containing complete justification and support documentation as directed in initial entry.

THIS IS A SINGLE SOURCE **THIS IS A SOLE SOURCE PURCHASE** (check one).

1. _____ SINGLE/SOLE SOURCE REQUEST IS FOR THE ORIGINAL MANUFACTURER, THERE ARE NO REGIONAL DISTRIBUTORS. (Item no. 3 also must also be completed).

2. _____ THE PARTS/EQUIPMENT ARE NOT INTERCHANGEABLE WITH SIMILAR PARTS OF ANOTHER MANUFACTURER. (Explain in separate memorandum).

Single/Sole Source Justification Form

Page 2

- 3. _____ THIS IS THE ONLY KNOWN ITEM OR SERVICE THAT WILL MEET THE SPECIALIZED NEEDS OF THIS DEPARTMENT OR PERFORM THE INTENDED FUNCTION. (Attach memorandum with details of specialized function or application).
- 4. _____ UNIQUE FEATURES OF THE SUPPLY/SERVICE BEING REQUESTED. THERE IS NO ALTERNATIVE SUPPLIER. (Attach memorandum with reasons why these unique features are and what benefit the City will accrue.)
- 5. _____ THE PARTS/EQUIPMENT ARE REQUIRED FROM THIS SOURCE TO PERMIT STANDARDIZATION (Attach memorandum describing basis for standardization request).
- 6. X _____ NONE OF THE ABOVE APPLY. A DETAILED EXPLANATION AND JUSTIFICATION FOR THIS SINGLE/SOLE SOURCE REQUEST IS CONTAINED IN ATTACHED MEMORANDUM.

The undersigned requests that competitive procurement be waived and that the vendor identified as the supplier of the service or material described in this single/sole source justification be authorized as a single/sole source for the service or material.

Department Head: *W. Boldt* Department: *Police*

◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆ Purchasing Department ◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆ ◆

- APPROVED
- APPROVED WITH CONDITION/S
- DISAPPROVE

Comments:

\$5,000 - \$50,000
 APPROVED BY PURCHASING MANAGER: _____ Date: _____

\$50,000 – 100,000
 APPROVED BY CITY MANAGER: _____ Date: _____

\$100,000 AND OVER
See comments above by Purchasing Division, attach to Council Request

CITY COUNCIL ACTION: _____ Date: _____



STAFF REPORT

BUILDING AND SAFETY SERVICES DEPARTMENT

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Trang Huynh, Building and Safety Services Director

Subject: CONSIDERATION OF APPROVAL OF AMENDMENT NO. 003 TO CONTRACT #CO14-234 WITH BUREAU VERITAS NORTH AMERICA, INC. FOR CONTRACT PLAN CHECKS OF VARIOUS CONSTRUCTION PROJECTS WITHIN THE CITY IN AN AMOUNT NOT TO EXCEED \$53,000 AND AUTHORIZATION TO APPROPRIATE \$53,000 INTO ACCOUNT NUMBER 1001302-5300 (CONTRACT SERVICES) FOR FISCAL YEAR 2015/16 FUNDED BY ADDITIONAL PLAN CHECK REVENUE.

RECOMMENDATION

It is recommended that the City Council approve Amendment No. 003 to contract #CO14-234 with Bureau Veritas North America, Inc. for contract plan checks of various construction projects within the City in an amount not to exceed \$53,000 and authorization to appropriate \$53,000 into account number 1001302-5300 (Contract Services) for Fiscal Year 2015/16 funded by additional plan check revenue and authorize the Building and Safety Services Director to execute the Amendment accordingly.

BACKGROUND/ANALYSIS

Bureau Veritas North America, Inc. has been providing contract plan check services for some large and unique construction projects for the Building and Safety Services Department during the last several years. With the recent passing of the key Plans Examiner and the extended recruitment process, together with a more than 25% increase in permit applications of different development projects during this year, the plan check service of this consulting firm is required to maintain our excellent customer service and accommodate the needs of the development community to obtain timely approvals for building plan checks and permits.

This additional contract amount of \$53,000 provides funding for services provided for the last few months of Fiscal Year 2015/16. This contract service from Bureau Veritas North America, Inc. will be reduced significantly in the future due to the department's recent hiring of two new full-time Plans Examiners who will perform the in-house plan checking work.

Respectfully submitted,

Trang Huynh, P.E.
Building and Safety Services Director

/vv

Attachment: Amendment No. 003

AMENDMENT NO. 003

to

Professional Services Agreement (CO #14-234)

between

Bureau Veritas North America, Inc. (hereinafter "Consultant")

and

City of Rancho Cucamonga (hereinafter the "City")

This Amendment No. 003 will serve to amend the Professional Services Agreement (hereinafter "Agreement"), CO# 14-234, to incorporate the following:

Amend Section 3, Compensation, from Contractor shall not exceed \$95,000 (Ninty Five Thousand Dollars)

to, Contractor shall not exceed \$148,000 (One Hundred Forty Eight Thousand Dollars) ...

All other Terms and Conditions of the original Agreement CO#14-234, will remain in full effect.

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Amendment by way of signature by both parties and on the date indicated below. Please return two (2) original signed copies to the City no later than Wednesday July 20, 2016. The City will process both copies for signature and provide Consultant with one (1) fully executed copy of the Amendment.

Bureau Veritas North America, Inc.

City of Rancho Cucamonga

By: _____
Name Date

By: _____
Name Date

Title

Title

By: _____
Name Date

By: _____
Name Date

Title
(two signatures required if corporation)

Title



STAFF REPORT

PLANNING DEPARTMENT

DATE: July 20, 2016

TO: Mayor and Members of the City Council
John R. Gillison, City Manager

FROM: Candyce Burnett, Planning Director

BY: Tabe van der Zwaag, Associate Planner

ENVIRONMENTAL ASSESSMENT AND DEVELOPMENT CODE AMENDMENT DRC2014-01132 - Foothill & East, LLC – A proposed amendment to Development Code Section 17.36.020 A and B, Figure 17.36.020-1 and Table 17.36.020-1, to add the proposed site to the Development Standards for Mixed Use Zoning Districts along with Figure 17.38.060-1 and Figure 17.38.060-15 for consistency with the proposed Zoning Map Amendment DRC2014-01131 amending the zoning designation of the site from Community Commercial (CC) to Mixed Use (MU) for the development of a proposed 190-unit, multi-family residential development with 3,246 square feet of commercial space or live/work units for a site located on 8.8 acres of land within the Community Commercial (CC) Zoning District at the northwest corner of Foothill Boulevard and East Avenue; APN's: 1100-201-03, 04 and 07. Staff has prepared a Mitigated Negative Declaration of environmental impacts for consideration.

ENVIRONMENTAL ASSESSMENT AND ZONING MAP AMENDMENT DRC2014-01131-FOOTHILL & EAST, LLC - A request to change the zoning designation for 8.8 acres of land from Community Commercial (CC) to Mixed Use (MU) related to the development of a 190-unit, multi-family residential development with 3,246 square feet of commercial space or live/work units for a project site within the Community Commercial (CC) Zoning District at the northwest corner of Foothill Boulevard and East Avenue; APNs: 1100-201-03, 04 and 07. Staff has prepared a Mitigated Negative Declaration of environmental impacts for consideration.

RECOMMENDATION: The action before the City Council is consideration of the amendments to the Zoning Map and Development Code. The Planning Commission recommends the following actions by the City Council:

- 1) Adopt the Mitigated Negative Declaration of environmental impacts for the project;
- 2) Approve Zoning Map Amendment DRC2014-01131; and
- 3) Approve Development Code Amendment DRC2014-01132.

BACKGROUND: On June 15, 2016, the City Council reviewed the proposed Development Code Amendment and Zoning Map Amendment. The City Council raised several concerns related to the project. They continued the review of the application to allow staff and the applicant time to analyze these concerns and address their questions. The Planning Commission and City Council staff reports and exhibits are attached for reference.

PROJECT HISTORY: The applicant submitted a request to construct a commercial development on the project site in 2009. The commercial project was approved by the Planning Commission on March 23, 2011. The project was reviewed by the City Council on May 18, 2011 and sent back to the Planning Commission to resolve a dispute with an adjacent property owner over access. In 2013, the applicant elected to not seek final City Council approval of the project as the commercial project was no longer economically viable. Shortly thereafter, the applicant began discussions with the City about developing a mixed use project. The City, at that time, began its efforts to create development

CITY COUNCIL STAFF REPORT
DEVELOPMENT CODE AMENDMENT DRC2014-01132 AND ZONING MAP AMENDMENT
DRC2014-01131 – FOOTHILL & EAST, LLC
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standards that would apply to mixed use projects, including requirements for parking, setbacks, open space, amenities, and land use mix. The City evaluated the mixed use parking standards of several other cities and determined that the parking standards vary widely. Although the Development Code now requires mixed use projects to comply with the City's current parking requirements it also allows for reductions in the requirement if that is supported by a parking study, subject to peer review, and the approval of a Minor Exception (which allows for a maximum of a 25 percent reduction in the parking requirement). The applicant has designed his project to meet the anticipated new standards and received Planning Commission approval for a 9 percent reduction in the parking subject to a parking management plan to be approved by the City.

ANALYSIS:

- A. Overview and Discussion: The City Council raised the following discussion topics related to the project at the June 15, 2016 public hearing when considering the proposed Zoning Map and Development Code Amendment. Each topic is discussed below with a comprehensive response.

Topic #1: On-site parking. The City Council asked whether there would be sufficient parking on-site to address the expected parking demand for the proposed project.

Response: On May 11, 2016, the Planning Commission approved a Minor Exception (related file: DRC2016-00169) to reduce the number of parking stalls necessary for the project. The Planning Commission's decision was based on a parking study that was submitted by the applicant and reviewed by the City. The parking study evaluated the potential parking demand and concluded that the proposed 371 residential parking spaces were adequate to serve the needs of the project. The parking demand for three similar projects - two (2) in Valencia and one (1) in Lake Elsinore were evaluated. The study found that the highest parking demand of the three developments studied was 1.86 parking spaces per residential unit. The proposed project consists of 190 residential units with 371 parking spaces. This results in a parking supply ratio of 1.95 parking spaces per unit ($371/190 = 1.95$), which is in excess of each of the projects reviewed.

The parking study also recommended that a parking management program be implemented to manage on-site parking to further reduce any potential of a parking shortfall. The applicant has stated that the parking management program will require tenants to sign lease agreements that limit the number of vehicles that may be parked on-site based on the number of bedrooms in their units. A parking permit program will be implemented restricting on-site parking for both residents and overnight guests. Strict limitations will be placed on the storage of personal items in the enclosed garages to ensure that the garages are used primarily for vehicle parking. Signs will be placed throughout the project site outlining the parking restrictions and the consequences for violating these restrictions.

In conclusion, the Planning Commission approved the Minor Exception to reduce the required on-site parking by 9 percent based on a combination of the reduced parking demand of Mixed Use/Transit Oriented developments, the adjacency to a future transit stop, the extensive number of secure bicycle storage facilities provided, proximity to a trail connection, and the strict Parking Management Program proposed by the applicant. They did not base their decision on the inclusion of on-street parking (see Exhibit C).

Topic #2: On-street parking. The City Council asked about the purpose and suitability of parking along the west side of East Avenue.

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DEVELOPMENT CODE AMENDMENT DRC2014-01132 AND ZONING MAP AMENDMENT
DRC2014-01131 – FOOTHILL & EAST, LLC
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Response: The proposed on-street parking along the west side of East Avenue was intended to help alleviate any unanticipated concerns related to the residents and guests parking in the surrounding residential neighborhoods. The on-street parking was not needed to meet the parking demand of the project and the Planning Commission did not rely upon the proposed on-street parking to make their decision to approve the Minor Exception.

As outlined in the discussion of on-site parking, the project includes adequate on-site parking to meet the project's parking demand. Nevertheless, on-street parking immediately adjacent to the project site is included with the project as a means to minimize the likelihood of tenants in the project parking in the surrounding neighborhoods. It should be noted that parking along the east side of East Avenue (in the City of Fontana) is restricted. The nearest opportunities for on-street parking is a single-family neighborhood in the City located about 1,400 feet to the west of the project site on Cornwall Avenue and about 2,500 feet to the north on Via Veneto Drive. The closest on-street parking in the City of Fontana is about 600 feet to the east on Jamestown Court and 600 feet north on Marshall Court (see Exhibit D).

Staff has analyzed existing and future traffic on this segment of East Avenue and has verified that the segment of East Avenue adjacent to the project site will operate at an acceptable level of service with a single southbound lane adjacent to the on-street parking. With the current conceptual design, there is adequate room for the single southbound lane and a buffered bike lane adjacent to the parking "bays". At the intersection, full left and right turn lanes will be provided. Based on analysis of the traffic volume and the proposed conceptual design, staff recommends that only one vehicle lane be developed along the west side of East Avenue, as currently exists adjacent and to the north of the project site;

In an effort to ensure that there are no negative impacts, the following actions are being taken:

- Evaluating the need to modify the City's Residential Permit Parking Program to incorporate single-family residential areas adjacent to mixed use developments. Developing updated parking standards that better reflect the characteristics of mixed use developments;
- Incorporating parking "bays" along the west side of East Avenue to slow southbound traffic approaching Foothill Boulevard;
- Adding a buffered bike lane on East Avenue to enhance bicycling opportunities and connections.

Topic #3: Security issues. The City Council asked about the security of on-street parking.

Response: Staff has discussed the potential for increased crime related to the proposed on-street parking with Police Chief Danielle Boldt of the San Bernardino County Sheriff's Department. She stated that any potential increase in crime related to on-street parking could be partially mitigated through the installation of security cameras that are connected to the Sheriff Department's Public Safety Video Network. To increase the effectiveness of the cameras, she recommended that they be clearly visible, that there be signage indicating the presence of the cameras and that cameras be out of reach and secured. It should be noted that on-street parking for the project is only proposed directly adjacent to the project site on the west side of East Avenue. The project is designed with residential units directly facing East Avenue, which provides an extra level of security as it will provide increased visibility of the parked vehicles by the residents of the adjacent residential units ("eyes on the street").

CITY COUNCIL STAFF REPORT
 DEVELOPMENT CODE AMENDMENT DRC2014-01132 AND ZONING MAP AMENDMENT
 DRC2014-01131 – FOOTHILL & EAST, LLC
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Topic #4: Bicycle/pedestrian connectivity with the surrounding community. The City Council asked how accessible the project is to bike routes and nearby amenities.

Response: The project is designed to foster bicycle ridership with space for 126 bicycle lockers and secured space for 48 bicycle racks (see Exhibit E). The project provides a convenient connection to the Pacific Electric Trail using an existing dual use trail that runs along the east side of the flood control channel on the east side of East Avenue (see Exhibit F). A community trail is proposed on the west side of the utility easement adjacent to the project site. When constructed, this trail will provide access to Garcia Park, which is northwest of the project site and to Arrow Route along the Utility easement (see Exhibit G). In the future, bicycles will also have access to bicycle lanes along Foothill Boulevard and East Avenue and potentially along Miller Avenue/Church Street to the north, providing easy access to Victoria Gardens (see Exhibit H).

Topic #5: Future transit opportunities. The City Council asked where the nearest future transit stops were.

Response: The project provides the infrastructure for a future Omnitrans bus stop, providing an easy connection to public transportation throughout the region.

- B. Pending Entitlements: The City Council is asked to review a Zoning Map Amendment (DRC2014-01131) and a Development Code Amendment (DRC2014-01132) related to the May 11, 2016 Planning Commission approval of the related Development Review (DRC2014-01130). The Planning Commission approval included associated applications for a Tentative Tract Map (SUBTT19945), a Minor Exception (DRC2016-00169) for parking, a Tree Removal Permit (DRC2014-01134) and a Uniform Sign Program (DRC2015-00318).

The Planning Commission approval of the related entitlements are contingent upon City Council approval of the amendments to the Zoning Map and Development Code. The Council is strictly reviewing the Zoning Map and Development Code Amendments. The Zoning Map Amendment brings the zoning designation of the project site into conformance with the Mixed Use (MU) General Plan Land Use Designation. The Development Code Amendment updates tables and figures in the Development Code to reflect the new Mixed Use (MU) Zoning Designation. These house cleaning items will bring the Development Code into conformance with the new Mixed Use (MU) General Plan Designation for the project site. A full description of the amendments is provided below.

- C. Zoning Map Amendment DRC2014-001131: Zoning Map Amendment changes the zoning designation of the project site from Community Commercial (CC) to Mixed Use (MU). The Planning Commission recommended to the City Council the approval of the Zoning Map Amendment to bring the project site into conformance with the recently adopted Mixed Use (MU) General Plan land use designation for the site.
- D. Development Code Amendment DRC2014-01132: The Development Code Amendment amends Development Code Sections 17.36.020 A and B, Figure 17.36.020-1 and Table 17.36.020-1, to add the project site to the Development Standards for Mixed Use Zoning Districts and Figure 17.38.060-1 and 17.38.060-15, to change the project site from Community Commercial to Mixed Use, related to the proposed Zoning Map Amendment (DRC2014-01131), amending the zoning designation of the project site from Community Commercial (CC) District to Mixed Use (MU) District.

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DEVELOPMENT CODE AMENDMENT DRC2014-01132 AND ZONING MAP AMENDMENT
DRC2014-01131 – FOOTHILL & EAST, LLC
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- E. Environmental Assessment: Pursuant to the California Environmental Quality Act ("CEQA") and the City's local CEQA Guidelines, City staff prepared an Initial Study of the potential environmental effects of the project. Based on preparation of the Initial Study Part II, a Mitigated Negative Declaration was prepared. Thereafter, City staff provided public notice of the public comment period and of the intent to adopt the Mitigated Negative Declaration.

On April 20, 2016, a letter was received from the California Department of Fish and Wildlife (CDFW), raising concerns related to the Biological Resources section of the Initial Study. The letter raised questions related to the age of the submitted Biological Survey (Debra Kisinger; May, 2009 and updated on December 19, 2014), the lack of depth of the Biological Survey in relation to the potential for sensitive species to occur on the project site, the lack of trapping for the San Bernardino Kangaroo Rat (SBKR) and Los Angeles Pocket Mouse (LAPM) and the lack of focused studies for the potential impact on State and Federal Species of Special Concern, including the California horned lark, San Diego pocket mouse and coastal horned lizard.

In response to CDFW comments, project biologist Debra Kisinger submitted a response to comments that indicates the project site was "developed" as an agricultural/commercial woodlot for over 80 years. Aerial survey and historical evidence indicates that the project site has never been RAFSS habitat. Habitat loss acquisition mitigation is not required for lands that were put under agriculture for orchards that remain orchards today and should likewise not be required for this parcel, just as jurisdictional wetlands that are "prior converted" agricultural land have no jurisdictional nexus.

While offsite habitat may be suitable for SBKR or LAPM or other California Species of Concern (SC), trapping evidence on adjacent parcels show that potentially suitable habitat adjacent to the project site is isolated from occupied SBKR to the north and that adjacent suitable habitat, now lost to development, was not occupied in 2006 or 2012. Since SBKR was not present on adjacent sites, it would not have sought refuge by crossing the Foothill Boulevard barrier. Furthermore, no SBKR or LAPM have been trapped within the adjacent SCE alignment south of Base Line Road or north of 8th Street according to Steve Montgomery, who trapped the adjacent alignment for the Falcon Ridge project.

Debra Kisinger concludes that some additional mitigation measures, such as exclusion fencing and pre-construction monitoring of the fence line may be required to prevent potentially occurring Species of Special Concern in adjacent suitable habitat from accessing the project site. The response concludes that there is no potential for SBKR or LAPM to occur on site or significant populations of Species of Concern, and there is no substantial new information or significant impacts that would require recirculation of the IS/MND.

Based on the findings contained in that Initial Study, City staff determined that, with the imposition of mitigation measures related to aesthetics, cultural resources, hydrology and water quality, noise, air quality, greenhouse gas, Native American tribal cultural resources and geology and soils, there would be no substantial evidence that the project would have a significant effect on the environment.

CEQA Guidelines Section 15073.5(c) states that recirculation of the Initial Study is not required when new mitigation measures are replaced with equal or more effective measures. As recommended by the project biologist, Debra Kisinger, a new mitigation measure was added to the Condition of Approval related to the installation of a habitat exclusion fence around the project site.

CITY COUNCIL STAFF REPORT
DEVELOPMENT CODE AMENDMENT DRC2014-01132 AND ZONING MAP AMENDMENT
DRC2014-01131 – FOOTHILL & EAST, LLC
JULY 20, 2016
Page 6

Staff concludes that with the additional documentation provided in the response letter from the project biologist to CDFW comments, and the implementation of the additional mitigation measure recommended in the response letter, that the issues raised by CDFW have been addressed and there is no evidence that the project will have a significant impact on the environment.

A Mitigation Monitoring Program has also been prepared to ensure implementation of, and compliance with, the mitigation measures for the project.

CORRESPONDENCE: This item was advertised as a public hearing in the Inland Valley Daily Bulletin newspaper, the property was posted, and notices were mailed to all property owners within a 660-foot radius of the project site.

Respectfully submitted,



Candyce Burnett
Planning Director

CB:TV/vv

Attachments: Exhibit A - City Council Staff Report Dated June 15, 2016
(exhibits attached under separate cover)
Exhibit B - Project Overlaid onto Aerial
Exhibit C - Vehicle Parking Reduction Features
Exhibit D - Nearest On-Street Parking
Exhibit E - Secure Bicycle Parking
Exhibit F - Connection to PE Trail
Exhibit G - Bicycle/Pedestrian Connectivity
Exhibit H- Victoria Gardens Bicycle Connection
Draft Ordinance Approving Zoning Map Amendment DRC2014-01131
Draft Ordinance Approving Development Code Amendment DRC2014-01132

STAFF REPORT



PLANNING DEPARTMENT

DATE: June 15, 2016
 TO: Mayor and Members of the City Council
 John R. Gillison, City Manager
 FROM: Candyce Burnett, Planning Director
 BY: Tabe van der Zwaag, Associate Planner

ENVIRONMENTAL ASSESSMENT AND DEVELOPMENT CODE AMENDMENT DRC2014-01132 - FOOTHILL & EAST, LLC – A proposed amendment to Development Code Section 17.36.020 A and B, Figure 17.36.020-1 and Table 17.36.020-1, to add the proposed site to the Development Standards for Mixed Use Zoning Districts along with Figure 17.38.060-1 and Figure 17.38.060-15 for consistency with the proposed Zoning Map Amendment DRC2014-01131 amending the zoning designation of the site from Community Commercial (CC) to Mixed Use (MU) for the development of a proposed 190-unit, multi-family residential development with 3,246 square feet of commercial space or live/work units for a site located on 8.8 acres of land within the Community Commercial (CC) Zoning District at the northwest corner of Foothill Boulevard and East Avenue; APN's: 1100-201-03, 04 and 07. Staff has prepared a Mitigated Negative Declaration of environmental impacts for consideration.

ENVIRONMENTAL ASSESSMENT AND ZONING MAP AMENDMENT DRC2014-01131-FOOTHILL & EAST, LLC - A request to change the zoning designation for 8.8 acres of land from Community Commercial (CC) to Mixed Use (MU) related to the development of a 190-unit, multi-family residential development with 3,246 square feet of commercial space or live/work units for a project site within the Community Commercial (CC) Zoning District at the northwest corner of Foothill Boulevard and East Avenue; APNs: 1100-201-03, 04 and 07. Staff has prepared a Mitigated Negative Declaration of environmental impacts for consideration.

RECOMMENDATION: The Planning Commission recommends that the City Council 1) adopt the Mitigated Negative Declaration of environmental impacts for the project, 2) Zoning Map Amendment DRC201-01131, and 3) Development Code Amendment DRC2014-01132, with removal of the two non-project specific text revisions, through adoption of the attached Ordinances.

PROJECT AND SITE DESCRIPTION:

- A. Project Density: 21.9 dwelling units per acre.
- B. Surrounding Land Use and Zoning:
 North - Vacant Land – Community Commercial (CC)
 South - Multi-Family Work Force Housing – Medium Residential (M)
 East - Flood Control Facility/Single-Family Residential (Low Medium) – City of Fontana
 West - Utility Easements – Open Space (OS)

General Plan Designations:

- Project Site - Mixed Use
 North - Mixed Use
 South - Medium Residential
 East - City of Fontana (Low Medium Residential)
 West - Flood Control/Utility Corridor

EXHIBIT A

CITY COUNCIL STAFF REPORT
 DEVELOPMENT CODE AMENDMENT DRC2014-01132 AND ZONING MAP AMENDMENT
 DRC2014-01131
 JUNE 15, 2016
 Page 2

ANALYSIS:

- A. General: The subject Development Code Amendment and Zoning Map Amendment are related to the development of a 190-unit, mixed use multi-family residential development on 8.8 acres of land. The project includes 72 – 1 bedroom units, 107 – 2 bedroom units, 14 - 3 bedroom units and 3,246 square feet of either commercial space or live/work units (see Attachment A). The project site currently has a zoning designation of Community Commercial (CC) and a General Plan land use designation of General Commercial (GC).

On May 11, 2016, the Planning Commission reviewed and approved Development Review (DRC2014-01130), Tentative Tract Map (SUBTT19945), Minor Exception (DRC2016-00169), Tree Removal Permit (DRC2014-01134) and Uniform Sign Program (DRC 2015-00318). At the same meeting, the Planning Commission recommended approval to the City Council of Development Code Amendment (DRC2014-01132) and Zoning Map Amendment (DRC2014-01131). The approval of the Development Review, Tentative Tract Map, Minor Exception, Tree Removal Permit and Uniform Sign Program by the Planning Commission are contingent upon the City Council's review and approval of the Development Code Amendment and Zoning Map Amendment.

Additionally, the Planning Commission, at the May 11, 2016 Planning Commission meeting, recommended City Council approval of a separate General Plan Amendment to change the land use designation of various parcels to Mixed Use (MU), including the project site. The City Council is scheduled to review this General Plan Amendment at the June 15th City Council meeting. The proposed Development Code Amendment modifies the facts, figures and tables in Development Code Section 17.36.020 to add the project site as Mixed Use area #14 to the current 13 Mixed Use areas, and modifies two figures to change the land use designation of the project site from Community Commercial (CC) to Mixed Use (MU).

- B. Zoning Map Amendment: Zoning Map Amendment (DRC2014-01131) changes the zoning designation of the project site from Community Commercial (CC) to Mixed Use (MU). A related General Plan Amendment was reviewed by the Planning Commission at the May 11, 2016, Planning Commission meeting which recommended changing the land use designation of a number of parcels in the City, including the project site, to Mixed Use (MU). The Planning Commission recommended City Council approval of the General Plan land use amendment. The proposed Zoning Map Amendment will bring the project site into conformance with the new Mixed Use (MU) General Plan land use designation.
- C. Development Code Amendment: The Development Code Amendment amends Development Code Sections 17.36.020 A and B, Figure 17.36.020-1 and Table 17.36.020-1, to add the project site to the Development Standards for Mixed Use Zoning Districts and Figure 17.38.060-1 and 17.38.060-15, to change the project site from Community Commercial to Mixed Use, related to the proposed Zoning Map Amendment (DRC2014-01131), amending the zoning designation of the project site from Community Commercial (CC) to Mixed Use (MU). These house cleaning items will bring the Development Code into conformance with the new Mixed Use (MU) General Plan Designation for the project site.
- D. Associated Applications: Included was Tentative Tract Map (SUBTT19945), for the subdivision of the 8.8 acre project site in order to create a one lot tentative tract map for residential and commercial condominium purposes; Tree Removal Permit (DRC2014-01134), for the removal of 184 eucalyptus trees; and, Uniform Sign Program (DRC2015-00318), for the project signage and

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 DEVELOPMENT CODE AMENDMENT DRC2014-01132 AND ZONING MAP AMENDMENT
 DRC2014-01131
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 Page 3

a Minor Exception for parking. The purpose of the sign program is to allow signage for the potential commercial tenants or for the live/work units.

- E. Parking: The project provides 384 parking spaces, 38 parking spaces under the minimum requirement (a 9 percent deficiency). The applicant has submitted a Minor Exception (DRC2016-00169) to reduce the required on-site parking. In addition the applicant is providing 174 secure bicycle storage spaces. The applicant is proposing to permit vehicle parking along the west side of East Avenue, which could potentially provide up to 62 additional parking spaces adjacent to the project site. Staff is supportive of permitting on-street parking adjacent to the project site, as it will support the increased density necessary to make mixed use and transit-oriented developments successful.

Additionally, with implementation of the mitigation measures outlined in the parking study, there should be adequate on-site parking provided on the project site. With the additional parking provided along East Avenue, the project should have more than adequate parking available for tenant use. The Planning Commission supports the related Minor Exception (DRC2016-00169) to reduce on-site parking by 38 parking spaces and to permit on-street parking along the west side of East Avenue.

- F. Neighborhood Meeting: A neighborhood meeting was held on October 13, 2015. All the property owners within 660 feet of the site were invited to the meeting. Three property owners attended the meeting with general questions about project design, time line for construction and whether the units would be market rate or affordable housing. The applicant addressed each of the resident's questions. The applicant provided an overview of the project and informed the residents that the units would be market rate apartments and that they hoped to start construction within a year of final approval.
- G. AB52 Tribal Consultation: In accordance with AB52, the Soboba Band of Luiseno Indians and the San Manuel Band of Mission Indians were contacted to determine interest in engaging in consultation related to the potential impact to cultural resources as result of the project. The project originally included a General Plan Amendment and staff sent notice of the project in accordance with SB18. The City was contacted by the Gabrieleno Band of Mission Indians (email dated February 6, 2015) related to the SB18 notice, who requested that one of their experienced and certified Native American monitors be on site during any and all ground disturbances. Staff was also contacted by the Soboba Band of Luiseno Indians (October 28, 2015) and the San Manuel Band of Mission Indians (October 1, 2015), neither of which requested consultation. A Cultural Resources Survey Report (Laguna Mountain Environmental, Inc., May, 2015) was submitted for the project site that concluded that no impacts would occur to cultural resources related to earth moving activities during the construction of the project. A mitigation measure was included in the Mitigation Monitoring Plan requiring that an experienced and certified Native American monitor be on site during any and all ground disturbances.
- H. Planning Commission Hearing: At the May 11, 2016, Planning Commission meeting, the Planning Commissioners made positive comments regarding the overall design and layout of the project. Concerns were raised about the adequacy of the proposed number of parking spaces and the inclusion in the Development Code Amendment of two non-project specific clarifying notes to the Mixed Use standards.

One Planning Commissioner was concerned that the proposed parking reduction may create a parking shortfall in the future and that the proposed on-street parking was not a preferred means to resolve the reduced parking. The applicant's parking consultant informed the Commissioners

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that from their review of similar projects in Southern California, and from their professional experience, the project provides adequate parking for the residential and commercial uses on the site. A resident from the City of Fontana, who lives to the northeast of the project site, also raised concerns about the number of parking spaces.

Two Commissioners also raised concerns related to the proposed Development Code Amendment, which included two non-project specific notes clarifying the permitted mix of land uses within Mixed Use zoning districts. Both Commissioners expressed that the non-project specific clarifying notes should be reviewed separately and not included as part of the project before the Commission. The other two Commissioners in attendance did not have an issue with the inclusion of the two clarifying notes.

The project, as modified to remove the two non-project clarifying notes, was recommended for approval to be forwarded to the City Council with a 4 - 0 vote.

- I. Environmental Assessment: Pursuant to the California Environmental Quality Act ("CEQA") and the City's local CEQA Guidelines, City staff prepared an Initial Study of the potential environmental effects of the project. Based on preparation of the Initial Study Part II, a Mitigated Negative Declaration was prepared. Thereafter, City staff provided public notice of the public comment period and of the intent to adopt the Mitigated Negative Declaration.

On April 20, 2016, a letter was received from the California Department of Fish and Wildlife (CDFW), raising concerns related to the Biological Resources section of the Initial Study. The letter raised questions related to the age of the submitted Biological Survey (Debra Kisinger; May, 2009 and updated on December 19, 2014), the lack of depth of the Biological Survey in relation to the potential for sensitive species to occur on the project site, the lack of trapping for the San Bernardino Kangaroo Rat (SBKR) and Los Angeles Pocket Mouse (LAPM) and the lack of focused studies for the potential impact on State and Federal Species of Special Concern, including the California horned lark, San Diego pocket mouse and coastal horned lizard.

In response to CDFW comments, project biologist Debra Kisinger submitted a response to comments that indicates the project site was "developed" as an agricultural/commercial woodlot for over 80 years. Aerial survey and historical evidence indicates that the project site has never been RAFSS habitat. Habitat loss acquisition mitigation is not required for lands that were put under agriculture for orchards that remain orchards today and should likewise not be required for this parcel, just as jurisdictional wetlands that are "prior converted" agricultural land have no jurisdictional nexus.

While offsite habitat may be suitable for SBKR or LAPM or other California Species of Concern (SC), trapping evidence on adjacent parcels show that potentially suitable habitat adjacent to the project site is isolated from occupied SBKR to the north and that adjacent suitable habitat, now lost to development, was not occupied in 2006 or 2012. Since SBKR was not present on adjacent sites, it would not have sought refuge by crossing the Foothill Boulevard barrier. Furthermore no LAPM or SBKR have been trapped within the adjacent SCE alignment south of Base Line Road or north of 8th Street according to Steve Montgomery, who trapped the adjacent alignment for the Falcon Ridge project.

Debra Kisinger concludes that some additional mitigation measures, such as exclusion fencing and pre-construction monitoring of the fence line may be required to prevent potentially occurring Species of Special Concern in adjacent suitable habitat from accessing the project site. The response concludes that there is no potential for LAPM or SBKR to occur on site or

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DEVELOPMENT CODE AMENDMENT DRC2014-01132 AND ZONING MAP AMENDMENT
DRC2014-01131
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significant populations of Species of Concern, and there is no substantial new information or significant impacts that would require recirculation of the IS/MND.

Based on the findings contained in that Initial Study, City staff determined that, with the imposition of mitigation measures related to aesthetics, cultural resources, hydrology and water quality, noise, air quality, greenhouse gas, Native American tribal cultural resources and geology and soils, there would be no substantial evidence that the project would have a significant effect on the environment.

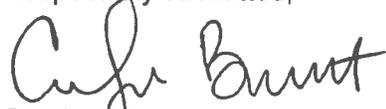
CEQA Guidelines Section 15073.5(c) states that recirculation of the Initial Study is not required when new mitigation measures are replaced with equal or more effective measures. As recommended by the project biologist, Debra Kisinger, a new mitigation measure was added to the Condition of approval related to the installation of a habitat exclusion fence around the project site.

Staff concludes that with the additional documentation provided in the response letter from the project biologist to CDFW comments, and the implementation of the additional mitigation measure recommended in the response letter, that the issues raised by CDFW have been addressed and there is no evidence that the project will have a significant impact on the environment.

A Mitigation Monitoring Program has also been prepared to ensure implementation of, and compliance with, the mitigation measures for the project.

CORRESPONDENCE: This item was advertised as a public hearing in the Inland Valley Daily Bulletin newspaper, the property was posted, and notices were mailed to all property owners within a 660-foot radius of the project site.

Respectfully submitted,



Candyce Burnett
Planning Director

CB:TV/lis

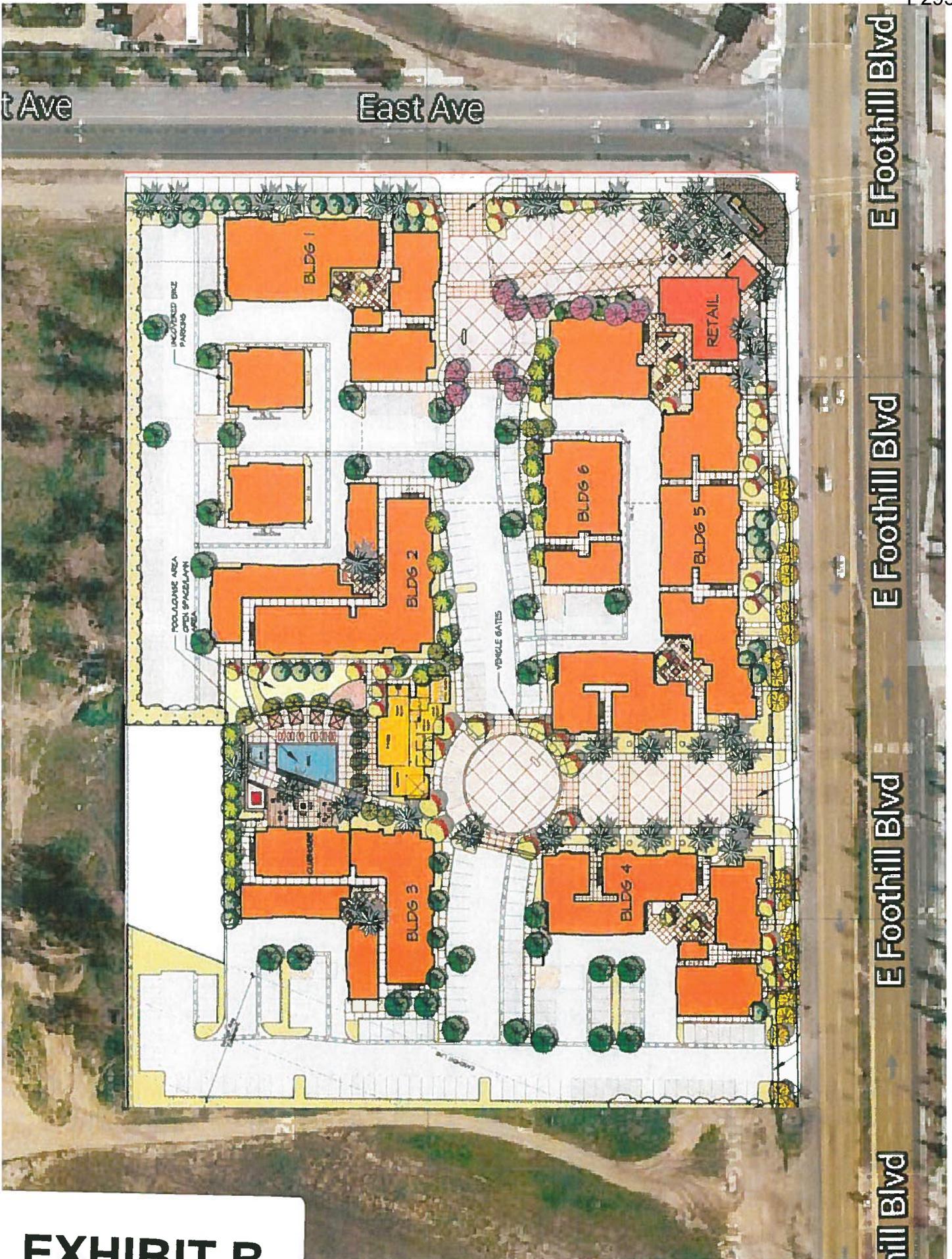
Attachments: Exhibit A - Planning Commission Staff Report dated May 11, 2016 (with all Exhibits and signed Commission Resolutions)
Exhibit B – Planning Commission Minutes, May 11, 2016
Draft Ordinance Approving Development Code Amendment DRC2014-01132
Draft Ordinance Approving Zoning Map Amendment DRC2014-01131

ADVERTISED PUBLIC HEARING

Item N1: Environmental Assessment and Development
Code Amendment DRC2014-01132

Item N2: Environmental Assessment and Zoning Map
Amendment DRC2014-01131

The aforementioned items were continued from the June 15, 2016 City Council Meeting. The original Staff Report and attachments from said meeting are available for review at the City Clerk's Office or on the City's website at https://www.cityofrc.us/cityhall/meetings/coucil_agendas.asp.



t Ave

East Ave

E Foothill Blvd

E Foothill Blvd

E Foothill Blvd

hill Blvd

EXHIBIT B

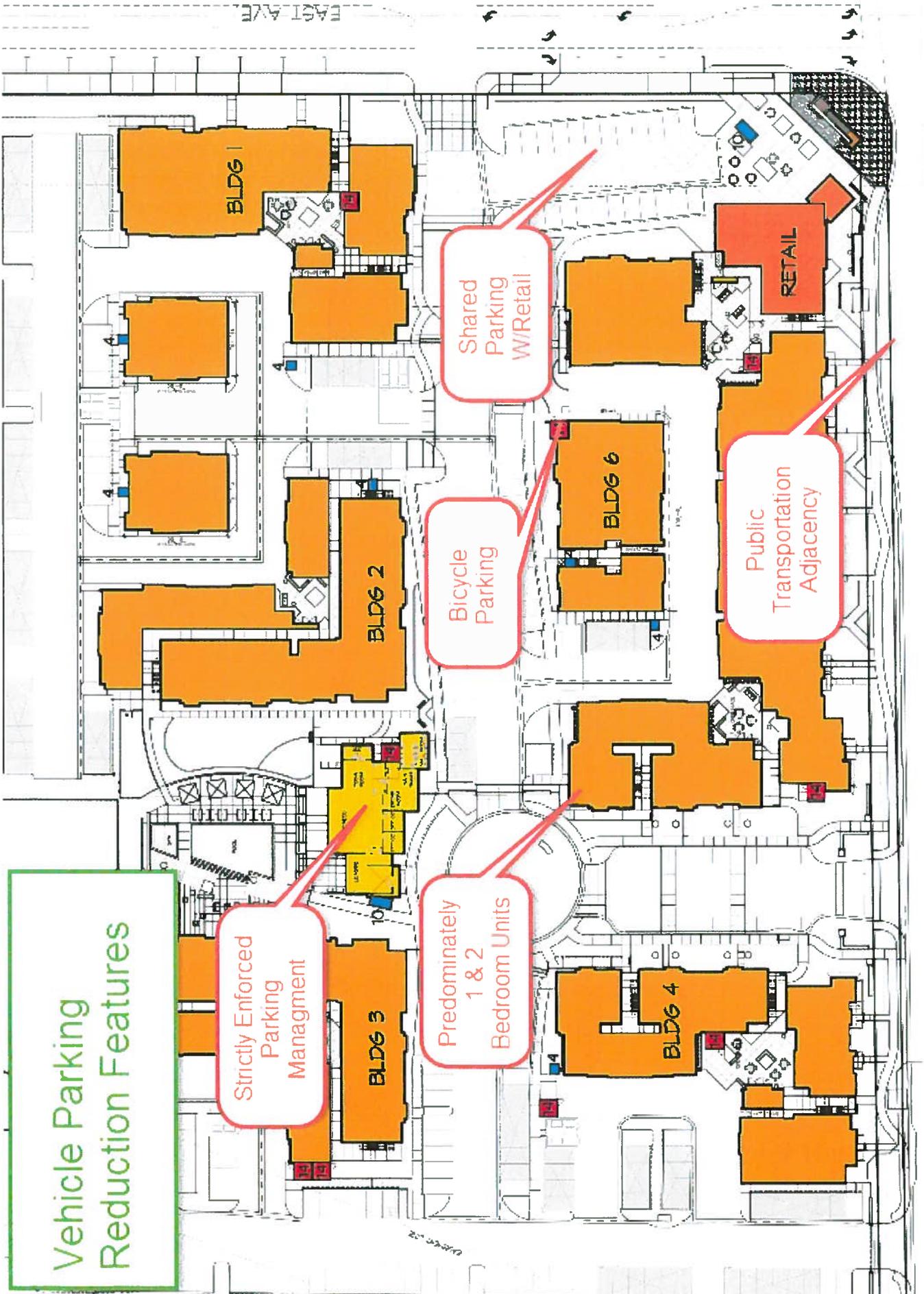


EXHIBIT C

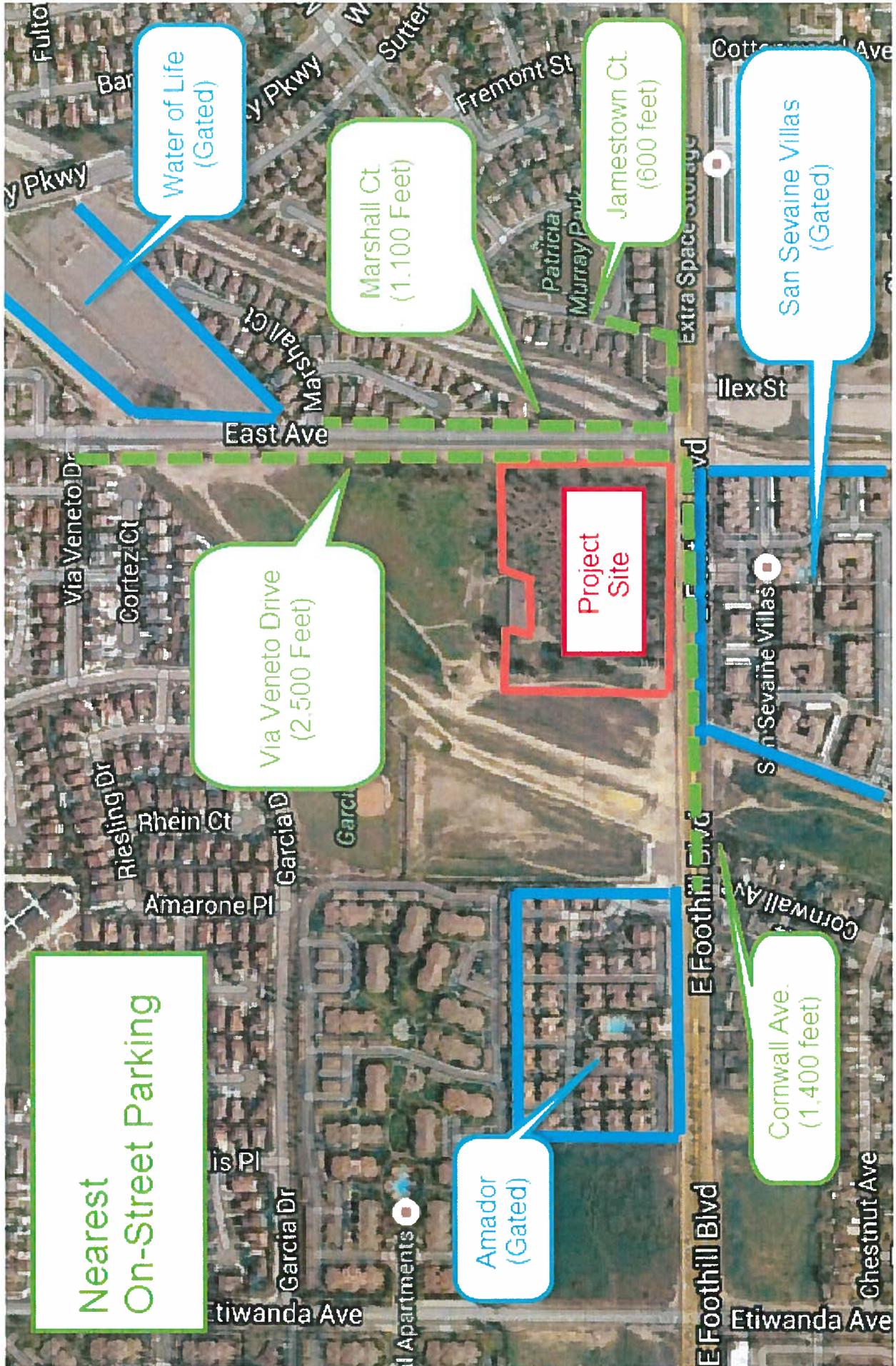
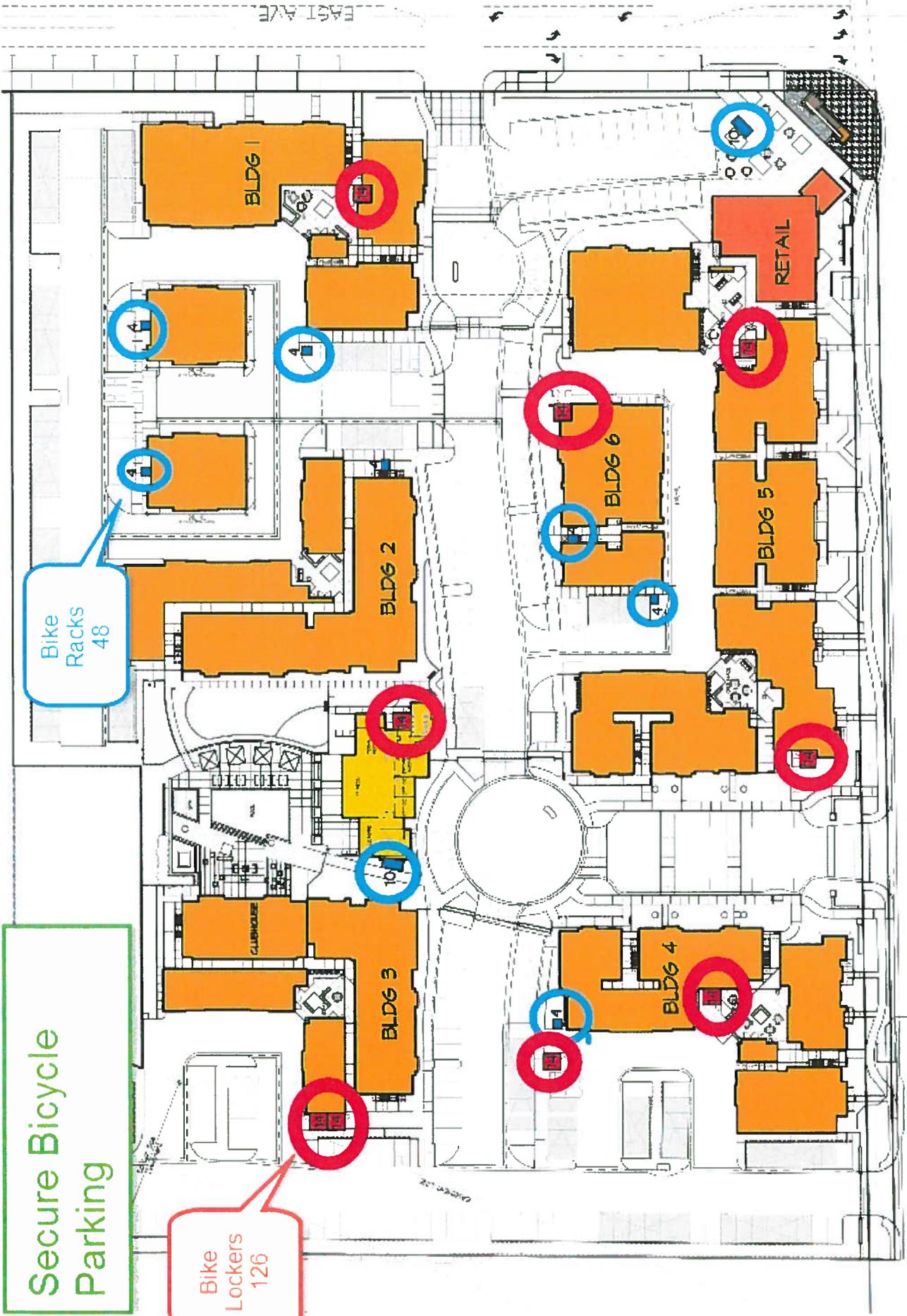


EXHIBIT D



Secure Bicycle
Parking

Bike
Racks
48

Bike
Lockers
126

EXHIBIT E



Connection to P E Trail

P E Trail

Bicycle & Pedestrian Connection to P E Trail

Project Site



EXHIBIT F



EXHIBIT G



EXHIBIT H

ORDINANCE NO. 891

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ADOPTING ZONING MAP AMENDMENT DRC2014-01131 TO CHANGE THE ZONING DESIGNATION FOR 8.8 ACRES OF LAND FROM COMMUNITY COMMERCIAL (CC) TO MIXED USE (MU) RELATED TO THE DEVELOPMENT OF A 190-UNIT, MULTI-FAMILY RESIDENTIAL DEVELOPMENT WITH 3,246 SQUARE FEET OF COMMERCIAL SPACE OR LIVE/WORK UNITS ON A PROJECT SITE WITHIN THE COMMUNITY COMMERCIAL (CC) ZONING DISTRICT AT THE NORTHWEST CORNER OF FOOTHILL BOULEVARD AND EAST AVENUE; APNS: 1100-201-03, 04 AND 07.

A. Recitals.

1. Foothill & East, LLC, filed an application for the approval of Zoning Map Amendment DRC2014-01131, as described in the title of this Ordinance. Hereinafter in this Ordinance, the subject Zoning Map Amendment request is referred to as "the application."

2. On the 11th day of May, 2016, the Planning Commission of the City of Rancho Cucamonga conducted a noticed public hearing with respect to the above referenced Zoning Map Amendment DRC2014-01131 and, following the conclusion thereof, adopted its Resolution No. 16-25, recommending that the City Council of the City of Rancho Cucamonga adopt said Zoning Map Amendment.

3. On June 15, 2016, the City Council of the City of Rancho Cucamonga conducted a noticed public hearing on the Zoning Map Amendment DRC2014-01131 and continued said hearing to an unspecified date.

4. On July 20, 2016, the City Council of the City of Rancho Cucamonga conducted a noticed public hearing on the Zoning Map Amendment DRC2014-01131.

5. All legal prerequisites prior to the adoption of this Resolution have occurred.

B. Ordinance.

NOW, THEREFORE, it is hereby found, determined, and resolved by the City Council of the City of Rancho Cucamonga as follows:

SECTION 1: This City Council hereby specifically finds that all of the facts set forth in the Recitals, Part A, of this Ordinance are true and correct.

SECTION 2: Based upon the substantial evidence presented to the City Council during the above-referenced public hearings on June 15, 2016 and July 20, 2016, including written and oral staff reports, together with public testimony, the City Council hereby specifically finds as follows:

a. The application applies to property located within the City; and

b. On May 11, 2016, the Planning Commission recommended to the City Council adoption of the proposed amendment to change the zoning designation for 8.8 acres of land from Community Commercial (CC) to Mixed Use (MU); and

c. The project site is made up of three (3) parcels totaling 8.8 gross acres of land located at the northwest corner of Foothill Boulevard and East Avenue; and

CITY COUNCIL ORDINANCE NO. 891
ZONING MAP AMENDMENT DRC2014-01131 – FOOTHILL AND EAST, LLC
July 20, 2016
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d. The site is bounded by vacant land to the north in the Community Commercial (CC) zoning district; by a multi-family development to the south in the Medium (M) Development District; by a flood control facility and single-family residences in the City of Fontana to the east; and, by utility easements to the west in the Open Space (OP) District; and

e. The application is in conjunction with the subdivision of 8.8 acres of vacant land to create a one parcel condominium map for residential and commercial purposes (related file: SUBTT19945) for the development of a 190-unit, multi-family residential development with 3,246 square feet of commercial space or live/work units (related file: Design Review DRC2014-01130).

SECTION 3: Based upon the substantial evidence presented to this Council during the above-referenced public hearing and upon the specific findings of facts set forth in Sections 1 and 2 above, this Council hereby finds and concludes as follows:

a. That the subject property is suitable for the uses permitted in the Mixed Use (MU) district in terms of access, size, and compatibility with existing land use in the surrounding area. The 8.8 acre project site is located at the corner of two major streets and provides adequate vehicle and pedestrian access on both street frontages to serve the increased vehicle and pedestrian traffic anticipated by a mixed use development. The project is compatible with the existing development in the area, including the multi-family development to the south of the project site; and

b. That the proposed amendment would not have significant impacts on the environment nor the surrounding properties. The Initial Study Part II prepared for the project outlines potential environmental impacts related to the project and identifies project specific mitigation measures that reduce these impacts to less-than-significant; and

c. That the proposed amendment is in conformance with the General Plan. The subject Zoning Map Amendment changes the zoning designation of the project site from Community Commercial (CC) to Mixed Use (MU), in conformance with the General Plan Mixed Use (MU) land use designation.

SECTION 4: Based upon the facts and information contained in the proposed Mitigated Negative Declaration, together with all written and oral reports included for the environmental assessment for the application, the City Council finds that there is no substantial evidence that the project will have a significant effect upon the environment and adopts a Mitigated Negative Declaration and Mitigation Monitoring Program attached hereto, and incorporated herein by this reference, based upon the findings as follows:

a. Pursuant to the California Environmental Quality Act (CEQA) and the City's local CEQA Guidelines, the City staff prepared an Initial Study of the potential environmental effects of the project. Based on the findings contained in that Initial Study, City staff determined that, with the imposition of mitigation measures, there would be no substantial evidence that the project would have a significant effect on the environment. Based on that determination, a Mitigated Negative Declaration was prepared. Thereafter, the City staff provided public notice of the public comment period and of the intent to adopt the Mitigated Negative Declaration.

b. The City Council has reviewed the Mitigated Negative Declaration and the comments received from the California Department of Fish and Wildlife (CDFW) regarding the Mitigated Negative Declaration and based on the whole record before it, finds: (i) that the Mitigated Negative Declaration was prepared in compliance with CEQA; and (ii) that based on the imposition of mitigation measures, there is no substantial evidence that the project will have a significant effect on the environment. During

CITY COUNCIL ORDINANCE NO. 891
ZONING MAP AMENDMENT DRC2014-01131 – FOOTHILL AND EAST, LLC
July 20, 2016
Page 3

the Public Comment Period, staff received comments from the California Department of Fish and Wildlife (CDFW). To address CDFW comments, staff added a new mitigation measure as recommended by the project biologist, Debra Kisinger, related to the installation of a habitat exclusion fence around the project site. The added mitigation measure was reviewed by the Planning Commission. The City Council finds that the Mitigated Negative Declaration reflects the independent judgment and analysis of the City Council. Based on these findings, the City Council hereby adopts the Mitigated Negative Declaration.

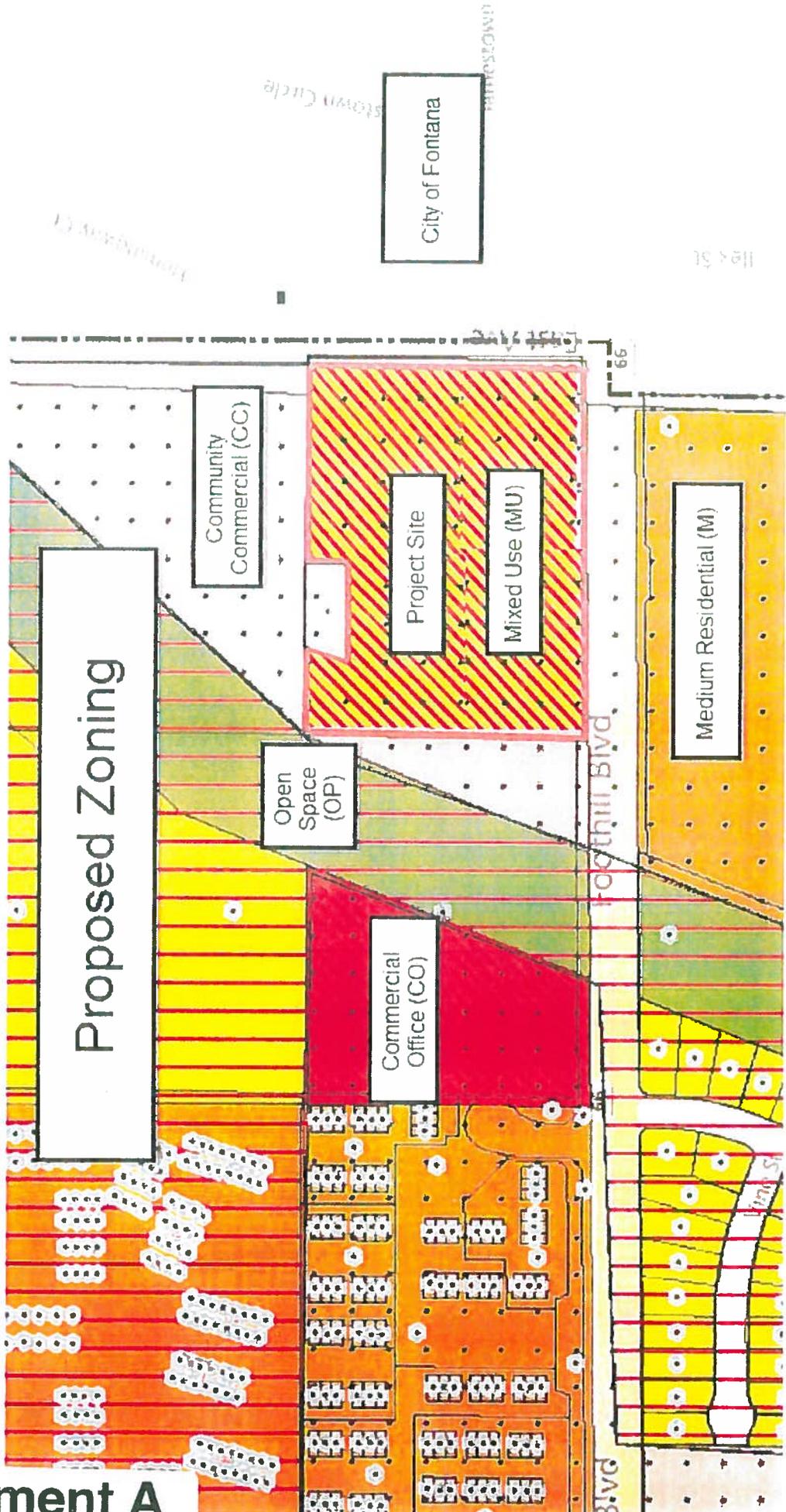
c. The City Council has also reviewed and considered the Mitigation Monitoring Program for the project that has been prepared pursuant to the requirements of Public Resources Code Section 21081.6 and finds that such Program is designed to ensure compliance with the mitigation measures during project implementation. The City Council therefore adopts the Mitigation Monitoring Program for the project; and

d. The custodian of records for the Initial Study, Mitigated Negative Declaration, Mitigation Monitoring Program and all other materials which constitute the record of proceedings upon which the City Council's decision is based is the Planning Director of the City of Rancho Cucamonga. Those documents are available for public review in the Planning Department of the City of Rancho Cucamonga located at 10500 Civic Center Drive, Rancho Cucamonga, California 91730, telephone (909) 477-2750.

SECTION 5: The Zoning Map is hereby amended to change the zoning designation for 8.8 acres of land from Community Commercial (CC) to Mixed Use (MU), as shown in Attachment A.

SECTION 6: If any section, subsection, sentence, clause, phrase, or word of this Ordinance is, for any reason, deemed or held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, or preempted by legislative enactment, such decision or legislation shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Rancho Cucamonga hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or words thereof, regardless of the fact that any one or more sections, subsections, clauses, phrases, or words might subsequently be declared invalid or unconstitutional or preempted by subsequent legislation.

SECTION 7: The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be published within 15 days after its passage at least once in the Inland Valley Daily Bulletin, a newspaper of general circulation published in the City of Ontario, California, and circulated in the City of Rancho Cucamonga, California.



Attachment A

ORDINANCE NO. 890

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, ADOPTING DEVELOPMENT CODE AMENDMENT DRC2014-01132 TO AMEND DEVELOPMENT CODE SECTION 17.36.020 A AND B, FIGURE 17.36.020-1 AND TABLE 17.36.020-1, TO ADD THE PROPOSED SITE TO THE DEVELOPMENT STANDARDS FOR MIXED USE ZONING DISTRICTS ALONG WITH FIGURE 17.38.060-1 AND FIGURE 17.38.060-15 FOR CONSISTENCY WITH THE PROPOSED ZONING MAP AMENDMENT DRC2014-01131 AMENDING THE ZONING DESIGNATION OF THE SITE FROM COMMUNITY COMMERCIAL (CC) TO MIXED USE (MU) FOR THE DEVELOPMENT OF A PROPOSED 190-UNIT, MULTI-FAMILY RESIDENTIAL DEVELOPMENT WITH 3,246 SQUARE FEET OF COMMERCIAL SPACE OR LIVE/WORK UNITS FOR A SITE LOCATED ON 8.8 ACRES OF LAND WITHIN THE COMMUNITY COMMERCIAL (CC) ZONING DISTRICT AT THE NORTHWEST CORNER OF FOOTHILL BOULEVARD AND EAST AVENUE; APN'S: 1100-201-03, 04 AND 07.

A. Recitals.

1. Foothill & East, LLC, filed an application for the approval of Development Code Amendment DRC2014-01132, as described in the title of this Ordinance. Hereinafter in this Ordinance, the subject Development Code Amendment request is referred to as "the application."

2. On the 11th day of May, 2016, the Planning Commission of the City of Rancho Cucamonga conducted a noticed public hearing with respect to the above referenced Development Code Amendment DRC2014-01132 and, following the conclusion thereof, adopted its Resolution No. 16-24, recommending that the City Council of the City of Rancho Cucamonga adopt said Development Code Amendment.

3. On June 15, 2016, the City Council of the City of Rancho Cucamonga conducted a noticed public hearing on the Development Code Amendment DRC2014-01132 and continued said hearing to an unspecified date.

4. On July 20, 2016, the City Council of the City of Rancho Cucamonga conducted a noticed public hearing on the Development Code Amendment DRC2014-01132.

5. All legal prerequisites prior to the adoption of this Resolution have occurred.

B. Ordinance.

NOW, THEREFORE, it is hereby found, determined, and resolved by the City Council of the City of Rancho Cucamonga as follows:

SECTION 1: This City Council hereby specifically finds that all of the facts set forth in the Recitals, Part A, of this Ordinance are true and correct.

SECTION 2: Based upon the substantial evidence presented to the City Council during the above-referenced public hearings on June 15, 2016 and July 20, 2016, including written and oral staff reports, together with public testimony, the City Council hereby specifically finds as follows:

a. The application applies to property located within the City; and

b. On May 11, 2016, the Planning Commission recommended to the City Council adoption of the proposed Amendment to modify the facts, figures and tables in Development Code Section

CITY COUNCIL ORDINANCE NO. 890
DEVELOPMENT CODE AMENDMENT DRC2014-01132 – FOOTHILL AND EAST, LLC
July 20, 2016
Page 2

17.36.020, to add the project site as Mixed Use area #14 to the current 13 Mixed Use areas and modify Figures 17.38.060-1 and 17.38.060-15, to change the project site from Community Commercial to Mixed Use (Subarea 4 Map); and

c. The project site is made up of three (3) parcels totaling 8.8 gross acres of land located at the northwest corner of Foothill Boulevard and East Avenue; and

d. The site is bounded by vacant land to the north in the Community Commercial (CC) zoning district; by a multi-family development to the south in the Medium (M) Development District; by a flood control facility and single-family residences in the City of Fontana to the east; and, by utility easements to the west in the Open Space (OP) District; and

e. The application is in conjunction with the subdivision of 8.8 acres of vacant land to create a one parcel condominium map for residential and commercial purposes (Related file: SUBTT19945) for the development of a 190-unit, multi-family residential development with 3,246 square feet of commercial space or live/work units (related file: Design Review DRC2014-01130).

SECTION 3: Based upon the substantial evidence presented to this City Council during the above-referenced public hearing and upon the specific findings of facts set forth in Sections 1 and 2 above, this Council hereby finds and concludes as follows:

a. This Amendment does not conflict with the Land Use Policies of the General Plan and will provide for development, within the district, in a manner consistent with the General Plan and with related development. The Amendment is related to Zoning Map Amendment DRC2014-01131, which changes the zoning designation of the project site from Community Commercial (CC) to Mixed Use (MU), in conformance with the Mixed Use (MU) General Plan land use designation. The Amendment updates facts, figures and tables in the Development Code to reflect the new Zoning Map designation and eliminates any conflicts or inconsistencies between the General Plan and the Development Code; and

b. This Amendment does promote the goals and objectives of the Development Code. The purpose and intent of the Development Code is to implement the goals and objectives of the General Plan and to guide and manage the future growth of the City. The General Plan land use designation of the project site is Mixed Use (MU). The related Zoning Map Amendment (DRC2014-01131) changes the zoning designation of the project site from Community Commercial (CC) to Mixed Use, in conformance with the Mixed Use (MU) General Plan land use designation. The Amendment updates the fact, figures and tables in the development code to reflect the related Zoning Map Amendment, thus implementing the goals and objectives of the General Plan; and

c. The proposed Amendment will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity. The project related to the Amendment was reviewed by the Design Review Committee and is of the same high quality design as the surrounding development and will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity; and

d. The subject application is consistent with the objectives of the Development Code. The Development Code is required to be consistent with the land use element of the General Plan. The Amendment modifies facts, figures and tables in the Development Code to reflect the related Zoning Map Amendment (DRC2014-01131), eliminating any conflicts or inconsistencies between the General Plan and the Development Code; and

CITY COUNCIL ORDINANCE NO. 890
DEVELOPMENT CODE AMENDMENT DRC2014-01132 – FOOTHILL AND EAST, LLC
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Page 3

e. The proposed amendment is in conformance with the General Plan. The General Plan land use designation of the project site is Mixed Use (MU). The related Zoning Map Amendment (DRC2014-01131) amends the zoning designation of the project site from Community Commercial (CC) to Mixed Use (MU) to be in conformance with the General Plan land use designation. The Amendment updates the facts, figures and tables within the Development Code to bring the Development Code into conformance with the new General Plan land use designation and Zoning Map designation of the project site.

SECTION 4: Based upon the facts and information contained in the proposed Mitigated Negative Declaration, together with all written and oral reports included for the environmental assessment for the application, the City Council finds that there is no substantial evidence that the project will have a significant effect upon the environment and adopts a Mitigated Negative Declaration and Mitigation Monitoring Program attached hereto, and incorporated herein by this reference, based upon the findings as follows:

a. Pursuant to the California Environmental Quality Act (CEQA) and the City's local CEQA Guidelines, the City staff prepared an Initial Study of the potential environmental effects of the project. Based on the findings contained in that Initial Study, City staff determined that, with the imposition of mitigation measures, there would be no substantial evidence that the project would have a significant effect on the environment. Based on that determination, a Mitigated Negative Declaration was prepared. Thereafter, the City staff provided public notice of the public comment period and of the intent to adopt the Mitigated Negative Declaration.

b. The City Council has reviewed the Mitigated Negative Declaration and the comments received from the California Department of Fish and Wildlife (CDFW) regarding the Mitigated Negative Declaration and based on the whole record before it, finds: (i) that the Mitigated Negative Declaration was prepared in compliance with CEQA; and (ii) that based on the imposition of mitigation measures, there is no substantial evidence that the project will have a significant effect on the environment. During the Public Comment Period, staff received comments from the California Department of Fish and Wildlife (CDFW). To address CDFW comments, staff added a new mitigation measure as recommended by the project biologist, Debra Kisinger, related to the installation of a habitat exclusion fence around the project site. The added mitigation measure was reviewed by the Planning Commission. The City Council finds that the Mitigated Negative Declaration reflects the independent judgment and analysis of the City Council. Based on these findings, the City Council hereby adopts the Mitigated Negative Declaration.

c. The City Council has also reviewed and considered the Mitigation Monitoring Program for the project that has been prepared pursuant to the requirements of Public Resources Code Section 21081.6 and finds that such Program is designed to ensure compliance with the mitigation measures during project implementation. The City Council therefore adopts the Mitigation Monitoring Program for the project; and

d. The custodian of records for the Initial Study, Mitigated Negative Declaration, Mitigation Monitoring Program and all other materials which constitute the record of proceedings upon which the City Council's decision is based is the Planning Director of the City of Rancho Cucamonga. Those documents are available for public review in the Planning Department of the City of Rancho Cucamonga located at 10500 Civic Center Drive, Rancho Cucamonga, California 91730, telephone (909) 477-2750.

SECTION 5: The Development Code is hereby amended to modify the facts, figures and tables in Development Code Section 17.36.020, to add the project site as Mixed Use area #14 to the current 13 Mixed Use areas (See highlighted changes on Attachments A, B and D and an updated Figure 17.36.020-1 (Attachment C) showing the new Mixed Use (MU) zoning designation of the project site).

CITY COUNCIL ORDINANCE NO. 890
DEVELOPMENT CODE AMENDMENT DRC2014-01132 – FOOTHILL AND EAST, LLC
July 20, 2016
Page 4

The Amendment also includes modifying Figures 17.38.060-1 (Foothill Boulevard Subareas) and 17.38.060-15 (Subarea 4 Map) changing the zoning of the project site from Community Commercial (CC) to Mixed Use (MU) (Attachments E and F).

SECTION 6: If any section, subsection, sentence, clause, phrase, or word of this Ordinance is, for any reason, deemed or held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, or preempted by legislative enactment, such decision or legislation shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Rancho Cucamonga hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or words thereof, regardless of the fact that any one or more sections, subsections, clauses, phrases, or words might subsequently be declared invalid or unconstitutional or preempted by subsequent legislation.

SECTION 7: The City Clerk shall certify to the adoption of this Ordinance and shall cause the same to be published within 15 days after its passage at least once in the Inland Valley Daily Bulletin, a newspaper of general circulation published in the City of Ontario, California, and circulated in the City of Rancho Cucamonga, California.

"Attachment A"

Section 17.36.020 A of the Development Code is hereby amended to read as follow with changes highlighted:

- A. **Purpose and Applicability.** The purpose of this Section is to establish minimum development standards that are unique to development projects within the City's Mixed Use Zoning District. The General Plan establishes **fourteen (14) mixed** use sites throughout the city with the intent to create special urban places with horizontal and/or vertical integration of uses. In the General Plan, each mixed use site includes intent statements, land use ranges, and corresponding development assumptions. Development standards in this Section apply to all land designated on the Zoning Map within a Mixed Use District and are intended to be consistent with and implement the General Plan. See Figure 17.36.020-1 (Mixed Use Sites).

“Attachment B”

Table 17.36.020-1 of the Development Code is hereby amended to read as follows with change highlighted:

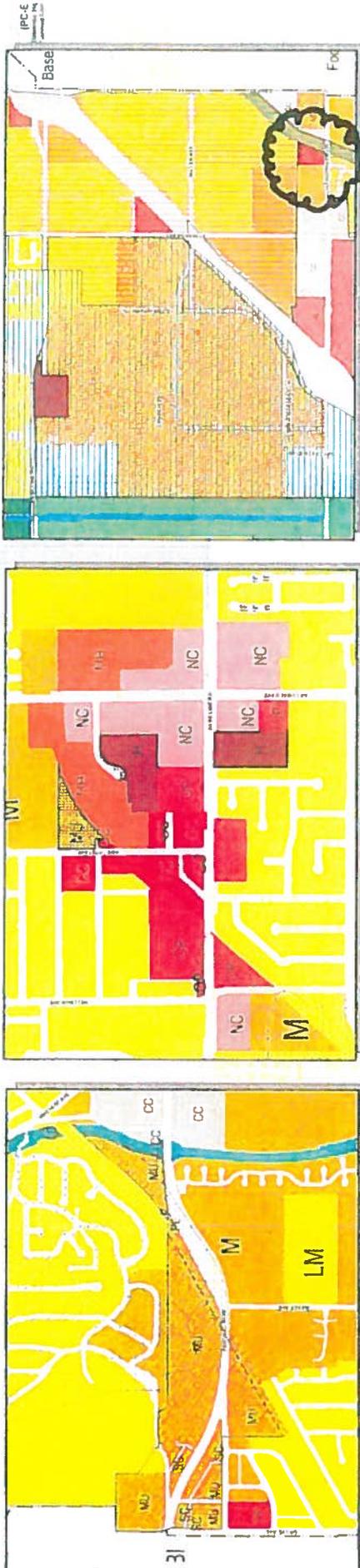
TABLE 17.36.020-1 DEVELOPMENT STANDARDS FOR MIXED USE SITES

Mixed Use Sites	Land Use Mix				Average Density Range
	Residential	Commercial	Office	Public/Quasi Public	
Victoria Gardens/Victoria Arbors	21–36%	20–41%		5–12%	4–14 du/ac
Town Center (Foothill Boulevard and Haven Avenue)	25–35%	10–15%	30–50%	0–10%	14 du/ac
Terra Vista	12–15%		85–87%		30 du/ac
Foothill Boulevard between Hermosa Avenue and Center Avenue	0–62%	0–100%			20 du/ac
Foothill Boulevard between Archibald Avenue and Hellman Avenue	67–70%	30–33%			15–30 du/ac
Foothill Boulevard at Helms Avenue and Hampshire Street	30–40%	60–70%			30 du/ac
Foothill Boulevard and Mayten Avenue	26–50%	40–60%	6–10%	4%	24–30 du/ac
Industrial Area Specific Plan	11–22%	15–25%	40–60%	7.5%	28 du/ac
Foothill Boulevard and Deer Creek Channel	70–75%	25–30%			14 du/ac
Haven Avenue and Church Street Site	0–100%		0–100%		8–14 du/ac
Western Gateway (Bear Gulch Area)	30–50%	50–70%			14 du/ac
Foothill Boulevard and Cucamonga Channel Site	0–100%		0–100%		8–14 du/ac
Historic Alta Loma (Amethyst Site)	0–100%		0–100%		14–24 du/ac
NWC Foothill Boulevard and East Avenue	0–100%		0–100%		14–24 du/ac

Table Notes:
 (1) This table only applies to existing Mixed Use sites.

Attachment B

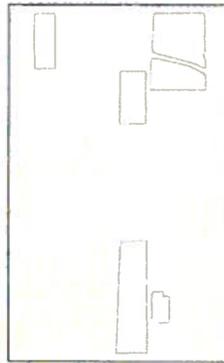
ATTACHMENT C



(PC.VI)
Victoria Planned Community

New MK Area

(PC.TVI)
Terra Vista Planned Community



Legend

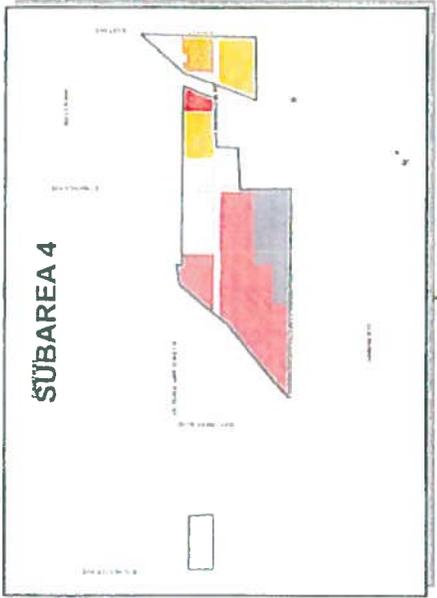
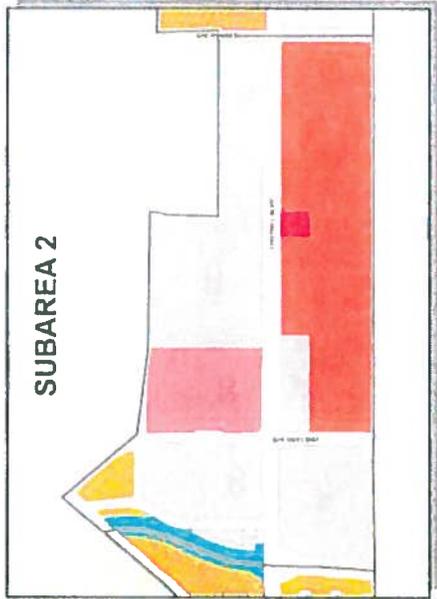
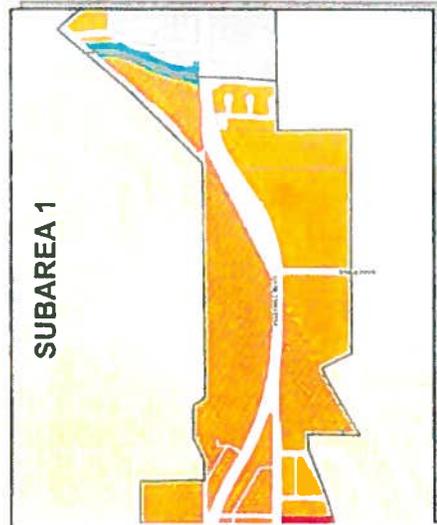
City Limits	Specific Plans Elwanda North Specific Plan	Zoning General Commercial (GC)	Heavy Industrial (HI)
Commercial Mixed Use Overlay	Elwanda Specific Plan	Community Commercial (CC)	Hillside Residential (HR)
Equestrian Overlay	Empire Lakes Specific Plan	Neighborhood Commercial (NC)	Industrial Park (IP)
Foothill Boulevard Specific Plan	General Commercial (GC)	Regional Related Commercial (RRC)	Low Residential (L)
Haven Avenue Overlay	Community Commercial (CC)	Specially Commercial (SC)	Low-Medium Residential (LM)
Hillside Overlay Per Ord 628	Neighborhood Commercial (NC)	Commercial/Office (CO)	Medium Residential (M)
Senior Housing Overlay	Regional Related Commercial (RRC)	Office Professional (OP)	Medium-High Residential (MH)
Community Plans	Specially Commercial (SC)	Flood Control (FC)	Minimum Impact Heavy Industrial (MIHI)
Caryn Planned Community	Commercial/Office (CO)	General Industrial (GI)	Mixed Use (MU)
Elwanda Highlands Planned Community	Office Professional (OP)	High Residential (H)	Open Space (OS)
Terra Vista Planned Community	Utility Corridor (UC)		Planned Community (PC)
Victoria Planned Community	Very Low Residential (VL)		School (S)



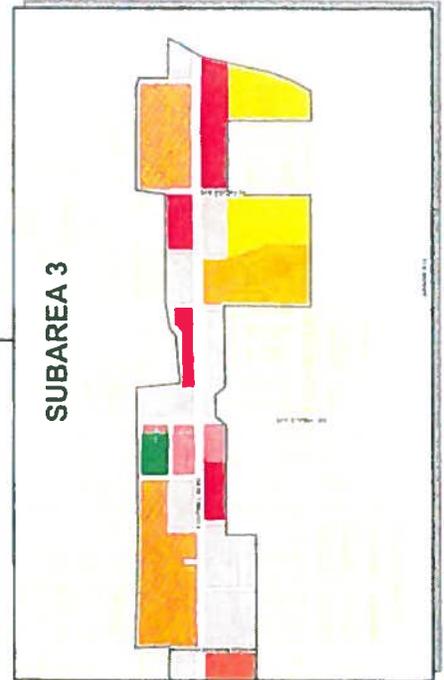
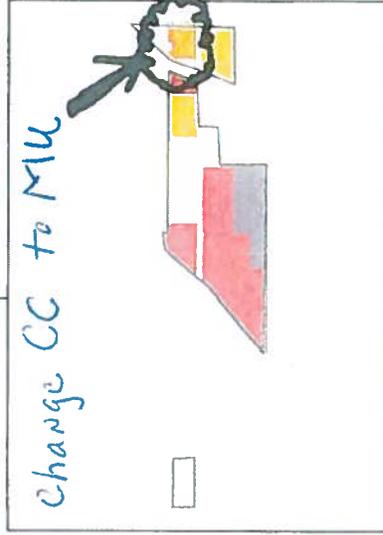
Section 17.36.020 B of the Development Code is hereby amended to read as follows with changes highlighted:

- B. **Mixed Use Sites.** The fourteen (14) mixed use sites with Mixed Use Zoning District designations are listed below.
1. Victoria Gardens/Victoria Arbors
 2. Town Center (Foothill Boulevard and Haven Avenue)
 3. Terra Vista
 4. Foothill Boulevard between Hermosa Avenue and Center Avenue
 5. Foothill Boulevard between Archibald Avenue and Hellman Avenue
 6. Foothill Boulevard at Helms Avenue and Hampshire Street
 7. Foothill Boulevard and Mayten Avenue
 8. Industrial Area Specific Plan (Sub-Area 18)
 9. Foothill Boulevard and Deer Creek Channel
 10. Haven Avenue and Church Street Site
 11. Western Gateway (Bear Gulch Area)
 12. Foothill Boulevard and Cucamonga Channel Site
 13. Historic Alta Loma (Amethyst Site)
 14. NWC Foothill Boulevard and East Avenue

ATTACHMENT E



(PC-TV)
Terra Vista Planned Community



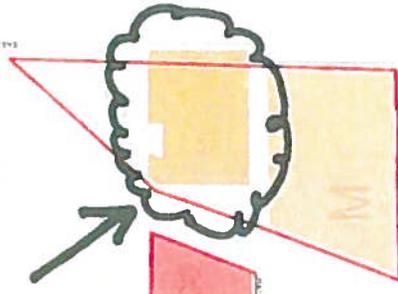
Legend

- City Limits
- Foothill Blvd Specific Plan Boundary
- Overlay
 - Commercial Mixed Use Overlay
 - Equestrian Overlay
 - Foothill Boulevard Specific Plan
 - Haven Avenue Overlay
 - Hillside Overlay Per Ord 628
 - Senior Housing Overlay
- Community Plans
 - Caryn Planned Community
 - Eiwanda Highlands Planned Community
 - Terra Vista Planned Community
 - Victoria Planned Community
- Specific Plans
 - Eiwanda North Specific Plan
 - Eiwanda Specific Plan
 - Empire Lakes Specific Plan
- Zoning
 - General Commercial (GC)
 - Community Commercial (CC)
 - Neighborhood Commercial (NC)
 - Regional Related Commercial (RRC)
 - Specialty Commercial (SC)
 - Commercial/Office (CO)
 - Office Professional (OP)
 - Floor Control (FC)
 - General Industrial (GI)
 - High Residential (H)
 - Heavy Industrial (HI)
 - Hillside Residential (HR)
 - Industrial Park (IP)
 - Low Residential (L)
 - Low-Medium Residential (LM)
 - Medium Residential (M)
 - Medium-High Residential (MH)
 - Minimum Impact Heavy Industrial (MIHI)
 - Mixed Use (MU)
 - Open Space (OS)
 - Planned Community (PC)
 - School (S)
 - Specific Plan (SP)
 - Utility Corridor (UC)
 - Very Low Residential (VL)



Attachment F

Change CC to MU



VICTORIA GARDENS LN

DATCHEK RD

Legend

City Limits
 - - - - - City Limits

Overlay
 [Red Outline] Foothill Blvd Specific Plan Boundary

Specific Plans
 [Blue Outline] Eliwanda North Specific Plan
 [Green Outline] Eliwanda Specific Plan
 [Purple Outline] Empire Lakes Specific Plan

Zoning
 [Red] General Commercial (GC)
 [Light Red] Community Commercial (CC)
 [Pink] Neighborhood Commercial (NC)
 [Light Pink] Regional Related Commercial (RRC)
 [Light Blue] Specialty Commercial (SC)
 [Light Green] Commercial/Office (CO)
 [Light Purple] Office Professional (OP)
 [Light Yellow] Flood Control (FC)
 [Light Orange] General Industrial (GI)
 [Light Grey] High Residential (H)

Community Plans
 [Light Blue] Caryn Planned Community
 [Light Green] Eliwanda Highlands Planned Community
 [Light Purple] Terra Vista Planned Community
 [Light Yellow] Victoria Planned Community

Other Zoning Categories:
 [Dark Grey] Heavy Industrial (HI)
 [Yellow] Hillside Residential (HR)
 [Light Yellow] Industrial Park (IP)
 [Light Green] Low Residential (L)
 [Light Blue] Low-Medium Residential (LM)
 [Light Purple] Medium Residential (M)
 [Light Orange] Medium-High Residential (MH)
 [Light Red] Minimum Impact Heavy Industrial (MIHI)
 [Light Green] Mixed Use (MU)
 [Light Blue] Open Space (OS)
 [Light Purple] Planned Community (PC)
 [Light Yellow] School (S)
 [Light Orange] Specific Plan (SP)
 [Light Green] Utility Corridor (UC)
 [Light Grey] Very Low Residential (VL)

SPERRY BLVD





STAFF REPORT

RANCHO CUCAMONGA FIRE PROTECTION DISTRICT

Date: July 20, 2016
To: President and Members of the Board of Directors
 John R. Gillison, City Manager
From: Mike Costello, Fire Chief
By: Tamara Layne, Finance Director
 Michelle Cowles, Management Aide

Subject: APPROVAL OF A RESOLUTION ADOPTING THE FIRE DISTRICT'S GENERAL FUND FINAL BUDGET FOR FISCAL YEAR 2016/17 IN THE AMOUNT OF \$50,193,240 WHICH IS A COMBINATION OF \$25,246,510 IN GENERAL FUND OPERATIONAL EXPENDITURES, \$360 IN FIRE TECHNOLOGY FEE FUND EXPENDITURES, AND \$24,946,370 IN CAPITAL RESERVE EXPENDITURES

RECOMMENDATION

Consideration of approval of a resolution adopting the Fire District's General Fund Final Budget for Fiscal Year 2016/17 for \$50,193,240, which is a combination of \$25,246,510 in General Fund operational expenditures, \$360 in Fire Technology Fee Fund Expenditures, and \$24,946,370 in capital reserve expenditures.

BACKGROUND

The Health and Safety Code, commencing with Section 13890, requires that Fire Protection Districts:

1. adopt a preliminary budget;
2. publish notice regarding a public hearing for final budget adoption; and
3. that on or before October 1st of each year the Board shall adopt its final budget.

In compliance with the above requirements, the Fire District Board of Directors has:

1. conducted a public budget workshop on June 7 and 9, 2016, and adopted the preliminary budget on June 16, 2016;
2. published on two (2) occasions in the Inland Valley Daily Bulletin notices regarding the public hearing for consideration of final budget adoption; and
3. submitted for consideration of approval a resolution adopting the General Fund Final Budget during the Board meeting scheduled for July 20, 2016.

APPROVAL OF A RESOLUTION ADOPTING THE FIRE DISTRICT'S GENERAL FUND FINAL BUDGET FOR FISCAL YEAR 2016/17 IN THE AMOUNT OF \$50,193,240 WHICH IS A COMBINATION OF \$25,246,510 IN GENERAL FUND OPERATIONAL EXPENDITURES, \$360 IN FIRE TECHNOLOGY FEE FUND EXPENDITURES, AND \$24,946,370 IN CAPITAL RESERVE EXPENDITURES
JULY 20, 2016

The Fire District was able to achieve a proposed balanced operational budget through a combination of moderate revenue growth and continued improvements of operational and administrative efficiencies.

The preliminary budget has been available for public inspection in accordance with the Health and Safety Code. The final budget is presented for your consideration of approval.

Respectfully submitted,



Mike Costello
Fire Chief

Attachment: Resolution No. FD 16-026

RESOLUTION NO. FD 16-026**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CUCAMONGA FIRE PROTECTION DISTRICT, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, FIXING A FINAL BUDGET FOR THE FISCAL YEAR JULY 1, 2016 THROUGH JUNE 30, 2017**

WHEREAS, the Board of Directors of the Rancho Cucamonga Fire Protection District adopted its General Fund Preliminary Budget on June 16, 2016, and made said preliminary budget available for inspection by interested taxpayers; and

WHEREAS, the Board of Directors noticed a time and place for a public hearing regarding the preliminary budget; and

WHEREAS, the Board of Directors of the Rancho Cucamonga Fire Protection District conducted said hearing in accordance with requirements set forth in the Health and Safety Code of the State of California.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Rancho Cucamonga Fire Protection District does hereby adopt the General Fund Final Budget for the District for fiscal year 2016/17 and is hereby fixed and established as set forth and attached hereto and incorporated herein by reference.

RANCHO CUCAMONGA FIRE PROTECTION DISTRICT
FISCAL YEAR 2016/17 BUDGET
ESTIMATED EXPENDITURES
SUMMARY BY FUND

<u>Fund/Description</u>	<u>2016/17 Final Budget</u>
281 Fire Fund	\$ 25,246,510
285 Fire Technology Fee Fund	360
288 Fire Protection Capital Fund	<u>24,946,370</u>
Total R.C. Fire Protection District - General Fund Final Budget	<u>\$ 50,193,240</u>



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *ML*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAM AND ASSESSMENT; APPROVING THE ANNUAL ENGINEER'S REPORT; AND ORDERING THE LEVY AND COLLECTION OF THE ANNUAL ASSESSMENTS WITHIN PARK AND RECREATION IMPROVEMENT DISTRICT NO. PD-85 FOR FISCAL YEAR 2016/17. NO INCREASE IN THE ASSESSMENT RATE IS BEING PROPOSED OR PERMITTED.**

RECOMMENDATION

It is recommended that City Council approve the Resolution confirming the Diagram and Assessment; approving the Annual Engineer's Report; and ordering the levy and collection of the annual assessments within the Park and Recreation Improvement District No. PD-85 (PD-85). There is no increase to the current rates for PD-85 permitted or proposed for Fiscal Year 2016/17. The Annual Engineer's Report is also on file in the City Clerk's Office.

BACKGROUND/ANALYSIS

Each year, per the Landscape and Lighting Act of 1972, the City is required to hold a public hearing to receive public comment on the levy and collection of assessments within PD-85. This requirement must be accomplished before the City can submit the annual assessments for placement on the County Tax Roll.

PD-85 was originally created to provide funds to finance the cost of construction, maintenance, operation and debt payment of Heritage Community Park and Red Hill Community Park. Heritage Community Park is a 40-acre facility located on the southwest corner of Hillside Road and Beryl Street. Red Hill Community Park is 42 acres and is located on the southwest corner of Base Line Road and Vineyard Avenue. The District's boundary includes all of the City of Rancho Cucamonga with the general exception of land east of the Deer Creek Channel and the Victoria, Caryn and Terra Vista Planned Communities.

The final debt service payment on the bonds that were sold to finance the construction of Red Hill and Heritage Community Parks was paid on September 1, 2005. With the debt repaid, in 2006 the annual assessments were decreased from \$52 per year per single-family residence to \$31 per year. The annual assessments levied and collected are dedicated to the ongoing maintenance and operation and periodic capital improvement expenditures for the parks.

The City's West-side Districts, including PD-85, continue to remain fiscally challenged and, with the failure of Measure A in November 2015, these districts will continue in this condition for the

CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAM AND ASSESSMENT; APPROVING THE ANNUAL ENGINEER’S REPORT; AND ORDERING THE LEVY AND COLLECTION OF THE ANNUAL ASSESSMENTS WITHIN PARK AND RECREATION IMPROVEMENT DISTRICT NO. PD-85 FOR FISCAL YEAR 2016/17. NO INCREASE IN THE ASSESSMENT RATE IS BEING PROPOSED OR PERMITTED.

JULY 20, 2016

PAGE 2

foreseeable future. While the General Fund’s contributions for FY 2016/17 provide some interim stability, there still remains a need to address the long-term fiscal stability of PD-85. This budget is balanced only by significantly reducing service levels, and by providing only minimal plans for capital replacements.

Pursuant to the Landscape and Lighting Act of 1972, each year the City Council must adopt resolutions ordering the preparation of the Annual Engineer’s Report to initiate proceedings to levy the assessments; approving the Annual Engineer’s Report; and declaring its intention to levy and collect assessments for the fiscal year. Assessments for PD-85 will be levied according to the following schedule:

<u>Definition</u>	<u>Assessment per Parcel</u>
Single Family Residential	\$31.00
Multi-Family Residential	\$31.00
Less than 1.50 acres	\$15.50
1.51 acres to 3.50 acres	\$46.50
3.51 acres to 7.00 acres	\$108.50
7.01 acres to 14.00 acres	\$217.00
14.01 acres to 25.00 acres	\$434.00
25.01 acres and larger	\$775.00

Attachments

Resolution 16-117

Annual Engineer's Report Fiscal Year 2016/17

City of Rancho Cucamonga Parks and Recreation Improvement District No. PD-85





Jason C. Welday, Director of Engineering Services/City Engineer

**CITY OF RANCHO CUCAMONGA
PARK AND RECREATION DISTRICT NO. PD-85
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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AUTHORITY FOR REPORT

This report for the Fiscal Year 2016/17 is prepared pursuant to the order of the City Council of the City of Rancho Cucamonga (the "City") and in compliance with the requirements of Article 4, Chapter 1, Landscape and Lighting Act of 1972 (the "1972 Act"), being Division 15, Section 22500 of the Streets and Highways code. Provisions for this annual assessment are included in Chapter 3 of the 1972 Act.

The purpose of this report is to set forth findings and the assessment analysis for the annual levy of assessments for the Park and Recreation Improvement District No. PD-85 (the "District"). This District, using direct benefit assessments, was originally created to provide funds to finance the cost of construction, maintenance, operation and debt payment of Heritage Community Park and Red Hill Community Park in the City of Rancho Cucamonga. Subsequently, the debt has been repaid with only the ongoing maintenance and operation with periodic capital improvement expenditures of the parks remaining.

FINDINGS

Section 22573 of the 1972 Act, requires assessments to be levied according to benefit rather than according to assessed value. The section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.

The means of determining whether or not a parcel will benefit from the improvements is contained in the Improvement Act of 1911 (Division 7, commencing with Section 5000 of the Streets and Highways Code, State of California).

The 1972 Act also provides for the classification of various areas within an assessment district into benefit areas where, by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of all territory receiving substantially the same degree of benefit from the improvements and may consist of contiguous or noncontiguous areas.

As the assessments are levied on the bases of benefit, they are considered a user's fee, not a tax; and, therefore, are not governed by Article XIII A. Properties owned by public agencies, such as a city, county, state, or the Federal government, are not assessable without the approval of the particular agency and, normally, are not assessed. Certain other parcels used for railroad mainline right-of-way, public utility transmission right-of-way, and common areas are also exempt from assessment.

The assessment for mobile home parks will be based upon underlying lot acreage.

DISTRICT ANALYSIS

A. District Boundary

The District includes all of the City of Rancho Cucamonga with the general exception of land east of Deer Creek Channel and the Victoria, Caryn and Terra Vista Planned Communities.

All parcels of real property affected are more particularly described in maps prepared in accordance with Section 327 of the Revenue and Taxation Code, which are on file in the office of the San Bernardino County Assessor in the Hall of Records, 172 West Third Street, San Bernardino, California and which are hereby made a part hereof by reference.

B. District Name

City of Rancho Cucamonga Park and Recreation Improvement District No. PD-85.

C. Facilities

The existing works within the District boundary are generally described as follows:

1. The maintenance and operation of Heritage Community Park including, but not limited to, grading, planting, irrigation, onsite roads, sidewalks, parking lots, lighting, restrooms, equestrian facilities, playground equipment, picnic facilities, athletic facilities, and walking, jogging and equestrian trails and sanitary sewer connections.
2. The maintenance and operation of Red Hill Community Park including, but not limited to, grading, planting, irrigation, onsite roads, sidewalks, parking lots, lighting, waterscape, restrooms, senior citizens facilities, playground equipment, picnic facilities, major lighted athletic facilities, jogging trail, sanitary sewer connections and onsite drainage inlets.

ESTIMATE OF WORK

The 1972 Act permits carrying forward surpluses or recovering deficits in subsequent fiscal years. Costs for the district will be reviewed annually. Any surplus credited against assessment or any deficits shall be included in the assessment for the following fiscal year.

District Budget

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 332,330
Overtime Salaries	3,680
Fringe Benefits	155,890
Subtotal - Personnel	491,900
Operations and Maintenance:	
Operations and Maintenance:	
O &M/General	143,910
Emergency Equipment and Vehicle Rental	3,000
Equipment Operations and Maintenance	8,000
Subtotal - Operations and Maintenance	154,910
Contract Services:	
Contract Services/General	148,770
Contract Services/Facilities	4,700
Tree Maintenance	18,200
Subtotal - Contract Services	171,670
Utilities:	
Telephone Utilities	9,570
Water Utilities	148,690
Electric Utilities	123,860
Subtotal - Utilities	282,120
Assessment Administration	153,430
Admin./General Overhead	64,370
Subtotal - Operations and Maintenance	826,500
Transfers Out:	
Transfer Out - PD-85 Capital Reserve Fund	116,800
Subtotal - Transfers Out	116,800
Total Expenditures Budget	\$ 1,435,200

	Fiscal Year 2016/17 Budget
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 1,122,190
Anticipated Prior Year Delinquencies Collection	14,000
Subtotal - Taxes	1,136,190
Other Revenues:	
Interest Earnings	11,050
Other Rental/Lease Income	107,450
Park Maintenance Fees	7,150
Other Revenue	500
Subtotal - Other Revenues:	126,150
Transfers In:	
Transfer In - General Fund	230,580
Transfer In - PD-85 Operating Fund	116,800
Subtotal - Transfers In	347,380
Total Revenues Budget	\$ 1,609,720
Contribution to/(Use of) Fund Balance	\$ 174,520
Total Gross Estimated Assessments	\$ 1,156,904.20
Total District EBU Count	27,611.00
Actual Assessment per EBU - Fiscal Year 2016/17	See Method of Spread
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	See Method of Spread

Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County of San Bernardino, whichever is later. Beginning with Fiscal Year 2016/17, the City will maintain a Capital Reserve to be used for deferred maintenance and pending capital projects.

The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>	<u>Capital Reserve</u>	<u>Total Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 987,780	\$ -	\$ 987,780
Contribution to Reserve - Fiscal Year 2016/17	97,270	77,250	174,520
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 1,085,050</u>	<u>\$ 77,250</u>	<u>\$ 1,162,300</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF SPREAD

The 1972 Act indicates that assessments may be apportioned by any formula or method which fairly distributes costs among all lots or parcels within the District in proportion to the estimated benefit received.

A. Definitions

The District is divided into three categories for the purpose of determining the assessments as follows:

CATEGORY A – includes parcels based on the number of existing residential units within certain ranges of parcel size.

CATEGORY B – includes all parcels not defined in Category A or Category C

CATEGORY C – includes exempt parcels. Exempt parcels are those parcels listed by the County Assessor's as exempt and/or which have an assessed value of less than \$500.

B. Formula

The assessment formula is based on actual land use information contained in the current San Bernardino Assessor's computer files and Assessor's parcel maps.

Category A:

All parcels containing existing residential dwelling units and meeting the following conditions.

<u>Parcel Size/Range</u>	<u>Dwelling Units/Parcel</u>
Less than 1.5 Acres and	1 or more dwelling units
1.51 to 3.5 Acres and	2 or more dwelling units
3.51 to 7.0 Acres and	4 or more dwelling units
7.01 to 14.0 Acres and	8 or more dwelling units
14.01 to 25 Acres and	15 or more dwelling units
25.01 Acres and larger	26 or more dwelling units

Category A is based on the number of existing residential units.

Category B: All parcels not defined in Category A or Category C.

Category C: All exempt parcels as defined below:

- 1. All properties currently tax exempt;
- 2. All public ownership;
- 3. Railroad mainline right-of-ways;
- 4. Major utility transmission right-of-ways;
- 5. Mineral rights;
- 6. Parcels so small they currently cannot be built upon;
- 7. All normally assessable parcels within an assessed valuation of less than \$500 and 1.5 acres or less; and,

C. Summary of Assessment Amounts

Category A:

The estimated assessment rate, which will be levied during the Fiscal Year 2016/17, is \$31.00 per residential dwelling unit for those parcels in Category A. Category A parcels containing more than one residential dwelling unit will be assessed for an amount equal to \$31.00 times the number of residential dwelling units.

Category B:

The assessment, which may be levied for parcels within Category B during the Fiscal Year 2016/17, shall be according to the following schedule:

Definition	Assessment Per Parcels
Single Family Residential	\$31.00
Multi-Family Residential	\$31.00
Less than 1.5 Acres	\$15.50
1.51 Acres to 3.50 Acres	\$46.50
3.51 Acres to 7.0 Acres	\$108.50
7.01 Acres to 14.0 Acres	\$217.00
14.01 Acres to 25.0 Acres	\$434.00
25.01 Acres and larger	\$775.00

Category C:

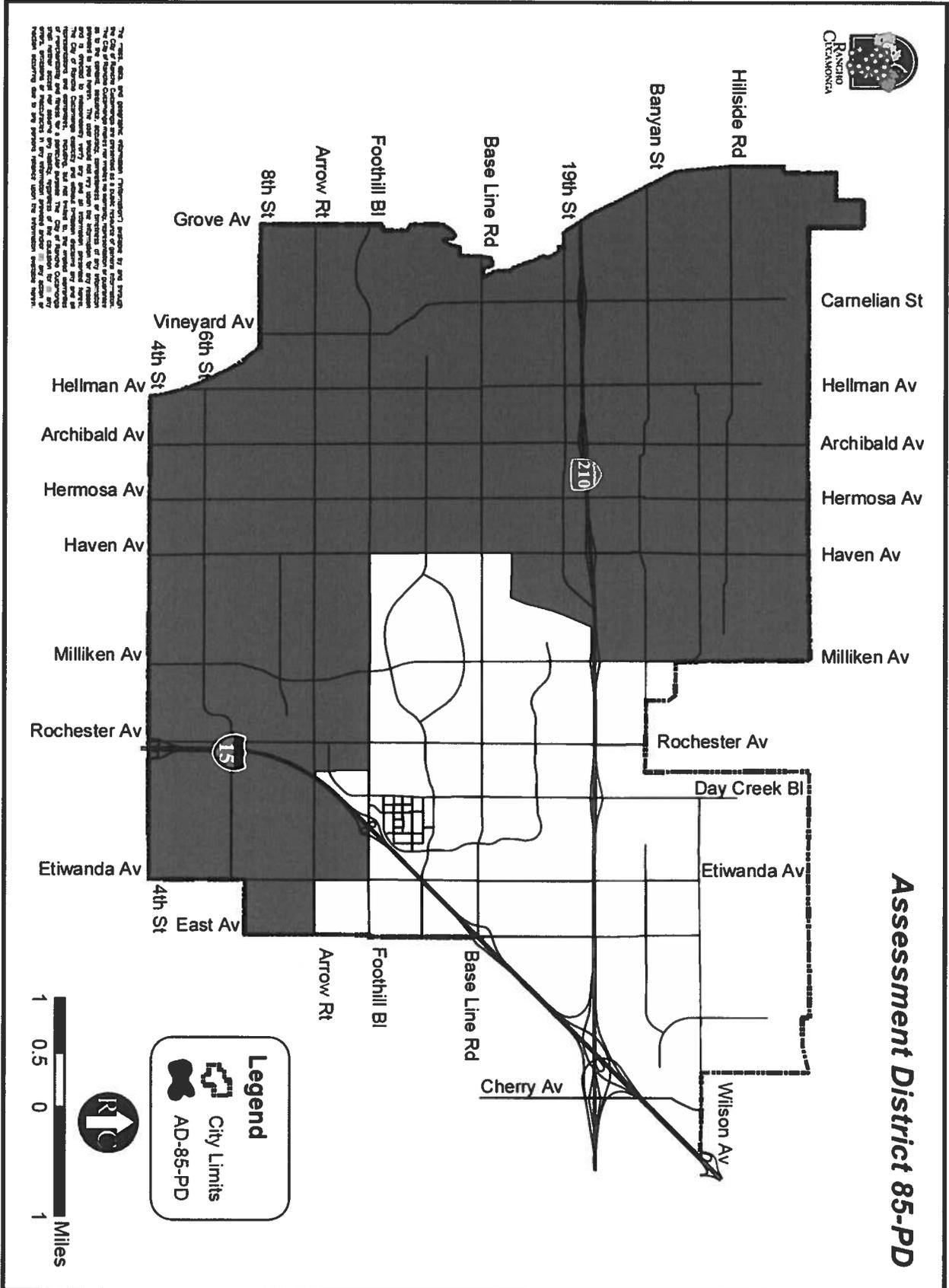
The assessment shall be \$0.00 for Category C parcels.

Annexations

There were no annexations effective for Fiscal Year 2016/17.

Boundary Map

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the County Assessor of the County of San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



RESOLUTION NO. 16-117

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT; APPROVING THE ANNUAL ENGINEER'S REPORT; AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN PARK AND RECREATION IMPROVEMENT DISTRICT NO. PD-85 FOR FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga did on the 6th day of July, 2016, adopt its Resolution of Intention No.16-079 pursuant to the Landscaping and Lighting Act of 1972, as amended (the "1972 Act"), declaring its intention to levy and collect assessments within Park and Recreation Improvement District No. PD-85 (the "District") for Fiscal Year 2016/17 and giving notice of the time and place for a public hearing by the City Council on the levy of the proposed assessments within the Districts; and

WHEREAS, the City Council previously received and preliminarily approved a report of the Assessment Engineer as required by the 1972 Act; and

WHEREAS, notice of such public hearing was duly and legally published in the time, form and manner as required by law, shown by the affidavit of Publication of said Resolution of Intention on file in the Office of the City Clerk; and

WHEREAS, said City Council having duly received and considered evidence, oral and documentary, concerning the jurisdiction facts in this proceeding and concerning the necessity for the contemplated work and the benefits to be derived therefrom, and said City Council having now acquired jurisdiction to order the proposed work.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the City Council of the City of Rancho Cucamonga, as follows:

SECTION 1: This City Council hereby finds and determines that notice of the public hearing has been given and the proceedings for the consideration of the levy of the annual assessments within each district have been undertaken in accordance with the 1972 Act.

SECTION 2: The final assessments and diagram for the proceedings, as contained in the final Annual Engineer's Report for the District, are hereby approved and confirmed. The assessments for the District contained in the Annual Engineer's Report for Fiscal Year 2016/17 are hereby confirmed and levied upon the respective lots or parcels in the District in the amounts as set forth in applicable Annual Engineer's Report.

SECTION 3: This City Council finds and determines that the public interest and convenience requires the levy and collection of assessments within the District for the Fiscal Year 2016/17, and said City Council hereby orders that the work, as set forth and described in said Resolution of Intention No. 16-079, be done and made.

SECTION 4: The above-referenced diagram and assessment shall be filed in the Office of the City Clerk. Said diagram and assessment, and the certified copy thereof, shall be open for public inspection.

SECTION 5: The City Clerk is hereby ordered and directed to immediately file a certified copy of the diagram and assessment with the County Auditor. Said filing is to be made no later than the 3rd Monday in August, 2016.

SECTION 6: After the filing of the diagram and assessment, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount assessed thereupon, as shown in the assessment.

SECTION 7: The assessments shall be collected at the same time and in the same manner as County taxes are collected, and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments.

SECTION 8: The assessments as above confirmed and levied for these proceedings will provide revenue and relate to the fiscal year commencing July 1, 2016 and ending June 30, 2017.

PASSED, APPROVED, and ADOPTED this _____ day of July, 2016.

L. Dennis Michael, Mayor

ATTEST:

Janice C. Reynolds, City Clerk

I, **Janice C. Reynolds, City Clerk** of the City of Rancho Cucamonga, California, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a regular meeting of said City Council held on _____, 2016.

Executed this _____, at Rancho Cucamonga, California.

Janice C. Reynolds, City Clerk



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *TL*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICT NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, INCLUSIVE, FOR FISCAL YEAR 2016/17. NO INCREASE IN ASSESSMENT RATES IS PROPOSED OR PERMITTED.**

RECOMMENDATION

It is recommended that the City Council approve the Resolution confirming the Diagrams and Assessments; approving the Annual Engineer's Reports; and ordering the levy and collection of the annual assessments within Street Lighting Maintenance District Nos. 1, 2, 3, 4, 5, 6, 7 and 8. There are no increases in the annual assessments in these districts proposed or permitted for Fiscal Year 2016/17. The Annual Engineer's Reports are on file in the City Clerk's Office.

BACKGROUND/ANALYSIS

Each year, per the Landscape and Lighting Act of 1972, the City is required to hold a public hearing to receive public comment any proposed changes in the improvements to be maintained and serviced and the levy and collection of assessments within Street Lighting Maintenance District Nos. 1, 2, 3, 4, 5, 6, 7 and 8 (each a "District" and collectively the "Districts"). This requirement must be accomplished before the City can submit the annual assessments for placement on the County Tax Roll.

The City of Rancho Cucamonga has eight (8) Street Lighting Maintenance Districts (SLDs) that provide street light coverage throughout the general city and planned communities. Each year the assessments received are earmarked for the maintenance and operation of street lights, traffic signals and appurtenant facilities. This maintenance and operation includes the cost and supervision of street lighting maintenance, including repair, removal or replacement of all or any part of any improvement providing for illumination of the subject area in connection with these Districts. Commencing in Fiscal Year 2016/17 the City Council proposes to also authorize the financing of the acquisition of the street lights specially benefiting the properties within the SLDs.

CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICT NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, INCLUSIVE, FOR FISCAL YEAR 2016/17. NO INCREASE IN ASSESSMENT RATES IS PROPOSED OR PERMITTED.

JULY 20, 2016

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single annual assessment and it is proposed that the City Council order the estimated costs of the acquisition of the street lights be raised by an assessment to be levied and collected in installments over a period not to exceed 20 years. The initial cost of the acquisition is proposed to be funded from a temporary advance from the City with such advance to be repaid from the annual installments to be levied and collected over such 20 year period. The City utilizes prior year carryovers along with current year assessment revenues in each district, supplemented with General Fund and Gas Tax revenues in some cases, to meet the districts' annual expenses.

When the SLDs were established, they were created in conjunction with the new development coming into the City, and were intentionally designed to ensure that each district bore the costs of the maintenance of the infrastructure that provides special benefit to the property owners. It has been over 20 years since there was an assessment increase in the SLDs, and certain districts will soon require an assessment increase in order to remain financially self-sustaining while continuing to provide a high level of maintenance. However, no rate increase can occur unless the City conducts an election process to give the property owners the opportunity to express their support for, or in opposition to, an increase in such assessment.

The City's West-side Districts continue to remain fiscally challenged, and, with the failure of Measure A in November 2015, these districts will continue in this condition for the foreseeable future. While General Fund and Gas Tax contributions provide some interim stability, there still remains a need to address the long-term fiscal stability in SLDs 1, 2, 5, 7. Additionally, with the City purchasing the street lights from Southern California Edison, this acquisition will slow the decline in the SLD fund balances in future years.

As stated in the Street Lighting Maintenance Districts Fiscal Year 2016/17 Engineer's Reports, the assessment rates shall remain unchanged from the previous FY 2015/16 rates. The assessment rate and district description for each Street Lighting Maintenance District is as follows:

Street Lighting Maintenance District No. 1 assessments will pay for the acquisition of street lights and for energy and maintenance for streetlights on arterial streets. The current assessment rate is \$17.77 per single-family residence. The commercial rate is \$35.54 per acre. The district's fund balance has virtually been depleted.

Street Lighting Maintenance District No. 2 assessments will pay for the acquisition of street lights and for energy and maintenance for streetlights on residential streets. The current assessment rate is \$39.97 per single-family residence. The commercial rate is \$79.94 per acre. This district is operating at a 44% budget deficit and is currently being backfilled with a General Fund subsidy to sustain services.

Street Lighting Maintenance District No. 3 assessments will pay for the acquisition of street lights and for energy and maintenance for streetlights within the Victoria Planned Community. The current assessment rate is \$47.15 per single-family residence. The commercial rate is \$94.30 per acre.

Street Lighting Maintenance District No. 4 assessments will pay for the acquisition of street lights and for energy and maintenance for streetlights within the Terra Vista Planned Community. The current assessment rate is \$28.96 per single-family residence, the multi-family rate is \$14.48 per

CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICT NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, INCLUSIVE, FOR FISCAL YEAR 2016/17. NO INCREASE IN ASSESSMENT RATES IS PROPOSED OR PERMITTED.

JULY 20, 2016

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dwelling unit and the commercial rate is \$57.92 per acre. This district will require a rate increase in future years to maintain service levels.

Street Lighting Maintenance District No. 5 assessments will pay for the acquisition of street lights and for energy and maintenance for streetlights within the Caryn Planned Community. The current assessment rate is \$34.60 per single-family residence. It is noted that reserves for SLD 5 are completely depleted; this district is now operating with a significant deficit.

Street Lighting Maintenance District No. 6 assessments will pay for the acquisition of street lights and for energy and maintenance for streetlights within the commercial and industrial area of the City. The current assessment rate is \$51.40 per acre for commercial property.

Street Lighting Maintenance District No. 7 assessments will pay for the acquisition of street lights and for energy and maintenance for streetlights within the Etiwanda Highlands Community. The current assessment rate is \$33.32 per single-family residence. This district is operating at a significant deficit and is being backfilled with Gas Tax funds to provide services. This district will require a rate increase in future years to maintain service levels.

Street Lighting Maintenance District No. 8 assessments will pay for the acquisition of street lights and for energy and maintenance for streetlights in South Etiwanda. The current assessment rate is \$30.60 per single-family residence.

Attachments

Resolution 16-118

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Street Lighting Maintenance District No. 1
(Arterials)**

**CITY OF RANCHO CUCAMONGA
STREET LIGHTING MAINTENANCE DISTRICT NO. 1
(ARTERIALS)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016 the City Council of Rancho Cucamonga (the "City"), under the Landscaping and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No. 16-082, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Street Lighting Maintenance District No. 1 (Arterial) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed the City Engineer to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay for the acquisition of street lights, and estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 20,330
Operations and Maintenance	1,040,710
Total Expenditures Budget	<u>\$ 1,061,040</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 803,640
Anticipated Prior Year Delinquencies Collection	6,750
Subtotal - Taxes	810,390
Other Revenues	6,830
Total Revenues Budget	<u>\$ 817,220</u>
Contribution to/(Use of) Fund Balance	<u>\$ (243,820)</u>
Total District EBU Count	45,599.80
Actual Assessment per EBU	\$ 17.77
Maximum Allowable Assessment per EBU	\$ 17.77

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.

2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;

 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and

 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements, including the acquisition by the City of the street lights, and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest.

During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing, must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as the entire City of Rancho Cucamonga.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

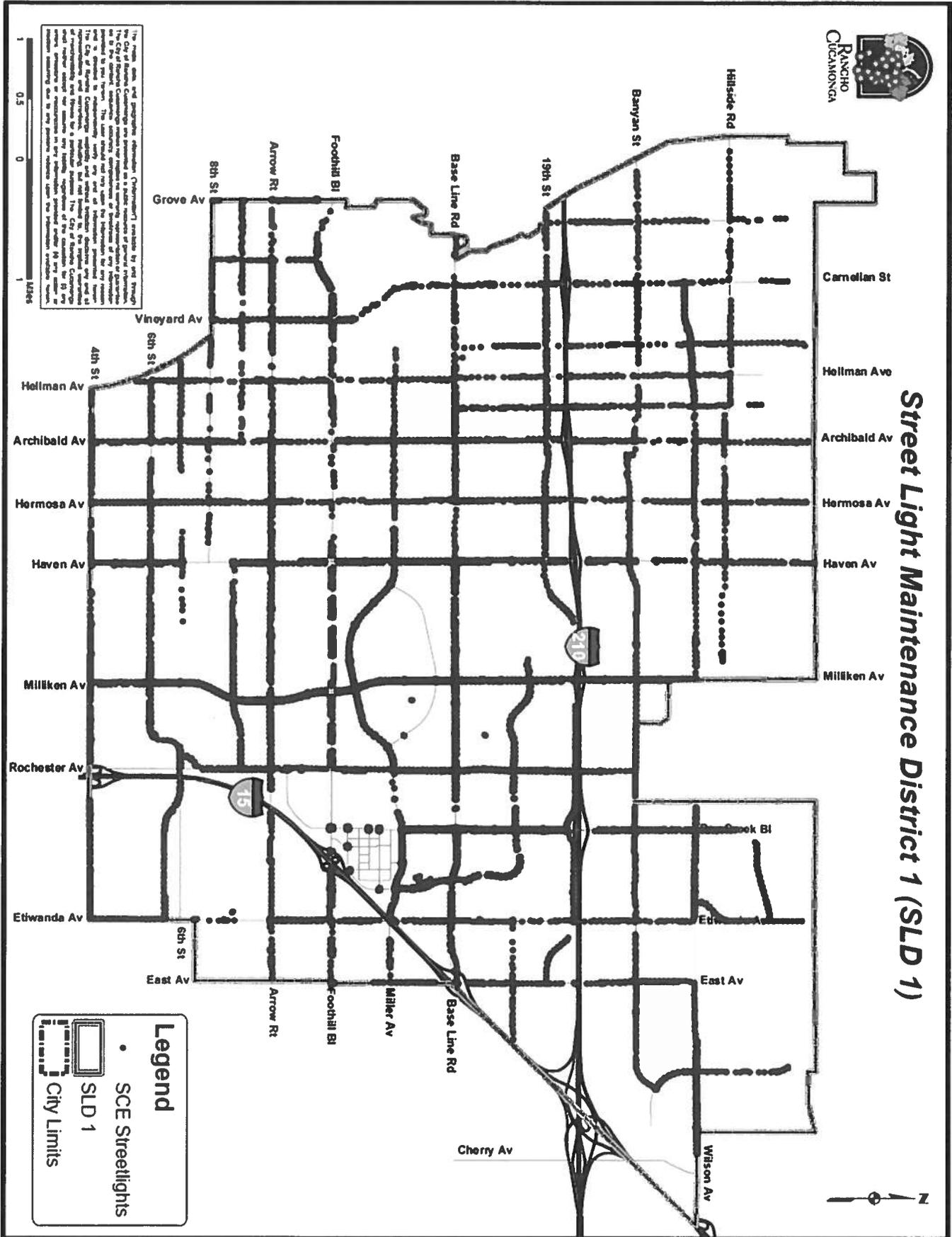
The improvements are the maintenance and servicing of street lights, traffic signals and appurtenant facilities throughout the District. The maintenance and servicing includes, but is not limited to, furnishing electric current for public lighting facilities including street lights and traffic signals, and associated appurtenant facilities. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in operational and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, in order to lower expenses of the District. Beginning in Fiscal Year 2016/17, the acquisition by the City of the street lights specially benefiting the properties within the District is proposed to be added to the improvements.

Map of Improvements

The following page shows the map of street light and traffic signal improvements to be maintained using District funds.



Street Light Maintenance District 1 (SLD 1)



The street, name, and maintenance jurisdiction (City/County) for all streets shown on this map are provided as a public information service. The City of Rancho Cucamonga does not assume any liability for errors or omissions. The City of Rancho Cucamonga reserves the right to change the information at any time without notice. The information is provided for informational purposes only and is not intended to be used for any other purpose. The City of Rancho Cucamonga is not responsible for any damage or injury resulting from the use of this information. The City of Rancho Cucamonga reserves the right to change the information at any time without notice. The information is provided for informational purposes only and is not intended to be used for any other purpose. The City of Rancho Cucamonga is not responsible for any damage or injury resulting from the use of this information.

Legend

- SCE Streetlights
- ▭ SLD 1
- ▭ City Limits

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 13,830
Fringe Benefits	6,500
Subtotal - Personnel	<u>20,330</u>
Operations and Maintenance:	
Operations and Maintenance:	
Training	180
Membership Dues	50
O &M/General	7,990
Cellular Technology	1,000
Equipment Operations and Maintenance	500
Subtotal - Operations and Maintenance	<u>9,720</u>
Utilities:	
Telephone Utilities	1,500
Electric Utilities	816,920
Subtotal - Utilities	<u>818,420</u>
Assessment Administration	160,940
Admin./General Overhead	51,630
Subtotal - Operations and Maintenance	<u>1,040,710</u>
Total Expenditures Budget	<u>\$ 1,061,040</u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 803,640
Anticipated Prior Year Delinquencies Collection	6,750
Subtotal - Taxes	<u>810,390</u>
Other Revenues:	
Interest Earnings	5,830
Developer Energizing Fee	1,000
Subtotal - Other Revenues:	<u>6,830</u>
Total Revenues Budget	<u>\$ 817,220</u>
Contribution to/(Use of) Fund Balance	<u>\$ (243,820)</u>
Total Gross Estimated Assessments	\$ 810,308.45
Total District EBU Count	45,599.80
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 17.77
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 17.77

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 509,781
Use of Reserve - Fiscal Year 2016/17	<u>(243,820)</u>
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 265,961</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Utilities: This item includes the costs to furnish electricity and telephone services, as required, for the operation and maintenance of the street lights, traffic signals, and appurtenant facilities throughout the District.

Assessment Administration: This item includes the cost to all particular departments and staff of the City, and consultants for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include installation of safety lights and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings and Developer Energizing Fees.

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the public lighting facilities, including traffic signals.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District, and as such confer a special and direct benefit to parcels within the District by:

- improving the livability, safety, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing for safe vehicular and pedestrian access for properties within the District, and
- providing beautification and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements were installed and are maintained specifically for the properties within the

District; only properties within the District receive a special benefit and are assessed for said maintenance.

General Benefit

In addition to the special benefits received by parcels within the District, there are derivative general benefits that are conferred on parcels outside the boundaries of the District which include:

- the safety and visual enhancement of the area to persons or vehicles that may travel through the District

However, it has been determined that these benefits are derivative and do not provide a direct benefit to parcels outside of the district that are not being assessed.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1984, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined, are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The Equivalent Benefit Unit ("EBU") method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one Equivalent Benefit Unit (EBU). Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Benefit Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Parcel
Multi-Family Residential	1.00	Unit
Non Residential	2.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$17.77	\$17.77	27,725.00	27,725.00
Multi-Family Residential	17.77	17.77	11,559.00	11,559.00
Non Residential	17.77	17.77	3,157.90	6,315.80

The total amount of maintenance and incidental costs for maintaining the street lights and traffic signals is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the County Assessor of the County San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.

ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$17.77	27,725.00	27,725.00	\$492,673.25
Multi-Family Residential	17.77	11,559.00	11,559.00	205,403.43
Non Residential	17.77	3,157.90	6,315.80	112,231.77
TOTALS		42,441.90	45,599.80	\$810,308.45

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

The following Annexations are effective for Fiscal Year 2016/17.

APN	Annexation Date	Project Name	Total Units/ Acres	Total EBUS	Property Type
1077-311-74	01/21/15	TR 17433	9.00	9.00	Single Family Residential
0209-122-18	02/04/15	DRC2013-00284	1.00	1.00	Single Family Residential
0209-122-19	02/04/15	DRC2013-00285	1.00	1.00	Single Family Residential
1087-071-15	03/18/15	TR16226-2	95.00	95.00	Single Family Residential
0208-153-25	03/18/15	DRC2008-00356	1.10	1.10	Non-residential Property
0229-401-06, 07, 08 & 09	03/18/15	DRC2014-00127	6.58	6.58	Non-residential Property
0207-262-01, 02 & 03	05/20/15	TR18976	31.00	31.00	Condominiums
0225-191-37	05/20/15	PM19528	2.00	2.00	Single Family Residential
0202-021-46	06/17/15	DRC2013-01012	1.00	1.00	Single Family Residential
0210-371-02	11/04/15	DRC2014-00566	5.72	5.72	Non-residential Property
0229-341-11	11/04/15	DRC2014-00232	2.08	2.08	Non-residential Property

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Street Lighting Maintenance District No. 2
(Local Streets)**

**CITY OF RANCHO CUCAMONGA
STREET LIGHTING MAINTENANCE DISTRICT NO. 2
(LOCAL STREETS)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga (the “City”), under the Landscaping and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No. 16-082, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Street Light Maintenance District No. 2 (Local Streets) (the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed the City Engineer to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay for the acquisition of street lights, and estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Operations and Maintenance	\$ 716,530
Total Expenditures Budget	<u>\$ 716,530</u>
 <u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 392,640
Anticipated Prior Year Delinquencies Collection	4,030
Subtotal - Taxes	<u>396,670</u>
Other Revenues	1,160
Transfers In	<u>350,170</u>
Total Revenues Budget	<u>\$ 748,000</u>
 Contribution to/(Use of) Fund Balance	<u>\$ 31,470</u>
 Total District EBU Count	9,247.32
Actual Assessment per EBU	\$ 39.97
Maximum Allowable Assessment per EBU	\$ 39.97

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.

2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;

 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and

 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements, including the acquisition by the City of the street lights, and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest.

During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as the entire City west of Haven.

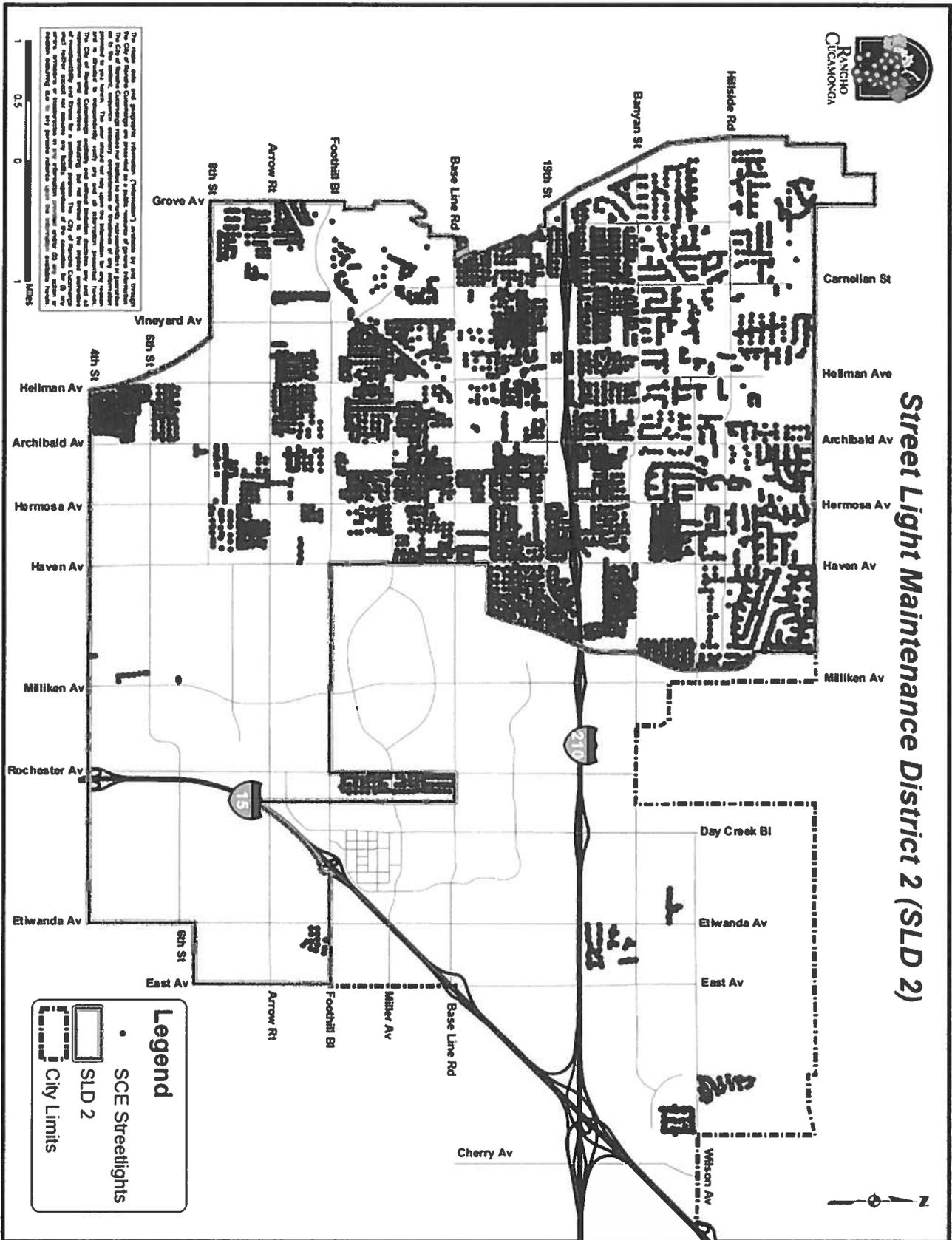
Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements are the maintenance and servicing of street lights, traffic signals and appurtenant facilities throughout the District. The maintenance and servicing includes, but is not limited to, furnishing electric current for public lighting facilities including street lights and traffic signals, and associated appurtenant facilities. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in operational and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, in order to lower expenses of the District. Beginning in Fiscal Year 2016/17, the acquisition by the City of the street lights specifically benefiting the properties within the District is proposed to be added to the improvements.

Map of Improvements

The following page shows the map of street light and traffic signal improvements to be maintained using District funds.



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Operations and Maintenance:	
Contract Services:	
Contract Services/General	\$ 670
Subtotal - Contract Services	<u>670</u>
Utilities:	
Electric Utilities	675,070
Subtotal - Utilities	<u>675,070</u>
Assessment Administration	37,400
Admin./General Overhead	<u>3,390</u>
Subtotal - Operations and Maintenance	<u>716,530</u>
Total Expenditures Budget	<u>\$ 716,530</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 392,640
Anticipated Prior Year Delinquencies Collection	4,030
Subtotal - Taxes	<u>396,670</u>
Other Revenues:	
Interest Earnings	160
Developer Energizing Fee	1,000
Subtotal - Other Revenues:	<u>1,160</u>
Transfer In	<u>350,170</u>
Total Revenues Budget	<u>\$ 748,000</u>
Contribution to/(Use of) Fund Balance	<u>\$ 31,470</u>

Total Gross Estimated Assessments	\$ 369,615.38
Total District EBU Count	9,247.32
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 39.97
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 39.97

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City of Rancho Cucamonga to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 189,171
Contribution to Reserve - Fiscal Year 2016/17	<u>31,470</u>
Estimated Reserve Fund Balance, June 30, 2017	<u><u>\$ 220,641</u></u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Utilities: This item includes the costs to furnish electricity and telephone services, as required, for the operation and maintenance of the street lights, traffic signals, and appurtenant facilities throughout the District.

Assessment Administration: This item includes the cost to all particular departments and staff of the City, and consultants for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include installation of safety lights and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings and Developer Energizing Fees.

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the public lighting facilities, including traffic signals.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the

assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District, and as such confer a special and direct benefit to parcels within the District by:

- improving the livability, safety, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing for safe vehicular and pedestrian access for properties within the District, and
- providing beautification and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements were installed and are maintained specifically for the properties within the District; only properties within the District receive a special benefit and are assessed for said maintenance.

General Benefit

In addition to the special benefits received by parcels within the District, there are derivative general benefits that are conferred on parcels outside the boundaries of the District which include:

- the safety and visual enhancement of the area to persons or vehicles that may travel through the District
-

However, it has been determined that these benefits are derivative and do not provide a direct benefit to parcels outside of the District that are not being assessed.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1983, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined, are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Parcel
Multi-Family Residential	1.00	Unit
Non Residential	2.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/Acres	Total EBUs
Single Family Residential	\$39.97	\$39.97	7,178.00	7,178.00
Multi-Family Residential	39.97	39.97	1,989.00	1,989.00
Non Residential	39.97	39.97	40.16	80.32

The total amount of maintenance and incidental costs for maintaining the street lights and traffic signals is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.

ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$39.97	7,178.00	7,178.00	\$286,904.66
Multi-Family Residential	39.97	1,989.00	1,989.00	79,500.33
Non Residential	39.97	40.16	80.32	3,210.39
TOTALS		9,207.16	9,247.32	\$369,615.38

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

The following Annexations are effective for Fiscal Year 2016/17.

APN	Annexation Date	Project Name	Total Units/ Acres	Total EBUS	Property Type
1077-311-74	01/21/15	TR 17433	9.00	9.00	Single Family Residential
0209-122-18	02/04/15	DRC2013-00284	1.00	1.00	Single Family Residential
0209-122-19	02/04/15	DRC2013-00285	1.00	1.00	Single Family Residential
0207-262- 01, 02 & 03	05/20/15	TR18976	31.00	31.00	Condominiums
0202-021-46	06/17/15	DRC2013-01012	1.00	1.00	Single Family Residential

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Street Lighting Maintenance District No. 3
(Victoria Planned Community)**

**CITY OF RANCHO CUCAMONGA
STREET LIGHTING MAINTENANCE DISTRICT NO. 3
(VICTORIA PLANNED COMMUNITY)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga (the "City"), under the Landscaping and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No.16-082, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Street Light Maintenance District No. 3 (Victoria Planned Community) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed the City Engineer to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay for the acquisition of street lights, and estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 20,330
Operations and Maintenance	<u>326,470</u>
Total Expenditures Budget	<u>\$ 346,800</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 350,380
Anticipated Prior Year Delinquencies Collection	<u>3,860</u>
Subtotal - Taxes	354,240
Other Revenues	<u>13,980</u>
Total Revenues Budget	<u>\$ 368,220</u>
Contribution to/(Use of) Fund Balance	<u>\$ 21,420</u>
Total District EBU Count	7,507.42
Actual Assessment per EBU	\$ 47.15
Maximum Allowable Assessment per EBU	\$ 47.15

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements, including the acquisition by the City of the street lights, and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest.

During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing (“Notice”), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area located south of the 210 Freeway, west of Etiwanda, southwest of the I-15 Freeway and east of Haven, also known as the Victoria Neighborhood Planned Community, and are more particularly in the diagram of the District included herein.

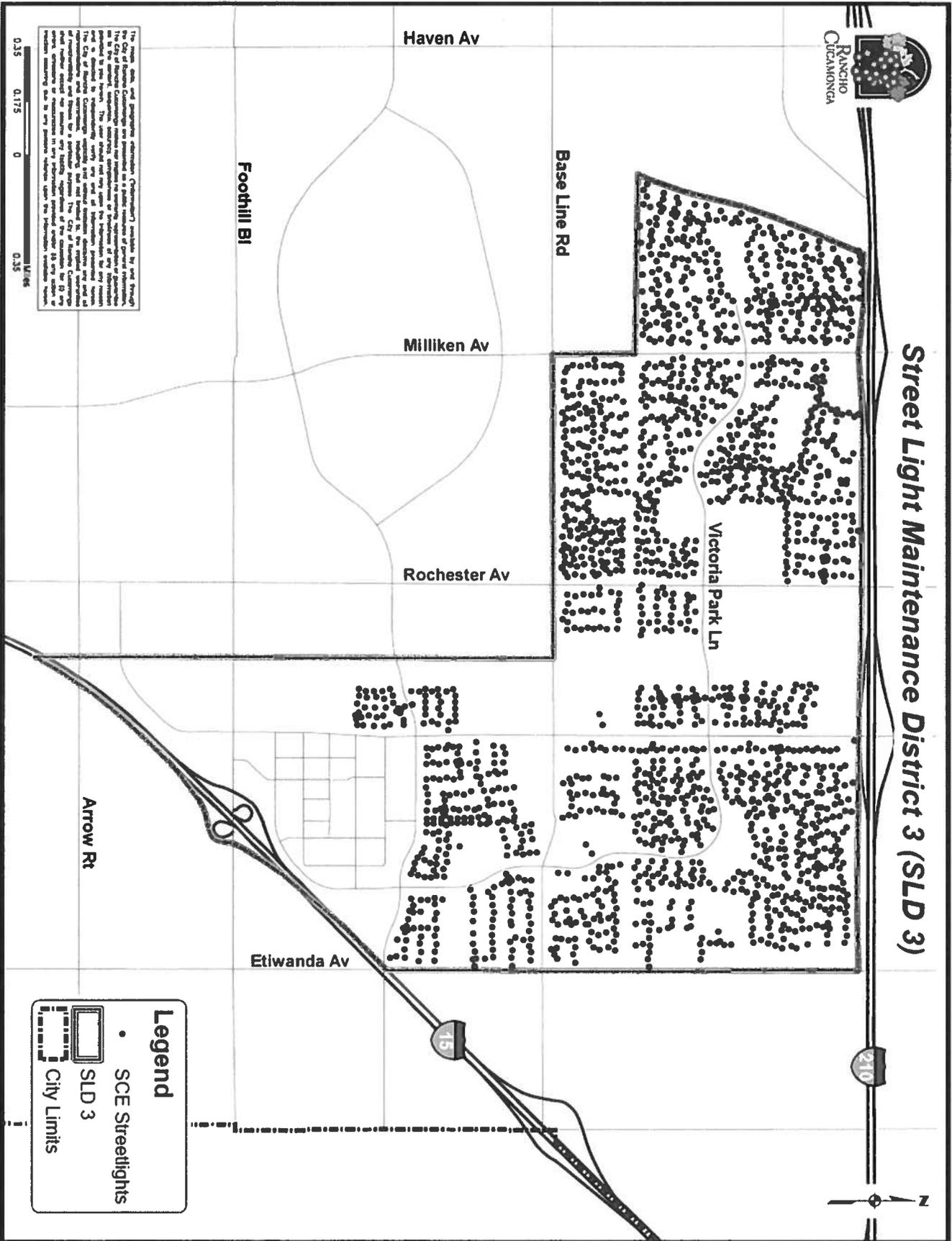
Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements are the maintenance and servicing of street lights, traffic signals and appurtenant facilities throughout the District. The maintenance and servicing includes, but is not limited to, furnishing electric current for public lighting facilities including street lights and traffic signals, and associated appurtenant facilities. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in operational and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, in order to lower expenses of the District. Beginning in Fiscal Year 2016/17, the acquisition by the City of the street lights specially benefiting the properties within the District is proposed to be added to the improvements.

Map of Improvements

The following page shows the map of street light and traffic signal improvements to be maintained using District funds.



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 13,830
Fringe Benefits	6,500
Subtotal - Personnel	<u>20,330</u>
Operations and Maintenance:	
Operations and Maintenance:	
Training	180
Membership Dues	30
O &M/General	9,940
Subtotal - Operations and Maintenance	<u>10,150</u>
Utilities:	
Electric Utilities	274,150
Subtotal - Utilities	<u>274,150</u>
Assessment Administration	35,640
Admin./General Overhead	6,530
Subtotal - Operations and Maintenance	<u>326,470</u>
Total Expenditures Budget	<u>\$ 346,800</u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 350,380
Anticipated Prior Year Delinquencies Collection	<u>3,860</u>
Subtotal - Taxes	<u><u>354,240</u></u>
 Other Revenues:	
Interest Earnings	<u>13,980</u>
Subtotal - Other Revenues:	<u><u>13,980</u></u>
 Total Revenues Budget	 <u><u>\$ 368,220</u></u>
 Contribution to/(Use of) Fund Balance	 <u><u>\$ 21,420</u></u>
 Total Gross Estimated Assessments	 \$ 353,974.85
Total District EBU Count	7,507.42
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 47.15
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 47.15

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 1,205,224
Contribution to Reserve - Fiscal Year 2016/17	<u>21,420</u>
Estimated Reserve Fund Balance, June 30, 2017	<u><u>\$ 1,226,644</u></u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Utilities: This item includes the costs to furnish electricity and telephone services, as required, for the operation and maintenance of the street lights, traffic signals, and appurtenant facilities throughout the District.

Assessment Administration: This item includes the cost to all particular departments and staff of the City, and consultants for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include installation of safety lights and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings and Developer Energizing Fees.

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the public lighting facilities, including traffic signals.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District, and as such confer a special and direct benefit to parcels within the District by:

- improving the livability, safety, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing for safe vehicular and pedestrian access for properties within the District, and
- providing beautification and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements were installed and are maintained specifically for the properties within the

District; only properties within the District receive a special benefit and are assessed for said maintenance.

General Benefit

In addition to the special benefits received by parcels within the District, there are derivative general benefits that are conferred on parcels outside the boundaries of the District which include:

- the safety and visual enhancement of the area to persons or vehicles that may travel through the District

However, it has been determined that these benefits are derivative and do not provide a direct benefit to parcels outside of the district that are not being assessed.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1982, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined, are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one Equivalent Dwelling Unit (EBU). Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Parcel
Multi-Family Residential	1.00	Unit
Non Residential	2.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$47.15	\$47.15	6,431.00	6,431.00
Multi-Family Residential	47.15	47.15	589.00	589.00
Non Residential	47.15	47.15	243.71	487.42

The total amount of maintenance and incidental costs for maintaining the street lights and traffic signals is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.

ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$47.15	6,431.00	6,431.00	\$303,221.65
Multi-Family Residential	47.15	589.00	589.00	27,771.35
Non Residential	47.15	243.71	487.42	22,981.85
TOTALS		7,263.71	7,507.42	\$353,974.85

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no Annexations for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Street Lighting Maintenance District No. 4
(Terra Vista Planned Community)**

**CITY OF RANCHO CUCAMONGA
STREET LIGHTING MAINTENANCE DISTRICT NO. 4
(TERRA VISTA PLANNED COMMUNITY)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
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Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga (the "City"), under the Landscaping and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No. 16-082, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Street Light Maintenance District No. 4 (Terra Vista Planned Community) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed the City Engineer to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay for the acquisition of the street lights, and the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year</u> <u>2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 20,330
Operations and Maintenance	120,680
Capital Expenditures	20,000
Total Expenditures Budget	<u>\$ 161,010</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 173,190
Anticipated Prior Year Delinquencies Collection	1,760
Subtotal - Taxes	174,950
Other Revenues	5,950
Total Revenues Budget	<u>\$ 180,900</u>
Contribution to/(Use of) Fund Balance	<u>\$ 19,890</u>
Total District EBU Count	5,663.02
Actual Assessment per EBU	\$ 28.96
Maximum Allowable Assessment per EBU	\$ 28.96

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements, including the acquisition by the City of the street lights, and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest.

During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area of the City known as the Terra Vista Planned Community, which is located north of Foothill, west of Rochester, east of Haven, south of Base Line and includes the northeast corner of Base Line and Haven.

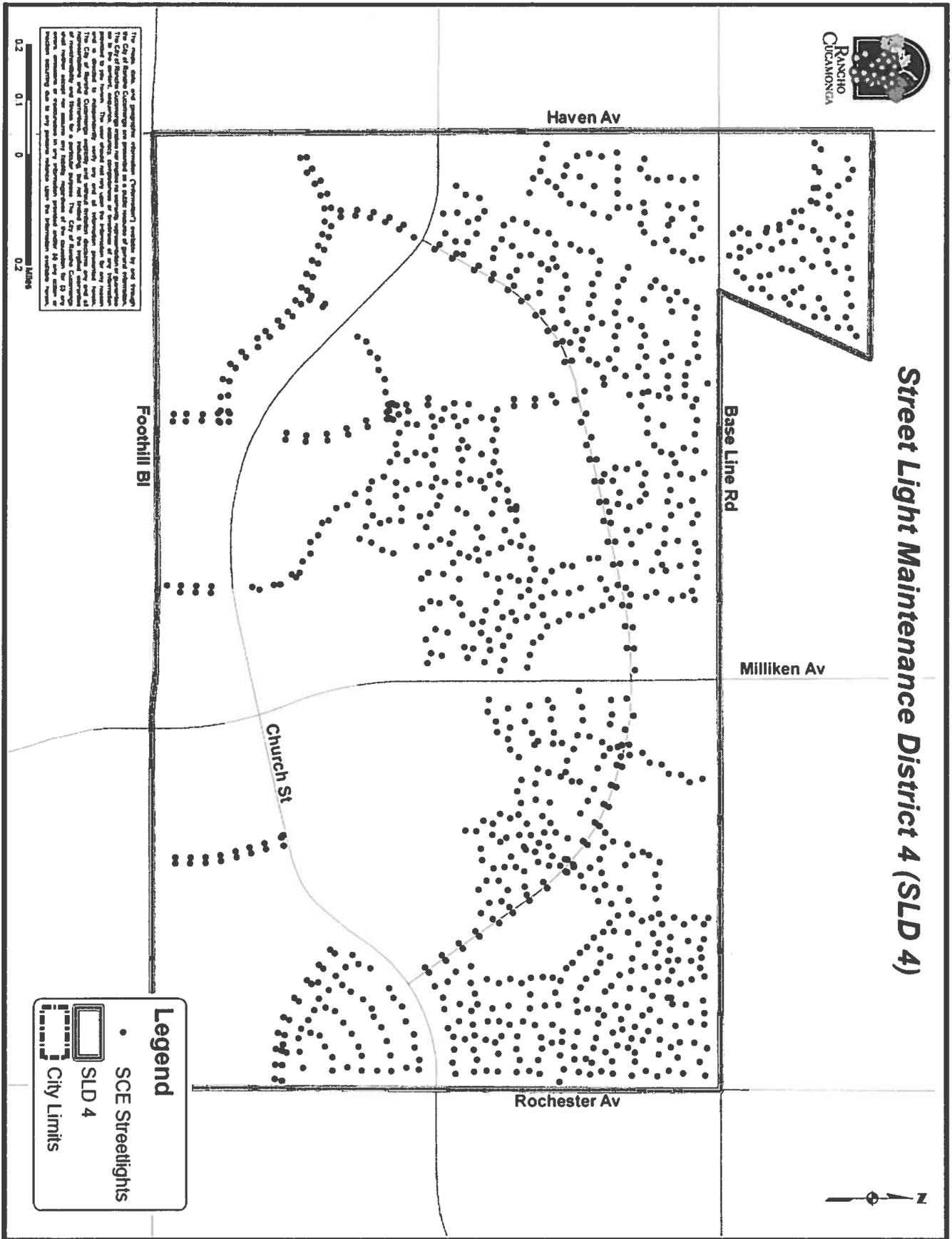
Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements are the maintenance and servicing of street lights, traffic signals and appurtenant facilities throughout the District. The maintenance and servicing includes, but is not limited to, furnishing electric current for public lighting facilities including street lights and traffic signals, and associated appurtenant facilities. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in operational and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, in order to lower expenses of the District. Beginning in Fiscal Year 2016/17, the acquisition by the City of the street lights specially benefiting the properties within the District is proposed to be added to the improvements.

Map of Improvements

The following page shows the map of street light and traffic signal improvements to be maintained using District funds.



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 13,830
Fringe Benefits	6,500
Subtotal - Personnel	<u>20,330</u>
Operations and Maintenance:	
Operations and Maintenance:	
Training	190
Membership Dues	30
O &M/General	4,940
Equipment Operations and Maintenance	500
Subtotal - Operations and Maintenance	<u>5,660</u>
Utilities:	
Electric Utilities	87,930
Subtotal - Utilities	<u>87,930</u>
Assessment Administration	22,970
Admin./General Overhead	4,120
Subtotal - Operations and Maintenance	<u>120,680</u>
Capital Expenditures:	
Capital Project	20,000
Subtotal - Capital Expenditures	<u>20,000</u>
Total Expenditures Budget	<u>\$ 161,010</u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 173,190
Anticipated Prior Year Delinquencies Collection	<u>1,760</u>
Subtotal - Taxes	<u>174,950</u>
 Other Revenues:	
Interest Earnings	<u>5,950</u>
Subtotal - Other Revenues:	<u>5,950</u>
 Total Revenues Budget	 <u><u>\$ 180,900</u></u>
 Contribution to/(Use of) Fund Balance	 <u><u>\$ 19,890</u></u>
 Total Gross Estimated Assessments	 \$ 164,001.05
Total District EBU Count	5,663.02
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 28.96
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 28.96

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 547,623
Contribution to Reserve - Fiscal Year 2016/17	<u>19,890</u>
Estimated Reserve Fund Balance, June 30, 2017	<u><u>\$ 567,513</u></u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Utilities: This item includes the costs to furnish electricity and telephone services, as required, for the operation and maintenance of the street lights, traffic signals, and appurtenant facilities throughout the District.

Assessment Administration: This item includes the cost to all particular departments and staff of the City, and consultants for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include installation of safety lights and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings and Developer Energizing Fees.

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the public lighting facilities, including traffic signals.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District, and as such confer a special and direct benefit to parcels within the District by:

- improving the livability, safety, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing for safe vehicular and pedestrian access for properties within the District, and
- providing beautification and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements were installed and are maintained specifically for the properties within the

District; only properties within the District receive a special benefit and are assessed for said maintenance.

General Benefit

In addition to the special benefits received by parcels within the District, there are derivative general benefits that are conferred on parcels outside the boundaries of the District which include:

- the safety and visual enhancement of the area to persons or vehicles that may travel through the District

However, it has been determined that these benefits are derivative and do not provide a direct benefit to parcels outside of the district that are not being assessed.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1984, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined, are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one Equivalent Dwelling Unit (EBU). Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Parcel
Multi-Family Residential	0.50	Unit
Non Residential	2.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$28.96	\$28.96	2,652.00	2,652.00
Multi-Family Residential	28.96	28.96	5,036.00	2,518.00
Non Residential	28.96	28.96	246.51	493.02

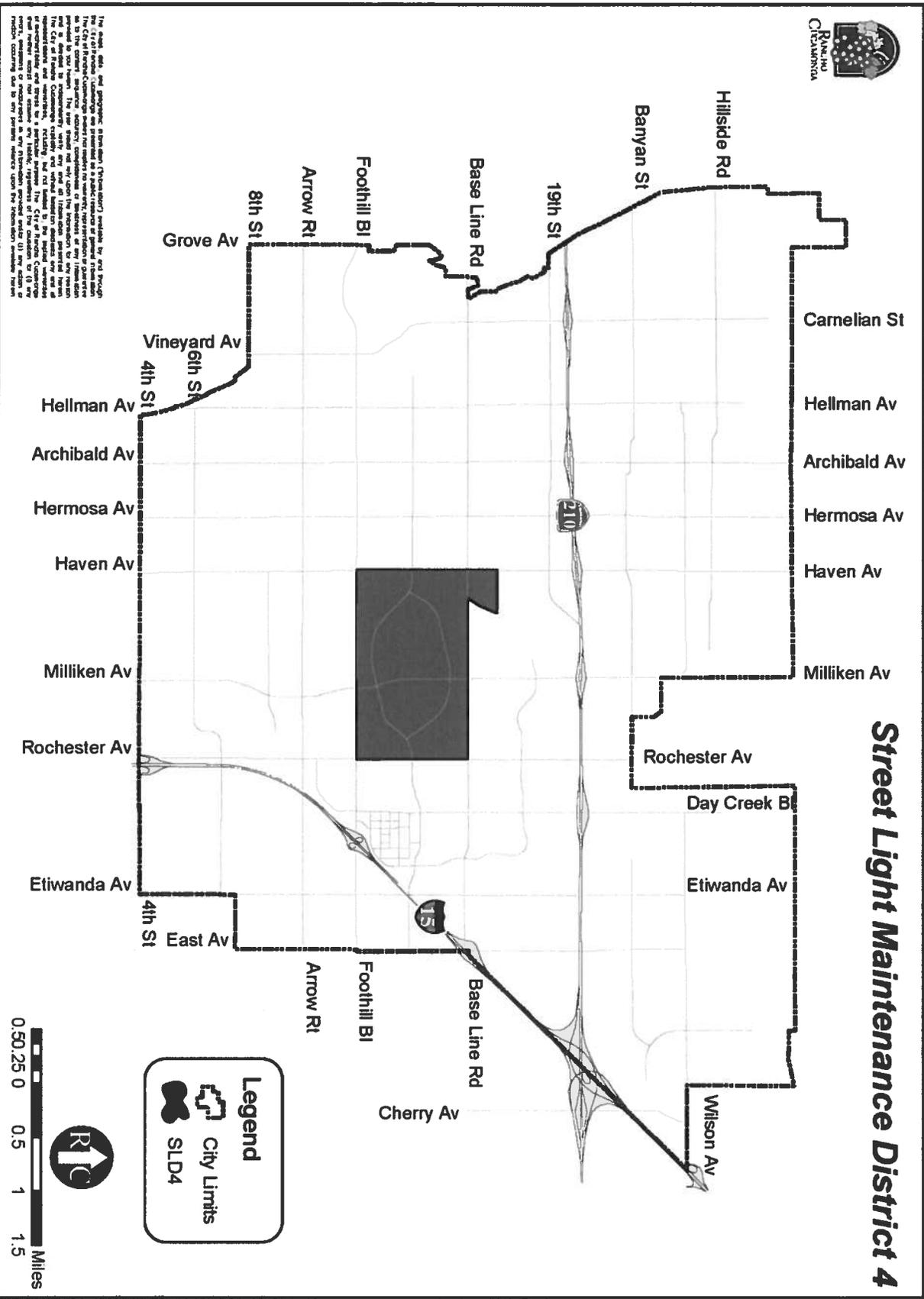
The total amount of maintenance and incidental costs for maintaining the street lights and traffic signals is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



Street Light Maintenance District 4



The design, title, and geographic information ("metadata") available for and through this map is provided as a public resource for general information only. It is not intended to be used for legal purposes. The City of Rancho Cucamonga, California, and its departments, employees, agents, contractors, or other individuals, and its officers and directors, do not warrant, represent, or make any representation as to the accuracy, completeness, or timeliness of the information, or any information derived therefrom, or any statements made therefrom, or any omissions therefrom, or any consequences arising from the use of the information. The City of Rancho Cucamonga, California, and its departments, employees, agents, contractors, or other individuals, and its officers and directors, shall not be held liable for any damages, including but not limited to, direct, indirect, or consequential damages, arising from the use of the information.



Legend

- City Limits
- SLD4

ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$28.96	2,652.00	2,652.00	\$76,801.92
Multi-Family Residential	28.96	5,036.00	2,518.00	72,921.28
Non Residential	28.96	246.51	493.02	14,277.85
TOTALS		7,934.51	5,663.02	\$164,001.05

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no Annexations for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Street Lighting Maintenance District No. 5
(Caryn Planned Community)**

**CITY OF RANCHO CUCAMONGA
STREET LIGHTING MAINTENANCE DISTRICT NO. 5
(CARYN PLANNED COMMUNITY)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
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ENGINEER'S LETTER

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WHEREAS, the Resolution Initiating Proceedings directed the City Engineer to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay for the acquisition of street lights and estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 6,390
Operations and Maintenance	<u>75,170</u>
Total Expenditures Budget	<u>\$ 81,560</u>
 <u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 43,700
Anticipated Prior Year Delinquencies Collection	<u>510</u>
Subtotal - Taxes	<u>44,210</u>
Total Revenues Budget	<u>\$ 44,210</u>
 Contribution to/(Use of) Fund Balance	 <u>\$ (37,350)</u>
 Total District EBU Count	 1,276.00
Actual Assessment per EBU	\$ 34.60
Maximum Allowable Assessment per EBU	\$ 34.60

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefitted Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report, and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements, including the acquisition by the City of the street lights, and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest.

During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga. The boundaries of the District are generally described as that area located north of the 210 Freeway, south of Banyan, west of Rochester and east of Milliken, also known as the Caryn Planned Community. The boundaries also include Tract No. 13835 east of Rochester and Tracts No. 13748, 13857 and 13858 west of Milliken.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements are the maintenance and servicing of street lights, traffic signals and appurtenant facilities throughout the District. The maintenance and servicing includes, but is not limited to, furnishing electric current for public lighting facilities including street lights and traffic signals, and associated appurtenant facilities. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in operational and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, in order to lower expenses of the District. Beginning in Fiscal Year 2016/17, the acquisition by the City of the street lights specially benefiting the properties within the District is proposed to be added to the improvements.

Map of Improvements

The following page shows the map of street light and traffic signal improvements to be maintained using District funds.



Street Light Maintenance District 5 (SLD 5)



Banyan St

Milliken Av

Rochester Av



The legal, data, and geographic information ("Information") included by and through this map is provided for informational purposes only. It is not intended to be used as a legal document or as a substitute for professional advice. The City of Rancho Cucamonga makes no warranty, representation or guarantee of any kind, including accuracy, completeness or timeliness of any information included in this map. The City of Rancho Cucamonga is not responsible for any errors or omissions in this map, including those caused by third parties. The City of Rancho Cucamonga is not responsible for any damages, including those caused by third parties, arising from the use of this map. The City of Rancho Cucamonga is not responsible for any damages, including those caused by third parties, arising from the use of this map. The City of Rancho Cucamonga is not responsible for any damages, including those caused by third parties, arising from the use of this map.



Legend

- SCE Streetlights
- ▭ SLD 5
- ▭ City Limits

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	<u>Fiscal Year</u> <u>2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 4,350
Fringe Benefits	2,040
Subtotal - Personnel	<u>6,390</u>
Operations and Maintenance:	
Operations and Maintenance:	
Training	180
Membership Dues	30
O &M/General	8,990
Subtotal - Operations and Maintenance	<u>9,200</u>
Utilities:	
Electric Utilities	57,260
Subtotal - Utilities	<u>57,260</u>
Assessment Administration	7,020
Admin./General Overhead	1,690
Subtotal - Operations and Maintenance	<u>75,170</u>
Total Expenditures Budget	<u>\$ 81,560</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 43,700
Anticipated Prior Year Delinquencies Collection	510
Subtotal - Taxes	<u>44,210</u>
Total Revenues Budget	<u>\$ 44,210</u>
Contribution to/(Use of) Fund Balance	<u>\$ (37,350)</u>
Total Gross Estimated Assessments	\$ 44,149.60
Total District EBU Count	1,276.00
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 34.60
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 34.60

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	Operating Reserve
Estimated Reserve Fund Balance, June 30, 2016	\$ (70,174)
Use of Reserve - Fiscal Year 2016/17	(37,350)
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ (107,524)</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Utilities: This item includes the costs to furnish electricity and telephone services, as required, for the operation and maintenance of the street lights, traffic signals, and appurtenant facilities throughout the District.

Assessment Administration: This item includes the cost to all particular departments and staff of the City, and consultants for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for

administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include installation of safety lights and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings and Developer Energizing Fees.

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the public lighting facilities, including traffic signals.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District, and as such confer a special and direct benefit to parcels within the District by:

- improving the livability, safety, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing for safe vehicular and pedestrian access for properties within the District, and
- providing beautification and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements were installed and are maintained specifically for the properties within the District; only properties within the District receive a special benefit and are assessed for said maintenance.

General Benefit

In addition to the special benefits received by parcels within the District, there are derivative general benefits that are conferred on parcels outside the boundaries of the District which include:

- the safety and visual enhancement of the area to persons or vehicles that may travel through the District

However, it has been determined that these benefits are derivative and do not provide a direct benefit to parcels outside of the district that are not being assessed.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1986, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal

requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined, are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. The following table provides the weighting factors applied by land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Parcel

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$34.60	\$34.60	1,276.00	1,276.00

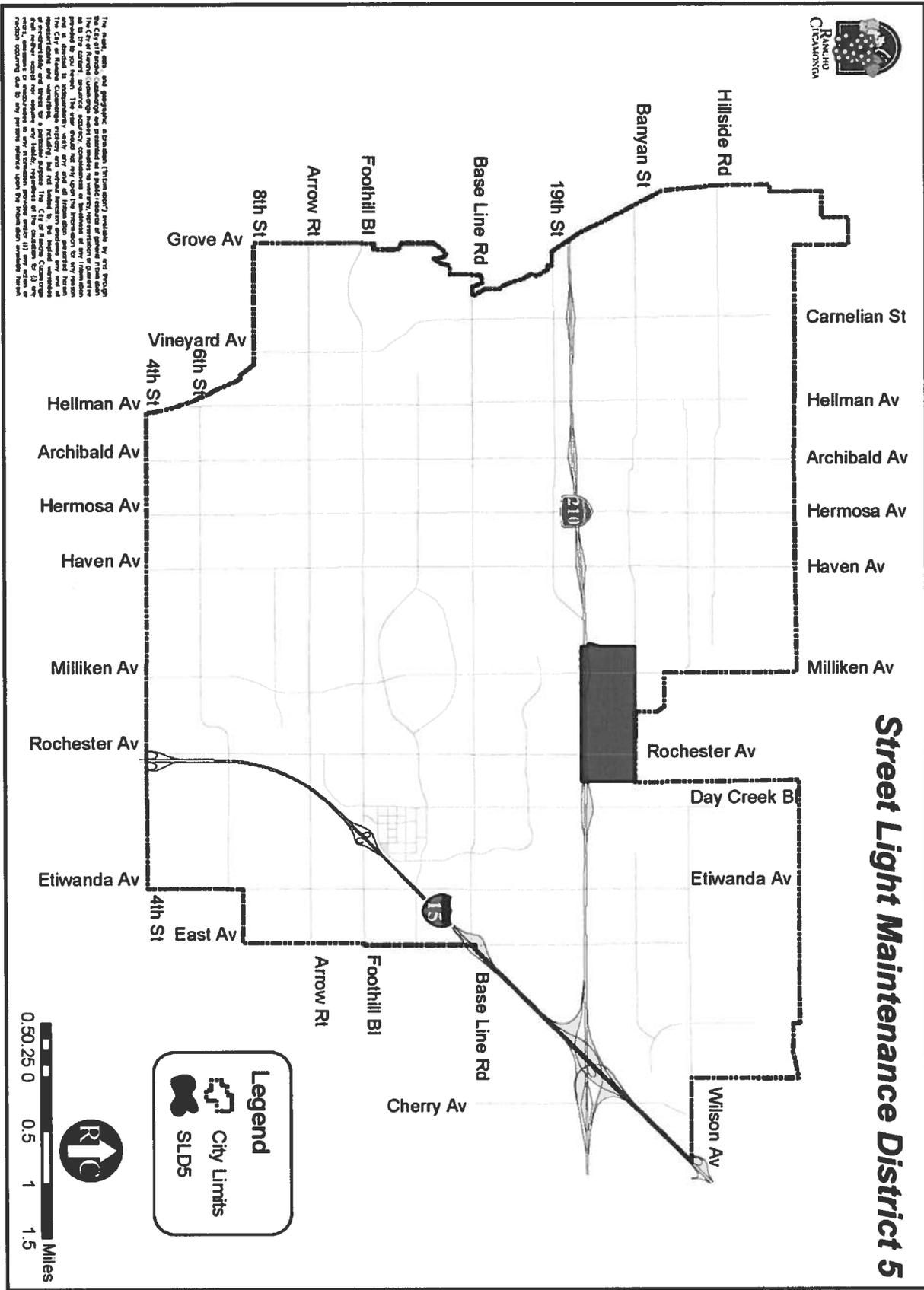
The total amount of maintenance and incidental costs for maintaining the street lights and traffic signals is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



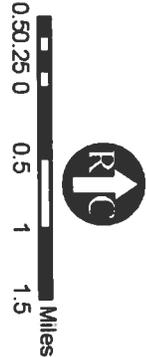
Street Light Maintenance District 5



The map, title, and geographic information ("metadata") provided by the City of Rancho Cucamonga are for informational purposes only. The City of Rancho Cucamonga does not warrant, represent or guarantee the accuracy, reliability, or completeness of the information contained on this map. The City of Rancho Cucamonga is not responsible for any errors or omissions on this map. The City of Rancho Cucamonga is not liable for any damages, including but not limited to, the loss of data, or any other consequences arising from the use of this map. The City of Rancho Cucamonga is not responsible for any damages, including but not limited to, the loss of data, or any other consequences arising from the use of this map. The City of Rancho Cucamonga is not responsible for any damages, including but not limited to, the loss of data, or any other consequences arising from the use of this map.

Legend

- City Limits
- SLDS



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$34.60	1,276.00	1,276.00	\$44,149.60

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no Annexations for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Street Lighting Maintenance District No. 6
(Commercial/Industrial)**

**CITY OF RANCHO CUCAMONGA
STREET LIGHTING MAINTENANCE DISTRICT NO. 6
(COMMERCIAL/INDUSTRIAL)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor

Sam Spagnolo, Mayor Pro Tem

William Alexander, Council Member

Lynne B. Kennedy, Council Member

Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager

Linda D. Daniels, Assistant City Manager

Lori E. Sassoon, Deputy City Manager/Administrative Services

Jason C. Welday, Director of Engineering Services/City Engineer

William Wittkopf, Public Works Director

Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga (the “City”), under the Landscaping and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No.16-082, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Street Light Maintenance District No. 6 (Commercial/Industrial) (the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed the City Engineer to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay for the acquisition of street lights, and estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services	\$ 20,330
Operations and Maintenance	100,610
Total Expenditures Budget	<u>\$ 120,940</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 133,550
Anticipated Prior Year Delinquencies Collection	880
Subtotal - Taxes	134,430
Other Revenues	9,400
Total Revenues Budget	<u>\$ 143,830</u>
Contribution to/(Use of) Fund Balance	<u>\$ 22,890</u>
Total District EBU Count	2,624.62
Actual Assessment per EBU	\$ 51.40
Maximum Allowable Assessment per EBU	\$ 51.40

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements, including the acquisition by the City of the street lights, and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain

a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to, express their support for, or opposition to the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as the commercial and industrial area of the City which is generally bounded by Foothill on the north, 4th on the south, East on the east and Grove on the west.

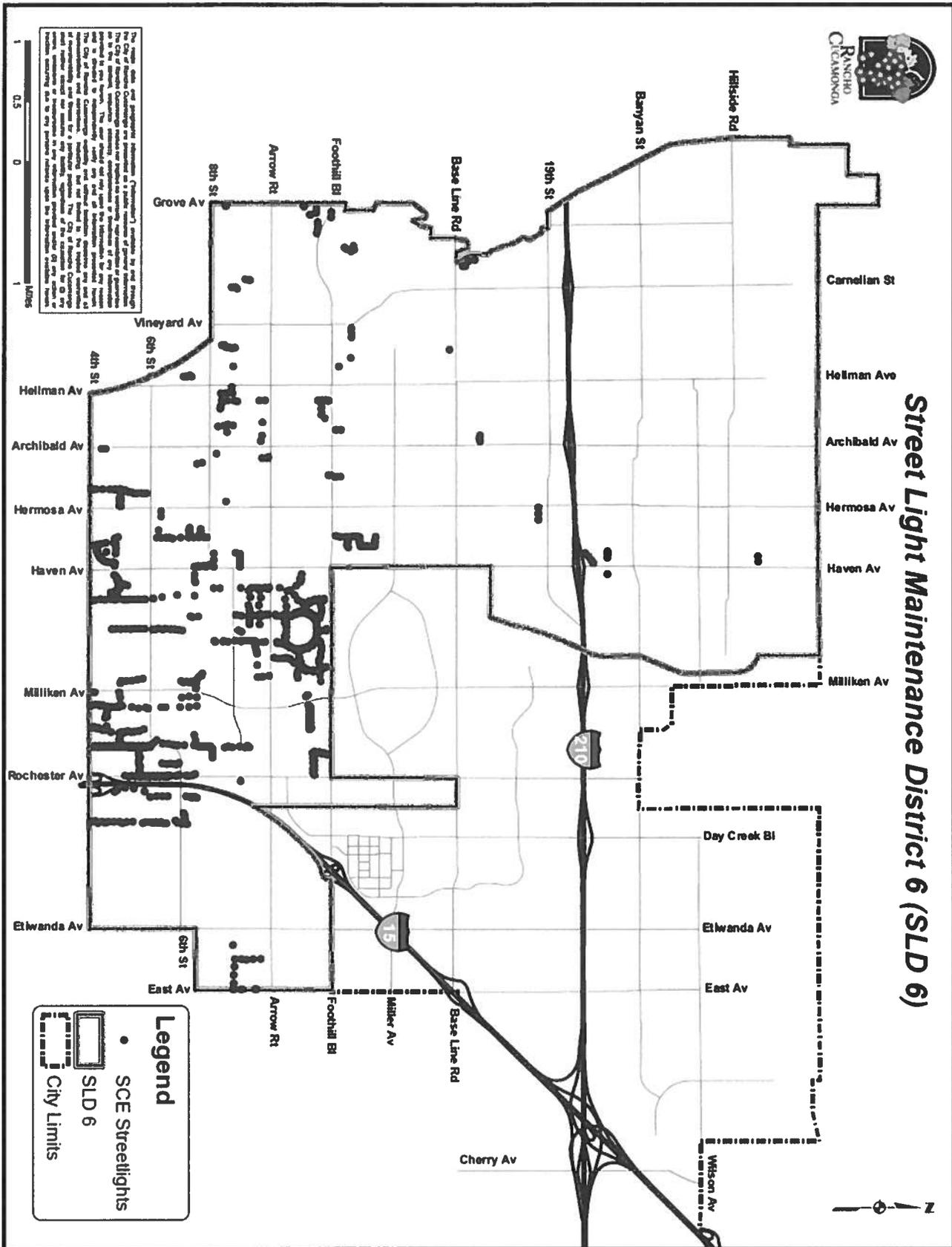
Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements are the maintenance and servicing of street lights, traffic signals and appurtenant facilities throughout the District. The maintenance and servicing includes, but is not limited to, furnishing electric current for public lighting facilities including street lights and traffic signals, and associated appurtenant facilities. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in operational and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, in order to lower expenses of the District. Beginning in Fiscal Year 2016/17, the acquisition by the City of the street lights specially benefiting the properties within the District is proposed to be added to the improvements.

Map of Improvements

The following page shows the map of street light and traffic signal improvements to be maintained using District funds.



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 13,830
Fringe Benefits	6,500
Subtotal - Personnel	<u>20,330</u>
Operations and Maintenance:	
Operations and Maintenance:	
Training	180
Membership Dues	30
O &M/General	6,940
Equipment Operations and Maintenance	400
Subtotal - Operations and Maintenance	<u>7,550</u>
Utilities:	
Electric Utilities	83,210
Subtotal - Utilities	<u>83,210</u>
Assessment Administration	5,600
Admin./General Overhead	4,250
Subtotal - Operations and Maintenance	<u>100,610</u>
Total Expenditures Budget	<u><u>\$ 120,940</u></u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 133,550
Anticipated Prior Year Delinquencies Collection	<u>880</u>
Subtotal - Taxes	<u>134,430</u>
Other Revenues:	
Interest Earnings	<u>9,400</u>
Subtotal - Other Revenues:	<u>9,400</u>
Total Revenues Budget	<u>\$ 143,830</u>
Contribution to/(Use of) Fund Balance	<u>\$ 22,890</u>
Total Gross Estimated Assessments	\$ 134,905.43
Total District EBU Count	2,624.62
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 51.40
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 51.40

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 416,446
Contribution to Reserve - Fiscal Year 2016/17	<u>22,890</u>
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 439,336</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Utilities: This item includes the costs to furnish electricity and telephone services, as required, for the operation and maintenance of the street lights, traffic signals, and appurtenant facilities throughout the District.

Assessment Administration: This item includes the cost to all particular departments and staff of the City, and consultants for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include installation of safety lights and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings and Developer Energizing Fees.

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the public lighting facilities, including traffic signals.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District, and as such confer a special and direct benefit to parcels within the District by:

- improving the livability, safety, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing for safe vehicular and pedestrian access for properties within the District, and
- providing beautification and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements were installed and are maintained specifically for the properties within the

District; only properties within the District receive a special benefit and are assessed for said maintenance.

General Benefit

In addition to the special benefits received by parcels within the District, there are derivative general benefits that are conferred on parcels outside the boundaries of the District which include:

- the safety and visual enhancement of the area to persons or vehicles that may travel through the District

However, it has been determined that these benefits are derivative and do not provide a direct benefit to parcels outside of the district that are not being assessed.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1987, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined, are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Non Residential	1.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acrage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an

invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

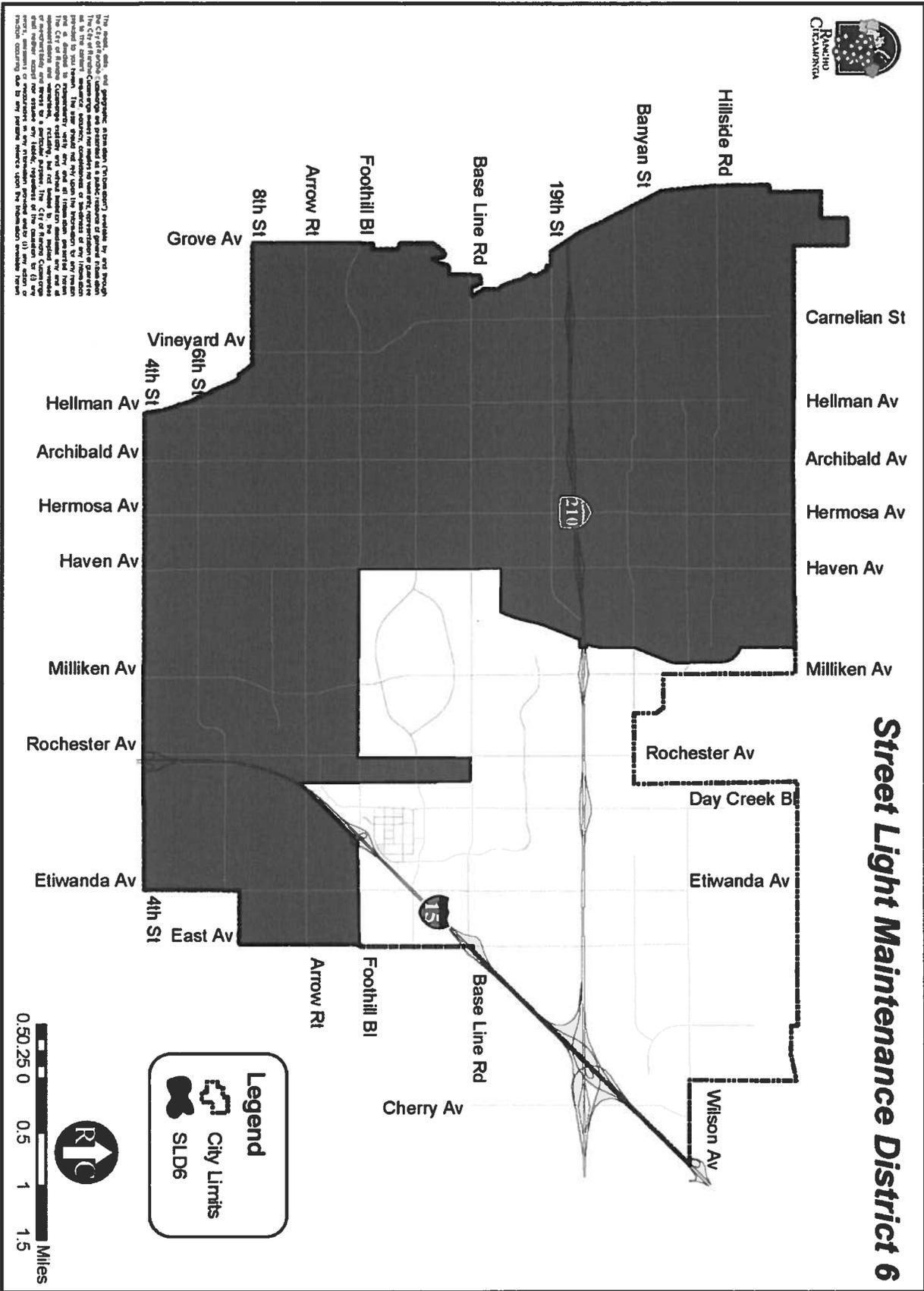
The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Non Residential	\$51.40	\$51.40	2,624.62	2,624.62

The total amount of maintenance and incidental costs for maintaining the street lights and traffic signals is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Non Residential	\$51.40	2,624.62	2,624.62	\$134,905.43

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

The following Annexations are effective for the 2016/17 Fiscal Year.

APN	Annexation Date	Project Name	Total Units/ Acres	Total EBUS	Property Type
0208-153-25	03/18/15	DRC2008- 00356	1.10	1.10	Non- residential Property
0229-401-06, 07, 08 & 09	03/18/15	DRC2014- 00127	6.58	6.58	Non- residential Property
0210-371-02	11/04/15	DRC2014- 00566	5.72	5.72	Non- residential Property
0229-341-11	11/04/15	DRC2014- 00232	2.08	2.08	Non- residential Property

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Street Lighting Maintenance District No. 7
(North Etiwanda)**

**CITY OF RANCHO CUCAMONGA
STREET LIGHTING MAINTENANCE DISTRICT NO. 7
(NORTH ETIWANDA)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga (the “City”), under the Landscaping and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No.16-082, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Street Light Maintenance District No. 7 (North Etiwanda) (the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed the City Engineer to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay for the acquisition of street lights, and estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year</u> <u>2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 20,330
Operations and Maintenance	200,920
Total Expenditures Budget	<u>\$ 221,250</u>
 <u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 127,860
Anticipated Prior Year Delinquencies Collection	1,700
Subtotal - Taxes	129,560
Transfers In	105,100
Total Revenues Budget	<u>\$ 234,660</u>
 Contribution to/(Use of) Fund Balance	 <u>\$ 13,410</u>
 Total District EBU Count	 3,886.00
Actual Assessment per EBU	\$ 33.32
Maximum Allowable Assessment per EBU	\$ 33.32

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.

2. I have evaluated the costs and expenses of the improvements upon the Specially Benefitted Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;

 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and

 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements, including the acquisition by the City of the street lights, and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest.

During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area of the City known as North Etiwanda, which is generally bounded by Highland on the south, Day Creek Channel on the west and City limits on the east and north.

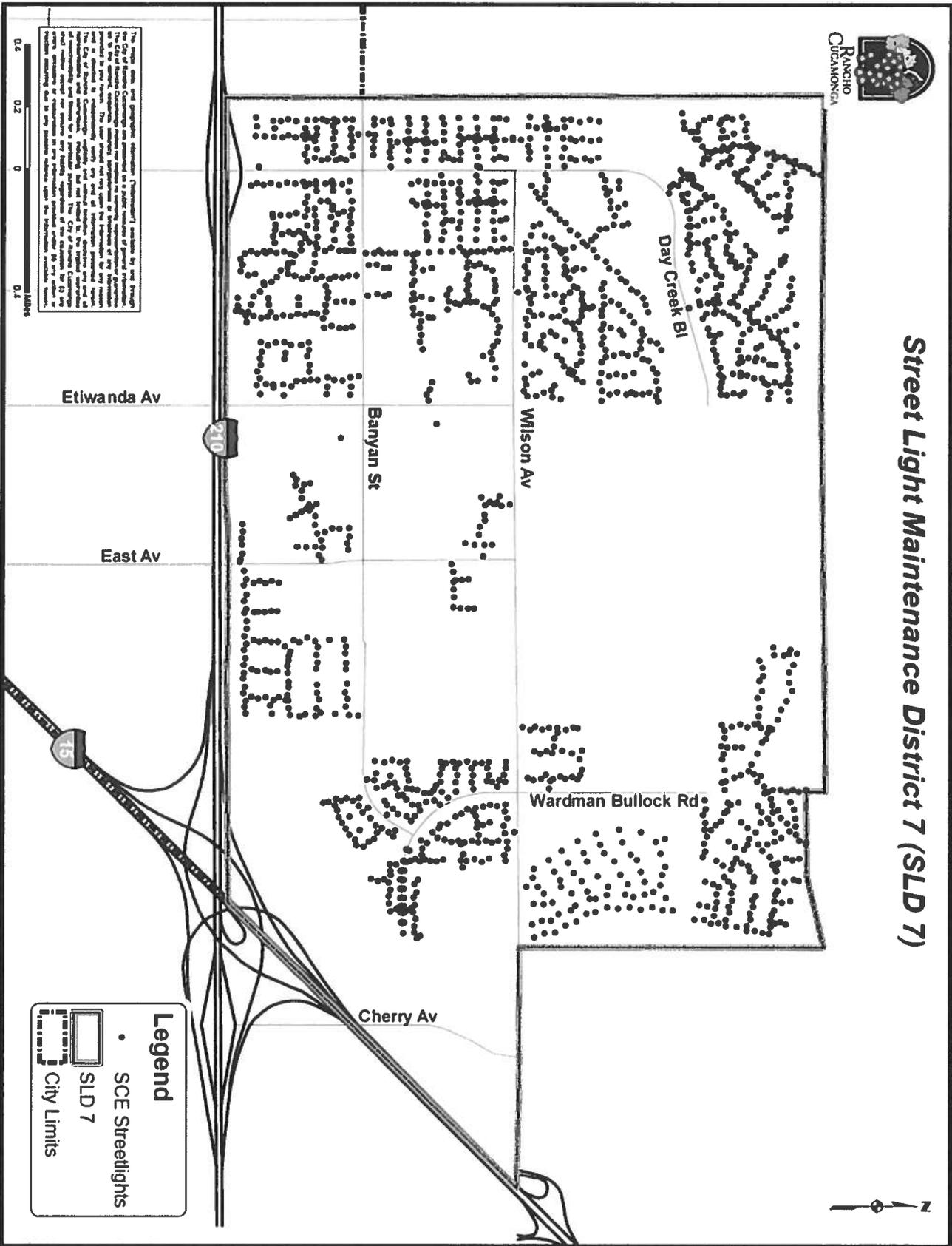
Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements are the maintenance and servicing of street lights, traffic signals and appurtenant facilities throughout the District. The maintenance and servicing includes, but is not limited to, furnishing electric current for public lighting facilities including street lights and traffic signals, and associated appurtenant facilities. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in operational and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, in order to lower expenses of the District. Beginning in Fiscal Year 2016/17, the acquisition by the City of the street lights specially benefiting the properties within the District is proposed to be added to the improvements.

Map of Improvements

The following page shows the map of street light and traffic signal improvements to be maintained using District funds.



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year <u>2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 13,830
Fringe Benefits	6,500
Subtotal - Personnel	<u>20,330</u>
 Operations and Maintenance:	
Operations and Maintenance:	
Training	180
Membership Dues	30
O &M/General	4,940
Subtotal - Operations and Maintenance	<u>5,150</u>
Utilities:	
Electric Utilities	170,840
Subtotal - Utilities	<u>170,840</u>
Assessment Administration	20,810
Admin./General Overhead	4,120
Subtotal - Operations and Maintenance	<u>200,920</u>
 Total Expenditures Budget	 <u><u>\$ 221,250</u></u>
 <u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 127,860
Anticipated Prior Year Delinquencies Collection	1,700
Subtotal - Taxes	<u>129,560</u>
 Transfers In	 <u>105,100</u>
 Total Revenues Budget	 <u><u>\$ 234,660</u></u>
 Contribution to/(Use of) Fund Balance	 <u><u>\$ 13,410</u></u>

Total Gross Estimated Assessments	\$ 129,481.52
Total District EBU Count	3,886.00
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 33.32
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 33.32

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EDU will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ (41,879)
Contribution to Reserve - Fiscal Year 2016/17	13,410
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ (28,469)</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

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Utilities: This item includes the costs to furnish electricity and telephone services, as required, for the operation and maintenance of the street lights, traffic signals, and appurtenant facilities throughout the District.

Assessment Administration: This item includes the cost to all particular departments and staff of the City, and consultants for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

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Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include installation of safety lights and other large improvements.

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METHOD OF ASSESSMENT

Overview

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The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District, and as such confer a special and direct benefit to parcels within the District by:

- improving the livability, safety, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing for safe vehicular and pedestrian access for properties within the District, and
- providing beautification and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements were installed and are maintained specifically for the properties within the District; only properties within the District receive a special benefit and are assessed for said maintenance.

General Benefit

In addition to the special benefits received by parcels within the District, there are derivative general benefits that are conferred on parcels outside the boundaries of the District which include:

- the safety and visual enhancement of the area to persons or vehicles that may travel through the District

However, it has been determined that these benefits are derivative and do not provide a direct benefit to parcels outside of the district that are not being assessed.

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Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1990, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined, are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The Equivalent Dwelling Unit ("EDU") method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one Equivalent Dwelling Unit (EDU). Every other land-use is converted to EDUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EDU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EDU Value	Multiplier
Single Family Residential	1.00	Parcel
Multi-family Residential	0.50	Unit
Non Residential	2.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EDU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EDU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

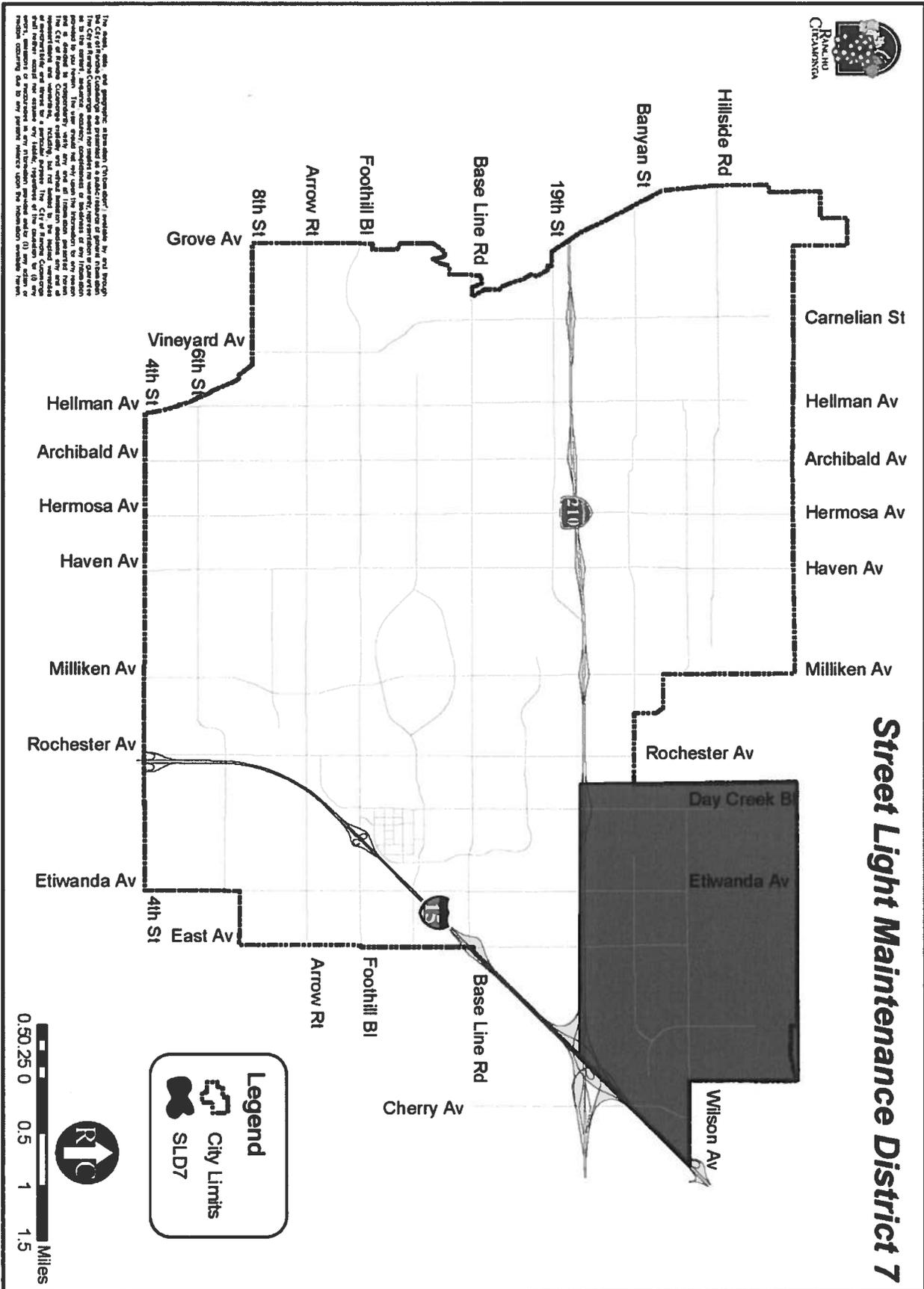
The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EDU	Actual Assessment Rate per EDU	Total Units/ Acres	Total EDUs
Single Family Residential	\$33.32	\$33.32	3,886.00	3,886.00
Multi-family Residential	33.32	33.32	0.00	0.00
Non Residential	33.32	33.32	0.00	0.00

The total amount of maintenance and incidental costs for maintaining the street lights and traffic signals is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EDUs	Maximum Allowable Assessment
Single Family Residential	\$33.32	3,886.00	3,886.00	\$129,481.52
Multi-family Residential	33.32	0.00	0.00	0.00
Non Residential	33.32	0.00	0.00	0.00
TOTALS		3,886.00	3,886.00	\$129,481.52

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

The following Annexations are effective for the 2016/17 Fiscal Year.

APN	Annexation Date	Project Name	Total Units/Acres	Total EBUS	Property Type
1087-071-15	03/18/15	TR16226-2	95.00	95.00	Single Family Residential
0225-191-37	05/20/15	PM19528	2.00	2.00	Single Family Residential

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Street Lighting Maintenance District No. 8
(South Etiwanda)**

**CITY OF RANCHO CUCAMONGA
STREET LIGHTING MAINTENANCE DISTRICT NO. 8
(SOUTH ETIWANDA)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga (the “City”), under the Landscaping and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No.16-082, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Street Light Maintenance District No. 8 (South Etiwanda) (the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed the City Engineer to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 18,200
Operations and Maintenance	<u>73,770</u>
Total Expenditures Budget	<u>\$ 91,970</u>
 <u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 69,730
Anticipated Prior Year Delinquencies Collection	<u>800</u>
Subtotal - Taxes	70,530
Other Revenues	<u>23,990</u>
Total Revenues Budget	<u>\$ 94,520</u>
 Contribution to/(Use of) Fund Balance	 <u>\$ 2,550</u>
 Total District EBU Count	 2,301.78
Actual Assessment per EBU	\$ 30.60
Maximum Allowable Assessment per EBU	\$ 30.60

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefitted Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements, including the acquisition by the City of the street lights, and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest.

During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area of the City known as South Etiwanda, which is generally bounded by Etiwanda on the west, Highland on the north and Foothill on the south. The southern portion of the District is bounded by East on the east and the northern portion of the District is bounded by the I-15 Freeway on the east.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

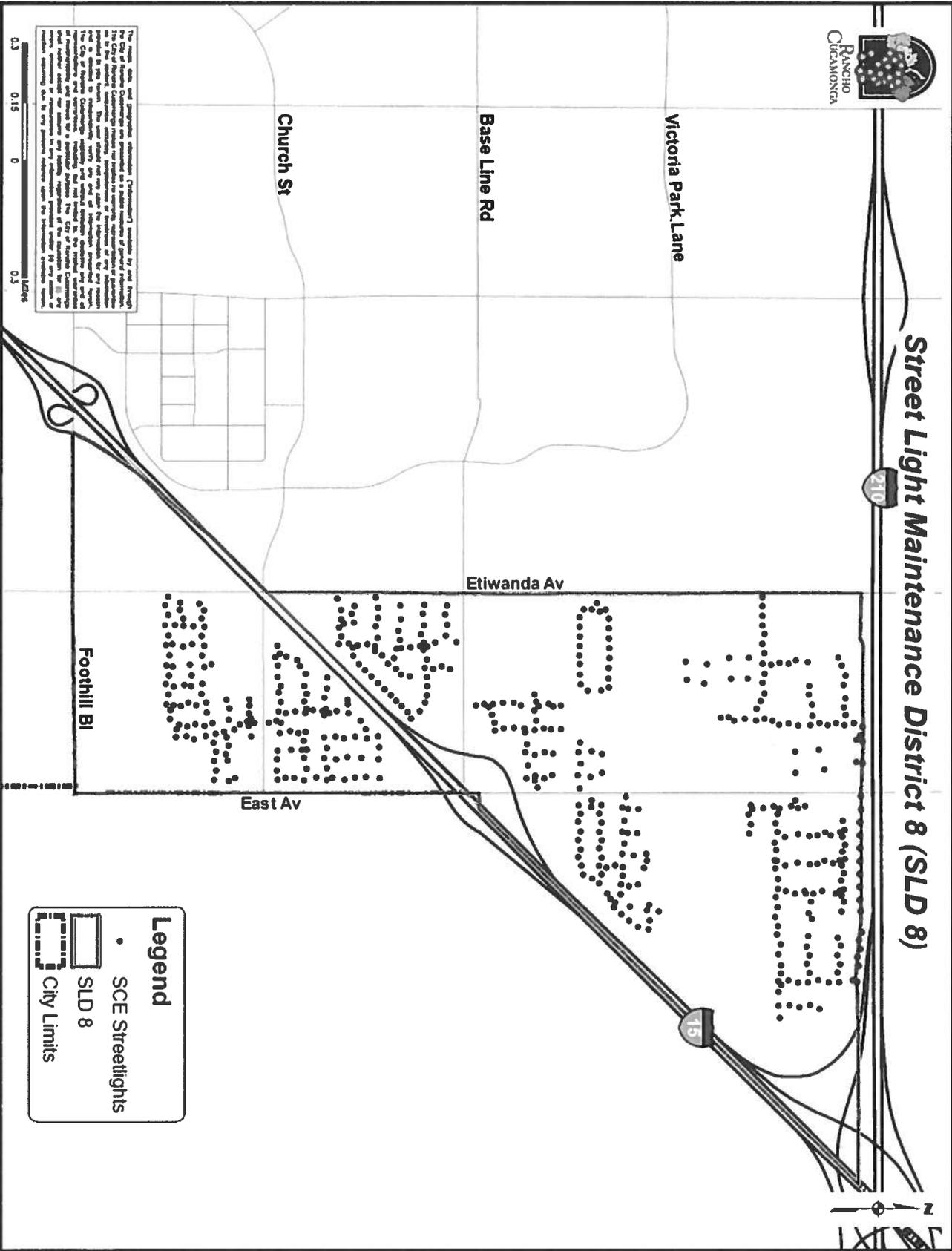
The improvements are the maintenance and servicing of street lights, traffic signals and appurtenant facilities throughout the District. The maintenance and servicing includes, but is not limited to, furnishing electric current for public lighting facilities including street lights and traffic signals, and associated appurtenant facilities. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in operational and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, in order to lower expenses of the District. Beginning in Fiscal Year 2016/17, the acquisition by the City of the street lights specially benefiting the properties within the District is proposed to be added to the improvements.

Map of Improvements

The following page shows the map of street light and traffic signal improvements to be maintained using District funds.



Street Light Maintenance District 8 (SLD 8)



The design, construction, and maintenance of the street lighting system is the responsibility of the City of Rancho Cucamonga. The City of Rancho Cucamonga reserves the right to modify the street lighting system at any time without notice. The City of Rancho Cucamonga is not responsible for the design, construction, or maintenance of the street lighting system. The City of Rancho Cucamonga is not responsible for the design, construction, or maintenance of the street lighting system. The City of Rancho Cucamonga is not responsible for the design, construction, or maintenance of the street lighting system.

Legend

- SCE Streetlights
- ▭ SLD 8
- ▭ City Limits

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 12,380
Fringe Benefits	5,820
Subtotal - Personnel	<u>18,200</u>
Operations and Maintenance:	
Operations and Maintenance:	
Training	180
Membership Dues	30
O &M/General	4,940
Subtotal - Operations and Maintenance	<u>5,150</u>
Utilities:	
Electric Utilities	55,240
Subtotal - Utilities	<u>55,240</u>
Assessment Administration	10,030
Admin./General Overhead	3,350
Subtotal - Operations and Maintenance	<u>73,770</u>
Total Expenditures Budget	<u>\$ 91,970</u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 69,730
Anticipated Prior Year Delinquencies Collection	800
Subtotal - Taxes	<u>70,530</u>
Other Revenues:	
Interest Earnings	<u>23,990</u>
Subtotal - Other Revenues:	<u>23,990</u>
Total Revenues Budget	<u>\$ 94,520</u>
Contribution to/(Use of) Fund Balance	<u>\$ 2,550</u>
Total Gross Estimated Assessments	\$ 70,434.46
Total District EBU Count	2,301.78
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 30.60
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 30.60

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$2,025,485
Contribution to Reserve - Fiscal Year 2016/17	<u>2,550</u>
Estimated Reserve Fund Balance, June 30, 2017	<u>\$2,028,035</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Utilities: This item includes the costs to furnish electricity and telephone services, as required, for the operation and maintenance of the street lights, traffic signals, and appurtenant facilities throughout the District.

Assessment Administration: This item includes the cost to all particular departments and staff of the City, and consultants for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include installation of safety lights and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings and Developer Energizing Fees.

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the public lighting facilities, including traffic signals.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District, and as such confer a special and direct benefit to parcels within the District by:

- improving the livability, safety, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing for safe vehicular and pedestrian access for properties within the District, and
- providing beautification and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained

specifically for the properties within the District; only properties within the District receive a special benefit and are assessed for said maintenance.

General Benefit

In addition to the special benefits received by parcels within the District, there are derivative general benefits that are conferred on parcels outside the boundaries of the District which include:

- the safety and visual enhancement of the area to persons or vehicles that may travel through the District

However, it has been determined that these benefits are derivative and do not provide a direct benefit to parcels outside of the district that are not being assessed.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements are identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1990, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined, are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Parcel
Multi-family Residential	0.50	Unit
Non Residential	2.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an

invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$193.75	\$30.60	1,171.00	1,171.00
Multi-family Residential	193.75	30.60	1,057.00	1,057.00
Non Residential	193.75	30.60	31.89	63.78
Church	193.75	30.60	5.00	10.00
TOTAL			2,264.89	2,301.78

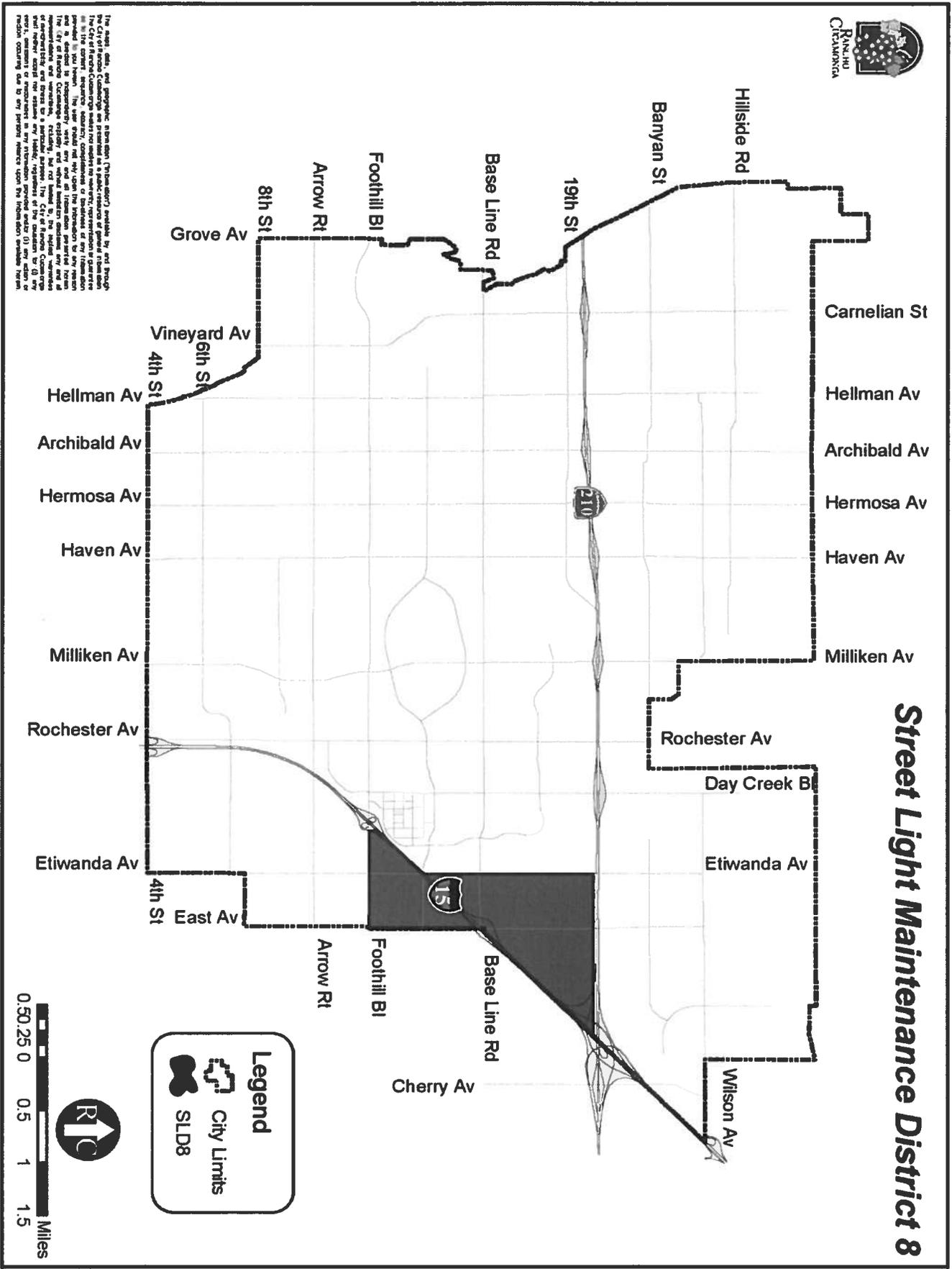
The total amount of maintenance and incidental costs for maintaining the street lights and traffic signals is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County San Bernardino, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.

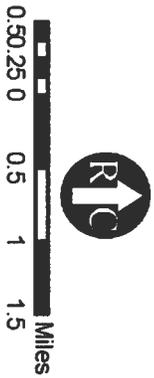


Street Light Maintenance District 8



Legend

- City Limits
- SLD8



The map, data, and geographic information ("Information") available by and through the City of Rancho Cucamonga are provided as a public resource of general information and are not intended to be used for any purpose other than that for which they were provided. The user should not rely upon the Information for any reason. The City of Rancho Cucamonga, its employees, and its contractors make no warranty, representation, or guarantee, including, but not limited to, the highest, best, or most accurate information available, or any other information, in connection with the Information. The City of Rancho Cucamonga, its employees, and its contractors make no warranty, representation, or guarantee, including, but not limited to, the highest, best, or most accurate information available, or any other information, in connection with the Information. The City of Rancho Cucamonga, its employees, and its contractors make no warranty, representation, or guarantee, including, but not limited to, the highest, best, or most accurate information available, or any other information, in connection with the Information.

ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$193.75	1,171.00	1,171.00	\$226,881.25
Multi-family Residential	193.75	1,057.00	1,057.00	204,793.75
Non Residential	193.75	31.89	63.78	12,357.38
Church	193.75	5.00	10.00	1,937.50
TOTALS		2,264.89	2,301.78	\$445,969.88

Property Type (County Use Code)	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs	Actual Assessment
Single Family Residential	\$30.60	1,171.00	1,171.00	\$35,832.60
Multi-family Residential	30.60	1,057.00	1,057.00	32,344.20
Non Residential	30.60	31.89	63.78	1,951.66
Church	30.60	5.00	10.00	306.00
TOTALS		2,264.89	2,301.78	\$70,434.46

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no Annexations for Fiscal Year 2016/17.

RESOLUTION NO. 16-118

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, CONFIRMING THE DIAGRAMS AND THE ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF THE ANNUAL ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICTS NOS. 1, 2, 3, 4, 5, 6, 7 AND 8, INCLUSIVE, FOR THE FISCAL YEAR 2016/17

WHEREAS, the City Council of the City of Rancho Cucamonga did on the 6th day of July, 2016, adopt its Resolution of Intention No. 16-082 (the "Resolution of Intention") pursuant to the Landscaping and Lighting Act of 1972, as amended (the "1972 Act"), declaring its intention to levy and collect assessments within Street Lighting Maintenance Districts Nos. 1, 2, 3, 4, 5, 6, 7 and 8 (each a "District" and collectively the "Districts") for Fiscal Year 2016/17 and giving notice of the time and place for a public hearing by the City Council on the levy of the proposed assessments within the Districts; and

WHEREAS, the City Council previously received and preliminarily approved a report of the Assessment Engineer (each an "Annual Engineer's Report" and collectively the "Annual Engineer's Reports") for each District as required pursuant to Article 4 of Chapter 1 of the 1972 Act, Article XIID of the Constitution of the State of California ("Article XIID") and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 and following) (the "Implementation Act") (the 1972 Act, Article XIID and the Implementation Act are referred to collectively as the "Assessment Law"); and

WHEREAS, notice of such public hearing was duly and legally published in the time, form and manner as required by the Assessment Law, shown by the affidavit of Publication of said Resolution of Intention on file in the Office of the City Clerk; and

WHEREAS, said City Council having duly received and considered evidence, oral and documentary, concerning the jurisdiction facts in this proceeding and concerning the necessity for the contemplated work and the benefits to be derived therefrom and said City Council having now acquired jurisdiction to order the proposed work.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the City Council of the City of Rancho Cucamonga, as follows:

SECTION 1. This City Council hereby finds and determines that:

a. Notice of the public hearing has been given and the proceedings for the consideration of the levy of the annual assessments within each District have been undertaken in accordance with the 1972 Act; and

b. The annual assessments for Fiscal Year 2016/17 proposed to be levied within each District as set forth in the applicable Annual Engineer's Report do not exceed the annual assessments as previously authorized to be levied within such District and, therefore, the proposed levy of assessments for Fiscal Year 2016/17 within such District are not deemed to be "increased" over the maximum authorized annual assessments.

SECTION 2. The final assessments and diagrams for the proceedings, as contained in the Annual Engineer's Report for each of the Districts, are hereby approved and confirmed. The assessments for the Districts contained in the Annual Engineer's Reports for Fiscal Year 2016/17 are hereby levied upon the respective lots or parcels in the Districts in the amounts as set forth in applicable Annual Engineer's Report.

SECTION 3. This City Council hereby orders that the work, as set forth and described in the Resolution of Intention, be done and made.

SECTION 4. The above-referenced diagram and assessment shall be filed in the Office of the City Clerk. Said diagram and assessment, and the certified copy thereof, shall be open for public inspection.

SECTION 5. The City Clerk is hereby ordered and directed to immediately file a certified copy of the diagram and assessment with the County Auditor. Such filing shall be made no later than the 3rd Monday in August 2016.

SECTION 6. After the filing of the diagram and assessment, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount assessed thereupon, as shown in the assessment.

SECTION 7. The assessments shall be collected at the same time and in the same manner as County taxes are collected, and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments.

SECTION 8. The assessments as above confirmed and levied for these proceedings will provide revenue and relate to the fiscal year commencing July 1, 2016 and ending June 30, 2017.

PASSED, APPROVED AND ADOPTED this _____ day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice C. Reynolds, City Clerk

I, Janice C. Reynolds, City Clerk of the City of Rancho Cucamonga, California, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a regular meeting of said City Council held on _____, 2016.

Executed this _____, at Rancho Cucamonga, California.

Janice C. Reynolds, City Clerk



STAFF REPORT

ADMINISTRATIVE SERVICES GROUP

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Lori Sassoon, Deputy City Manager/Administrative Services
Ingrid Y. Bruce, Deputy Director/Department of Innovation & Technology

By: Tamara L. Layne, Finance Director *MLL*
Noah Daniels, Finance Manager
Chris Bopko, Management Analyst III

Subject: **CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS FOR LANDSCAPE MAINTENANCE DISTRICT NOS. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9 AND 10, INCLUSIVE, FOR FISCAL YEAR 2016/17.**

RECOMMENDATION

It is recommended that the City Council approve the Resolution confirming the Diagrams and Assessments; approving the Annual Engineer's Reports; and ordering the levy and collection of assessments within Landscape Maintenance District Nos. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9 and 10. The Annual Engineer's Reports are on file in the City Clerk's Office.

BACKGROUND/ANALYSIS

Each year, per the Landscape and Lighting Act of 1972, the City is required to hold a public hearing to receive public comment on the levy and collection of assessments within Landscape Maintenance Nos. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9 and 10 (each a "District" and collectively the "Districts"). This requirement must be accomplished before the City can submit the annual assessments for placement on the County Tax Roll.

This year, the City will place on the County Tax Roll eleven (11) Landscape Maintenance Districts (LMDs). The assessments received for each of these Districts are utilized for the maintenance and operation of parks and other landscaping. Maintenance and operation includes, but is not limited to, turf, ground cover, planter beds, shrubs, plants and trees, landscape lighting, irrigation systems, electrical energy for irrigation controllers, insect/disease control, graffiti removal, hardscapes, entry signs, sound walls and all appurtenant facilities. The City utilizes current year assessment revenues, prior year carryovers, and (in some cases) contributions from the General Fund to meet each district's annual expenses.

When the LMDs were established, they were created in conjunction with new development coming into the City, and were intentionally designed to ensure that each district bore the costs of the maintenance of the infrastructure that provides special benefit to the property owners. In certain LMDs, it has been over 20 years since there was an assessment increase. However, no rate increase can occur unless the City conducts an election process to give the property owners the

CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS FOR LANDSCAPE MAINTENANCE DISTRICT NOS. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9 AND 10, INCLUSIVE, FOR FISCAL YEAR 2016/17.

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opportunity to express their support for, or in opposition to, an increase in such assessment. Over the last several years, LMDs 2, 4-R, 6-R, and 8 have been studied to update their rate structures and put in place new formulas that provide for modest increases in costs over time. Ultimately, property owners approved increased rates in three of the four districts (LMDs 2, 4-R and 6-R), and did not approve new rates in the fourth district, resulting in maintenance reductions in that area (LMD 8). The majority of property owners in these three districts chose to increase their assessments in order to maintain and preserve the many public amenities that contribute to their property values.

The City's West-side Districts continue to remain fiscally challenged and, with the failure of Measure A in November 2015, these districts will continue in this condition for the foreseeable future. While the General Fund's contributions to LMD 1 for FY 2016/17 provide some interim stability, there still remains a need to address the long-term fiscal stability of LMD 1 (8 parks and various green spaces/trails). The LMD 1 budget is balanced only by significantly reducing service levels, and by providing only minimal plans for capital replacements.

In three of the City's LMDs, rate increases are recommended and in one LMD a rate decrease is recommended for FY 2016/17. It should be noted that rate increases are only recommended where they are necessary to maintain a structurally balanced budget. Modest increases when needed provide fiscal stability and help to avoid the structural imbalances that plague some of our other districts, particularly those that have no mechanism for regular rate adjustments. These additional funds go back into these districts to preserve high quality maintenance levels, and to allow for investments in infrastructure maintenance and improvements such as the installation of drought-tolerant landscaping, park and playground repairs, concrete replacement on sidewalks and paseos, and care of the urban forest.

The assessment rates and descriptions for each of the Landscape Maintenance Districts are as follows.

Landscape Maintenance District No. 1 assessments pay for the on-going maintenance of parks and parkways. The current assessment rate is \$92.21 per single-family residence, and the multi-family is \$46.11 per dwelling unit. As previously noted, this district's budget is balanced only as a result of significant reductions in services. This LMD will receive a transfer in of \$121,360 from the General Fund. This is an amount equivalent to 7% of the expenditure budget, and is the estimated amount equivalent to the "general benefit" provided to those that do not own property in this district. While not legally required, this general benefit equivalent is being implemented to assist in preserving service levels.

Landscape Maintenance District No. 2 assessments pay for the on-going maintenance of parkways, paseos and parks within the Victoria neighborhood. The assessment rate for FY 2016/17 will increase to \$476.19 per single family residence. This is a rate increase of 2.41% as compared to the prior year rate of \$464.97 per single-family residence. The revised condominium rate is \$350.65 per dwelling unit and the multi-family rate is \$333.33 per dwelling unit. The commercial rate is \$2,251.08 per acre, the Public Service parcels are \$129.87 per acre, and the vacant rate is \$95.24 per acre. The increase is primarily driven by increases in water costs. In addition to the rate increase for property owners, this district will receive a transfer in of \$276,640 from the General

CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS FOR LANDSCAPE MAINTENANCE DISTRICT NOS. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9 AND 10, INCLUSIVE, FOR FISCAL YEAR 2016/17.

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Fund. This is an amount equivalent to 8.64% of the expenditure budget, and is the estimated amount of the general benefit provided to those that do not own property in this district that must be funded through sources other than assessments.

Landscape Maintenance District No. 3A assessments pay for the on-going maintenance of parkways on Hyssop Drive. The current assessment rate is \$413.74 per acre for commercial property.

Landscape Maintenance District No. 3B assessments pay for the on-going maintenance of parkways within the commercial and industrial area of the City. The current assessment rate is being reduced by 20% to \$282.24 per acre for commercial property. This decrease is primarily driven by savings resulting from the installation of drought tolerant design in the street medians and Metrolink parking permit revenues.

Landscape Maintenance District No. 4-R assessments pay for the on-going maintenance of parkways, paseos and parks within the Terra Vista planned community. The assessment rate for FY 2016/17 will increase to \$418.05 per single-family residence, an increase of 2.41% as compared to the prior year rate of \$408.21 per single-family residence. The revised condominium rate is \$334.44 per dwelling unit and the multi-family rate is \$292.64 per dwelling unit. The commercial rate is \$1,358.66 per acre, and the vacant rate is \$104.51 per acre. Similar to LMD 2, the cost increases are primarily driven by water rate increases.

Landscape Maintenance District No. 5 assessments pay for the on-going maintenance of the Andover tot lot located on the southwest corner of Andover Place and Bedford Drive. The current assessment rate is \$56.65 per single-family residence.

Landscape Maintenance District No. 6-R assessments pay for the on-going maintenance of parkways and paseos within the Caryn planned community. The assessment rate for Fiscal Year 2016/17 will increase to \$402.65 per single-family residence in Zone 1 and to \$301.99 per single family residence in Zone 2. This is a rate increase of 2.41% as compared to the Fiscal Year 2015/16 rates. Modest increases will likely be needed in this small district year as it continues to recover from its previous deficit position and years of deferred maintenance. In addition to the rate increase for property owners, this district will receive a transfer in of \$31,880 from the General Fund. This is an amount equivalent to 7% of the expenditure budget, and is the estimated amount equivalent to the "general benefit" provided to those that do not own property in this district. While not legally required, this general benefit equivalent is being implemented to assist in preserving service levels.

Landscape Maintenance District No. 7 assessments pay for the on-going maintenance of parkways and paseos within the Etiwanda Highlands Community. The current assessment rate is \$307.05 per single-family residence. This district will require property owners to consider a rate increase in the near future in order to maintain service levels.

Landscape Maintenance District No. 8 assessments pay for the on-going maintenance of parkways in South Etiwanda. The current assessment rate is \$151.45 per single-family residence.

CONSIDERATION OF APPROVAL OF THE RESOLUTION CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF ANNUAL ASSESSMENTS FOR LANDSCAPE MAINTENANCE DISTRICT NOS. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9 AND 10, INCLUSIVE, FOR FISCAL YEAR 2016/17.

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Landscape Maintenance District No. 9 assessments pay for the on-going maintenance of parkways and Garcia Park in South Etiwanda. The current assessment rate is \$80.00 per single-family residence.

Landscape Maintenance District No. 10 assessments pay for the on-going maintenance of parkways, trails and parks in the District. The current assessment rate is \$711.71 per single-family residence.

Attachments

Resolution 16-119

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 1
(General City)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 1
(GENERAL CITY)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July 6, 2016 the City Council of Rancho Cucamonga (the “City”), under the Landscape and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 1 (General City) (the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 29,500
Operations and Maintenance	1,133,040
Transfers Out	90,000
Total Expenditures Budget	<u>\$ 1,252,540</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 1,223,220
Anticipated Prior Year Delinquencies Collection	13,900
Subtotal - Taxes	1,237,120
Other Revenues	37,980
Transfers In	211,360
Total Revenues Budget	<u>\$ 1,486,460</u>
Contribution to/(Use of) Fund Balance	<u>\$ 233,920</u>
Total District EBU Count	13,399.17
Actual Assessment per EBU	\$ 92.21
Maximum Allowable Assessment per EBU	\$ 92.21

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.


 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include, but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing, must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area of the City which is not located within the City's planned development communities. The District is made up of various landscaped sites throughout the City. As such, the parcels within the District do not represent a distinct district area as do the other landscape maintenance districts within the City. Typically parcels have been annexed to the District as they have developed.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements maintained by the District include the paseos, community trails, trees, landscaped sites and appurtenant facilities that are throughout the District. These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

Parks: Bear Gulch Park, East and West Beryl Park, Old Town Park, Church Street Park, Golden Oaks Park, Hermosa Park, and the undeveloped Don Tiburcio Tapia Park.

<u>Site #</u>	<u>Descriptive Location</u>
A-1	The north and south side of Wilson from Hellman to Amethyst.
	Ground Cover area: 22,982 square feet
	Hardscape area: 5,694 square feet

- A-2 The east side of Hellman from 326 feet south of Pepperidge to 73 feet north of Pepperidge.
Ground Cover area: 5,810 square feet
Hardscape area: 1,600 square feet
- A-3 The south side of 19th from 62 feet east of Mayberry to 173 feet east of Mayberry.
Ground Cover area: 1,680 square feet
Hardscape area: 440 square feet
- A-4 The south side of Wilson from Amethyst to Archibald; the planters and cutouts on the west side of Archibald from Wilson to 105 feet south of Cottonwood.
Ground Cover area: 5,625 square feet
- A-5 The north and south side of Diamond from Klusman to Diamond.
Ground Cover area: 3,143 square feet
Hardscape area: 1,864 square feet
- A-6 The parkway on the north side of Wilson from 348 feet east of Morning Canyon to Alder Ridge.
Ground Cover area: 5,700 square feet
Hardscape area: 4,760 square feet
- A-7 The cutouts and vines on the south side of Wilson from the Alta Loma Channel to 240 feet east of Zapata.
Ground Cover area: 911 square feet
- A-8 The east side of Broken Star from 80 feet south of Highland to Highland; the north side of Highland from Amethyst to Broken Star including wood chip area north of sidewalk, the south side of Highland from Broken Star to Amethyst; the west side of Amethyst from 140 feet south of Highland to 265 feet south of Highland.
Ground Cover area: 6,545 square feet
Hardscape area: 2,554 square feet
Mulchscape area: 14,005 square feet
- A-9 The south side of Highland from Hellman to Broken Star.
Ground Cover area: 7,865 square feet
- A-10 The south side of 19th from 170 feet west of Pilgrim to 167 feet east of Pilgrim.
Ground Cover area: 1,808 square feet
Hardscape area: 1,084 square feet
- A-11 The east side of Amethyst from Lemon to 230 feet north of Apricot.
Ground Cover area: 2,115 square feet
Hardscape area: 3,438 square feet

- A-12 The west side of Sapphire from 710 feet north of Hillside to Hillside.
Ground Cover area: 4,500 square feet
- A-13 The south side of Victoria from 110 feet west of London to Ramona.
Ground Cover area: 2,705 square feet
Hardscape area: 3,480 square feet
- A-14 The west side of Archibald from 273 feet north of La Gloria to Lemon; the La Gloria median from Archibald to Jadeite; the north and south side of La Gloria from Archibald to 53 feet east of Jadeite; the north side of Lemon from Archibald to 55 feet east of Klusman.
Ground Cover area: 12,880 square feet
Hardscape area: 12,030 square feet
- A-15 The planters and cutouts on the east side of Archibald from 610 feet south of Cottonwood to Wilson; the south side of Wilson from Archibald to Alta Loma Channel.
Ground Cover area: 2,110 square feet
- A-16 The cutouts and planters on the east side of Archibald from Banyan to 190 feet north of Sunflower.
Ground Cover area: 1,580 square feet
- A-17 The cutouts and planters on the west side of Archibald from 225 feet south of Wilson to Banyan.
Ground Cover area: 2,362 square feet
- A-18 The cutouts and planters on the north side of Banyan from Jadeite to 410 feet west of Jadeite.
Ground Cover area: 216 square feet
- A-19 The cutouts and planters on the east side of Amethyst from 192 feet south of Sunflower to Manzanita.
Ground Cover area: 4,325 square feet
- A-20 The west side of Archibald from 210 feet north of La Colina to 230 feet south of Almond; the south side of La Colina from Archibald to Jadeite.
Ground Cover area: 17,120 square feet
- A-21 The planter adjacent to the equestrian trail from Riverwood to Raspberry north of the County flood retention basin that is west of Chaffey College.
Ground Cover area: 22,832 square feet
- A-22 The west side of Haven from Carrari to Vista Grove.
Ground Cover area: 4,572 square feet

- A-23 The west side of Haven from 434 feet north of Manzanita to 258 feet south of Manzanita.
 Ground Cover area: 48,390 square feet
 Turf area: 5,868 square feet
 Hardscape area: 4,581 square feet
- A-24 The south side of 19th from 286 feet east of Amethyst to 166 feet west of Klusman.
 Ground Cover area: 5,904 square feet
 Hardscape area: 2,938 square feet
- A-25 The equestrian trail and planters on the east side of Hermosa from 421 feet south of Whispering Forest to Sun Valley.
 Ground Cover area: 17,529 square feet
- A-26 The west side of Haven from 630 feet north of Wilson to Wilson; the parkway on the north side of Wilson from Haven to Mayberry; the parkway on the east side of Mayberry from Wilson to 382 feet north of Poplar, and the east and west side of Cartilla from Wilson to Poplar.
 Ground Cover area: 10,243 square feet
 Mulchscape area: 25,297 square feet
- A-27 The north side of 19th from Mayberry to 93 feet east of Castle Gate.
 Ground Cover area: 5,145 square feet
 Hardscape area: 2,870 square feet
- A-28 The east side of Hermosa from 360 feet south of Manzanita to Manzanita, and the south side of Manzanita from Hermosa to Raspberry.
 Ground Cover area: 7,421 square feet
 Hardscape area: 4,712 square feet
- A-29 The south side of Wilson from 240 feet west of Timbermist to Hermosa; the west side of Hermosa from Wilson to 213 feet south of Oak Grove.
 Ground Cover area: 11,184 square feet
- A-30 The equestrian trail and plant material from the curb to the tract wall on the west side of Hermosa from 118 feet south of Hillside to 160 feet south of Waterford.
 Ground Cover area: 12,132 square feet
- A-31 The south side of Lemon from London to Calle Hermosa.
 Ground Cover area: 4,404 square feet
 Hardscape area: 1,800 square feet

- A-32 The north side of Lemon from the Alta Loma Channel to London; the east side of London from Lemon to Cypress.
Ground Cover area: 4,463 square feet
Hardscape area: 3,375 square feet
- A-33 The parkway on the east side of London from 158 feet north of Banyan to 310 feet north of Banyan.
Ground Cover area: 1,029 square feet
Hardscape area: 1,160 square feet
- A-34 The south side of Alta Loma from Mayberry to Revere.
Ground Cover area: 2,772 square feet
- A-35 The west side of Hermosa from Lemon to 125 feet north of Highland, the parkway on the south side of Lemon from 621 feet west of Hermosa to Hermosa.
Ground Cover area: 10,494 square feet
Hardscape area: 9,207 square feet
Mulchscape area: 2,370 square feet
- A-36 The south side of Lemon from 385 feet west of Mayberry to Cartilla.
Ground Cover area: 4,850 square feet
Hardscape area: 4,915 square feet
- A-37 The south side of Hillside north and south of the equestrian trail from Beryl to 203 feet east of Eastwood.
Ground Cover area: 4,900 square feet
- A-38 The median in the 9200 block of Monte Vista.
Ground Cover area: 500 square feet
Hardscape area: 1,380 square feet
- A-39 The south side of Almond from Henry to Sapphire. The west side of Sapphire from Almond to 255 feet south of Bella Vista.
Ground Cover area: 6,926 square feet
- A-40 The parkway on the east side of Jasper from Hunter to Highland. The parkway on the south side of Highland from Jasper to Carnelian. The west side of Carnelian from Highland to 210 feet south of Highland.
Ground Cover area: 14,858 square feet
Hardscape area: 6,040 square feet
- A-41 The west side of Sapphire from 236 feet north of Thoroughbred to Banyan.
Ground Cover area: 1,784 square feet
Hardscape area: 812 square feet

- A-42 The parkway on the west side of Beryl from 132 feet north of Sunflower to Banyan.
Ground Cover area: 4,735 square feet
Hardscape area: 5,772 square feet
- A-43 The north side of Base Line from Topaz to the Cucamonga Creek Channel.
Ground Cover area: 4,563 square feet
Hardscape area: 1,890 square feet
- A-44 The cutouts on the west side of Sapphire from Banyan to Marble.
Ground Cover area: 7,300 square feet
- A-45 The mainline for this site was connected to A-46 on 9/08/99.
- A-46 The south side of Banyan from Northstar to Zircon.
Ground Cover area: 7,448 square feet
Hardscape area: 7,890 square feet
- A-47 The cutouts and vines on the north side of Banyan from 180 feet east of Zircon to 186 feet west of Vineyard.
Ground Cover area: 1,300 square feet
- A-48 The parkway on the west side of Beryl from 452 feet north of Cielito; 158 feet south of Cielito and the easement between 9063 and 9073 Cielito from Cielito to 170 feet south of Cielito.
Ground Cover area: 6,916 square feet
Hardscape area: 2,440 square feet
- A-49 The east side of Carnelian from 662 feet south of Banyan to Banyan; the south side of Banyan from Carnelian to Northstar.
Ground Cover area: 5,906 square feet
Hardscape area: 6,972 square feet
- A-50 The north side of Almond from Sapphire to Crest View; the east and west side of Skyline from Almond to 595 feet north of Almond.
Ground Cover area: 17,600 square feet
Hardscape area: 8,680 square feet
- A-51 The planter adjacent to the equestrian trail; from Haven to Riverwood, north of County flood retention basin, west of Chaffey College. The west side of Haven from 400 feet north of Amber to 270 feet south of Amber, and the north and south side of Amber from Haven to San Felipe.
Ground Cover area: 37,977 square feet
Hardscape area: 5,458 square feet

- A-52 The east side of Riverwood, from 188 feet south of Charwood to 193 feet north of Charwood.
Ground Cover area: 2,750 square feet
Hardscape area: 1,698 square feet
- A-53 The west side of Jasper from Hunter to Highland. The south side of Highland from Jasper to 308 feet west of Sard. The east and west side of Sard from Highland to Hunter.
Ground Cover area: 7,445 square feet
Hardscape area: 4,740 square feet
- A-54 The west side of Beryl from 233 feet north of Mignonette to Mignonette.
Ground Cover area: 2,637 square feet
Hardscape area: 932 square feet
- A-55 The north side of 19th from Cartilla to Mayberry. The east side of Mayberry from 19th to Heather.
Ground Cover area: 8,410 square feet
Hardscape area: 5,060 square feet
- A-56 The east side of Beryl from 410 feet north of Wilson to Wilson. The north side of Wilson from Beryl to 731 feet west of Buckthorn. The south side of Wilson from Buckthorn to Beryl.
Ground Cover area: 19,708 square feet
Hardscape area: 5,436 square feet
- A-57 The east side of Hermosa from 115 feet north of Coca to 451 feet north of Coca. The trail north of water retention basin from Hermosa to 619 feet east of Hermosa.
Ground Cover area: 9,406 square feet
Hardscape area: 6,794 square feet
- A-58 The west side of Haven from 510 feet south of Victoria to 1005 feet south of Victoria.
Ground Cover area: 7,301 square feet
Hardscape area: 4,790 square feet
- A-59 The east side of Archibald from 820 feet south of Lemon to 448 feet south of Lemon and continues from 275 feet south of Lemon to 185 south of Lemon.
Ground Cover area: 4,777 square feet
Hardscape area: 5,041 square feet
- A-60 The south side of Lemon from 290 feet east of Archibald to London. The west side of London from Lemon to Orange.
Ground Cover area: 2,569 square feet
Hardscape area: 4,122 square feet

- A-61 The north side of Carrari from London to Archibald.
 Ground Cover area: 25,152 square feet
 Hardscape area: 1,698 square feet
- A-62 The east side of Archibald from Carrari to 505 feet north of Meadowood.
 Ground Cover area: 8,626 square feet
 Hardscape area: 1,824 square feet
- A-63 The south side of Almond from Carriage to Almond.
 Ground Cover area: 3,342 square feet
 Hardscape area: 3,600 square feet
- A-64 The east side of Beryl from Cottonwood to Wilson. The south side of Wilson from Beryl to 437 feet east of Beryl. The north side of Wilson from Cousins to 474 feet east of Cousins.
 Ground Cover area: 11,973 square feet
 Hardscape area: 9,949 square feet
- A-65 The east side of Archibald from La Gloria to 328 feet north of La Gloria.
 Ground Cover area: 2,279 square feet
 Hardscape area: 2,411 square feet
- A-66 The east side of Hermosa from Waterford to 500 feet north of Waterford.
 Ground Cover area: 4,695 square feet
 Hardscape area: 5,947 square feet
- A-67 The south side of 19th from 220 feet east of Sapphire to Via Serena.
 Ground Cover area: 3,208 square feet
 Hardscape area: 4,158 square feet
- A-68 The west side of Haven from Hillside to 783 feet south of Hillside.
 Ground Cover area: 3,492 square feet
- A-69 The north side of Hillside from 27 feet west of Mayberry to 191 feet west of Mayberry.
 Ground Cover area: 1,002 square feet
 Hardscape area: 1,605 square feet
- A-70 The south side of 19th from 365 feet west of Amethyst to Amethyst. The west side of Amethyst from 19th to Hedges.
 Ground Cover area: 6,435 square feet
 Hardscape area: 7,015 square feet

- A-71 The west side of Archibald from Hillside to Wilson. The north side of Wilson, south of the trail fence area from Archibald to 467 feet west of Archibald.
Ground Cover area: 9,265 square feet
Hardscape area: 2,609 square feet
- A-72 The south side of Banyan from 420 feet west of Archibald to Archibald. The west side of Archibald from Banyan to 389 feet south of Banyan.
Ground Cover area: 10,270 square feet
Hardscape area: 6,673 square feet
- A-73 The west side of Beryl from 300 feet north of San Simeon to 130 feet north of San Simeon.
Ground Cover area: 1,200 square feet
Hardscape area: 600 square feet
- A-74 The south side of Highland from Beryl St to Hellman.
Ground Cover area: 11,603 square feet
- A-75 The south side of Highland from Amethyst to 612 feet east of Archibald.
Ground Cover area: 106,409 square feet
Hardscape area: 60,608 square feet
- A-76 The west side of Archibald from 635 feet north of Hillside to Hillside. The north side of Hillside from Archibald to 770 feet west of Archibald.
Ground Cover area: 8,859 square feet
Hardscape area: 1,389 square feet
- A-77 The east side of Carnelian from Brilliant to Wilson including the irrigation cut-outs along trail. The south side of Wilson from Carnelian to 745 feet east of Arabian. The irrigation cut-outs on the north side of Wilson from Carnelian to 775 feet east of Arabian.
Ground Cover area: 5,101 square feet
Hardscape area: 11,322 square feet
- B-1 The median on Blue Gum from Etiwanda to Blue Gum.
Ground Cover area: 5,100 square feet
- B-2 The north side of Highland from the Deer Creek Channel to San Benito. The north side of 19th from San Benito to Palm. The west and east side of Alameda from 19th to Ring. The east side of Palm from 19th to Ring.
Ground Cover area: 47,397 square feet
Hardscape area: 26,285 square feet

- B-3 The paseo from Sutter to Deer Creek Channel.
Ground Cover area: 294 square feet
Hardscape area: 400 square feet
- B-4 The north side of Banyan from Deer Creek Channel to 355 feet west of Fredericksburg.
Ground Cover area: 9,200 square feet
Hardscape area: 3,834 square feet
- B-5 The north side of Lemon from Semillion to 188 feet west of Terracina.
Ground Cover area: 14,472 square feet
Hardscape area: 3,894 square feet
- B-6 The north side of Lemon from Barsac to Semillion.
Ground Cover area: 15,784 square feet
Hardscape area: 3,780 square feet
- B-7 The south side of Banyan from Cabernet to 414 feet east of Cabernet.
Ground Cover area: 18,814 square feet
- B-8 The south side of Banyan from Callaway to Muscat.
Ground Cover area: 10,505 square feet
- B-9 The east side of Haven from Banyan to 240 feet north of Banyan. The north side of Banyan from Haven to Merlot.
Ground Cover area: 24,975 square feet
Hardscape area: 1,356 square feet
- B-10 The east side of Haven from 400 feet south of Banyan to Banyan. The south side of Banyan from Haven to Callaway.
Ground Cover area: 14,548 square feet
Hardscape area: 6,348 square feet
- B-11 The south side of Banyan from Muscat to Cabernet.
Ground Cover area: 33,282 square feet
- B-12 The north side of Lemon from Barsac to 135 feet east of Valinda.
Ground Cover area: 13,464 square feet
Hardscape area: 4,098 square feet

- B-13 The south side of 19th from Inyo to 585 feet east of San Benito. The parkways on the east and west side of San Benito from 19th to San Mateo. The east side of Inyo from 19th to paseo south of 19th and the paseo running east from Inyo to Sonora.
 Ground Cover area: 17,563 square feet
 Turf area: 3,387 square feet
 Hardscape area: 14,192 square feet
- B-14 The paseo from San Benito and Sonora to the Deer Creek Channel.
 Ground Cover area: 2,000 square feet
 Hardscape area: 540 square feet
- B-15 The paseo from Stanislaus and Lavine to the Deer Creek Channel.
 Ground Cover area: 1,040 square feet
 Hardscape area: 428 square feet
- B-16 The paseo from Inyo to Mendocino.
 Ground Cover area: 225 square feet
 Hardscape area: 184 square feet
- B-17 The paseo from Yuba to Deer Creek Channel.
 Ground Cover area: 918 square feet
 Hardscape area: 420 square feet
- B-18 The south side of Wilson from 377 feet west of Canistel to 1032 feet east of Canistel.
 Ground Cover area: 6,762 square feet
 Hardscape area: 8,454 square feet
- B-19 The east side of Haven from the Southern Pacific Railroad to 341 feet south of Victoria.
 Ground Cover area: 6,415 square feet
 Hardscape area: 8,865 square feet
- B-20 The east side of Haven from 341 feet south of Victoria to Victoria; the south side of Victoria from Haven to 237 feet east of Mango.
 Ground Cover area: 16,900 square feet
 Hardscape area: 8,767 square feet
- B-21 The south side of 19th from Valinda to Inyo.
 Ground Cover area: 3,900 square feet
 Hardscape area: 3,700 square feet

B-22 The south side of Lemon south of the sidewalk from 188 feet west of Terracina to 284 feet north of Marbella. The parkway on the south side of Lemon from 188 feet west of Terracina to 517 feet north of Marbella. The turf in the parkway at the end of the cul-de-sac on Sonterra. The parkway on the north side of Lemon from 188 feet west of Terracina to 526 feet south of Terracina. The north side of Lemon north of the sidewalk from 188 feet west of Terracina to 562 feet south of Terracina. The turf in the parkway at the end of the cul-de-sac at Serena.

Ground Cover area: 17,688 square feet
 Turf area: 6,390 square feet
 Hardscape area: 4,928 square feet

B-23 The parkway on the east side of Lemon from 129 feet south of Marbella to 526 feet south of Terracina. The slope on the east side of Lemon east of the sidewalk from 129 feet south of Marbella to 562 feet south of Terracina. The west side of Lemon west of the sidewalk from 284 feet north of Marbella to 129 feet south of Marbella. The parkway on the west side of Lemon from 517 feet north of Marbella to 129 feet south of Marbella.

Ground Cover area: 22,531 square feet
 Hardscape area: 4,468 square feet

B-24 The south side of Highland from 327 feet west of Deer Creek Channel to Deer Creek Channel. The paseo from Los Osos to Deer Creek Channel.

Ground Cover area: 4,946 square feet
 Hardscape area: 2,099 square feet

B-25 The south side of Banyan from 152 feet west of Cantabria to 930 feet east of Cantabria.

Ground Cover area: 16,693 square feet

B-26 The north side of Wilson from 590 feet west of High Meadow to 187 feet east of High Meadow.

Ground Cover area: 4,628 square feet
 Hardscape area: 390 square feet

B-27 The east side of Haven from 467 feet north of 19th to 650 feet north of 19th.

Ground Cover area: 3,483 square feet
 Hardscape area: 6,235 square feet

C-1 The north side of 26th from Andover to Hermosa. The east side of Hermosa from 26th to 331 feet north of Concord.

Ground Cover area: 12,804 square feet
 Turf area: 9,423 square feet
 Hardscape area: 5,532 square feet

- C-2 The entry monument on the northeast and northwest corners of 4th and Archibald.
 Ground Cover area: 6,337 square feet
 Hardscape area: 3,998 square feet
- C-3 The south side of Base Line from Ramona to 128 feet east of Cambridge.
 Ground Cover area: 17,262 square feet
 Hardscape area: 4,865 square feet
- C-4 The south side of Base Line from 440 feet west of Ramona to Ramona.
 Ground Cover area: 6,198 square feet
 Hardscape area: 2,200 square feet
- C-5 The south side of Base Line from 340 feet west of Center to 103 feet east of Center.
 Ground Cover area: 8,850 square feet
 Hardscape area: 2,215 square feet
- C-6 The south side of Base Line from Ivy to 105 feet west of Marine.
 Ground Cover area: 8,080 square feet
 Hardscape area: 2,475 square feet
- C-7 The parkway on the north side of Church from 142 feet east of Teak to 230 feet west of Teak.
 Ground Cover area: 1,813 square feet
 Hardscape area: 1,650 square feet
- C-8 The west side of Hermosa from 524 feet north of Palo Alto to 142 feet south of Palo Alto.
 Ground Cover area: 2,650 square feet
 Hardscape area: 3,996 square feet
- C-9 The parkway on the west side of Hermosa from 163 feet north of Ironwood to 145 feet south of Ironwood.
 Ground Cover area: 1,500 square feet
 Hardscape area: 1,848 square feet
- C-10 The entry monument parkway on the south side of Base Line from the western city limit to Alta Cuesta.
 Ground Cover area: 9,756 square feet
 Hardscape area: 4,380 square feet
- C-11 The parkway on the east side of Beryl from Alder to 135 feet north of Culpepper.
 Ground Cover area: 3,400 square feet
 Hardscape area: 3,600 square feet

- C-12 The parkway on the east side of Hellman from Tryon to 665 feet north of Tryon.
 Ground Cover area: 8,280 square feet
 Hardscape area: 3,325 square feet
- C-13 The parkway on the west side of Hellman from 500 feet north of Church to Church.
 Ground Cover area: 2,416 square feet
 Hardscape area: 3,000 square feet
- C-14 The east side of Archibald from 196 feet north of Palo Alto to 530 feet north of Palo Alto.
 Ground Cover area: 4,262 square feet
 Hardscape area: 1,374 square feet
- C-15 The north side of San Bernardino from Summerlin to 225 feet west of Summerlin.
 Ground Cover area: 1,660 square feet
 Hardscape area: 710 square feet
- C-16 The south side of Base Line from 286 feet west of Hermosa to Hermosa. The raised planter on the southwest corner of Base Line and Hermosa.
 Ground Cover area: 4,190 square feet
 Hardscape area: 2,320 square feet
- C-17 The east side of Hellman from 775 feet south of 6th to 6th. The south side of 6th from Hellman to Golden Oak. The west side of Golden Oak from 6th to Foxbrook.
 Ground Cover area: 9,058 square feet
 Hardscape area: 6,387 square feet
- D-1 The east side of Rochester from Church to Base Line.
 Ground Cover area: 11,126 square feet
 Turf area: 16,794 square feet
 Hardscape area: 17,301 square feet
- D-2 The east side of Rochester from 146 feet south of Chervil to Church.
 Ground Cover area: 11,908 square feet
 Turf area: 9,950 square feet
 Hardscape area: 13,263 square feet
- D-3 The south side of Base Line from Rochester to 600 feet east of Rochester.
 Ground Cover area: 2,180 square feet
 Hardscape area: 4,121 square feet

- D-4 The north and south sides of Church from Rochester to 150 feet east of Hyssop.
 Ground Cover area: 6,340 square feet
 Hardscape area: 8,887 square feet

- H-9 The Haven median from the 210 freeway to Alta Loma.
 Ground Cover area: 2,207 square feet

- H-10 The Haven median from entrance of Haven Village to Amber.
 Ground Cover area: 6,968 square feet
 Converted 5,131 square feet of turf to ground cover effective 4/1/13. Area listed is the
 50% maintained by LMD 1. An equal amount is maintained by General Fund as of
 3/25/13

- H-11 The Haven median from Amber to Olive.
 Ground Cover area: 5,026 square feet
 Converted 3,475 square feet of turf to ground cover effective 4/1/13. Area listed is the
 50% maintained by LMD 1. An equal amount is maintained by General Fund as of
 3/25/13

- H-12 The Haven median from Olive to 712 feet north of Wilson.
 Ground Cover area: 6,734 square feet
 Converted 3,933 square feet of turf to ground cover effective 4/1/13. Area listed is the
 50% maintained by LMD 1. An equal amount is maintained by General Fund as of
 3/25/13

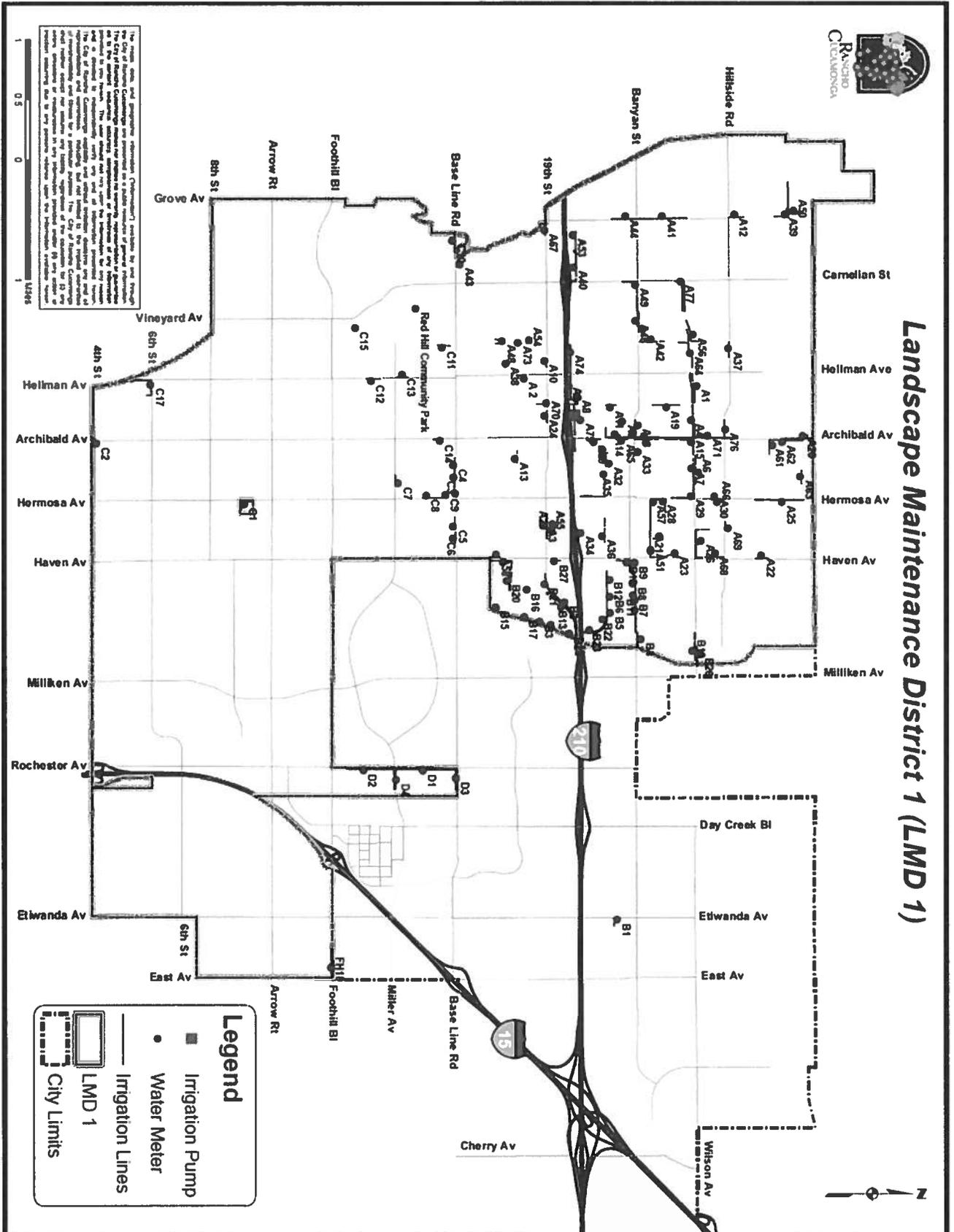
- H-13 The Haven median from 19th to the 210 freeway.
 Ground Cover area: 12,514 square feet

- FH-18 The Foothill median from East to 453 feet east of Cornwall.
 Ground Cover area: 5,450 square feet

Parks, ground cover, shrubs and turf areas that make up parkways, median islands and paseos are maintained under contract by a private landscape maintenance company.

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 16,090
Part-time Salaries	5,000
Fringe Benefits	8,410
Subtotal - Personnel	29,500
Operations and Maintenance:	
Operations and Maintenance:	
O & M/General	92,600
O & M/Facilities	2,300
Vehicle Operations and Maintenance	2,000
Emergency Equipment and Vehicle Rental	800
Equipment Operations and Maintenance	2,000
Subtotal - Operations and Maintenance	99,700
Contract Services:	
Contract Services/General	492,310
Contract Services/Facilities	6,000
Tree Maintenance	50,000
Subtotal - Contract Services	548,310
Utilities:	
Telephone Utilities	2,790
Water Utilities	290,000
Electric Utilities	82,950
Subtotal - Utilities	375,740
Assessment Administration	65,870
Admin./General Overhead	43,420
Subtotal - Operations and Maintenance	1,133,040
Transfers Out:	
Transfer Out - LMD #1 Capital Reserve Fund	90,000
Subtotal - Transfers Out	90,000
Total Expenditures Budget	\$ 1,252,540

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 1,223,220
Anticipated Prior Year Delinquencies Collection	13,900
Subtotal - Taxes	<u>1,237,120</u>
Other Revenues:	
Interest Earnings	7,520
Other Rental/Lease Income	24,910
Park Maintenance Fees	4,450
Sports Field User Group Rentals	1,000
Other Revenue	100
Subtotal - Other Revenues:	<u>37,980</u>
Transfers In:	
Transfer In - General Fund	121,360
Transfer In - LMD #1 Operating Fund	90,000
Subtotal - Transfers In	<u>211,360</u>
Total Revenues Budget	<u>\$ 1,486,460</u>
Contribution to/(Use of) Fund Balance	<u>\$ 233,920</u>
Total Gross Estimated Assessments	\$ 1,235,588.46
Total District EBU Count	13,399.17
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 92.21
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 92.21

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however, it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. Beginning with Fiscal Year 2016/17, the City will maintain a Capital Reserve Fund to be used for deferred maintenance and pending capital projects. The reserve balance information for the District is as follows:

	Operating Reserve	Capital Reserve	Total Reserve
Estimated Reserve Fund Balance, June 30, 2016	\$ 741,185	\$ -	\$ 741,185
Contribution to Reserve - Fiscal Year 2016/17	183,920	50,000	233,920
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 925,105</u>	<u>\$ 50,000</u>	<u>\$ 975,105</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement."

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency

must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the District and include paseos, street trees, landscaped areas, Parks - Bear Gulch Park, East and West Beryl Park, Old Town Park, Church Street Park, Golden Oaks Park, Heritage Community Park, Hermosa Park, Red Hill Community Park, Napa Park, and the Rancho Cucamonga Adult Sports Complex and appurtenant facilities that are located throughout the General City and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the General City which provides ingress and egress for parcels within the District to access the City's system of arterial streets. City residents and traffic from parcels not within the District do not use the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1979, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units		
Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Benefit Unit
Multi-Family Residential	0.50	Benefit Unit
Non-Residential	2.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$92.21	\$92.21	8,282.00	8,282.00
Multi-Family Residential	92.21	92.21	10,199.00	5,099.50
Non-Residential	92.21	92.21	8.83	17.67

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.

ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Single-Family Residential	\$92.21	8,282.00	8,282.00	\$763,683.22
Multi-Family Residential	92.21	10,199.00	5,099.50	470,275.89
Non-Residential	92.21	8.83	17.67	1,629.35
Totals		18,489.83	13,399.17	\$1,235,588.46

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

The following annexations are effective for Fiscal Year 2016/17:

APN	Annexation Date	Project Name	Total Units/Acres	Total EBUS	Property Type
107731174	01/21/15	TR 17433	9.00	9.00	Single-Family Residential
020912218	02/04/15	DRC2013-00284	1.00	1.00	Single-Family Residential
020912219	02/04/15	DRC2013-00285	1.00	1.00	Single-Family Residential
020726201, 02 & 03	05/20/15	TR18976	31.00	31.00	Condominiums
020202146	06/17/15	DRC2013-01012	1.00	1.00	Single-Family Residential

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Victoria Neighborhood Parks and Landscape
Maintenance District (LMD 2)**

CITY OF RANCHO CUCAMONGA
Victoria Neighborhood Parks and Landscape Maintenance District (LMD 2)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July 6, 2016 the City Council of Rancho Cucamonga (the “City”), under the Landscape and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Victoria Neighborhood Parks and Landscape Maintenance District (LMD 2) (hereafter, referred to as the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 876,160
Operations and Maintenance	2,637,000
Capital Expenditures	238,000
Total Expenditures Budget	<u>\$ 3,751,160</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 3,268,930
Anticipated Prior Year Delinquencies Collection	34,730
Subtotal - Taxes	3,303,660
Other Revenues	29,070
Transfers In	276,640
Total Revenues Budget	<u>\$ 3,609,370</u>
Contribution to/(Use of) Fund Balance	<u>\$ (141,790)</u>
Total District EBU Count	76,283.95
Actual Assessment per EBU	\$ 43.29
Maximum Allowable Assessment per EBU	\$ 43.29

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area located south of the 210 Freeway, west of Etiwanda, southwest of the I-15 Freeway, and east of Haven, also known as the Victoria Neighborhood Parks and Landscape Maintenance District, and are more particularly in the diagram of the District included herein.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements located in and serviced and maintained by the District generally include: the landscaping and associated landscape lighting and irrigation systems installed along the roadways, medians, and community trails; sidewalks; and six neighborhood parks that are of direct and special benefit to the parcels within the District. These improvements are located within the public right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris/graffiti, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements, including the parks and irrigation systems, includes but is not limited to, the upkeep, repair, removal or replacement of all or any part of the improvement or facility; grading and replacement of trail surfacing; trail fence repair and replacement; and irrigation systems control, adjustment, repair and replacement. Servicing means the furnishing of water for the irrigation of landscaping, the furnishing of electricity, gas or other illuminating energy for the lighting of landscaping or appurtenant facilities. This shall also include materials, vehicles, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District. Services include personnel, materials, contracting services, utilities, and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

Parks: Ellena Park, Kenyon Park, Victoria Arbors Park, Victoria Groves Park, Vintage Park, and Windrows Park

<u>Site #</u>	<u>Descriptive Location</u>
2-1	The west side of Arbor from the traffic circle to Church. The Arbor median from Church to the traffic circle. The east side of Arbor from Long Meadow to Church. The paseo from the west side of Arbor to Day Creek. The paseo from the west side of Arbor to Saintsbury. The north side of Winery from Arbor to 214 feet west of Arbor. The south side of Long Meadow from Freestone to Duck Creek. Ground Cover area: 93,639 square feet Hardscape area: 59,041 square feet
2-2	The northwest corner of Day Creek and Church. The north side of Church from Day Creek to 1,152 feet west of Hess. The paseo from the north side of Church to Dry Creek. The paseo from the north side of Church to Pine Ridge. The west side of Hess from the north side of Church to Dry Creek. The south side of Church from 145 feet east of Hyssop to 896 feet east of Hyssop. Ground Cover area: 24,018 square feet Hardscape area: 26,617 square feet
2-3	The west side of Day Creek from 250 feet north of Appellation to Church. The east side of Day Creek from Church to Madrigal. The Day Creek median from Church to Base Line. The south side of Madrigal from Day Creek to Roundhill. Ground Cover area: 35,420 square feet Hardscape area: 42,671 square feet
2-4	Victoria Park from Base Line to the east entrance of Arbor Park. The southwest corner of Victoria Park and Base Line. The southeast corner of Victoria Park to 445 feet east of Victoria Park. Ground Cover area: 36,482 square feet Turf area: 3,874 square feet Hardscape area: 32,927 square feet
2-5	The east and west side of Victoria Park and the medians from Mosaic to Church. Ground Cover area: 56,358 square feet Hardscape area: 20,390 square feet
2-6	The north side of Church from Arbor to Day Creek. The northwest corner of Church and Arbor. The paseo from the north side of Church to Wilson Creek. Ground Cover area: 21,616 square feet Hardscape area: 15,159 square feet
2-7	The north side of Church from Victoria Park to Arbor. The northwest corner of Victoria Park and Church. The paseo from the north side of Church to Elk Cove. The paseo from the north side of Church to Freestone. The northeast corner of Arbor and Church. Ground Cover area: 16,609 square feet Hardscape area: 13,730 square feet

- 2-8 The paseo from the west side of Etiwanda to Silver Rose. The north side of Church from Etiwanda to Victoria Park. The east side of Iron Horse from Church to Wild Horse. The paseo from the north side of Church to Cloudy Bay. The medians from Iron Horse to Etiwanda.
 Ground Cover area: 35,122 square feet
 Hardscape area: 28,473 square feet
- 2-9 The landscaped slope behind existing landscape of site 2-5 on the west side of Victoria Park from 475 feet north of Long Meadow to Long Meadow. The landscape slope and curb adjacent parkway from Victoria Park to 685 feet west of Victoria Park.
 Ground Cover area: 26,213 square feet
 Hardscape area: 5,617 square feet
- VW-1 Base Line median from Victoria Park to 830 feet west of Victoria Park.
 Ground Cover area: 4,514 square feet
 Hardscape area: 3,474 square feet
- VW-2 The north side of Base Line 300 feet east and 200 feet west of Swanson. The east and west sides of Swanson from Base Line to Province. The paseo from the intersection of Swanson and Province to Atwood with outlet to Dunmore. The paseo from Atwood to the Southern Pacific Railroad. The north side of Saratoga from Powell to Dunmore. The paseo from Saratoga to Etiwanda. The south side of Atwood from Victoria Park to Travis. The north side of Atwood from Walcott to Victoria Park.
 Ground Cover area: 18,753 square feet
 Turf area: 73,931 square feet
 Hardscape area: 22,615 square feet
- VW-3 The Victoria Park median and the west and east side parkways from Base Line to the entrance to Victoria Village.
 Ground Cover area: 27,090 square feet
 Hardscape area: 3,214 square feet
- VW-4 The Victoria Park median and the west and east side parkways from Victoria Village entrance to Atwood.
 Ground Cover area: 40,937 square feet
 Hardscape area: 6,428 square feet
- VW-5 The Victoria Park median and the west side and east side parkways from Atwood to the Southern Pacific Railroad.
 Ground Cover area: 49,513 square feet
 Hardscape area: 5,467 square feet
- VW-6 The paseo running north from 12732 Farrington to the Southern Pacific Railroad.
 Ground Cover area: 285 square feet
 Hardscape area: 679 square feet

- VW-7 The paseo running north from 12840 Farrington to the Southern Pacific Railroad.
 Ground Cover area: 266 square feet
 Hardscape area: 552 square feet
- VW-8 The Victoria Park median and the west side parkway from the Southern Pacific Railroad to South Victoria Windrows. The Victoria Park east side parkway from the Southern Pacific Railroad to Zinnia.
 Ground Cover area: 40,548 square feet
 Hardscape area: 6,150 square feet
- VW-9 The Victoria Park east side parkway from Barberry to North Victoria Windrows at Windrows Park.
 Ground Cover area: 40,004 square feet
 Hardscape area: 3,720 square feet
- VW-10 The west side of Victoria Park from South Victoria Windrows to Dahlia. The Victoria Park median from Zinnia to Dahlia. The east side of Victoria Park from North Victoria Windrows at Windrows Park to Dahlia.
 Ground Cover area: 50,620 square feet
 Turf area: 11,878 square feet
 Hardscape area: 11,400 square feet
- VW-11 The east side parkway on South Victoria Windrows from Silktassel to Victoria Park. The parkway on the south side of Victoria Park from the intersection of South Victoria Windrows and North Victoria Windrows to Dahlia. The Victoria Park median from the intersection of North and South Victoria Windrows to Dahlia. The parkway on the north side of Victoria Windrows from the intersection of North and South Victoria Windrows to Dahlia.
 Ground Cover area: 27,053 square feet
 Turf area: 20,216 square feet
 Hardscape area: 6,988 square feet
- VW-12 The Victoria Park median from the intersection of North and South Victoria Windrows to 390 feet east of Day Creek. The parkway on the north side of Victoria Park from the intersection of North and South Victoria Windrows to 390 feet east of Day Creek. The parkway on the west side of north Victoria Windrows from Silverberry to Victoria Park. The parkway on the south side of Silverberry from 390 feet east of Day Creek to North Victoria Windrows.
 Ground Cover area: 166,249 square feet
 Turf area: 21,603 square feet
 Hardscape area: 12,868 square feet

- VW-13 The parkway on the south side of Victoria Park from 390 feet east of Day Creek to South Victoria Windrows. The west side of South Victoria Windrows from Victoria Park to Snapdragon.
 Ground Cover area: 20,068 square feet
 Turf area: 16,476 square feet
 Hardscape area: 7,200 square feet
- VW-14 The parkway on the west side of South Victoria Windrows from Snapdragon to Victoria Park. The parkway on the north and south side of Sugargum from South Victoria Windrows to 390 feet east of Day Creek. The parkways on the east and west sides of Basswood from Sugargum to Blazing Star. The parkway on the north side of South Victoria Windrows from Victoria Park to Silktassel.
 Ground Cover area: 21,466 square feet
 Turf area: 10,335 square feet
 Hardscape area: 27,560 square feet
- VW-15 The parkway on the north side of Bougainvillea from Peach to North Victoria Windrows. The parkway on the east side of North Victoria Windrows from Bougainvillea to Citrus. The parkway on the north side of North Victoria Windrows from Locust and following that curb line to Silverberry. The parkway on the north side of Silverberry from North Victoria Windrows 390 feet east of Day Creek. The paseo from North Victoria Windrows at Silverberry to Nasturtium. The paseo from North Victoria Windrows at Locust to Pistachio and continuing to Bougainvillea.
 Ground Cover area: 45,929 square feet
 Turf area: 12,207 square feet
 Hardscape area: 23,630 square feet
- VW-16 The south side of Highland from 455 feet east of Day Creek to 534 feet east of Locust. The east and west side of Locust from Highland to North Victoria Windrows. The parkway on the south side of North Victoria Windrows from Citrus east to Bougainvillea. The parkway on the north side of North Victoria Windrows from Twinspur to Locust.
 Ground Cover area: 26,577 square feet
 Turf area: 23,922 square feet
 Hardscape area: 19,203 square feet
- VW-17 This site was modified and added to VW-16 on 1/5/99.
- VW-18 The south side of Highland from 12583 Highland to Rockrose.
 Ground Cover area: 2,800 square feet
 Turf area: 8,515 square feet
 Hardscape area: 3,325 square feet

- VW-19 The north side of North Victoria Windrows from Rosemary to Rockrose. The east side of Rockrose from North Victoria Windrows to Highland. The south side of Highland from Rockrose to Etiwanda. The horse trail from Highland and Etiwanda to the Fire Station.
- Ground Cover area: 21,027 square feet
Turf area: 32,266 square feet
Hardscape area: 11,298 square feet
- VW-20 The parkway on the south side of North Victoria Windrows from Victoria Park to Plum. The parkway on the west side of North Victoria Windrows from Plum to Rosemary. The paseo from Tipu east to the open field.
- Note:** The area in front of Windrows Park is watered by the VW-20 water meter, but it is maintained by City crews.
- Ground Cover area: 2,110 square feet
Turf area: 16,411 square feet
Hardscape area: 9,132 square feet
- VW-21 The east side of North Victoria Windrows from Rosemary to the trail south of Kalmia. The trail and paseo from North Victoria Windrows south of Kalmia to Etiwanda and north to the Fire Station. The south side of Basil from North Victoria Windrows to Santolina.
- Ground Cover area: 49,187 square feet
Turf area: 57,532 square feet
Hardscape area: 19,600 square feet
- VW-22 The paseo from North Victoria Windrows at Rockrose to the northeast corner of Windrows Park and from that corner to Plum.
- Ground Cover area: 13,689 square feet
Turf area: 19,953 square feet
Hardscape area: 9,489 square feet
- VW-23 The west side of Rockrose from Highland to North Victoria Windrows. The parkway on the north side of North Victoria Windrows from Rockrose to Twinspur. The parkway on the south side of North Victoria Windrows from Bougainvillea to Rosemary.
- Ground Cover area: 18,299 square feet
Turf area: 3,452 square feet
Hardscape area: 10,352 square feet
- VW-24 The M.W.D. easement from Jasmine and Ironbark to Sweet Gum.
- Ground Cover area: 475 square feet
Hardscape area: 4,730 square feet

- VW-25 The north side of Base Line from 384 feet west of Wanona to Etiwanda. The west side of Etiwanda from Base Line to Craig. The Base Line median from Swanson to Etiwanda.
 Ground Cover area: 20,934 square feet
 Turf area: 3,079 square feet
 Hardscape area: 12,799 square feet

- VW-26 The paseo from Grape to 630 feet west of Grape.
 Ground Cover area: 7,021 square feet
 Hardscape area: 8,548 square feet

- VW-27 The south side of Base Line from 251 feet west of Swanson to Etiwanda. The Base Line median from Victoria Park to Swanson.
 Ground Cover area: 18,816 square feet
 Hardscape area: 17,233 square feet

- VG-1 The turf and ground cover on the south side of Highland from the Deer Creek Channel to Fairmont. The turf and ground cover from Highland on the west side of Fairmont to Victoria Park. The ground cover on the north side of Victoria Park south of the horse trail from 475 feet east of Milliken to Fairmont. The turf on the north side of Victoria Park from 275 feet east of Milliken to Fairmont. The turf in the parkway on the east side of Fairmont from Victoria Park to Highland.
 Ground Cover area: 21,573 square feet
 Turf area: 47,604 square feet
 Hardscape area: 17,300 square feet

- VG-2 The turf on the east side of York from Delaware to Fairmont. The ground cover on the south side of Fairmont from York and continuing on that curb line to Victoria Park. The turf and ground cover on the south side of Victoria Park west of Milliken from Fairmont to Milliken. The parkway on the west side of Milliken from Victoria Park to Fairmont. The Milliken median from Fairmont to Victoria Park. The turf on the north side of Victoria Park from 273 feet west of Milliken to Milliken. The ground cover on the north side of Victoria Park south of the horse trail from 468 feet west of Milliken to Milliken.
 Ground Cover area: 53,416 square feet
 Turf area: 49,587 square feet
 Hardscape area: 20,173 square feet

- VG-3 The turf and ground cover north of the sidewalk on the north side of Fairmont from Nova continuing on that curb line to York and the turf south of the sidewalk on the north side of Fairmont from Armstrong continuing on that curb line to York. The ground cover on the west side of York from Fairmont to Delaware and the ground cover on the east side of York. The turf and ground cover on the west side of Fairmont from Emerson continuing along that curb line to Armstrong. The turf and ground cover on the east and west sides of Biola.
 Ground Cover area: 57,189 square feet
 Turf area: 38,343 square feet
 Hardscape area: 26,848 square feet
- VG-4 The turf and ground cover on the south side of Fairmont from Armstrong to Milliken. The turf and ground cover on the west side of Milliken from Fairmont to the Southern Pacific Railroad. The Milliken median from Fairmont to the Southern Pacific Railroad. The ground cover on the north side of the Southern Pacific Railroad from Deer Creek Channel to Rochester including the paseo to Baylor. The ground cover on the north side of Fairmont from Milliken to Nova. The turf on the north side of Fairmont from Milliken to Armstrong.
 Ground Cover area: 202,163 square feet
 Turf area: 19,751 square feet
 Hardscape area: 12,278 square feet
- VG-5 The paseo from Biola to Amarillo to Delaware at York.
 Ground Cover area: 12,448 square feet
 Turf area: 44,896 square feet
 Hardscape area: 7,992 square feet
- VG-6 The paseo beginning at the northeast corner of Victoria Groves Park and Fairmont and extending to the Deer Creek Channel.
 Ground Cover area: 73,442 square feet
 Turf area: 74,778 square feet
 Hardscape area: 16,629 square feet
- VG-7 The paseo that begins on the south side of Donnelly at Fairmont and continues to the Deer Creek Channel including the southward extension on the west side of Albright from Donnelly to Pacific and the paseo from Pacific to Charleston.
 Ground Cover area: 43,427 square feet
 Turf area: 51,765 square feet
 Hardscape area: 15,806 square feet

- VG-8 The ground cover on the west side of Milliken from 566 feet north of Victoria Park to Victoria Park. The ground cover and turf north of the horse trail on Victoria Park from Milliken to Fairmont. The ground cover on the east side of Fairmont from Victoria Park to 156 feet north of Victoria Park.
 Ground Cover area: 21,614 square feet
 Turf area: 8,614 square feet
 Hardscape area: 8,281 square feet
- VG-9 The ground cover on the east side of Fairmont from 156 feet north of Victoria Park to Kenyon. The ground cover on the south side of Kenyon from Fairmont to 197 feet east of Fairmont. The turf on the south side of Kenyon from Fairmont to 316 feet east of Fairmont. The turf and ground cover on the south side of Baltimore from Fairmont to Baltimore. The turf and ground cover on the north side of Baltimore from Fairmont to Vanderbilt. The turf and ground cover on the east side of Vanderbilt from Baltimore to Brown. The paseo from Vanderbilt and Brown to Kenyon.
 Ground Cover area: 48,481 square feet
 Turf area: 11,357 square feet
 Hardscape area: 13,542 square feet
- VG-10 The ground cover on the south side of Kenyon from 197 feet east of Fairmont to Milliken. The turf on the south side of Kenyon from 316 feet east of Fairmont to Milliken. The ground cover on the west side of Milliken from Kenyon to 566 feet north of Victoria Park. The turf and ground cover on the west side of Capitol from Brown to Bethany. The paseo from Capitol and Brown to Kenyon.
 Ground cover area: 34,241 square feet
 Turf area: 11,031 square feet
 Hardscape area: 5,320 square feet
- VG-11 The east and west side parkways and median of Milliken from Base Line to the Southern Pacific Railroad. The north side of Base Line from 542 feet east of Milliken to Milliken.
 Ground Cover area: 31,367 square feet
 Turf area: 17,264 square feet
 Hardscape area: 25,524 square feet
- VG-12 The turf and ground cover on the south side of Fairmont from the southeast corner of Milliken and Fairmont along the curb line to Victoria Park. The turf and ground over on the west side of Fairmont from the southwest corner of Victoria Park and Fairmont (located east of Milliken) and continuing along the curb line to Milliken. The turf on the east side of Milliken from the Southern Pacific Railroad to 730 feet south of Victoria Park. The ground cover on the east side of Milliken from the Southern Pacific Railroad to 766 feet south of Victoria Park.
 Ground Cover area: 53,068 square feet
 Turf area: 36,431 square feet
 Hardscape area: 27,004 square feet

- VG-13 The paseos from Victoria Park to Verona, Verona to Napoli, and Genova to Tivoli.
 Ground Cover area: 17,993 square feet
 Turf area: 16,344 square feet
 Hardscape area: 8,376 square feet
- VG-14 The Base Line median from Milliken to Ellena East. The turf and ground cover on the north side of Base Line from Ellena East to Ellena West. The turf and ground cover on the east side of Ellena West from Base Line and following the curb line to Kenyon. The north side of Ellena West from Kenyon to Casoli. The turf and ground cover on both sides of Casoli from Ellena West to Candela. The turf and ground cover on both sides of Crema from Ellena west to Candela.
 Ground Cover area: 89,456 square feet
 Turf area: 62,999 square feet
 Hardscape area: 44,826 square feet
- VG-15 The turf and ground cover on the west side of Rochester from the Southern Pacific Railroad to Base Line. The turf and ground cover on the north side of Base Line from Rochester to Ellena East. The Base Line Median from Rochester to Ellena East. The turf and ground cover on the east side of Ellena east from Base Line and continuing along that curb line to 275 feet north of Berra Road. The turf and ground cover on both sides of Berra from Ellena East to Comiso.
 Ground Cover area: 58,588 square feet
 Turf area: 57,306 square feet
 Hardscape area: 36,014 square feet
- VG-16 The paseo from Base Line to Ellena West with entrances to Amelia and Pavola.
 Ground Cover area: 9,661 square feet
 Turf area: 11,529 square feet
 Hardscape area: 5,804 square feet
- VG-17 The paseo from Fairmont to the Southern Pacific Railroad. The paseo from Fabriano to Martano.
 Ground Cover area: 35,351 square feet
 Turf area: 40,291 square feet
 Hardscape area: 16,394 square feet
- VG-18 The paseo from Rapallo to Gandino and south to the Southern Pacific Railroad.
 Ground Cover area: 4,281 square feet
 Hardscape area: 1,308 square feet
- VG-19 The paseo from Tolentino to Pizolli and to Tolentino.
 Ground Cover area: 12,555 square feet
 Turf area: 17,856 square feet
 Hardscape area: 7,380 square feet

VG-20 The turf on the east side of Milliken from 730 feet south of Victoria Park to Victoria Park. The ground cover on the east side of Milliken from 766 feet south of Victoria Park to Victoria Park. The turf and ground cover on the south side of Victoria Park from the southeast corner at Milliken heading east to Fairmont. The turf and ground cover on the north side of Victoria Park from Parma to the northeast corner of Milliken and Victoria Park. The ground cover on the west side of Parma from Victoria Park to Lomello. The Victoria Park median from Milliken to Pandino. The Milliken median from Victoria Park to 440 feet south of Kenyon. The parkway on the west side of Milliken from 420 feet south of Kenyon to Victoria Park.

Ground Cover area: 96,750 square feet
 Turf area: 77,461 square feet
 Hardscape area: 22,177 square feet

VG-21 The ground cover on the east side of Parma from Victoria Park to Lomello. The ground cover on the north side of Victoria Park from Parma to 653 feet east of Kenyon. The turf on the north side of Victoria Park from Parma to 547 feet east of Kenyon. The turf and ground cover on the south side of Victoria Park from Fairmont to 422 feet east of Kenyon. The turf and ground cover on the east and west sides of Kenyon from Victoria Park to the Southern Pacific Railroad. The paseo from Kenyon to Rapallo. The paseo from Kenyon to Bari. The Victoria Park median from Pandino to Portofino.

Ground Cover area: 85,865 square feet
 Turf area: 41,994 square feet
 Hardscape area: 34,478 square feet

VG-22 The ground cover on the north side of Victoria Park from 653 feet east of Kenyon to Rochester. The turf on the north side of Victoria Park from 547 feet east of Kenyon to Rochester. The Victoria Park median from Portofino to Rochester. The turf and ground cover on the south side of Victoria Park north of the sidewalk from Kenyon to the east side of Vintage Park. The turf and ground cover on the south side of Victoria Park from the east side of Vintage Park to Rochester. The turf and ground cover on the west side of Rochester from Victoria Park to the Southern Pacific Railroad.

Ground Cover area: 115,144 square feet
 Turf area: 57,927 square feet
 Hardscape area: 20,863 square feet

VG-23 The turf and ground cover on the east side of Kenyon from Victoria Park to 409 feet west of Grimaldi. The ground cover on the south side of Portofino from Kenyon to Bergano. The turf and ground cover on the north and south side of Lark from Kenyon to the west property line of Rancho Cucamonga High School. The ground cover on the east and west side of Matera from Lark to Pescara. The ground cover on the north and south side of Grimaldi from Kenyon to Brindisi. The turf and ground cover on the west side of Kenyon from Lark to Victoria Park. The ground cover on the north and south side of Marcello from Kenyon to Landriano. The paseo from southwest corner of Kenyon Park to Kenyon.

Ground Cover area: 63,733 square feet
 Turf area: 82,565 square feet
 Hardscape area: 39,297 square feet

- VG-24 The north side of Kenyon from Autumn Glen to Woodruff. The east side of Woodruff from Kenyon to 403 feet north of Kenyon.
 Ground Cover area: 8,477 square feet
 Turf area: 5,320 square feet
 Hardscape area: 5,622 square feet
- VG-25 The paseo west of Torino from Kenyon to Highland. The turf and ground cover on the south side of Highland from the northwest corner of Tract 13440 to the east end of Tract 13440.
 Ground Cover area: 40,800 square feet
 Turf area: 24,134 square feet
 Hardscape area: 14,353 square feet
- VG-26 The paseo from Brindisi to Messina. The turf and ground cover on the north side of Brindisi to the end of the cul-de-sac. The turf and ground cover on the west side of Messina from the paseo to Treviso.
 Ground Cover area: 18,905 square feet
 Turf area: 1,141 square feet
 Hardscape area: 3,615 square feet
- VG-27 The Milliken median from 440 feet south of Kenyon to Highland. The parkway on the west side of Milliken from 420 feet south of Kenyon.
 Ground Cover area: 4,030 square feet
 Turf area: 3,006 square feet
 Hardscape area: 4,222 square feet
- VG-28 The east side of Rochester from Victoria Park to Highland.
 Ground Cover area: 60,902 square feet
 Hardscape area: 5,593 square feet
- VG-29 The north side of Kenyon from Milliken to Fairmont. The groundcover on the east side of Fairmont, east of the sidewalk, from Kenyon to the 210 freeway.
 Ground Cover area: 20,178 square feet
 Turf area: 16,877 square feet
 Hardscape area: 5,736 square feet
- VG-30 The south side of Tresenda from Santo to Sapada. The paseo from Sapada to Carano. The south side of Montella from Carano to Trivento.
 Ground Cover area: 6,797 square feet
 Turf area: 2,462 square feet
 Hardscape area: 4,860 square feet

- VG-31 The east side of Brienza from Larina to Letini. The west side of Tindari from Letini to Larina. The Greenbelt on the south side of Marconi from Trivento to Comisco. The east side of Comisco from Scalea to Santo.
 Ground Cover area: 23,419 square feet
 Turf area: 18,351 square feet
 Hardscape area: 13,764 square feet
- VG-32 The north side of Candela from Terini to Bettoloa.
 Ground Cover area: 20,172 square feet
 Turf area: 8,190 square feet
 Hardscape area: 8,292 square feet
- VG-33 The paseo at the north end of Sapri to the Southern Pacific Railroad.
 Ground Cover area: 894 square feet
 Hardscape area: 318 square feet
- VG-34 The paseo at the north end of Bronte to the Southern Pacific Railroad.
 Ground Cover area: 894 square feet
 Hardscape area: 318 square feet
- VG-35 The east side of Rochester from 555 feet south of Palmi to Victoria Park. The south side of Victoria Park and median from Rochester to east side of Deer Creek Channel.
 Ground Cover area: 53,646 square feet
 Turf area: 11,150 square feet
 Hardscape area: 17,555 square feet
- VG-36 The north side of Victoria Park from the east side of Deer Creek Channel to Rochester.
 Ground Cover area: 55,780 square feet
 Turf area: 10,500 square feet
 Hardscape area: 8,004 square feet
- VG-37 The paseo at the end of Ardmoor to the Southern Pacific Railroad.
 Ground Cover area: 1,350 square feet
 Hardscape area: 950 square feet
- VG-38 The east side of Milliken from 106 feet north of Victoria Park to Kenyon. The north and south side of Spring Mist from Milliken to Summerstone. The south side of Kenyon from Milliken to Kenyon Park.
 Ground Cover area: 28,051 square feet
 Turf area: 4,533 square feet
 Hardscape area: 12,879 square feet

- VG-39 The north side of Victoria Park from Kenyon paseo to 132 feet east of Milliken. The Kenyon paseo from Victoria Park to Fairwinds. The paseo from Victoria Park to the south west corner of Kenyon Park.
 Ground Cover area: 55,089 square feet
 Turf area: 13,120 square feet
 Hardscape area: 7,676 square feet

- VG-40 The south side of Highland from 413 feet west of Highland paseo to Highland paseo. The east side of Highland paseo from Highland to Kenyon. The north side of Kenyon from Highland paseo to Autumn Glen Court.
 Ground Cover area: 56,553 square feet
 Hardscape area: 12,314 square feet

- VG-41 The west side of Rochester from 294 feet south of Highland to Lark. The north side of Lark from Rochester to 1230 feet west of Rochester.
 Ground Cover area: 31,413 square feet
 Hardscape area: 13,338 square feet

- VG-42 The south side of Highland from 1314 feet west of Rochester to Rochester. The west side of Rochester from Highland to 294 feet south of Highland. The north side of Highland from Rochester to Woodruff.
 Ground Cover area: 40,346 square feet
 Hardscape area: 15,445 square feet

- VG-43 The north side of Victoria Park and the median from Day Creek to Day Creek Channel. The east and west side of Kensington from Victoria Park to Stratford.
 Ground Cover area: 70,669 square feet
 Turf area: 7,888 square feet
 Hardscape area: 18,426 square feet

- VG-44 The west side of Day Creek from 572 feet north of Silverberry to Day Creek. The south side of Silverberry from Kensington to Day Creek.
 Ground Cover area: 36,835 square feet
 Hardscape area: 24,376 square feet

- VG-45 The west side of Milliken and the Milliken median from the 210 freeway to Kenyon.
 Ground Cover area: 10,658 square feet
 Turf area: 610 square feet
 Hardscape area: 5,589 square feet

- VG-46 The Base Line median from 657 feet east of Virginia to Rochester. The north side of Base Line from 278 feet east of Virginia to Rochester. The paseo from the northeast corner of Rochester and Base Line to Huntley. The east side of Rochester from Base Line to 105 feet north of Shenandoah.
 Ground Cover area: 33,135 square feet
 Hardscape area: 19,340 square feet

- VG-47 The north side of Base Line from 400 feet east of Day Creek to Day Creek. Base Line median from Day Creek to 595 feet east of Day Creek.
 Ground Cover area: 9,515 square feet
 Hardscape area: 7,926 square feet

- VG-48 The east side of Day Creek and median from Base Line to Victoria Park. The south side of Victoria Park from Day Creek to 390 feet east of Day Creek.
 Ground Cover area: 50,318 square feet
 Turf area: 3,234 square feet
 Hardscape area: 29,217 square feet

- VG-49 The north side of Victoria Park and median from 390 feet east of Day Creek to Day Creek. The east side of Day Creek from Victoria Park to Highland. The south side of Highland from Day Creek to 440 feet east of Day Creek.
 Ground Cover area: 51,459 square feet
 Turf area: 3,930 square feet
 Hardscape area: 32,296 square feet

- VG-50 The west side of San Carmela from 389 feet north of Base Line to Base Line. The north side of Base Line from Carmela to 264 feet west of Durness.
 Ground Cover area: 18,043 square feet
 Hardscape area: 12,383 square feet

- VG-51 The Paseo south of Saxon to Southern Pacific Railroad.
 Ground Cover area: 1,398 square feet
 Hardscape area: 969 square feet

- VG-52 The north side of Sugar Gum from Milliken to Kensington. The south side of Sugar Gum from Milliken to 111 feet east of Suffolk.
 Ground Cover area: 4,362 square feet
 Hardscape area: 3,325 square feet

- VG-53 The south side of Victoria Park from 296 feet west of Kensington to Milliken. The west side of Day Creek from Victoria Park to 397 feet south of Sugar Gum.
 Ground Cover area: 28,532 square feet
 Turf area: 11,070 square feet
 Hardscape area: 7,720 square feet

- VG-54 The east side of Rochester from Shenandoah to the Southern Pacific Railroad.
 Ground Cover area: 6,864 square feet
 Hardscape area: 5,136 square feet

- VG-55 The paseo north of Westhaven to the Southern Pacific Railroad.
 Ground Cover area: 1,775 square feet
 Hardscape area: 2,575 square feet

- VG-56 The south side of Highland from 1,317 feet west of Day Creek to 1,085 feet west of Day Creek including the non-irrigated slope on the south side of the sidewalk.
 Ground Cover area: 5,274 square feet
 Hardscape area: 1,761 square feet

- VG-57 The north side of Highland from Fairmont Way to the Day Creek Channel.
 Ground Cover area: 16,157 square feet
 Hardscape area: 17,405 square feet

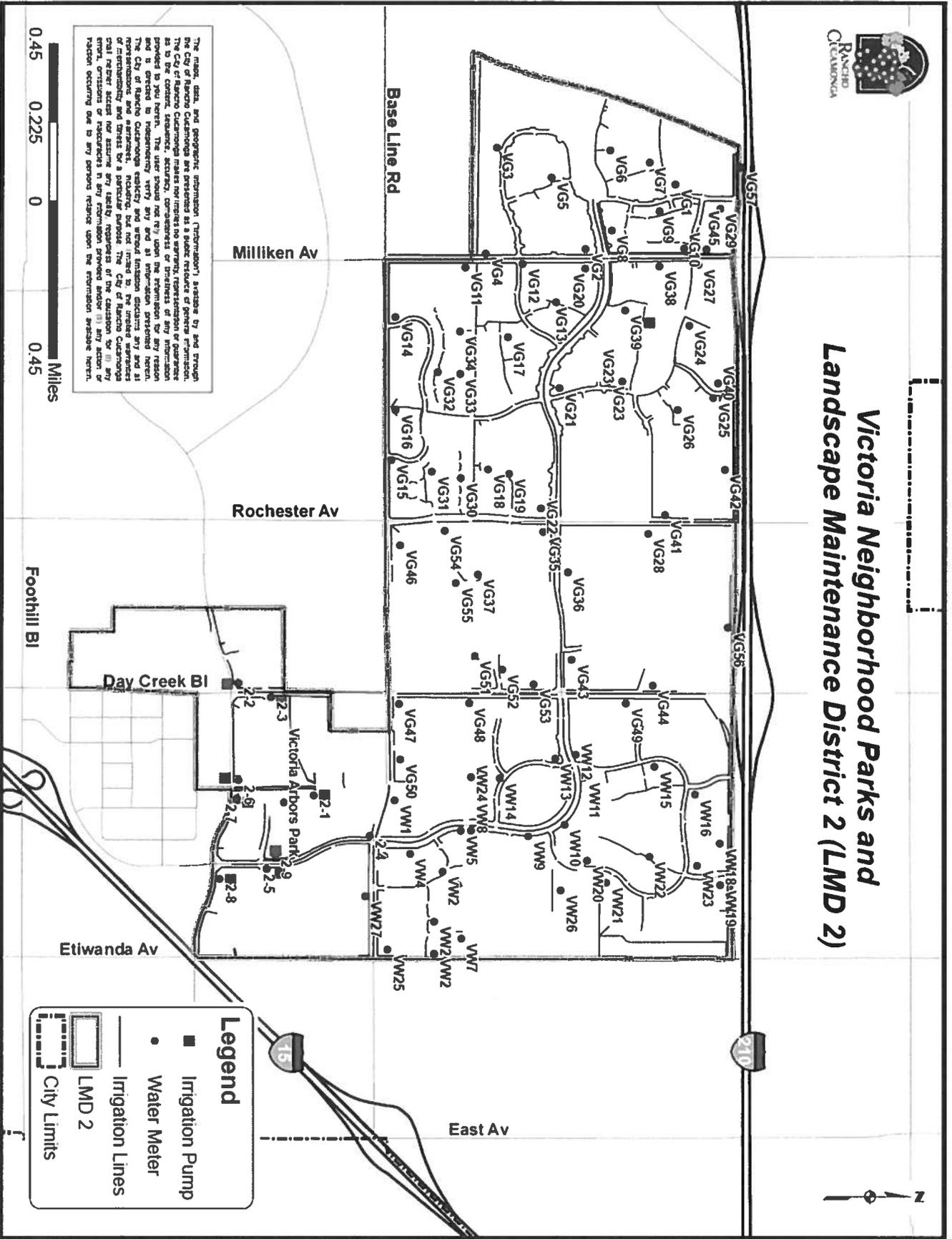
Ground cover, shrubs and turf areas that make up parkways, median islands and paseos are maintained under contract by a private landscape maintenance company. Parks are maintained by the City's Park Maintenance Crews.

Map of Improvements

The following page shows the approximate location (for reference only – may not include all) of landscaping improvements, including irrigation sites, and parks and community trails to be maintained by the District.



Victoria Neighborhood Parks and Landscape Maintenance District 2 (LMD 2)



ESTIMATE OF COSTS

The estimated costs of maintenance and servicing of the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 524,970
Overtime Salaries	1,090
Part-time Salaries	90,220
Fringe Benefits	259,880
Subtotal - Personnel	876,160
Operations and Maintenance:	
Operations and Maintenance:	
O & M/General	66,550
Vehicle Operations and Maintenance	5,000
Emergency Equipment and Vehicle Rental	200
Subtotal - Operations and Maintenance	71,750
Contract Services:	
Contract Services/General	1,193,370
Tree Maintenance	130,560
Subtotal - Contract Services	1,323,930
Utilities:	
Telephone Utilities	1,330
Water Utilities	752,410
Electric Utilities	113,690
Subtotal - Utilities	867,430
Assessment Administration	34,870
Admin./General Overhead	269,020
Interfund Allocation	70,000
Subtotal - Operations and Maintenance	2,637,000
Capital Expenditures:	
Capital Outlay - Improvements Other Than Building	238,000
Subtotal - Capital Expenditures	238,000
Total Expenditures Budget	\$ 3,751,160

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 3,268,930
Anticipated Prior Year Delinquencies Collection	34,730
Subtotal - Taxes	<u>3,303,660</u>
Other Revenues:	
Interest Earnings	27,070
Park Maintenance Fees	2,000
Subtotal - Other Revenues:	<u>29,070</u>
Transfers In	<u>276,640</u>
Total Revenues Budget	<u>\$ 3,609,370</u>
Contribution to/(Use of) Fund Balance	<u>\$ (141,790)</u>
Total Gross Estimated Assessments	\$ 3,302,186.71
Total District EBU Count	76,283.95
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 43.29
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 43.29

Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per Equivalent Benefit Unit ("EBU") will be based on the total amount of funds needed to maintain the improvements in a satisfactory and healthy condition. The actual assessment amount may be the same or lower than the maximum allowable assessment; however, it may not exceed the maximum after the application of the cost of living inflator, as defined in this report, unless the excess increase is approved by the property owners in accordance with Assessment Law.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 2,892,505
Use of Reserve - Fiscal Year 2016/17	(141,790)
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 2,750,715</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget for the maintenance and servicing of the improvements:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

Benefits from Improvements and Quantification

Benefits from Improvements

The improvements previously defined are expected to confer certain special benefits to parcels within the District. The benefits are described below.

Sidewalks and Community Trails

People walk for a variety of reasons, whether the reason is to commute to work or school, run errands, shop, leisure activities, fitness, or some other purpose. To enhance the overall walking experience, pedestrians seek out and utilize sidewalk facilities and community trails that are in close proximity to their property and provide a safe place to walk as well as an environment that provides a certain amount of visual interest. Sidewalks and community trails serve as a critical component in the transportation network providing users access to parks and recreational areas, schools, commercial areas, and neighbors. According to the U.S. Department of Transportation Federal Highway Administration (FHWA) sidewalks provide many benefits including safety, mobility and healthier communities (FHWA, n.d).

- **Improved Aesthetics:** A survey conducted by DMB (an Arizona based commercial developer) found that there was a strong demand for communities characterized by pedestrian access, a sense of connection, and a sense of community and diversity (Urban Land Institute, 2006). According to the Urban Land Institute report *Creating Walkable Places: Compact Mixed-Use Solutions*, people want their neighborhoods to provide more opportunities to walk (Urban Land Institute, 2006). A survey sponsored by the Surface Transportation Policy Project found that 55% of respondents would like to walk more, 63% would like to run errands on foot and walk to stores, and 79% would like sidewalks and other places to walk and exercise (Urban Land Institute, 2006). The continued maintenance of the inter-connecting sidewalks and community trails improves the livability and appeal for properties within the Victoria Planned Community.
- **Increased Safety:** According to the FHWA, sidewalks reduce roadway accidents, including pedestrian/motor vehicle accidents. In addition, roadways without sidewalks are more than twice as likely to have pedestrians involved in accidents compared to sites with sidewalks on both sides of the street (FHWA, n.d.). In 2008, the National Highway Traffic Safety Administration's (NHTSA) National Pedestrian Crash Report identified California as one of the states with the highest number of pedestrian deaths (NHTSA, 2008).
- **Economic Activity:** Uniform and well-maintained sidewalk and community trail improvements create cohesion throughout the District. This cohesion enhances both the residential and retail experience as well as encourages maximum use of building and lot area. According to Active Living Research (2010), economic benefits of walkable developments include enhanced marketability and faster sales or leases than conventional development. The National Complete Streets Coalition notes that street design that is inclusive of all modes of transportation, where appropriate, not only improves conditions for and access to existing businesses, but also is a proven method for attracting new development (Pugliese, 2008).

Street Landscaping

The overall appeal and safety of an area is enhanced when landscaping improvements are in place and kept in a healthy and satisfactory condition. Conversely, appeal and safety decreases when landscaping is overgrown, unsafe or destroyed by the elements or vandalism.

- **Improved Aesthetics:** Street landscaping improvements improve the livability, commercial activity, appearance and desirability for properties within the boundaries of the Victoria Planned Community. Regular maintenance ensures that the improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties adjacent to or in close proximity to the improvements within the Victoria Planned Community. According to the Victoria Transport Policy Institute (2011), streetscapes have a significant effect on how people view and interact with their community. With streetscapes that are safe and inviting, people are more likely to walk, which can help reduce automobile traffic, improve public health, stimulate local economic activity and attract residents to the community.
- **Increased Safety:** Safety for pedestrians involves not only a degree of protection from vehicular accidents, but also from criminal activity. Well maintained areas mitigate crime, especially vandalism, and enhance pedestrian safety. A recent study has found that after landscape improvements were installed, there was a 46% decrease in crash rates across urban arterial and highway sites and a second study reviewed found a 5% to 20% reduction in mid-block crashes after trees and planters in urban arterial roads were put in place. In addition, there is less graffiti, vandalism, and littering in outdoor spaces with natural landscapes than in comparable plant-less spaces (Wolf, 2010). The Victoria Transport Policy Institute (2011) has found that streetscapes reduce traffic speeds, and when combined with improved pedestrian crossing conditions, can significantly reduce collisions. Furthermore, maintained sidewalks and trails increase pedestrian safety by reducing the number of trips and falls from those using the improvements.
- **Economic Activity:** Well-maintained street landscape improvements not only make adjacent properties appear more stable and prosperous, but can spur investment in the property. According to the FHWA, landscaped sidewalks create an inviting place for customers to shop and do business (FHWA, 2001).

Parks

Park facilities enhance the overall quality of an area and are an important component of complete and sustainable neighborhoods. Neighborhood parks offer both active and passive recreational opportunities: a place to play, exercise, spend time with neighbors, or relax. The parks within the District are developed and maintained to appeal to all age groups and interests, and promote a healthy community. Recreation and park facilities have proven to be a potent factor in maintaining a high standard of livability in the community.

- **Improved Aesthetics.** The park improvements provide beautification, shade and enhancement to properties, which creates a sense of community for the parcels within the Victoria Planned Community. The overall appeal and desirability of an area is enhanced when public parks and recreational facilities are in place, improved, operable, safe, clean and maintained. Conversely, appeal and desirability decrease when park and recreational facilities are unsafe or destroyed by the elements or vandalism.

According to The Trust for Public Land, Corporate CEOs say that employee quality of life is the third most important factor in locating new businesses (Harnik and Welle, n.d.).

- **Economic Activity:** Parks attract both businesses and residents to communities. According to The Trust for Public Land, small company owners say recreation, parks and open spaces in close proximity to properties used for business purposes are the highest priority in choosing a new location for their businesses.

As a result of the collective improvements (sidewalks, community trails, street landscaping and parks) being maintained, the overall livability for properties within the District will increase. Livability encompasses several qualities and characteristics that are unique to a specific area. The Victoria Transport Policy Institute (2011) expands on the concept of livability and the various benefits associated with that designation:

The livability of an area increases property desirability and business activity. Livability is largely affected by conditions in the public realm, places where people naturally interact with each other and their community, including streets, parks, transportation terminals and other public facilities. Livability also refers to the environmental and social quality of an area as perceived by employees, customers and visitors. This includes local environmental conditions, the quality of social interactions, opportunities for recreation and entertainment, aesthetics, and existence of unique cultural and environmental resources.

Quantification of Benefit

As a result of the District maintenance and servicing activities, there will be a level of general benefits to people that do not live in or intend to conduct business within the District. In order for property within the District to be assessed only for that portion of special benefits received from the District maintenance and servicing activities, general benefits provided by the ongoing maintenance and servicing of the improvements needs to be quantified. The amount of general benefit that is provided from the District maintenance activities cannot be funded via property owners' assessments.

The District currently consists of 5,843 single family residences, 525 condominium units, 589 multi-family (apartment) units, 51.88 acres of commercial property, 4 schools, 1 church, 1 fire station, and 56.54 acres of undeveloped property. Properties are classified by their land use code as shown on San Bernardino County's latest secured roll.

Sidewalks and Community Trails

The City is comprised of many smaller communities located throughout the City. Most of the communities have parks and schools that are proximate to and serve the residents in their immediate vicinity. There are four schools in addition to the six parks within the District. Two of the four schools have school District boundaries that are only within the Victoria Planned Community. However, two of the schools include areas outside of the District as part of their school district boundaries. The primary reason persons living outside the District would enter the District would be to access the schools. Therefore, we must consider the school district boundary areas outside of the District when analyzing the pedestrian traffic that may use the sidewalks and community trails within the District.

The Summary of Travel Trends, 2009 National Household Travel Survey (NHTS) prepared by the U.S. Department of Transportation Federal Highway Administration (FHWA, 2011) analyzed the number of person trips by various modes of transportations such as private vehicle, transit, walking or some other means of transportation. According to the Pacific Division data extracted from the 2009 NHTS database, of the annual 181,703 (in millions) total person trips, 21,252 (in millions) or 11.70% of those person trips were made by using walking as their mode of transportation (FHWA, 2011).

According to the U.S. Census Bureau (2010), the average household size in the City is 2.98 persons. Based on this average household size, and considering there are 6,957 residential units within the District, there are approximately 20,732 people residing within the District boundaries. There are an estimated 12,000 residential units within the school district boundaries that are not within the boundaries of the District. Based on the City's average household size, there are approximately 35,760 persons residing outside of the District boundaries, but within the school district boundaries. The following shows the estimated number of residential units and persons within the school district boundaries and either within or outside the District boundaries:

School District Population	Estimated Number of Residential Units	Estimated Number of Persons
Within District Boundaries	6,957	20,732
Outside District Boundaries	12,000	35,760
Total Population	18,957	56,492

In order to determine the estimated total number of persons who are within close proximity to the sidewalk and trail improvements, and would utilize walking as their mode of transportation, we applied the 11.70% of person trips reported from the NHTS Pacific Division study, to the total number of persons within District and school district boundaries (56,492). There are approximately 6,610 people within proximity of the District that utilize walking as their mode of transportation.

Applying the 2009 NHTS walking trip percentage to the District population (20,732), we estimate that of the 6,610 persons who are within close proximity of the District and use walking as their primary mode of transportation, 2,426 people are within the District boundaries. Therefore, the total surrounding neighborhood area population, located outside of the District boundaries, but in close proximity to the sidewalk and trail improvements, who use walking as their primary mode of transportation is estimated to be 4,184 people.

School District Population	Estimated Number of Persons
Within District Boundaries	2,426
Outside District Boundaries	4,184
Total Population – uses walking as primary mode of transportation	6,610

In order to obtain a better picture of the overall level of general benefit provided by the sidewalk and community trail improvements, the pedestrian traffic that utilizes walking as the mode of transportation that will seek out and use sidewalks and community trails within the District's boundaries, but live outside of the District, must be considered. The 2009 NHTS further details the purposes of the 21,252 (in millions) reported walking trips. Based on the property types

within the District, people utilizing the sidewalks and community trails within the District would most likely do so for the following reasons: walking to school, day care or religious activity, social or recreational activities, and shopping or running errands.

The following details the number of walking trips, based on the 2009 NHTS study, for each of the activities that are the most likely reasons people outside of the District would use the sidewalk and community trail improvements within the District:

Trip Purpose	Number of Walking Trips (in millions)
School/Daycare/Religious Activity	872
Shopping/Errands	5,820
Social/Recreational	2,268
Don't know/Other	139
Total	9,099

Of the total number of walking trips reported, 9,099 (in millions) or 42.81% are for purposes that persons outside of the District would utilize the sidewalk and trail improvements within the District. Applying this percentage (42.81%) to the number of people using walking as their mode of transportation and that live outside of the District (4,184), but use the sidewalks and community trails within the District, there are approximately 1,791 people using the maintained sidewalks and community trails for general benefit purposes. The persons engaging in general benefit activities represents 3.17% of the total school district population (56,492), and is therefore considered to be District general benefit.

School District boundary General Benefit	3.17%
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Given the location and nature of the improvements, it is very unlikely the public at large would seek out or use the sidewalks and trails within the District, but would use those proximate to their own properties. The City has regional trails that connect different areas of the City, and those trails do appeal to and attract other residents of the City as well as residents that live outside the City. Nevertheless, it is likely that certain members of the public at large use the sidewalks or community trails within the District. As such, we have assigned a 1.00% general benefit for the sidewalk and community trails to the public at large.

Public at large General Benefit	1.00%
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Based on the above calculations, the general benefit portion of the improved aesthetics, increased safety, and economic activity benefits resulting from the sidewalk and trail improvements is estimated to be 4.17% and the special benefit is estimated to be 95.83%.

Sidewalk and Trail General Benefit	4.17%
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Street Landscaping

Based upon the City's General Plan (2010) Roadway Hierarchy, the streets within the District are classified into one of the following categories: arterial, collector, or local (minor) streets. The majority of street landscaping is located along roads classified as collector and local streets

and primarily situated within the public right-of-ways of the internal local street network. A portion of the maintained landscaping is, however, located along the arterial streets, and, as such, provides some general benefit to pass-through traffic.

Local Streets

For purposes of determining general and special benefits, all streets within the District other than the specific streets listed as collector and arterial streets below are considered local streets. The local streets within the Victoria Planned Community were intended to serve individual neighborhoods and not to be pass-through streets, but cul-de-sacs or loop roads to reduce through traffic (Victoria Community Plan, 1980). In addition, according to the City's General Plan (2010), the primary intended purpose of local streets is to serve fronting properties.

From a visual inspection of the layout of the District one must conclude that the purpose of the local streets is exclusively intended for the benefit of the parcels on such streets. There is no local street that provides a direct or efficient means of traveling from one place to another such that one could reasonably expect a driver to purposefully choose the Victoria Planned Community's local streets as the best route for travel unless necessary because the route either began or ended with a parcel in the District. A route beginning or ending with a parcel within the District does not include the "general public" for purposes of determining general benefit.

However, one can imagine a minimal degree of pass through traffic even on something such as a cul-de-sac. As expressed by the Court in *Beutz v. County of Riverside* (2010), "... courts of this state have long recognized that virtually all public improvement projects provide general benefits."

Given the location to the schools, parks, and shopping in the City, there are bound to be drivers that make use of the local streets for no other reason but to turn around or go back from where they came, especially if they are dropping their children off at one of the schools. Additionally, given the nature of the street landscaping, one could imagine a small degree of "residential tourism" wherein drivers are in fact simply "passing through" to enjoy the beautiful views of the homes, the natural surroundings or visiting friends. A conservative estimate of 1.00% for each scenario would result in the general benefit portion of the improved aesthetics, increase safety, and economic activity benefits resulting from the street landscaping improvements on local streets to be 2.00% and the special benefit is estimated to be 98.00%.

Local Street General Benefit	2.00%
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Collector Streets: Victoria Park, Etiwanda, Highland and Church

Because of the similarities in use, layout, type, and designation, the benefits of Victoria Park, Etiwanda, Highland and Church are considered to be equal. Etiwanda, Highland and Church border the District and are used as the main access to and from properties within the District. Victoria Park serves as the main access point to each of the four schools and is the connector street running through the District. Victoria Park, Etiwanda, Highland and Church connect the various neighborhoods, schools and parks within the District in addition to providing circulation between the local streets and the arterial network. As such, we must also consider the neighborhoods that surround the District and are within the school district boundaries, but not within the actual District when analyzing vehicle traffic that may use the streets within the District. The City's Traffic Study (2009) does not include the traffic volume and number of daily trips on the connector streets within the District. As such a study is unavailable at this time we

have use the NHTS Pacific Division data in order to estimate the number of drivers who use the streets within the District.

According to the Pacific Division data extracted from the NHTS database, of the annual 181,703 (in millions) total person trips, 152,827 (in millions) or 84.11% of those trips were made using a personal motor vehicle (FHWA, 2011). According to the 2001 National Household Travel Survey, household file, U.S. Department of Transportation (2001), the mean drivers per household is 1.75. Based on the drivers per household average, and considering the 6,957 households within the District, there are approximately 12,175 drivers within the District. There are an estimated 12,000 residential units within the school district boundaries that are not within the boundaries of the District. Based on the drivers per household average, there are approximately 21,000 additional drivers that reside outside of the District boundaries, but are in close proximity to the District.

School District Population	Estimated Number of Residential Units	Estimated Number of Drivers
Within District Boundaries	6,957	12,175
Outside District Boundaries	12,000	21,000
Total	18,957	33,175

Applying the percentage of vehicle trips (84.11%) reported from the NHTS Pacific Division study to the District and school district boundaries area outside of the District population sets (33,175), approximately 27,903 people are within proximity of the District that utilize a private vehicle as their primary mode of transportation. Applying the 2009 NHTS vehicle trip percentage to the estimated number of drivers within the District (12,175) approximately 10,240 people within the District boundaries use a personal vehicle as their primary mode of transportation. Therefore, the total surrounding neighborhood area population, located outside of the District boundaries, that uses a vehicle as their mode of transportation is estimated to be 17,663 people.

School District Population	Estimated Number of Persons
Within District Boundaries	10,240
Outside District Boundaries	17,663
Total Population – uses personal vehicle as primary mode of transportation	27,903

In order to obtain a better picture of the overall level of general benefit provided by the improvements, the vehicle traffic that will seek out and use the collector streets to access parcel’s within the District, but live outside of the District, must be considered. The 2009 NHTS further details the purposes of the 152,827 (in millions) reported vehicle trips. Based on the property types within the District, people utilizing the collector streets to access properties within the District would most likely do so for the following reasons: attend school, day care or religious activity, social or recreational activities, and to shop or run errands.

The following details the number of vehicle trips for each of the activities that are the most likely reasons people outside of the District would use the collector streets to access properties within the District:

Trip Purpose	Number of Vehicle Trips (in millions)
School/Daycare/Religious Activity	6,470
Shopping/Errands	30,998
Social/Recreational	16,185
Don't know/Other	688
Total	54,341

Of the total number of vehicle trips reported, 54,341 (in millions) or 35.56% are for purposes that persons outside of the District would most likely utilize the collector streets within the District. Applying this percentage to the number of people using vehicles as their primary mode of transportation and live outside of the District (17,663), but would use Victoria Park, Etiwanda, Highland or Church as a connector to their destination within the District, there are approximately 6,281 people using the maintained streets for general benefit purposes. The persons engaging in general benefit activities represents 18.93% of the total estimated drivers (33,175), and is therefore considered to be District general benefit.

As previously mentioned, the local street special benefit has been estimated at 98.00% and, as such, the estimated minimum special benefit of Victoria Park, Etiwanda, Highland and Church should be reduced by 2.00% to account for that portion of traffic using local streets representing general benefit.

Based on the above calculations, the general benefit portion of the improved aesthetics, increased safety, and economic activity benefits resulting from the street landscaping improvements on collector streets is estimated to be 20.93% and the special benefit is estimated to be 79.07%.

Collector Street General Benefit	20.93%
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Arterial Streets: Milliken, Base Line, Day Creek and Rochester

Arterial streets are intended to provide a higher degree of mobility and generally serve longer vehicle trips. The arterial streets with landscape improvements serve not only residents in the immediate vicinity, but persons who live outside of the District and are passing by. The City's Traffic Study (2009) does not identify the percentage of traffic on arterial streets, which is pass-through traffic.

Before we determine and allocate the percentage of special and general benefit for the arterial streets, we must first compute the estimated pass-through traffic. In lieu of having a study that identifies the pass-through traffic on the arterial streets, the estimated number of special benefit trips on the collector streets has been used since in order to enter or exit the District, a vehicle must travel on one of the arterial streets listed below. Per the City's General Plan (2010), collector streets have an estimated 5,000 to 20,000 vehicles per day, for an average of 12,500. Taking the 12,500 average daily trips for collector streets, 2,616 trips (20.93%) are for general benefit purposes, and 9,884 trips (79.07%), is deemed to be for special benefit purposes.

	Estimated Number of Trips
Collector Street Special Benefit – 79.07%	9,884
Collector Street General Benefit – 20.93% ¹	2,616
Total	12,500

(1) The 20.93% general benefit percentage already includes the 2.00% general benefit to account for the portion of traffic using for local streets.

The City's Traffic Study (2009) does provide an estimated number of daily trips for specific areas within the District. When the City's Traffic Study (2009) did not provide the estimated number of daily trips the average number was derived from the estimates provided in the City's General Plan.

Street Name	Average Number of Vehicles per Day ¹
Milliken	30,400
Base Line	19,140
Day Creek	25,000
Rochester	12,500

(1) Average Number of Vehicles per Day is from the City's Traffic Study for Milliken Ave and Base Line, (average based on City's Traffic Study at points of street within the District), and from the City's General Plan for Day Creek Blvd and Rochester Ave.

Based on the estimated number of 9,884 trips for special benefit purposes, we then reduce the average number of vehicles for each arterial street, to calculate our estimated pass-through trips. The pass-through trips are vehicles driving along the maintained streets within the District for a portion of their trips, but not residing in the District or benefiting from the landscaping improvements in place.

Street Name	Average Number of Vehicles per Day	Less: Estimated Special Benefit Trips	Estimated Number of Pass Through Trips	Estimated % General Benefit
Milliken	30,400	9,884	20,516	67.49%
Base Line	19,140	9,884	9,256	48.36%
Day Creek	25,000	9,884	15,116	60.47%
Rochester	12,500	9,884	2,616	20.93%

Although Rochester is listed as an arterial, the City's General Plan (2010) Roadway Hierarchy includes this street as a Tertiary Travel Corridor, which categorizes the street as more locally oriented and locally travelled. In addition, the Roadway Hierarchy says that the typical number of vehicles per day is between 10,000 and 15,000 (average 12,500). Etiwanda Avenue and Church are also included in the category, and as such, the general benefit trip percentage is close to the same as for the collector streets.

As previously mentioned, the estimated minimum special benefit of Milliken, Base Line, Day Creek and Rochester have already been reduced by 2% to account for that portion of traffic using local streets representing general benefit.

Street Landscaping General Benefit Percentage

The general benefit percentages determined in the previous sections were then applied to each type of road in the District. The area in square feet of landscaping being maintained in the District was determined by the City's Public Works Department. The general benefit percentage

for each road and street type was multiplied by the total square footage being maintained for such street. The general benefit square footage was summed for all street segments and divided into the total square footage of all landscaping maintenance. The result is the overall general benefit percentage. The following table details this calculation.

Street Name	Street Type(1)	Total Square Footage	General Benefit Percentage	General Benefit Square Footage
Milliken	Arterial	265,926	67.49%	179,473
Base Line	Arterial	367,018	48.36%	177,490
Day Creek	Arterial	263,062	60.47%	159,074
Rochester	Arterial	175,573	20.93%	36,747
Church	Collector	181,344	20.93%	37,955
Etiwanda	Collector	10,358	20.93%	2,168
Highland	Collector	290,275	20.93%	60,755
Victoria Park	Collector	1,348,966	20.93%	282,339
Local/Minor Streets	Local/Minor Streets	2,912,709	2.00%	58,254
Totals:				994,255

Street Landscaping General Benefit	17.10%
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Based on the above calculations, the general benefit portion of the improved aesthetics, increased safety, and economic activity benefits resulting from the street landscaping improvements is estimated to be 17.10% and the special benefit is estimated to be 82.90%.

Neighborhood Parks

The six parks within the District were installed specifically for the residents of the Victoria Planned Community. Each of the parks is considered to be a neighborhood park, intended to serve those parcels within a one-half mile radius from the park. All parcels within the District are within a one-half mile from one of the six neighborhood parks, and most parcels outside of the Victoria Planned Community have their own neighborhood parks within close proximity. Even though the park facilities were installed for the benefit of the residents and those working within the District, there will be some general benefit to those people who do not live or conduct business inside the District.

There are 43.10 acres of park land within the District. According to the Trip Generation (2003) report, a City park generates an average of 1.59 trips per acre, with a range of rates between 1.04 – 8.00 (arithmetic mean is 4.52). Considering the mean rate per acre (4.52 trips), there are approximately 195 daily trips generated for parks within the District. According to the 2009 NHTS database, the average number of persons per vehicle is estimated to be 1.61 persons. Therefore, based on the 195 daily park trips generated, 314 people are using the parks within the District.

There is a standard of one-half mile as a reasonable distance to walk to a park (California DOT, 1979). There are 6,957 households within the District, and an additional 1,834 households that are within a one-half mile and have direct access to the parks, but whose properties are not within the boundaries of the District.

One-Half Mile Park Population	Estimated Number of Residential Units	Percentage
Within District Boundaries	6,957	79.14%
Outside District Boundaries	1,834	20.86%
Total Population	8,791	100.00%

To allocate the average of park trips generated and people using the parks within the District, we allocate the 314 estimated people using the parks daily by the percentages shown above. Based on the one-half mile radius population, approximately 66 people may use the parks within the District, but living outside of the boundaries of the District.

One-Half Mile Park Population	Estimated Number of People Using Parks Daily
Within District Boundaries	248
Outside District Boundaries	66
Total Population	314

A factor that has been considered is that most of the people living within the one-half mile radius from the parks within the District also live within a closer distance to other parks that are not within the District, and will most likely use the parks that are closer in proximity to their property. However, in calculating the general benefit usage we recognize that those people may still use the District parks.

Taking the 66 persons using the parks within the District, but residing outside of the District, divided by the total population residing outside of the District, but within one-half mile from the parks (1,834), the estimated percentage of persons engaging in general benefit park activities that do not reside within the District represents 3.60%.

One-Half Mile Boundary General Benefit	3.60%
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Given the location and size of the parks, it is very unlikely the public at large would seek out or use these smaller, local parks. Especially, when the City has larger community and regional parks that are intended to attract people from outside areas, and provide recreational opportunities beyond those supplied by the neighborhood parks. However, various sports teams are allowed access to the parks for games even though according to the City, sports teams with members residing within the District are given first priority for use of the parks. Nevertheless, it is likely that certain members of the public at large may use the smaller parks, and as such, we have assigned a 1.00% general benefit for the park improvements to the public at large.

Public at large General Benefit	1.00%
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Based on the above calculations, the general benefit portion of the improved aesthetics and economic activity benefits resulting from the park improvements is estimated to be 4.60% and the special benefit is estimated to be 95.40%.

Park General Benefit	4.60%
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Collective General Benefit

Since the District is comprised of improved aesthetics, increased safety and economic activity benefits resulting from a blend of improvements (sidewalks, trails, street landscaping and parks), the activity of both pedestrians and vehicles must be addressed in a collective form rather than independently. Therefore, the arithmetic mean of the general benefit percentages has been used to quantify the overall level of general benefit for the District. This general benefit result is provided in the table below:

Sidewalk and Trail General Benefit	4.17%
Street Landscaping General Benefit	17.10%
Park General Benefit	4.60%
District General Benefit	8.62%

The general benefit, which is the percentage of the total budget that must be funded through sources other than assessments, is 8.62%. The special benefit then, which is the percentage of the budget that may be funded by assessments, is 91.38%.

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act, Article XIII D of the California Constitution, and the Proposition 218 Omnibus Implementation Act, all parcels that receive a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. Part 2 of Division 15 of the Streets and Highways Code, the Landscaping and Lighting Act of 1972, permits the establishment of assessment districts by local agencies for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the Landscape and Lighting Act of 1972 requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements."

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act

of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Examples of parcels exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and right-of-ways, public greenbelts and public parkways. Furthermore, Proposition 218 requires the City to separate general benefits from special benefits, whereas only special benefits may be assessed.

As further detailed in the following sections, the Method of Assessment uses the following components to assign special benefit to each parcel:

- **Benefit Points:** Assignment of points for aesthetic, safety and economic special benefits.
- **Benefit Factor:** Multiplier. For residential parcels the benefit factor is units, and for non-residential parcels the benefit factor is lot size (acreage).
- **Benefit Units:** Sum of a parcel's benefit points multiplied by the parcel's benefit factor. The total amount is the special benefit units assigned to a parcel.

Apportioning of Special Benefit

As previously outlined, each of the parcels within the District receives a special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements and services provided is identified and the proportionate special benefits derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

The total costs of maintenance and operation, less the amount of general benefits identified, will be assessed to the parcels within the District based on the estimated benefit units assigned to each parcel. To assess special benefits appropriately, it is necessary to relate parcels of different land uses and development status to each other. The benefit unit method of apportionment uses the single family home as the basic unit of assessment since there is a total of 5,843 single family parcels within the District which represents 90.96% of the total assessable parcels within the District. The following shows how each parcel's benefit units have been determined.

Aesthetic Benefit Points

Aesthetic Benefit Points are assigned based upon the property's proximity to the improvements as well as the property's existing land use. All Single Family Residential parcels are located within the same proximity to the collective improvements (sidewalks, community trails, street

landscaping and one-half mile from one of the parks). Each Single Family Residential parcel is fronted by sidewalk improvements, is within a one-half mile from one of the neighborhood parks, and uses the roads with street landscaping to enter and exit the Victoria Planned Community. In addition, the community trails are located throughout the District and serve as connectors between the different neighborhoods, school and shopping locations. All properties are within similar proximity to the trail improvements. Many trails are located along the sidewalks and streets, and all properties within the District have access to the trails through the various access points located throughout the entire District. The Single Family Residential parcels within the District are relatively similar in both building size and lot size. Since the improvements are provided uniformly throughout the District, Single Family Residential parcels are assigned 4.00 aesthetic benefit points, one for each of the improvement types.

Multi-Family and Condominium parcels are within close proximity to the sidewalks, and receive the benefit of having maintained sidewalks for users to travel and access the property. Although these parcels benefit from the aesthetics of the sidewalks they do not receive the same benefit as Single Family Residential parcels, since Multi-Family and Condominium parcels do not have continuous sidewalk improvements along the frontage of each parcel/unit. Multi-Family and Condominium parcels are within a one-half mile of the neighborhood parks, use the roads with street landscaping to enter and exit their housing complexes within the District, and are in close proximity to the trail improvements. Accounting for the lower average household size of Multi-Family and Condominium parcels, and not having continuous sidewalk improvements directly fronting their property/unit, these properties have a reduced level of benefit from the improvements. Multi-Family and Condominium parcels are assigned 2.80 benefit points.

Maintained sidewalks and street landscaping create an aesthetically pleasing environment for both employees and patrons of commercial properties. The overall aesthetics, interest and desirability of commercial properties within the District increase, as a result of the maintenance and servicing of the collective improvements. Based on the City's Land Use Plan and residential designations of homes within the District, there is an average of six Single Family Residential properties per acre within the District (General Plan, 2010). However, given the nature of their property use type, Commercial properties do not receive the same level of benefit from the trail and park improvements in relationship to residential land uses. Commercial properties are assigned 16.00 benefit points.

A handful of parcels within the District are used to provide public services (such as fire stations, schools, churches and other similar uses) to the surrounding community, and are located based upon their proximity to the parcels they serve. These parcels benefit from the collective improvements in place, but at a reduced level compared to a Single Family Residential parcel, due to the nature of the improvements and their land use. In addition, these public service parcels are in place for the surrounding community, and the existence of well-maintained parks, street landscaping and community trails is not a significant factor in the decision to locate those facilities. Given the nature of their property use types, these public service parcels are assigned a 1.00 benefit points in recognition of the limited benefit they receive from the improvements maintained by the District.

Undeveloped parcels within the District receive an aesthetic benefit from the maintenance of the collective improvements, but given the very limited activity and pedestrian access that these properties provide, properties within this land use category receive a reduced level of benefit. To account for this reduced benefit, all undeveloped properties are assigned 0.40 benefit points.

Common area, roads and easements are deemed to receive no benefit from the District maintenance activities because they serve as connectors for other properties and do not receive benefit from the increased aesthetics. Utility parcels are located based on their proximity to the parcels they serve, and based upon their property usage (wireless towers, flood control basins and fire trail/access roads) do not benefit from the increased aesthetics.

The following shows the aesthetic benefit points assigned to the parcel land use categories within the District:

Parcel Land Use Category	Aesthetic Benefit Points
Single Family Residential	4.00
Condominium Residential	2.80
Multi-Family Residential	2.80
Commercial/Industrial	16.00
Public Service Parcels – Church/Fire Station/School	1.00
Undeveloped	0.40
Common Area/Roads/Easements/Utility	0.00

Safety Benefit Points

Safety Benefit Points are assigned based upon the property’s proximity to the improvements as well as the property’s existing land use. The Single Family Residential parcels within the District are relatively similar in both building size and lot size. Since the sidewalks, trails and street landscaping improvements are provided uniformly throughout the District, Single Family Residential parcels are assigned 3.00 safety benefit points, one for each of the improvement types. Based on the additional pedestrian traffic that commercial property generates compared to residential property, and that there is an average of six Single Family Residential Properties per acre within the District, Commercial parcels are assigned 18.00 benefit points.

Multi-Family and Condominium parcels are within close proximity to the sidewalks, and receive the benefit of having maintained sidewalks, trails and street landscaping for users to travel and access the property. Multi-Family and Condominium parcels receive a reduced level of benefit from the safety of the sidewalks as they do not receive the same benefit as parcels that have continuous sidewalk improvements along the entire frontage of their parcel/unit. In addition, Multi-Family and Condominium parcels have a lower average household size, which results in a reduced volume of pedestrian traffic on the sidewalks and trails compared to a Single Family Residential parcel. Multi-Family and Condominium parcels are assigned 2.10 benefit points.

A handful of parcels within the District are used to provide public services (such as fire stations, schools, churches and other similar uses) to the surrounding community, and are located based upon their proximity to the parcels they serve. However, based on the nature and location of the sidewalk and street landscaping improvements and public access to these properties, these parcels receive a safety benefit from the maintenance of the improvements. These public service parcels are assigned 2.00 benefit points in recognition of the benefit they receive.

Well maintained green areas reduce the occurrence of crime and vandalism, and as such the maintenance of the improvements within the District create a safety benefit for the undeveloped parcels within the District. However, the safety benefit is reduced compared to a Single Family

Residential parcels due to the very limited activity and pedestrian access that these properties provide. Undeveloped properties are assigned 0.30 benefit points.

Common area, roads and easements are deemed to receive no benefit from the District maintenance activities because they serve as connectors for other properties and do not receive benefit from the increased aesthetics. Utility parcels are located based on their proximity to the parcels they serve, and given the nature of the property usage ((wireless towers, flood control basins and fire trail/access roads) do not benefit from the increased safety.

The following shows the safety benefit points assigned to the parcel land use categories within the District:

Parcel Land Use Category	Safety Benefit Points
Single Family Residential	3.00
Condominium Residential	2.10
Multi-Family Residential	2.10
Commercial/Industrial	18.00
Public Service Parcels – Church/Fire Station/School	2.00
Undeveloped	0.30
Common Area/Roads/Easements/Utility	0.00

Economic Benefit Points

Accounting for the existing economic activity throughout the District, as well as the potential for properties to develop, redevelop and invest in their economic presence, properties within the District are assigned benefit points for the economic activity benefits received from the uniform and maintained improvements. Economic activity benefit points are assigned based upon the property's location to the District activities, as well as the property's existing land use. The District's improvements will allow properties to maximize their development, land use and occupancy rates. Residential land uses are assigned benefit points in proportion to the number of trips generated and average number of occupants per dwelling unit in comparison to the typical single family parcel. Single Family Residential parcels are assigned 4.00 benefit points, one for each of the improvement types. Studies have consistently shown that the average multi-family residential unit impacts infrastructure approximately 80% as much as a single family residence. Condominium parcels are assigned 3.20 benefit points since the number of trips generated per condominium unit is approximately 80% of the typical single family residential units (Trip Generation, 2003). Multi-family residential parcels are assigned 2.40 benefit points per dwelling unit since the number of trips generated per multi-family residential unit, per the City's Traffic Study (2009), are 60% of the typical single family residential unit.

To recognize the increase in economic activity and additional pedestrian traffic that non-residential properties generate compared to residential property, non-residential Commercial properties are assigned benefit points based on the average trip generations of non-residential property compared to a Single Family Residential property. Based on the City's Traffic Study (2009), and given that the non-residential parcels within the District are of mixed uses, the trip generation rate for non-residential parcels averages just under 320 trips per acre, which is approximately 5.6 times per acre that of a single family residential development. The trip generation rate is reduced to account for pass-through trips which are estimated to be 20%.

Therefore, the economic benefit points assigned Commercial parcels is 4.50 per one residential benefit point. Commercial properties are assigned a total of 18.00 economic benefit points.

The public services parcels and utility parcels within the District are used to provide services to the surrounding community, and are located based upon their proximity to the parcels they serve. These parcels receive no economic benefit from the collective improvements in place. Therefore, they are not assigned benefit points for economic activities.

The availability of well-maintained sidewalk, landscaping and park improvements within the local community enhances the ability of owners of undeveloped parcels of land to develop those parcels, as studies have shown that there is an increase in demand for residents and businesses to locate within communities with well-maintained sidewalk, landscaping and park improvements. However, since undeveloped parcels generate fewer trips and given the limited activity these properties provide, they receive a reduced economic benefit from the maintenance of the collective improvements. To account for this reduced benefit, but still recognize development potential, all undeveloped properties are assigned 1.50 benefit points.

Common areas and roads are deemed to receive no benefit from the District maintenance activities because they serve as connectors for other properties and do not receive an economic benefit.

The following shows the economic benefit points assigned to the parcel land use categories within the District:

Parcel Land Use Category	Economic Benefit Points
Single Family Residential	4.00
Condominium Residential	3.20
Multi-Family Residential	2.80
Commercial/Industrial	18.00
Public Service Parcels – Church/Fire Station/School	0.00
Undeveloped	1.50
Common Area/Roads/Utility	0.00

Total Special Benefit Points Calculation

The formula below shows the total special benefit points calculation for each parcel within the District:

$$\begin{array}{ccccccc}
 \text{Parcel's Total} & & \text{Parcel's} & & \text{Parcel's} & & \text{Parcel's} \\
 \text{Special Benefit} & = & \text{Aesthetic} & + & \text{Safety} & + & \text{Economic} \\
 \text{Points} & & \text{Benefit Points} & & \text{Benefit Points} & & \text{Benefit Points}
 \end{array}$$

Parcel Factors

The method of apportioning the benefit to the parcels within the District reflects the proportional special benefit assigned to each property within the District based upon various property characteristics of parcels as compared to other properties within the District. By adjusting the assigned special benefit points set forth above by parcel factors, a more complete picture of the proportional special benefits received by each parcel within the District is presented. Given that

the special benefits provided by the District focus on aesthetic benefit, safety benefit, and economic activity benefits, it was determined that lot size (acreage) for non-residential parcels and units for residential parcels were the most appropriate parcel factors. The number of units for non-residential parcels would not accurately reflect the amount of development and redevelopment that may occur. In addition, a larger parcel allows for a greater area to develop and redevelop than smaller parcels, which corresponds to larger parcels receiving proportionately greater aesthetic, safety and economic activity benefits when compared to smaller parcels within the District. Therefore, the benefits assigned for each parcel in the District is in direct proportion to the size of the parcel and potential development of the parcel. Residential parcels are limited by the number of units on the parcel more than the actual lot size. However, the greater the lot size, the more units can be placed on a parcel, and the more persons who use and benefits from the collective improvements. Therefore the benefits assigned for each parcel in the District is in direct proportion to the units assigned to that parcel. The formula below shows the parcel factor calculation for each parcel within the District:

$$\begin{aligned} \text{Residential Parcel Factor} &= \text{Units} \\ \text{Non-Residential Parcel Factor} &= \text{Acreage} \end{aligned}$$

Total Benefit Units per Parcel Calculation

To appropriately quantify and assign the total benefit units for each parcel within the District, the total special benefit points are further adjusted according to the formula below:

$$\text{Parcel's Total Benefit Units} = \frac{\text{Parcel's Total Special Benefit Points}}{\text{Parcel Factor}} \times \text{Parcel Factor}$$

Total Special Benefit Units

The total special benefit units for the District at this time are 76,283.95.

Data Considerations and Parcel Changes

The use of the latest Assessor's Secured Roll information has been and shall be used in the future as the basis in determining each parcel's land use category, units and lot size (acreage), unless better data was or is available to the City. In addition, if any parcel within the District is identified by the Auditor/Controller to be an invalid parcel number, the land use category, units and lot size (acreage) of the subsequent valid parcels shall serve as the basis in assigning parcel factor special benefit units. If a single parcel changes to multiple parcels, the special benefit units shall be recalculated based on the property type, number of units and acreage data for the new parcels, rather than each new parcel receiving a proportionate share of the original assessment.

Special Considerations: Publicly Owned Parcels

Any publicly owned parcels that benefit from the improvements cannot be exempt from the assessment. The special benefits accruing to these types of parcels must be determined using the same kind of formulas and benefit point assignment as applied to privately owned parcels. This requirement is clearly conveyed in Article XIII D, Section 4(a) of the California Constitution

which states in part, "... *Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Publically owned parcels are categorized and assigned benefit units using the same methodology as privately owned parcels, based on their land use as shown on the latest County Secured Roll.

Rate per Benefit Unit

The assessment rate per special benefit unit is calculated by dividing the total cost estimate to be assessed by the total special benefit units assigned to the parcels in the District. The following formula provides the assessment rate per special benefit unit calculation:

$$\text{Rate per Benefit Unit} = \frac{\text{Total Costs to be Assessed}}{\text{District's Total Benefit Units}}$$

Method of Assessment Spread

The method of assessment is based upon a formula that assigns the special benefits to each parcel, with special benefit points being adjusted by the parcel's number of units or lot size (acreage). The formula below provides a summary of the annual assessment calculation for each parcel in the District.

$$\begin{aligned} & \text{(A) Parcel's Total Benefit Units} = \text{(B) Parcel's Total Special Benefit Points} \times \text{(C) Parcel Factor} \\ & \text{(B) Parcel's Total Special Benefit Points} = \text{Parcel's Aesthetic Benefit Points} + \text{Parcel's Safety Benefit Points} + \text{Parcel's Economic Benefit Points} \\ & \text{(C) Parcel Factor} \begin{cases} \text{Residential Parcel Factor} = \text{Units} \\ \text{Non-Residential Parcel Factor} = \text{Acreage} \end{cases} \end{aligned}$$

Applying the Method of Assessment Spread

The maximum assessment for each parcel in the District is calculated by the following procedure:

- Step 1:** Assign each parcel its appropriate land use category based on the most recent San Bernardino County Assessor's Secured Roll data.

Step 2: Determine each parcel's appropriate aesthetic benefit points based on land use. The aesthetic benefit points are shown in the following table:

Parcel Land Use Category	Aesthetic Benefit Points
Single Family Residential	4.00
Condominium Residential	2.80
Multi-Family Residential	2.80
Commercial/Industrial	16.00
Public Service Parcels – Church/Fire Station/School	1.00
Undeveloped	0.40
Common Area/Roads/Easements/Utility	0.00

Step 3: Determine each parcel's appropriate safety benefit points based on land use. The safety benefit points are shown in the following table:

Parcel Land Use Category	Safety Benefit Points
Single Family Residential	3.00
Condominium Residential	2.10
Multi-Family Residential	2.10
Commercial/Industrial	18.00
Public Service Parcels – Church/Fire Station/School	2.00
Undeveloped	0.30
Common Area/Roads/Easements/Utility	0.00

Step 4: Determine each parcel's appropriate economic benefit points based on land use. The economic benefit points are shown in the following table:

Parcel Land Use Category	Economic Benefit Points
Single Family Residential	4.00
Condominium Residential	3.20
Multi-Family Residential	2.80
Commercial/Industrial	18.00
Public Service Parcels – Church/Fire Station/School	0.00
Undeveloped	1.50
Common Area/Roads/Utility	0.00

Step 5: Sum the aesthetic benefit points, safety benefit points and economic benefit points for each parcel. The total benefit points are shown in the following table:

Parcel Land Use Category	Aesthetic Benefit Points	Safety Benefit Points	Economic Benefit Points	Total Benefit Points
Single Family Residential	4.00	3.00	4.00	11.00
Condominium Residential	2.80	2.10	3.20	8.10
Multi-Family Residential	2.80	2.10	2.80	7.70
Commercial/Industrial	16.00	18.00	18.00	52.00
Public Service Parcels – Church/Fire Station/School	1.00	2.00	0.00	3.00
Undeveloped	0.40	0.30	1.50	2.20
Common Area/Roads/Easements/Utility	0.00	0.00	0.00	0.00

Step 6: Determine the appropriate parcel factor based on the parcel’s land use. The unit of measurement for each parcel factor, by land use, is shown in the following table:

Residential Parcel Factor	=	Units
Non-Residential Parcel Factor	=	Acreage

Step 7: Multiply the total benefit points by parcel factor to compute each parcel's total special benefit units.

Step 8: Sum the result of Step 7 for all parcels in the District.

Step 9: Separate the general benefit from the special benefit, and divide the portion of the budget representing special benefit by the result of Step 8 to compute the rate per benefit unit.

Step 10: Multiply each parcel’s total benefit units by the result of Step 9 to compute each parcel’s assessment.

Step 11: In future years the rate per benefit unit may be adjusted by inflation.

Proposed Maximum Assessment Rates

The 2016/17 maximum allowable assessment rate is calculated by dividing the net total to be assessed by the total special benefit units assigned to parcels in the District based on property type, unit and acreage data. For Fiscal Year 2016/17, the calculation is as follows:

$$\begin{array}{rcl}
 \text{Maximum Assessment} & = & \text{Special Benefit} \\
 \text{per Benefit Unit} & & \text{to be Assessed} \quad / \quad \text{District's Total} \\
 & & \text{Benefit Units} \\
 \\
 \$43.29 & = & \$3,302,186.71 \quad / \quad 76,283.95
 \end{array}$$

The following table summarizes the Fiscal Year 2016/17 and historical maximum allowable assessment rates for the District, by land use category:

Fiscal Year	Maximum Assessment per EBU	Actual Assessment per EBU
2013/14	\$42.01	\$42.00
2014/15	42.23	42.00
2015/16	42.28	42.28
2016/17	43.29	43.29

Parcel Land Use Category	Total Benefit Points	Parcel Factor	Maximum Allowable Assessment for FY 2016/17
Single Family Residential	11.00	Unit	\$476.19
Condominium Residential	8.10	Unit	350.65
Multi-Family Residential	7.70	Unit	333.33
Commercial/Industrial	52.00	Acre	2,251.08
Public Service Parcels – Church/ Fire Station/ School	3.00	Acre	129.87
Undeveloped	2.20	Acre	95.24
Common Area/ Roads/ Easements/ Utility	0.00	Parcel	0.00

Cost of Living Inflator

Each fiscal year, beginning Fiscal Year 2014/15, the maximum allowable assessment amount may be increased by the lesser of 3% or the percentage change in the year ending February preceding the start of the Fiscal Year of the Consumer Price Index for all Urban Consumers (CPI-U), for the Los Angeles-Riverside-Orange County area. If for any reason the percentage

change is negative, the maximum allowable assessment would not be decreased by reason of such negative percentage change and would remain at the amount as computed on the previous fiscal year regardless of any CPI-U adjustment. If operating costs are such that the maximum assessment amount is not needed, the City would levy only what is needed for that fiscal year.

The actual assessment rate for Fiscal Year 2016/17 will increase from \$464.97 to \$476.19 per single-family residence, a rate increase of 2.41% as compared to Fiscal Year 2015/16. The proposed Fiscal Year 2016/17 rates are equal to or less than the maximum allowable assessment amount authorized by Proposition 218.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.

ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type	Total Units/ Acres	Total EBUs	Actual Assessment Rate for FY 2016/17	Actual Assessment for 2016/17
Single Family Residential	64,449.00	5,859.00	\$476.19 per unit	\$2,789,938.62
Condominium Residential	4,795.20	592.00	\$350.65 per unit	207,454.56
Multi-Family Residential	4,535.30	589.00	\$333.33 per unit	196,375.84
Commercial/ Industrial	2,200.90	42.33	\$2,251.08 per acre or portion thereof	95,288.05
Public Service Parcels – Church/Fire Station/ School	210.82	70.27	\$129.87 per acre or portion thereof	9,118.10
Undeveloped	92.73	42.15	\$95.24 per acre or portion thereof	4,011.54
Common Area, Roads, Easements, Utility Parcels	0.00	0.00	\$0.00 per parcel	0.00
Total	76,283.95	7,194.75		\$3,302,186.71

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no annexations for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 3A
(Hyssop)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 3A
(HYSSOP)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor

Sam Spagnolo, Mayor Pro Tem

William Alexander, Council Member

Lynne B. Kennedy, Council Member

Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager

Linda D. Daniels, Assistant City Manager

Lori E. Sassoon, Deputy City Manager/Administrative Services

Jason C. Welday, Director of Engineering Services/City Engineer

William Wittkopf, Public Works Director

Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July 6, 2016 the City Council of Rancho Cucamonga (the “City”), under the Landscape and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 3A (Hyssop Maintenance District) (the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Operations and Maintenance	\$ 6,750
Total Expenditures Budget	<u>\$ 6,750</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 3,670
Subtotal - Taxes	3,670
Other Revenues	480
Total Revenues Budget	<u>\$ 4,150</u>
Contribution to/(Use of) Fund Balance	<u>\$ (2,600)</u>
Total District EBU Count	9.00
Actual Assessment per EBU	\$ 413.74
Maximum Allowable Assessment per EBU	\$ 413.74

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.

2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;

 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and

 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area of the City South and East of Hyssop south of 6th.

Reference is also made to the Assessment Diagram included in this Report.

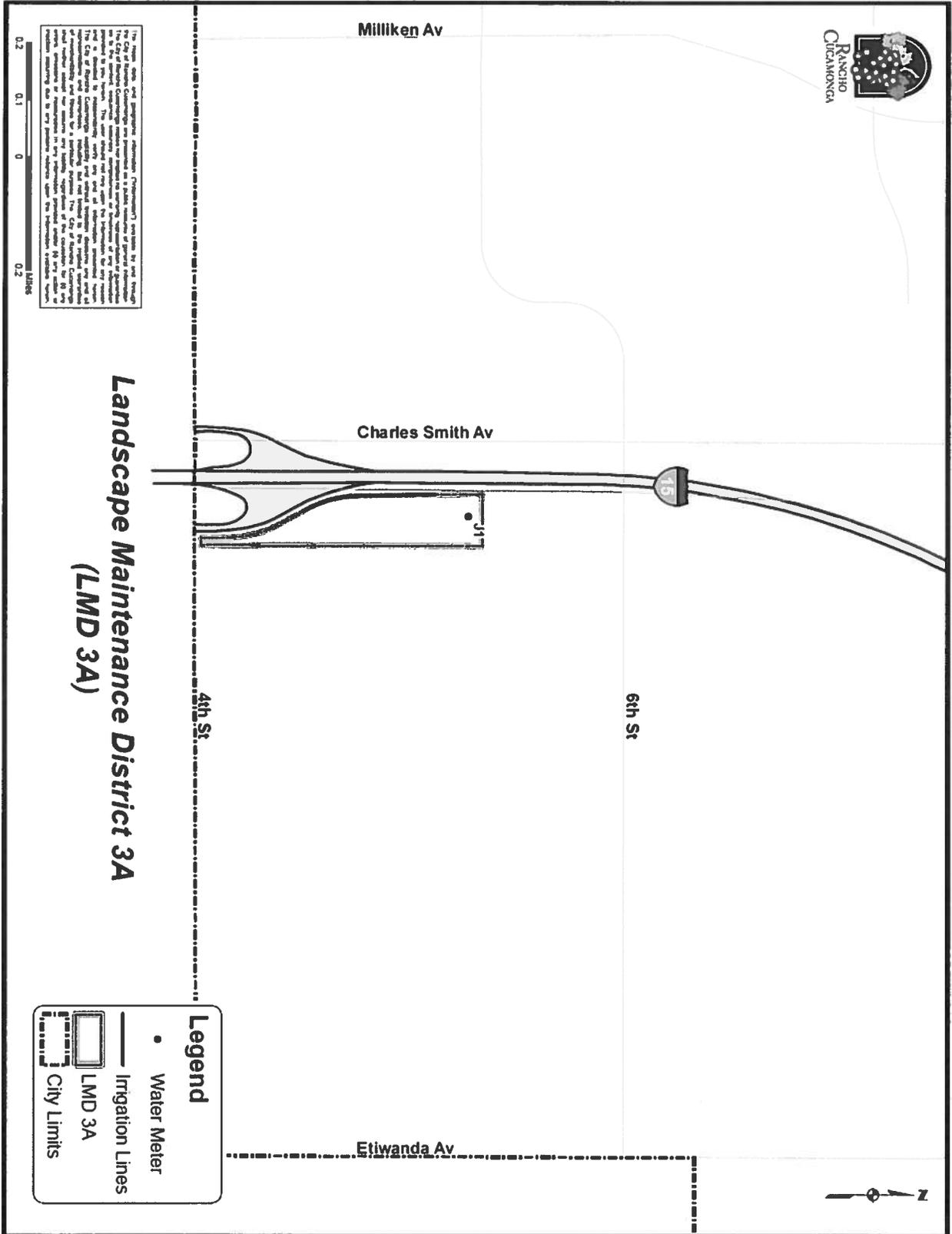
Description of Improvements and Services

The improvements maintained by the District include the trees, landscaped sites and appurtenant facilities that are throughout the District. These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

<u>Site #</u>	<u>Descriptive Location</u>
J-1	The west side of Hyssop from south of 6th to the south end of the cul-de-sac. Ground Cover area: 6,050 square feet

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Operations and Maintenance:	
Operations and Maintenance:	
O &M/General	\$ 500
Subtotal - Operations and Maintenance	<u>500</u>
Contract Services:	
Contract Services/General	3,670
Subtotal - Contract Services	<u>3,670</u>
Utilities:	
Water Utilities	1,000
Electric Utilities	890
Subtotal - Utilities	<u>1,890</u>
Assessment Administration	50
Admin./General Overhead	640
Subtotal - Operations and Maintenance	<u><u>6,750</u></u>
Total Expenditures Budget	<u><u>\$ 6,750</u></u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 3,670
Subtotal - Taxes	<u>3,670</u>
Other Revenues:	
Interest Earnings	480
Subtotal - Other Revenues:	<u>480</u>
Total Revenues Budget	<u><u>\$ 4,150</u></u>
Contribution to/(Use of) Fund Balance	<u><u>\$ (2,600)</u></u>
Total Gross Estimated Assessments	\$ 3,723.66
Total District EBU Count	9.00
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 413.74
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 413.74

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however, it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 38,482
Use of Reserve - Fiscal Year 2016/17	<u>(2,600)</u>
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 35,882</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the

assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the District and include paseos, street trees, landscaped areas and appurtenant facilities that are located throughout the District and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the District which provides ingress and egress for parcels within the District to access the City's system of arterial streets. City residents and traffic from parcels not within the District do not use the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and

- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1979, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the District formation or annexations prior to when the language was refined are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Non-Residential	1.00	Parcel

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU

assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Non-Residential	\$413.74	\$413.74	9.00	9.00

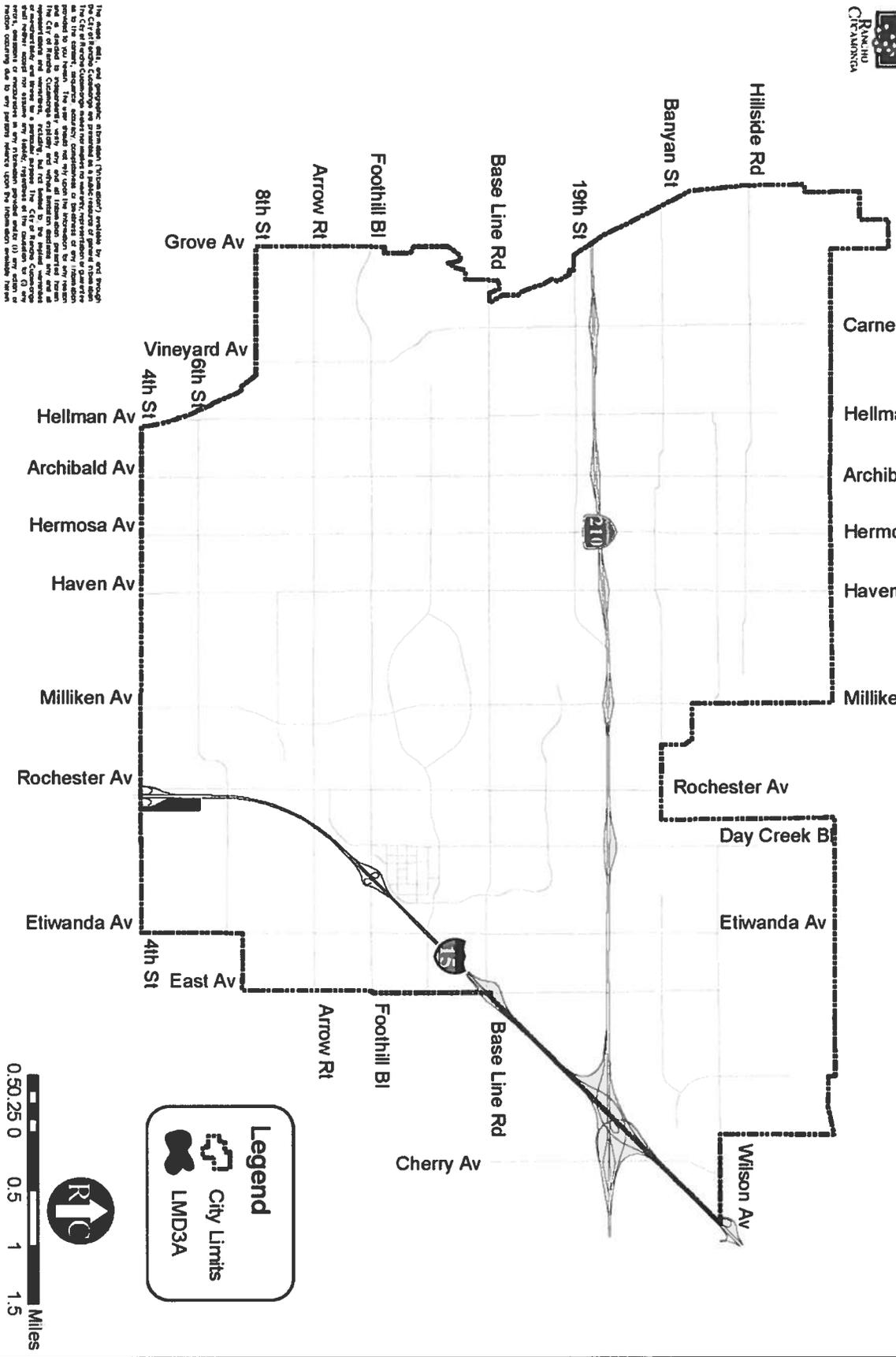
The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



Landscape Maintenance District 3A



The above title, and geographic information ("Information") provided by and through the City of Rancho Cucamonga are provided as a public resource of general information and are not intended to be used for any specific purpose. The City of Rancho Cucamonga makes no warranty, representation or guarantee as to the accuracy, completeness, or timeliness of the information provided. The user should not rely upon the information for any reason and is advised to independently verify any and all information presented herein. The City of Rancho Cucamonga is not responsible for any errors or omissions in this information and warrants, including, but not limited to, the limited warranties of accuracy and completeness. The City of Rancho Cucamonga is not responsible for any damages, including, but not limited to, the limited warranties of accuracy and completeness, resulting from any reliance upon the information provided herein, occurring due to any party's reliance upon the information provided herein.



Legend

- City Limits
- LMD3A

ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/Acres	Total EBUs	Maximum Allowable Assessment
Non-Residential	\$413.74	9.00	9.00	\$3,723.66

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no annexations for the Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 3B
(Commercial Industrial)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 3B
(COMMERCIAL INDUSTRIAL)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor

Sam Spagnolo, Mayor Pro Tem

William Alexander, Council Member

Lynne B. Kennedy, Council Member

Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager

Linda D. Daniels, Assistant City Manager

Lori E. Sassoon, Deputy City Manager/Administrative Services

Jason C. Welday, Director of Engineering Services/City Engineer

William Wittkopf, Public Works Director

Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga, under the Landscape and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 3B (Commercial Industrial) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 111,590
Operations and Maintenance	846,350
Total Expenditures Budget	<u>\$ 957,940</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 815,170
Anticipated Prior Year Delinquencies Collection	10,700
Subtotal - Taxes	825,870
Other Revenues	255,560
Total Revenues Budget	<u>\$ 1,081,430</u>
Contribution to/(Use of) Fund Balance	<u>\$ 123,490</u>
Total District EBU Count	2,917.40
Actual Assessment per EBU	\$ 282.24
Maximum Allowable Assessment per EBU	\$ 352.80

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.

2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;

 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and

 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as the commercial and industrial area of the City which is generally bounded by Foothill on the north, 4th on the South, East on the east and Grove on the west.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

These improvements are located within the street right-of-ways, Metrolink, and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

<u>Site #</u>	<u>Descriptive Location</u>
J-2	The monument at the northeast corner of Haven and 4th.
	Ground Cover area: 5,715 square feet
	Hardscape area: 6,068 square feet
J-3	The 6th median from Milliken to Pittsburg.
	Ground Cover area: 3,300 square feet

- J-4 The entry monuments on the east and west side of 4th and Milliken.
Ground Cover area: 19,771 square feet
Hardscape area: 9,060 square feet
- J-5 The Milliken median from Arrow to Jersey.
Ground Cover area: 10,220 square feet
- J-6 The Spruce median from Foothill to White Oak.
Ground Cover area: 4,300 square feet
- J-7 The 6th median from Pittsburg to Richmond.
Ground Cover area: 5,114 square feet
- J-8 The 6th from Richmond to Buffalo.
Ground Cover area: 2,476 square feet
- J-9 The Milliken railroad underpass.
Ground Cover area: 165,633 square feet,
Turf area: 4,897 square feet
- J-10 The 6th median from Cleveland to 1,820 feet east of Cleveland.
Ground Cover area: 13,310 square feet
- J-11 The 6th median from Buffalo to Rochester.
Ground Cover area: 12,400 square feet
- J-12 The Milliken median from Arrow to Century.
Ground Cover area: 13,855 square feet
- J-13 The Milliken median from Century to Foothill.
Ground Cover area: 3,330 square feet
- J-14 The 6th median from Utica to Cleveland.
Ground Cover area: 8,559 square feet
- J-15 The 6th median from Haven to Utica.
Ground Cover area: 7,680 square feet
- J-16 Day Creek median from Church to Foothill.
Ground Cover area: 8,466 square feet

- J-17 The Day Creek median south of Foothill including the traffic circle.
Ground Cover area: 6,490 square feet
- H-1 The Haven median from 4th to 6th.
Ground Cover area: 21,205 square feet
Converted 8,935 sq. ft. of turf to ground cover effective 4/1/13.
- H-2 The Haven medians from 6th to the underpass bridge. The east and west side parkways and slopes on Haven from Acacia to underpass bridge.
Ground Cover area: 54,720 square feet
Converted 2,960 square feet of turf to ground cover effective 4/1/13.
- H-3 The Haven medians from underpass bridge to Arrow. The east and west side parkways and slopes on Haven from the underpass bridge to Jersey.
Ground Cover area: 56,210 square feet
- H-4 The Haven median from Arrow to Foothill.
Ground Cover area: 15,156 square feet
- H-5 The Haven median from Foothill to Church.
Ground Cover area: 11,502 square feet
- FH-1 The Foothill median from Spruce to Haven.
Ground Cover area: 4,571 square feet
The total square footage for the improvement is 9,141; however, due to the location of the improvement the other half is maintained by landscape maintenance district 4-R.
- FH-2 The Foothill median from Spruce to Milliken.
Ground Cover area: 7,940 square feet
The total square footage for the improvement is 15,879; however, due to the location of the improvement the other half is maintained by landscape maintenance district 4-R.
- FH-3 The Foothill median from 790 feet west of Market to Market.
Ground Cover area: 4,434 square feet
- FH-4 The Foothill median from Market to Etiwanda.
Ground Cover area: 10,392 square feet
- FH-5 The Foothill median from 360 feet west of Masi to 516 feet west of Masi.
Ground Cover area: 800 square feet
The total square footage for the improvement is 1,600; however, due to the location of the improvement the other half is maintained by landscape maintenance district 4-R.

- FH-6 The Foothill median from Masi Plaza to Rochester.
Ground Cover area: 800 square feet
The total square footage for the improvement is 1,600; however, due to the location of the improvement the other half is maintained by landscape maintenance district 4-R.
- FH-7 The Foothill median from Vineyard to Orchard Plaza.
Ground Cover area: 2,605 square feet
- FH-8 The Foothill median from Orchard Plaza to Lion.
Ground Cover area: 344 square feet
- FH-9 The Foothill median from Hellman to Malachite and from Malachite to Archibald.
Ground Cover area: 21,474 square feet
- FH-10 The Foothill median from Archibald to Ramona.
Ground Cover area: 4,770 square feet
- FH-11 The Foothill median from Ramona to Hermosa.
Ground Cover area: 5,210 square feet
- FH-12 The Foothill median from Hermosa to Center.
Ground Cover area: 6,329 square feet
- FH-13 The Foothill median from Center to Haven.
Ground Cover area: 6,286 square feet
- FH-14 The Foothill median from Rochester to 600 feet east of Rochester.
Ground Cover area: 1,356 square feet
Site reduced to 5,979 square feet due to median renovation.
- FH-15 The Foothill median from 1,225 feet west of Day Creek to Day Creek.
Ground Cover area: 4,905 square feet
- FH-16 The Foothill median from Day Creek to the 15 freeway.
Ground Cover area: 9,808 square feet

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 58,780
Part-time Salaries	21,600
Fringe Benefits	31,210
Subtotal - Personnel	111,590
Operations and Maintenance:	
Operations and Maintenance:	
Computer Software	500
O & M/General	10,500
O & M/Facilities	14,000
Subtotal - Operations and Maintenance	25,000
Contract Services:	
Contract Services/General	475,000
Contract Services/Facilities	113,420
Tree Maintenance	22,290
Subtotal - Contract Services	610,710
Utilities:	
Telephone Utilities	640
Water Utilities	110,960
Electric Utilities	62,360
Subtotal - Utilities	173,960
Assessment Administration	6,270
Admin./General Overhead	30,410
Subtotal - Operations and Maintenance	846,350
Total Expenditures Budget	\$ 957,940

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 815,170
Anticipated Prior Year Delinquencies Collection	10,700
Subtotal - Taxes	<u>825,870</u>
Other Revenues:	
Interest Earnings	15,220
Parking Permits	240,000
Other Revenue	340
Subtotal - Other Revenues:	<u>255,560</u>
Total Revenues Budget	<u>\$ 1,081,430</u>
Contribution to/(Use of) Fund Balance	<u>\$ 123,490</u>
Total Gross Estimated Assessments	\$ 823,406.81
Total District EBU Count	2,917.40
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 282.24
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 352.80

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however, it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 1,324,075
Contribution to Reserve - Fiscal Year 2016/17	123,490
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 1,447,565</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of

improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the District and include paseos, street trees, landscaped areas and appurtenant facilities that are located throughout the District and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the District which provides ingress and egress for parcels within the District to access the City's system of arterial streets. Traffic from parcels not within the District do not use

the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1979, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per parcel has remained the same since Fiscal Year 1996/97. Further, no parcel included in the

District formation or annexations prior to when the language was refined are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units		
Property Type (County Use Code)	EBU Value	Multiplier
Non-Residential	1.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

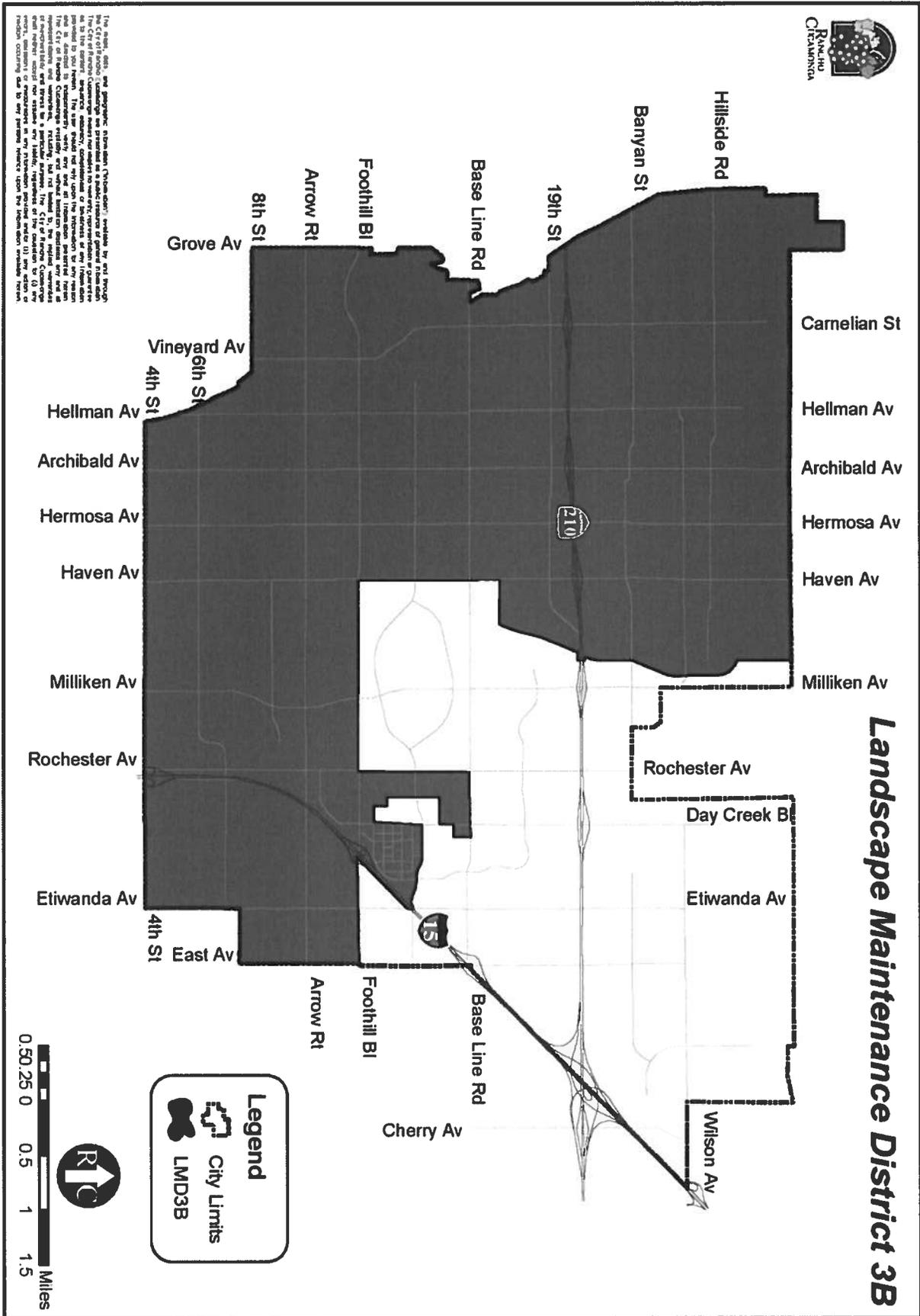
The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Non-Residential	\$352.80	\$282.24	2,917.40	2,917.40

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Total Units/ Acres	Total EBU's	Maximum Allowable Assessment
Non-Residential	\$352.80	2,917.40	2,917.40	\$1,029,258.72

Property Type (County Use Code)	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBU's	Actual Assessment
Non-Residential	\$282.24	2,917.40	2,917.40	\$823,406.81

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

The following annexations are effective for Fiscal Year 2016/17.

APN	Annexation Date	Project Name	Total Units/ Acres	Total EBUS	Property Type
0208-153-25	03/18/15	DRC2008-00356	1.10	1.10	Non-residential Property
0229-401-06, 07, 08 & 09	03/18/15	DRC2014-00127	6.58	6.58	Non-residential Property
0210-371-02	11/04/15	DRC2014-00566	5.72	5.72	Non-residential Property
0229-341-11	11/04/15	DRC2014-00232	2.08	2.08	Non-residential Property

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 4-R
(Terra Vista Planned Community)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 4-R
(TERRA VISTA PLANNED COMMUNITY)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016 the City Council of Rancho Cucamonga (the "City"), under the Landscape and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 4-R (Terra Vista Planned Community) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 917,400
Operations and Maintenance	1,482,580
Capital Expenditures	445,000
Total Expenditures Budget	<u>\$ 2,844,980</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 2,856,100
Anticipated Prior Year Delinquencies Collection	13,750
Subtotal - Taxes	<u>2,869,850</u>
Other Revenues	41,380
Total Revenues Budget	<u>\$ 2,911,230</u>
Contribution to/(Use of) Fund Balance	<u>\$ 66,250</u>
Total District EBU Count	6,900.92
Actual Assessment per EBU	\$ 418.05
Maximum Allowable Assessment per EBU	\$ 418.05

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area located north of Foothill, west of Rochester, east of Haven, south of Base Line and includes the northeast corner of Base Line and Haven.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements are the maintenance and servicing of the paseos, parkways, median islands, street trees, parks, landscaped sites and appurtenant facilities that are throughout the District. These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

Parks: Spruce Park, Mountain View Park, Ralph M. Lewis Park, Coyote Canyon Park, Milliken Park and West Greenway Park

The street trees within the residential parkways and tree maintenance easements to be maintained by the District are on the following streets, located within the boundaries of the District:

Amiata	Bunkerhill	Corsica
Bastia	Cedarbrook	(Countryview to Milliken)
Blackhorse	Chesterton	Countryview
Brandywine	Clarisa	(Mt. View to Palacio)

Covington	Emery	Rockingham
Danbury	Fitzpatrick	Saranza
Danner	Fulbourn	Southampton
De Anza	Hinton	Terra Vista
Derby	Linaro	(Church to Brandywine)
Downing	Meyers	Wellington
Ellena	Potomac	Yorktown
(s/o Terra Vista to Fitzpatrick)	Radcliff	
	Regent	

The breakdown of maintained areas is as follows:

<u>Site #</u>	<u>Descriptive Location</u>
TV-1	The Base Line median from Haven to the Deer Creek Channel. Ground Cover area: 23,345 square feet Turf area: 16,545 square feet Hardscape area: 10,630 square feet
TV-2	The Base Line median from Spruce to the Deer Creek Channel. Ground Cover area: 18,863 square feet Turf area: 15,067 square feet Hardscape area: 12,575 square feet
TV-3	The Base Line median from Spruce to Milliken. Ground Cover area: 16,670 square feet Turf area: 14,857 square feet Hardscape area: 16,567 square feet
TV-4	The south side of Base Line from 800 feet east of Spruce to Milliken. The cul-de-sac at the north end of Cascade. Ground Cover area: 16,613 square feet Turf Cover area: 5,324 square feet Hardscape area: 7,950 square feet
TV-5	The north side of Terra Vista from Belpine to 112 feet west of Butterfield; Terra Vista median from Spruce to Milliken and the south side of Terra Vista from 164 feet west of Belpine to Belpine. Ground Cover area: 19,738 square feet Turf area: 2,675 square feet Hardscape area: 13,328 square feet

- TV-6 The north side of from Spruce to 175 feet north of Countryside and Terra Vista median from Church to Spruce.
 Ground Cover area: 22,959 square feet
 Turf area: 6,195 square feet
 Hardscape area: 11,702 square feet

- TV-7 The north side of Church from the west side of Deer Creek Channel to Terra Vista. The west side of Terra Vista from Church to 175 feet north of Countryside.
 Ground Cover area: 9,924 square feet
 Turf area: 5,378 square feet
 Hardscape area: 6,426 square feet

- TV-8 The southeast corner of Church and Haven; the Church median from Haven to Terra Vista and the wash end on the Northwest corner of the Deer Creek Channel and Church.
 Ground Cover area: 26,876 square feet
 Hardscape area: 2,306 square feet
 Hardscape area: 2,788 square feet

- TV-9 The Church median from Terra Vista to Spruce.
 Ground Cover area: 7,829 square feet
 Hardscape area: 6,605 square feet

- TV-10 The east side of Valencia from Base Line to the pre-school; the south side of Augusta from Valencia to Meadow Lark and the west side of Summerfield from Valencia to Evergreen.
 Ground Cover area: 20,818 square feet
 Turf area: 18,634 square feet
 Hardscape area: 8,666 square feet

- TV-11 The paseo at Parkside and Clover from Parkside to the Deer Creek Channel.
 Ground Cover area: 2,795 square feet
 Hardscape area: 1,049 square feet

- TV-12 The east side of Haven from the pre-school to the Southern Pacific Railroad.
 Ground Cover area: 6,170 square feet
 Turf area: 2,091 square feet
 Hardscape area: 1,060 square feet

- TV-13 The east side of Spruce from Elm to Mountain View; the north and south sides of Norfolk from Spruce to Cardiff; the south side of Mountain View from Spruce to 290 feet east of Belvedere and the paseo from Spruce to Countryview.
 Ground Cover area: 8,459 square feet
 Turf area: 3,355 square feet
 Hardscape area: 8,886 square feet
- TV-14 The south side of Mountain View from 290 feet east of Belvedere to 590 feet east of Fairhaven; the paseo south of Mountain View between Belvedere and Fairhaven to Countryview and from Countryview to West Greenway Corridor.
 Ground Cover area: 19,030 square feet
 Turf area: 8,430 square feet
 Hardscape area: 9,262 square feet
- TV-15 The north side of Mountain View from 634 feet west of Biarritz to Milliken.
 Ground Cover area: 4,571 square feet
 Turf area: 4,738 square feet
 Hardscape area: 5,104 square feet
- TV-16 The west Greenway Corridor from the northeast corner of Elm and Spruce to West Greenway.
 Ground Cover area: 15,529 square feet
 Turf area: 20,884 square feet
 Hardscape area: 20,626 square feet
- TV-17 The west side of Milliken from 585 feet north of Mountain View to Mountain View.
 Ground Cover area: 5,835 square feet
 Turf area: 3,564 square feet
 Hardscape area: 2,340 square feet
- TV-18 The south side of Mountain View from approximately 250 feet west of Claridge to Terra Vista. The south side of Terra Vista from Mountain View to East Greenway Corridor. Terra Vista from Mountain View to East Greenway Corridor.
 Ground Cover area: 18,316 square feet
 Turf area: 5,944 square feet
 Hardscape area: 23,800 square feet
- TV-19 The Terra Vista median from Milliken to Mountain View. The north side of Terra Vista from 68 feet north of Addison to Mountain View. The west side of Mountain View from Grapevine to Terra Vista.
 Ground Cover area: 20,306 square feet
 Turf area: 3,886 square feet
 Hardscape area: 11,478 square feet

TV-20	The Church median from Milliken to 675 feet east of Milliken. Ground Cover area: 2,860 square feet Hardscape area: 2,112 square feet
TV-21	The Church median from Milliken to Spruce. Ground Cover area: 16,811 square feet Turf area: 335 square feet Hardscape area: 14,880 square feet
TV-22	The Milliken median from Mountain View to Foothill. Ground Cover area: 16,436 square feet Hardscape area: 16,267 square feet
TV-23	The Milliken underpass from West Greenway Park to Milliken Park. Ground Cover area: 19,271 square feet Turf area: 22,139 square feet Hardscape area: 18,119 square feet
TV-24	The east side of Haven from 145 feet south of Creekbridge to 600 feet north of Creekbridge; the north side of Creekbridge from Brookside to Haven and the paseo from Creekbridge and Brookside to the Deer Creek Channel. Ground Cover area: 5,851 square feet Turf area: 9,965 square feet Hardscape area: 4,351 square feet
TV-25	The east side of Haven from 145 feet south of Creekbridge to 410 feet south of Creekbridge. Ground Cover area: 3,319 square feet Turf area: 1,677 square feet Hardscape area: 1,779 square feet
TV-26	The paseo at Plymouth south of Essex from Plymouth to the Deer Creek Channel. Ground Cover area: 1,956 square feet Hardscape area: 2,385 square feet
TV-27	The paseo from Terra Vista to Windsong and from Windsong to Plymouth. Ground Cover area: 2,270 square feet Turf area: 2,731 square feet Hardscape area: 3,332 square feet

TV-28	The paseo on the north side of 7552 Hardy. Ground Cover area: 630 square feet Turf area: 733 square feet Hardscape area: 432 square feet
TV-29	The East Greenway Corridor from Milliken Park to Terra Vista, including the turf area at the entrance to Tract 16157. Ground Cover area: 17,780 square feet Turf area: 52,403 square feet Hardscape area: 29,888 square feet
TV-30	The Milliken Median from Mountain View to Base Line. Ground Cover area: 11,890 square feet Hardscape area: 10,260 square feet
TV-31	The paseo from Elm to West Greenway Park. Ground Cover area: 4,770 square feet Hardscape area: 8,900 square feet
TV-32	The Greenwich paseo from Greenwich to Muirfield. Ground Cover area: 1,323 square feet Hardscape area: 1,456 square feet
TV-33	The south side of Mountain View from 430 feet west of Countryview to Countryview. Ground Cover area: 3,434 square feet Turf area: 1,853 square feet Hardscape area: 1,720 square feet
TV-34	The south side of Terra Vista from 390 feet west of Belpine to Belpine. Ground Cover area: 1,342 square feet Turf area: 1,887 square feet Hardscape area: 1,612 square feet
TV-35	The Trail Northeast of Ruth Musser School from Terra Vista to Spruce. Ground Cover area: 9,285 square feet Hardscape area: 5,148 square feet
TV-36	The east side of Countryview from Corsica to Mountain View. The south side of Mountain View from Countryview to Milliken. The west side of Milliken from Mountain View to the West Greenway Corridor. Ground Cover area: 9,141 square feet Turf area: 5,895 square feet Hardscape area: 6,058 square feet

- TV-37 The north side of Meyers from Emery to Elm.
 Ground Cover area: 5,860 square feet
 Turf area: 5,300 square feet
 Hardscape area: 1,283 square feet

- TV-38 The Church median from Rochester to Terra Vista median from Church to 853 feet north of Church.
 Ground Cover area: 8,510 square feet
 Hardscape area: 5,640 square feet

- TV-39 The north side of Mountain View form 250 feet east of Milliken to Milliken. The east side of Milliken from Mountain View to Terra Vista.
 Ground Cover area: 16,751 square feet
 Hardscape area: 15,716 square feet

- TV-40 The south side of Terra Vista from Milliken to Mountain View.
 Ground Cover area: 11,630 square feet
 Hardscape area: 19,738 square feet

- TV-41 The paseo east of Milliken from Terra Vista south to Mountain View.
 Ground Cover area: 4,081 square feet
 Hardscape area: 9,640 square feet

- TV-42 The north side of Mountain View from Terra Vista to 250 feet east of Milliken.
 Ground Cover area: 10,994 square feet
 Hardscape area: 14,777 square feet

- TV-43 Church median and parkway from Malaga to Terra Vista Parkway.
 Ground Cover area: 7,506 square feet
 Hardscape area: 3,955 square feet

- TV-44 The south side of Church from Terra Vista to Rochester.
 Ground Cover area: 10,400 square feet
 Hardscape area: 7,606 square feet

- TV-45 The west side of Rochester from Church to Malaga.
 Ground cover area: 20,693 square feet
 Hardscape area: 12,450 square feet

- TV-46 The north side of Malaga from Church to Rochester.
 Ground Cover area: 19,843 square feet
 Hardscape area: 18,000 square feet

- TV-47 The east side of Terra Vista from Church to Brandywine. The paseo from Brandywine to Bunker Hill. The east side of Radcliff from Bunker to Malaga.
 Ground Cover area: 17,838 square feet
 Hardscape area: 9,023 square feet

- TV-48 The Church median from 750 feet east of Milliken to Malaga.
 Ground Cover area: 5,554 square feet
 Hardscape area: 9,698 square feet

- FH-1 The Foothill median from Spruce to Haven.
 Ground Cover area: 4,571 square feet
 The total square footage for the improvement is 9,141; however, due to the location of the improvement the other half is maintained by landscape maintenance district 3B.

- FH-2 The Foothill median from Spruce to Haven.
 Ground Cover area: 7,940 square feet
 The total square footage for the improvement is 15,879; however, due to the location of the improvement the other half is maintained by landscape maintenance district 3B.

- FH-5 The Foothill median from 360 feet west of Masi to 516 feet west of Masi.
 Ground Cover area: 800 square feet
 The total square footage for the improvement is 1,600; however, due to the location of the improvement the other half is maintained by landscape maintenance district 3B.

- FH-6 The Foothill median from Masi Plaza to Rochester.
 Ground Cover area: 800 square feet
 The total square footage for the improvement is 1,600; however, due to the location of the improvement the other half is maintained by landscape maintenance district 3B.

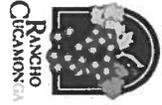
- H-5 The Haven median from Foothill to Church.
 Ground Cover area: 11,502 square feet
 Converted 10,572 sq ft of turf to ground cover effective 4/1/13. Area listed is the 50% maintained by landscape maintenance district 4R. An equal amount is maintained by landscape maintenance district 3B.

- H-6 Haven median from Church to Base Line.
 Ground Cover area: 9,615 square feet
 Converted 8,708 sq. ft. of turf to ground cover effective 4/1/13. Area listed is the 50% maintained by landscape maintenance district 4R. An equal amount is maintained by the General Fund.

- H-7 The Haven median from Base Line to Southern Pacific railroad tracks.
Ground Cover area: 3,130 square feet
Converted 3,992 sq. ft. of turf to ground cover effective 4/1/13. Removed 3,692 sq. ft. of ground cover for turn pocket expansion. Area listed is the 50% maintained by landscape maintenance district 4R. An equal amount is maintained by the General Fund.
- VG-14 The Base Line median from Milliken to Ellena East. The turf and ground cover on the north side of Base Line from Ellena East to Ellena West. The turf and ground cover on the east side of Ellena West from Base Line and following the curb line to Kenyon. The north side of Ellena West from Kenyon to Casoli. The turf and ground cover on both sides of Casoli from Ellena West to Candela. The turf and ground cover on both sides of Crema from Ellena west to Candela.
Ground Cover area: 9,169 square feet
The improvements for Ground Cover are 80,287, Turf improves are 62,999 square feet, and Hardscape improvements are 44,826; however, due to the location of the improvements, landscape maintenance district 4-R maintains only the south side of the Base Line median from Milliken to Ellena East and the rest is maintained by landscape maintenance district 2.
- VG-15 The turf and ground cover on the west side of Rochester from the Southern Pacific Railroad to Base Line. The turf and ground cover on the north side of Base Line from Rochester to Ellena East. The Base Line Median from Rochester to Ellena East. The turf and ground cover on the east side of Ellena east from Base Line and continuing along that curb line to 275 feet north of Berra Road. The turf and ground cover on both sides of Berra from Ellena East to Comiso.
Ground Cover area: 3,960 square feet
The improvements for Ground Cover are 58,887, Turf improves are 57,306 square feet, and Hardscape improvements are 36,014; however, due to the location of the improvements, landscape maintenance district 4-R maintains only the south side of the Base Line median from Rochester to Ellena East and the rest is maintained by landscape maintenance district 2.

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



Landscape Maintenance District 4-R (LMD 4-R)



Base Line Rd

Foothill Bl

Haven Av

Rochester Av

Milliken Av

Church Av

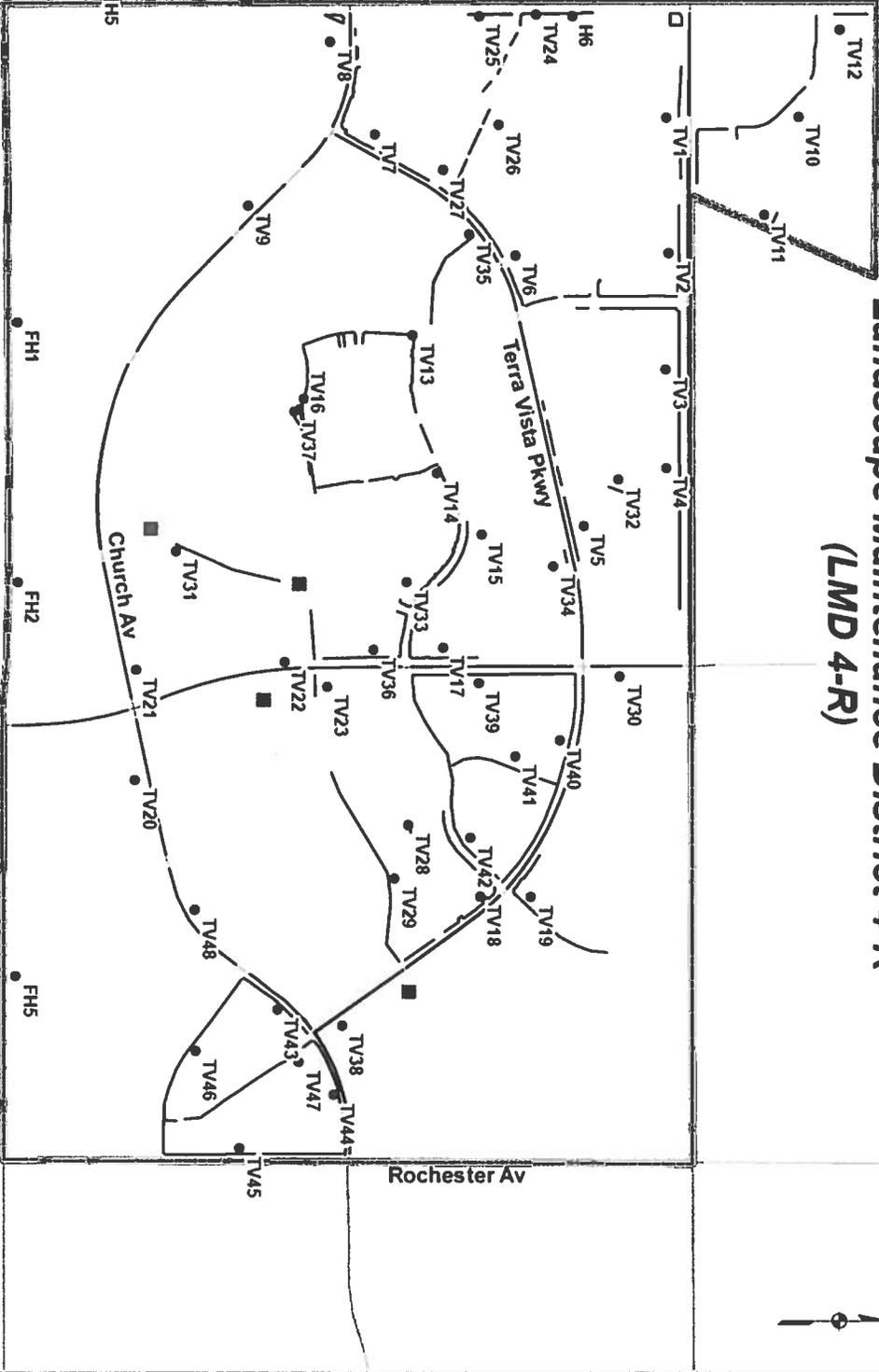
Terra Vista Pkwy

The water data and engineering information ("Information") available by and through this map is provided for informational purposes only. The City of Rancho Cucamonga makes no warranty, representation or guarantee as to the accuracy, completeness, timeliness, or suitability of the information. The City of Rancho Cucamonga, its employees, agents, contractors, and subcontractors shall not be liable for any damages, including reasonable attorneys' fees, arising from the use or reliance on this information. The City of Rancho Cucamonga shall not be liable for any damages, including reasonable attorneys' fees, arising from the use or reliance on this information.



Legend

- Irrigation Pump
- Water Meter
- Irrigation Lines
- LMD 4-R



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year <u>2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 586,210
Overtime Salaries	1,050
Part-time Salaries	47,280
Fringe Benefits	282,860
Subtotal - Personnel	<u>917,400</u>
Operations and Maintenance:	
Operations and Maintenance:	
O &M/General	93,050
Vehicle Operations and Maintenance	6,000
Emergency Equipment and Vehicle Rental	1,700
Equipment Operations and Maintenance	3,750
Subtotal - Operations and Maintenance	<u>104,500</u>
Contract Services:	
Contract Services/General	707,330
Tree Maintenance	71,400
Subtotal - Contract Services	<u>778,730</u>
Utilities:	
Telephone Utilities	3,030
Water Utilities	325,000
Electric Utilities	34,580
Subtotal - Utilities	<u>362,610</u>
Assessment Administration	22,990
Admin./General Overhead	213,750
Subtotal - Operations and Maintenance	<u>1,482,580</u>
Capital Expenditures:	
Capital Outlay - Improvements Other Than Building	10,000
Capital Project	435,000
Subtotal - Capital Expenditures	<u>445,000</u>
Total Expenditures Budget	<u>\$ 2,844,980</u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 2,856,100
Anticipated Prior Year Delinquencies Collection	<u>13,750</u>
Subtotal - Taxes	<u><u>2,869,850</u></u>
Other Revenues:	
Interest Earnings	38,800
Park Maintenance Fees	2,080
Sports Field User Group Rentals	<u>500</u>
Subtotal - Other Revenues:	<u><u>41,380</u></u>
Total Revenues Budget	<u><u>\$ 2,911,230</u></u>
Contribution to/(Use of) Fund Balance	<u><u>\$ 66,250</u></u>
Total Gross Estimated Assessments	\$ 2,884,951.03
Total District EBU Count	6,900.92
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 418.05
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 418.05

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved when the property owners on December 2, 2009, voted in favor of a Prop 218 assessment ballot increase with an allowable annual increase by the lesser of 3.5% or the percentage change in the year ending February preceding the start of the Fiscal Year of the Consumer Price Index for all Urban Consumers (CPI-U) and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	Operating Reserve
Estimated Reserve Fund Balance, June 30, 2016	\$ 3,964,348
Contribution to Reserve - Fiscal Year 2016/17	<u>66,250</u>
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 4,030,598</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement."

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency

must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In addition to the special benefits received by parcels within the District, there are incidental general benefits that are conferred on parcels outside the boundaries of the District which include:

- the control of dust and insect infestations, and
- the visual enhancement of the area to persons or vehicles that may travel through the District.

However it has been determined that these benefits are incidental and do not provide a direct benefit to parcels outside of the District that are not being assessed. Any incidental benefit received by parcels outside of the District is further offset by the incidental benefit received by parcels within the District from the maintenance of landscaping improvements by the other assessment districts within the City.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1984, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the

description of the method of assessment became more refined. On December 2, 2009 Proposition 218 assessment ballot increase was approved by the property owners in this District. Therefore, all parcels included in the District boundary, are being levied in accordance with Article XIII D and Proposition 218.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment since there is a total of 2,651 single family parcels within the District which represents 69.1 percent of the total assessable parcels within the District.

A method has been developed to convert other land uses to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family residential parcel. Other residential land uses are assigned Equivalent Dwelling Units (EDU) in proportion to the number of trips generated and average number of occupants per dwelling unit in comparison to the typical single family parcel. Based upon the trip generation data from the ITE Trip Generation Report, SANDAG's Guide to Vehicular Traffic Generation Rates which have been adopted by SANBAG and the most recent census data for the City of Rancho Cucamonga, condominiums are assigned 0.8 EDU's since the number of residents and number of trips generated per dwelling unit are 80 percent of the typical single family residence. Multi-family residential units are assigned 0.70 EDU's per dwelling unit since the number of residents and number of trips generated per multifamily residential unit are 70 percent of the typical single family residential unit. This reduction is further supported by virtue of the fact that both condominium developments and multi-family residential development have a higher level of landscaping that reduce the benefit received by these parcels from District maintained landscaping.

EBU's are assigned to Commercial and Industrial parcels based upon the number of trips generated as well. The ITE Trip Generation Report shows that non-residential uses similar to those found in the District generate from 30 to 400 plus trips per day based upon the specific land use. An average trip generation rate of 135 trips per day was used since the non-residential uses within the district are generally those that result in fewer trips per day per acre, when compared to more intense non-residential uses such as community shopping centers which can generate in excess of 500 trips per day.

Based upon an average density of approximately 9 single family residential units per acre and a trip generation rate of 10 trips per day for a typical single family residential unit, the trip generation rate for commercial and industrial parcels is approximately 1.5 times that of an acre developed for single family residential use based upon an average of 135 trips per acre for non-residential uses. The trips generated by non-residential uses has been reduced by approximately 40 percent to account for the number of "pass-by" trips which are those trips which stop at non-residential parcels enroute to/from residential parcels. This reduces the trips generated per acre from 135 to 81. Since non-residential parcels do not receive a significant special benefit from the park facilities maintained by the District, the number of trips generated per acre has been further reduced in proportion to the ratio of expenditures for landscape maintenance versus park maintenance within the District, which has been estimated by the City to be 60% parks and 40% landscaping. Therefore, commercial and industrial parcels have been assigned a value of 3.25 EBU's per acre to represent the special benefit received by those parcels relative to the typical single family residential parcel.

Vacant parcels are assigned an EBU value of 0.25 per acre because they receive a lesser benefit from the improvements until such time as development occurs. Publicly owned school

parcels are also assigned an EBU value of 0.25 per acre in recognition of the limited benefit they receive from the improvements maintained by the District and the benefit conferred upon other parcels within the District by the open space and landscaping maintained by the School District on their parcels which might be used by properties within the District under joint use agreements between the School District and the City.

The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Benefit Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Benefit Unit
Condominium	0.80	Benefit Unit
Multi-Family	0.70	Benefit Unit
Commercial/Industrial	3.25	Acre
Vacant (incl. all undeveloped property)	0.25	Acre
Schools	0.25	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table reflects both the maximum allowable assessment and the actual assessment rates for each year since the formation of the District and the proposed assessment for Fiscal Year 2016/17 for the District:

Fiscal Year	Maximum Assessment per EBU	Actual Assessment per EBU
2010/11	\$380.00	\$380.00
2011/12	388.64	380.00
2012/13	396.77	380.00
2013/14	405.60	380.00
2014/15	407.81	391.40
2015/16	408.21	408.21
2016/17	418.05	418.05

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/Acres	Total EBUs
Single Family Residential	\$418.05	\$418.05	2,652.00	2,652.00
Condominium	418.05	418.05	1,227.00	981.60
Multi-Family	418.05	418.05	3,809.00	2,666.30
Commercial/Industrial	418.05	418.05	176.28	572.91
Vacant	418.05	418.05	77.06	19.26
Schools	418.05	418.05	35.41	8.85

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

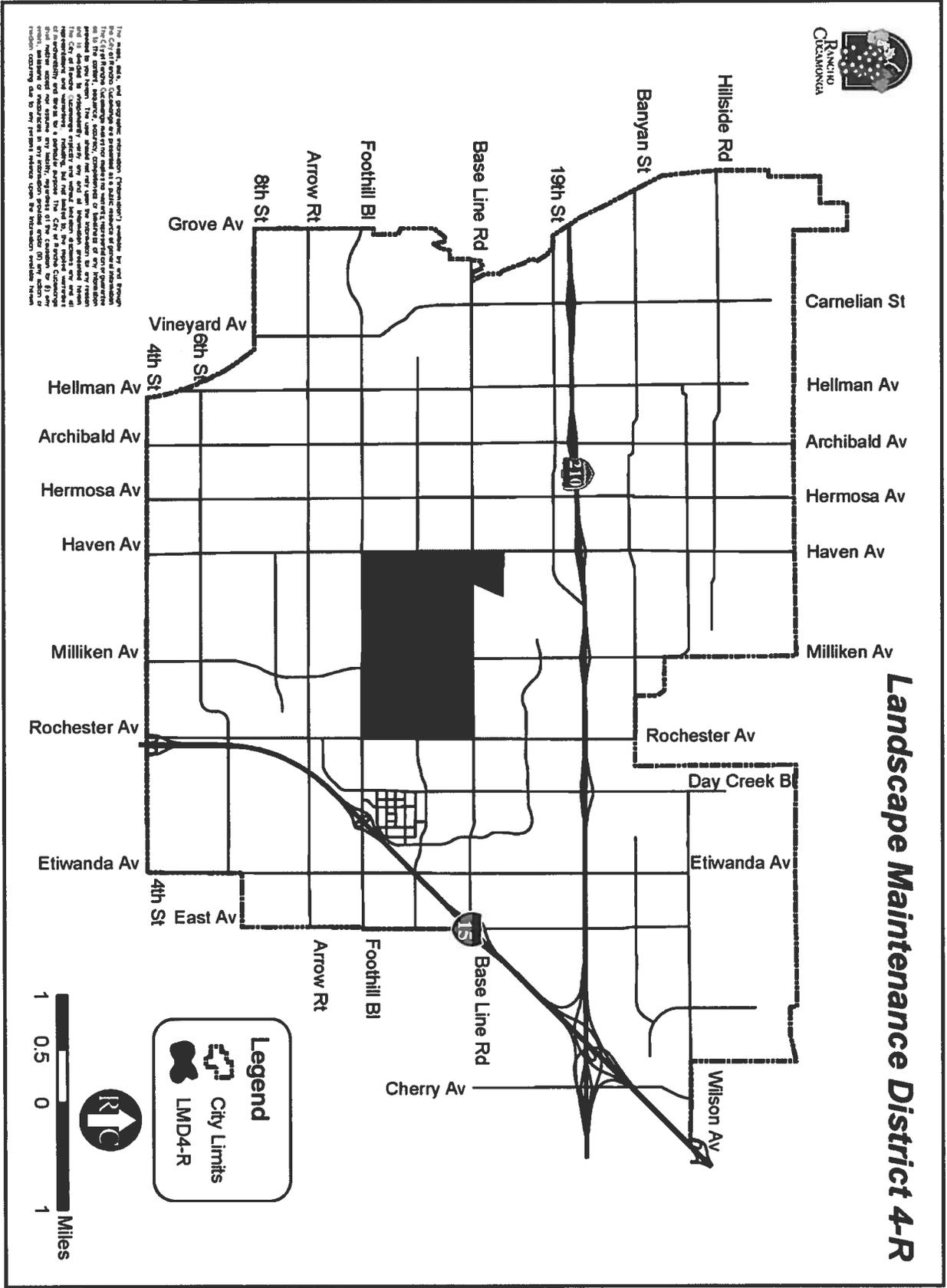
Cost of Living Inflator

Each fiscal year beginning Fiscal Year 2010/11, the maximum allowable assessment amount may be increased by the lesser of 3.5% or the percentage change in the year ending February preceding the start of the Fiscal Year of the Consumer Price Index for all Urban Consumers (CPI-U), for the Los Angeles-Riverside-Orange County area. If for any reason the percentage change is negative the maximum allowable assessment would not be decreased by reason of such negative percentage change and would remain at the amount as computed on the previous fiscal year regardless of any CPI adjustment. The annual assessment cannot exceed the actual costs to operate the District in any given year. If operating costs are such that the maximum assessment amount is not needed, the City would levy only what is needed for that year.

The actual assessment rate for Fiscal Year 2016/17 will increase from \$408.21 to \$418.05 per single-family residence, a rate increase of 2.41% as compared to Fiscal Year 2015/16.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



The name, date, and geographic extension ("boundaries") of the City of Rancho Cucamonga are provided as a public record in accordance with the provisions of the California Public Access to Information Act (CPAIA), California Government Code, Sections 54950-54962. This information is provided to you herein for your information only. The City of Rancho Cucamonga is not responsible for any errors or omissions in this information. The City of Rancho Cucamonga does not warrant, represent, or guarantee the accuracy, completeness, or timeliness of this information. The City of Rancho Cucamonga shall not be held liable for any damages, including but not limited to, direct, indirect, or consequential damages, arising from the use of this information. This information is provided for informational purposes only and does not constitute an offer of any financial product or service. For more information, please contact the City of Rancho Cucamonga at (909) 392-1000.



Landscape Maintenance District 4-R

Legend

- City Limits
- LMD4-R



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 actual assessment for the District:

Property Type (County Use Code)	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs	Actual Allowable Assessment
Single Family Residential	\$418.05	2,652.00	2,652.00	\$1,108,668.60
Condominium	418.05	1,227.00	981.60	410,357.88
Multi-Family	418.05	3,809.00	2,666.30	1,114,665.76
Commercial/Industrial	418.05	176.28	572.91	239,504.55
Vacant	418.05	77.06	19.26	8,053.54
School	418.05	35.41	8.85	3,700.70
TOTALS		7,976.75	6,900.92	\$2,884,951.03

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no annexations effective for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 5
(Andover)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 5
(ANDOVER)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor

Sam Spagnolo, Mayor Pro Tem

William Alexander, Council Member

Lynne B. Kennedy, Council Member

Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager

Linda D. Daniels, Assistant City Manager

Lori E. Sassoon, Deputy City Manager/Administrative Services

Jason C. Welday, Director of Engineering Services/City Engineer

William Wittkopf, Public Works Director

Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga, under the Landscape and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 5 (Andover) (the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services	\$ 3,650
Operations and Maintenance	4,160
Total Expenditures Budget	<u>\$ 7,810</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 2,460
Subtotal - Taxes	2,460
Other Revenues	620
Total Revenues Budget	<u>\$ 3,080</u>
Contribution to/(Use of) Fund Balance	<u>\$ (4,730)</u>
Total District EBU Count	44.00
Actual Assessment per EBU	\$ 56.65
Maximum Allowable Assessment per EBU	\$ 113.29

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.

2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;

 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and

 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing, must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceed the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area of the City bounded by Hermosa on the west, 26th on the south, the parcels north of and along Bedford and the parcels west of and along Andover.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

Parks: Andover Tot Lot.

<u>Site #</u>	<u>Descriptive Location</u>
I-1-5	The Andover playground on the southwest corner of Andover and Bedford.
	Ground Cover area: 1,506 square feet
	Turf area: 1,070 square feet
	Hardscape area: 640 square feet

Andover and landscaping are maintained by the City's Park Maintenance Crews.

Map of Improvements

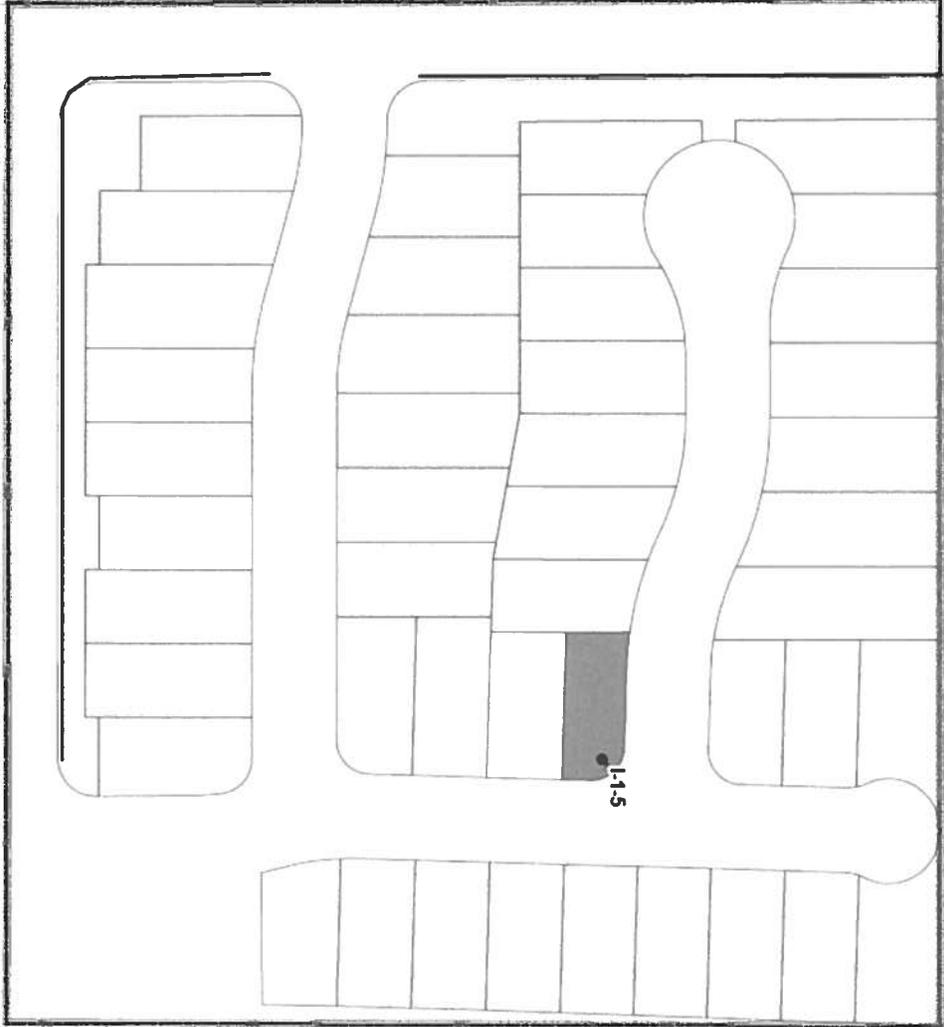
The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



Landscape Maintenance District 5 (LMD 5)



Hermosa Av



The maps, data, and information contained herein are provided as a public resource of general information. The City of Rancho Cucamonga makes no warranty as to the accuracy, completeness, or timeliness of the information provided in this system. The user should not rely upon the information for any purpose other than general information. The City of Rancho Cucamonga is not responsible for any errors or omissions in this system and shall not be liable for any damages, including but not limited to, direct, indirect, or consequential damages, arising from the use of this system. The City of Rancho Cucamonga is not responsible for any damages, including but not limited to, direct, indirect, or consequential damages, arising from the use of this system. The City of Rancho Cucamonga is not responsible for any damages, including but not limited to, direct, indirect, or consequential damages, arising from the use of this system.

0.015 0.0075 0 0.015
1:1248

Legend

- Water Meter
- Irrigation Lines
- City Parcels
- Tot Lot
- LMD 5

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year <u>2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 1,810
Part-time Salaries	840
Fringe Benefits	1,000
Subtotal - Personnel	<u>3,650</u>
Operations and Maintenance:	
Operations and Maintenance:	
O &M/General	800
Vehicle Operations and Maintenance	70
Subtotal - Operations and Maintenance	<u>870</u>
Contract Services:	
Contract Services/General	1,090
Subtotal - Contract Services	<u>1,090</u>
Utilities:	
Water Utilities	710
Electric Utilities	480
Subtotal - Utilities	<u>1,190</u>
Assessment Administration	220
Admin./General Overhead	790
Subtotal - Operations and Maintenance	<u>4,160</u>
 Total Expenditures Budget	 <u><u>\$ 7,810</u></u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 2,460
Subtotal - Taxes	<u>2,460</u>
Other Revenues:	
Interest Earnings	<u>620</u>
Subtotal - Other Revenues:	<u>620</u>
Total Revenues Budget	<u>\$ 3,080</u>
Contribution to/(Use of) Fund Balance	<u>\$ (4,730)</u>
Total Gross Estimated Assessments	\$ 2,492.60
Total District EBU Count	44.00
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 56.65
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 113.29

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition.

The actual assessment amount may be lower than the maximum allowable assessment; however it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 39,808
Use of Reserve - Fiscal Year 2016/17	<u>(4,730)</u>
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 35,078</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of

improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the Andover Tot Lot at Andover and Bedford and include landscaping (includes ground cover only) and appurtenant facilities that are located throughout the District and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the District which provides ingress

and egress for parcels within the District to access the City's system of arterial streets. City residents and traffic from parcels not within the District do not use the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1984, Article XIII D and Proposition 218 had not yet been passed. Upon the passage of Article XIII D and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined. On December 2, 2009 Proposition 218 assessment ballot increase was approved by the property owners in this

district. Therefore, all parcels included in the District boundary, are being levied in accordance with Article XIII D and Proposition 218.

A single family home equals one EBU. The following table provides the weighting factors applied to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Dwelling Unit

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

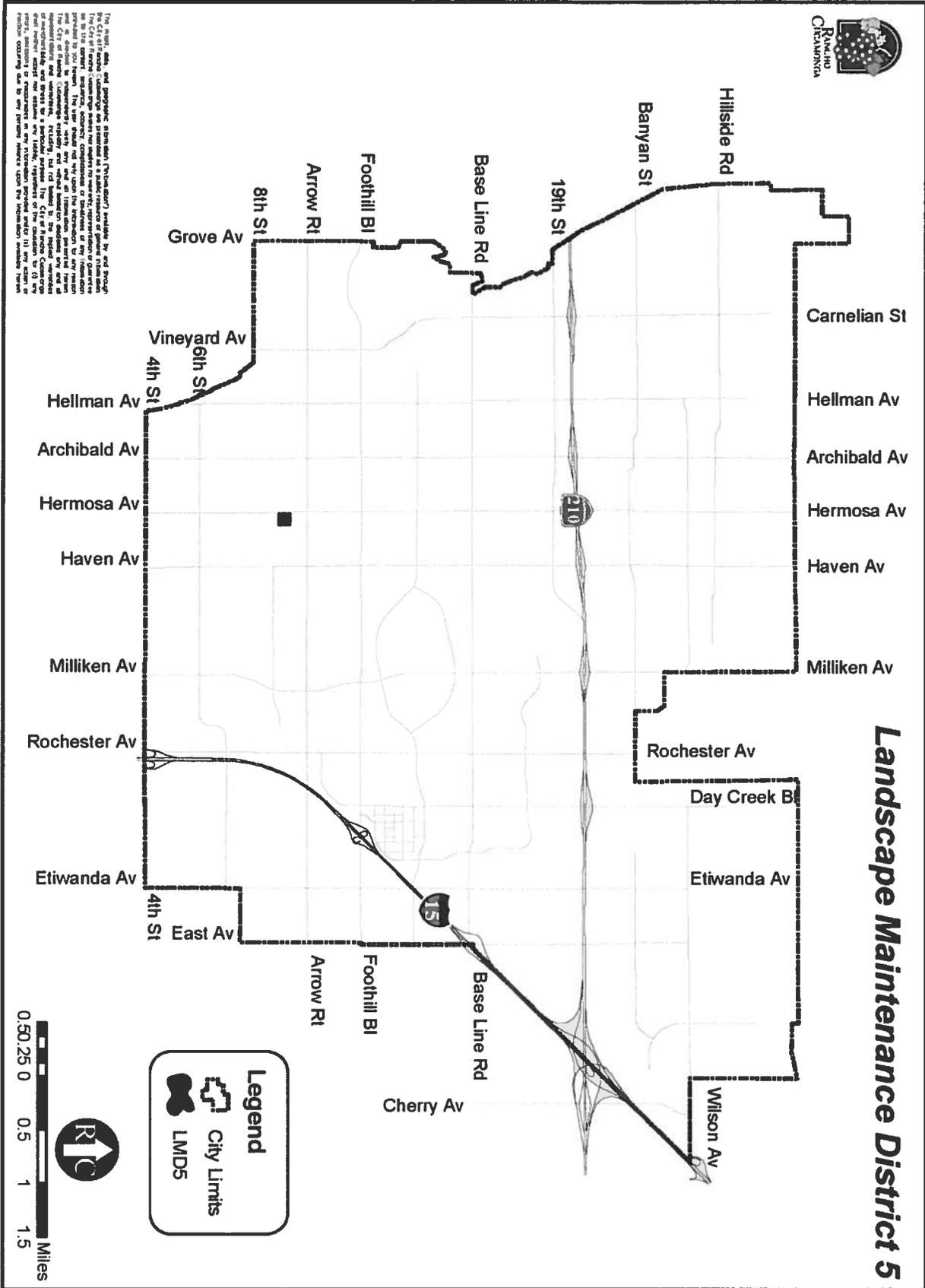
Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$113.29	\$56.65	44.00	44.00

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

The Fiscal Year 2016/17 actual assessment rate will remain at \$56.65 per Single Family Residence. The City has reserve funds that are more than sufficient to cover an estimated six months' worth of maintenance and servicing costs for the District. When there are excess funds in the District's reserve account, the excess can be used to lower the annual levy to property owners within the District. The City will continue to annually review the estimated costs and expenses for the District as well as reserve fund levels, in order to determine if future levies can be reduced as well.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Total Units/Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$113.29	44.00	44.00	\$4,984.76

Property Type (County Use Code)	Actual Assessment Rate per EBU	Total Units/Acres	Total EBUs	Actual Assessment
Single Family Residential	\$56.65	44.00	44.00	\$2,492.60

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no annexations for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 6-R
(Caryn Planned Community)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 6-R
(CARYN PLANNED COMMUNITY)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER’S LETTER

WHEREAS, on July, 6, 2016, the City Council of Rancho Cucamonga, under the Landscape and Lighting Act of 1972 (the “1972 Act”) adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 6-R (Caryn Planned Community) (the “District”); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer’s Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer’s Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 17,940
Operations and Maintenance	476,890
Total Expenditures Budget	<u>\$ 494,830</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 477,140
Anticipated Prior Year Delinquencies Collection	3,850
Subtotal - Taxes	480,990
Other Revenues	2,080
Transfers In	31,880
Total Revenues Budget	<u>\$ 514,950</u>
Contribution to/(Use of) Fund Balance	<u>\$ 20,120</u>
Total District EBU Count	1,196.98
Actual Assessment per EBU	\$ 402.65
Maximum Allowable Assessment per EBU	\$ 402.65

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing, must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceeds the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga. The boundaries of the District are generally described as that area located north of the 210 Freeway, south of Banyan Street, west of Rochester and east of Milliken, also known as the Caryn Planned Community. The boundaries also include Tract No. 13835 east of Rochester and Tracts No. 13748, 13857 & 13858 west of Milliken. Zone 1 is the area generally located west of Rochester and east of Milliken. Zone 2 is the area generally located east of Rochester and west of Milliken.

Description of Improvements and Services

The improvements maintained by the District include the paseos, community trails, trees, landscaped sites and appurtenant facilities that are throughout the District. These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

<u>Site #</u>	<u>Descriptive Location</u>
CC-1	The southside of Banyan from 1290 feet west of Milliken to Milliken. The west side of Milliken median from Banyan to 292 south of Vintage.
	Ground Cover area: 96,892 square feet
	Turf area: 17,945 square feet
	Hardscape area: 13,944 square feet

- CC-3 The paseo on the west side of Morning from Morning to Deer Creek Channel.
 Ground Cover area: 2,801 square feet
 Turf area: 124 square feet
 Hardscape area: 4,609 square feet
- CC-4 The west side of Morning, from Banyan to Starview. The north side of Starview, from Morning to Star View.
 Ground Cover area: 14,273 square feet
 Turf Cover area: 5,513 square feet
 Hardscape area: 5,000 square feet
- CC-5 Silver Sun paseo from the end of Silver Sun cul-de-sac to Deer Creek Channel.
 Ground Cover area: 25,890 square feet
 Turf area: 12,084 square feet
 Hardscape area: 1,350 square feet
- CC-6 The east and west side of Netherlands View from Vintage to Vintage. The Netherlands View paseo from Netherlands View to Mt. Sterling.
 Ground Cover area: 88,902 square feet
 Turf area: 676 square feet
 Hardscape area: 23,650 square feet
- CC-7 The east and west side of Hillview from Mt. Rainer to Kettle Peak.
 Ground Cover area: 14,930 square feet
 Turf area: 6,318 square feet
 Hardscape area: 12,236 square feet
- CC-8 The paseo from Hillview Loop to Vintage.
 Ground Cover area: 42,107 square feet
 Hardscape area: 22,752 square feet
 Hardscape area: 4,089 square feet
- CC-9 The south side of Vintage from 250 feet west of Hillview to Hillview. The west side of Hillview from Vintage to Kettle Peak. The west side of Kettle Peak from Hillview to Donner Pass. The east side of Hillview from Kettle Peak to Tioga Peak.
 Ground Cover area: 47,334 square feet
 Turf area: 4,954 square feet
 Hardscape area: 9,088 square feet
- CC-10 The east side of Terrace View from Vintage to Butler Peak. The west side of Terrace View from Rainbow Falls to Vintage.
 Ground Cover area: 24,603 square feet
 Hardscape area: 10,760 square feet

- CC-11 The paseo from Caryn School to Banyan. The south side of Banyan from the paseo to Rochester. The east and west side of Mt. Baldy from Banyan to Sierra Crest View. The north side of Sierra Crest View from Hilltop to Woodland.
 Ground Cover area: 47,507 square feet
 Turf area: 7,810 square feet
 Hardscape area: 7,825 square feet
- CC-12 The Separation Paseo from Vintage to Pinnacle Peak.
 Ground Cover area: 50,325 square feet
 Turf area: 15,021 square feet
 Hardscape area: 7,675 square feet
- CC-13 The east side of Hillview from Tioga Peak to Vintage. The south side of Vintage from Hillview to Terrace View. The north side of Vintage from Hillview to Caryn School. The east side of Terrace View from Vintage to Mt San Antonio.
 Ground Cover area: 26,162 square feet
 Turf area: 4,508 square feet
 Hardscape area: 12,928 square feet
- CC-14 The east side of Sierra Crest View from Mt. Waverly to Vintage. The north side of Vintage from Sierra Crest View to Sierra Crest View. The east and west side of Sierra Crest View from Vintage to Mt. Wilson. The south side of Vintage from Netherlands View to 330 feet west of Netherlands View.
 Ground Cover area: 73,250 square feet
 Turf area: 16,525 square feet
 Hardscape area: 9,885 square feet
- CC-15 The south side of Sierra Crest View from Mt. Waverly to Mt. Cambridge. The north side of Sierra Crest View from Mt. Cambridge to Woodland. The north side of Sierra Crest View from Hilltop to Caryn School. The Sierra Crest View paseo from Sierra Crest View to Mt. Sherman.
 Ground Cover area: 70,990 square feet
 Turf area: 7,699 square feet
 Hardscape area: 20,055 square feet
- CC-16 The south side of Vintage from Netherlands View to Rochester. The north side of Vintage from Rochester to Sierra Crest View. The east and west side of Sierra Crest View from Mt. Wilson to Mt. Cambridge. The Netherlands View Paseo from Vintage to Mt. Sterling.
 Ground Cover area: 77,202 square feet
 Turf area: 3,954 square feet
 Hardscape area: 18,195 square feet

- CC-17 The east side of Milliken from Vintage to Banyan.
 Ground Cover area: 13,740 square feet
 Turf area: 9,088 square feet
 Hardscape area: 6,460 square feet
- CC-18 The north side of Vintage from Milliken to Hillview. The south side of Vintage from 104 feet west of Hillview to Milliken.
 Ground Cover area: 32,287 square feet
 Turf area: 3,889 square feet
 Hardscape area: 11,188 square feet
- CC-19 The Terrace View paseo from Vintage to Terrace View.
 Ground Cover area: 17,469 square feet
 Turf area: 15,617 square feet
 Hardscape area: 2,736 square feet
- CC-20 The east side of Terrace View from Mt. San Antonio to El Capitan. The west side of Terrace View from Butler Peak to Mt. San Antonio.
 Ground Cover area: 20,627 square feet
 Hardscape area: 20,017 square feet
 Hardscape area: 7,888 square feet
-
- CC-21 The west side of Rochester from Banyan to 317 feet south of Vintage.
 Ground Cover area: 31,292 square feet
- CC-22 The south side of Vintage from Terrace View to Sierra Crest View. The east and west side of Hillview from Vintage to Mt. Rainer.
 Ground Cover area: 11,609 square feet
 Turf area: 3,763 square feet
 Hardscape area: 6,524 square feet
- CC-23 The south side of Banyan from Milliken to Butler Peak. The west side of Butler Peak from Banyan to Terrace View. The north side of Terrace View from Butler Peak to Rainbow Falls.
 Ground Cover area: 12,132 square feet
 Hardscape area: 528 square feet
- CC-24 The north side of Terrace View from El Capitan to Butler Peak. The east side of Butler Peak from Terrace View to Banyan. The south side of Banyan from Butler Peak to 990 feet east of Butler Peak.
 Ground Cover area: 14,452 square feet
 Hardscape area: 1,600 square feet

- CC-26 The east side of Rochester from 210 freeway to Vintage. The north and south side of Vintage from Rochester to Thunder Mountain. The west side of Rochester from 317 feet south of Vintage to the 210 freeway.
Ground Cover area: 35,037 square feet
Hardscape area: 19,779 square feet

- CC-27 The Milliken median and the west side of Milliken from 292 feet south of Vintage to 210 freeway.
Ground Cover area: 13,365 square feet
Hardscape area: 12,300 square feet

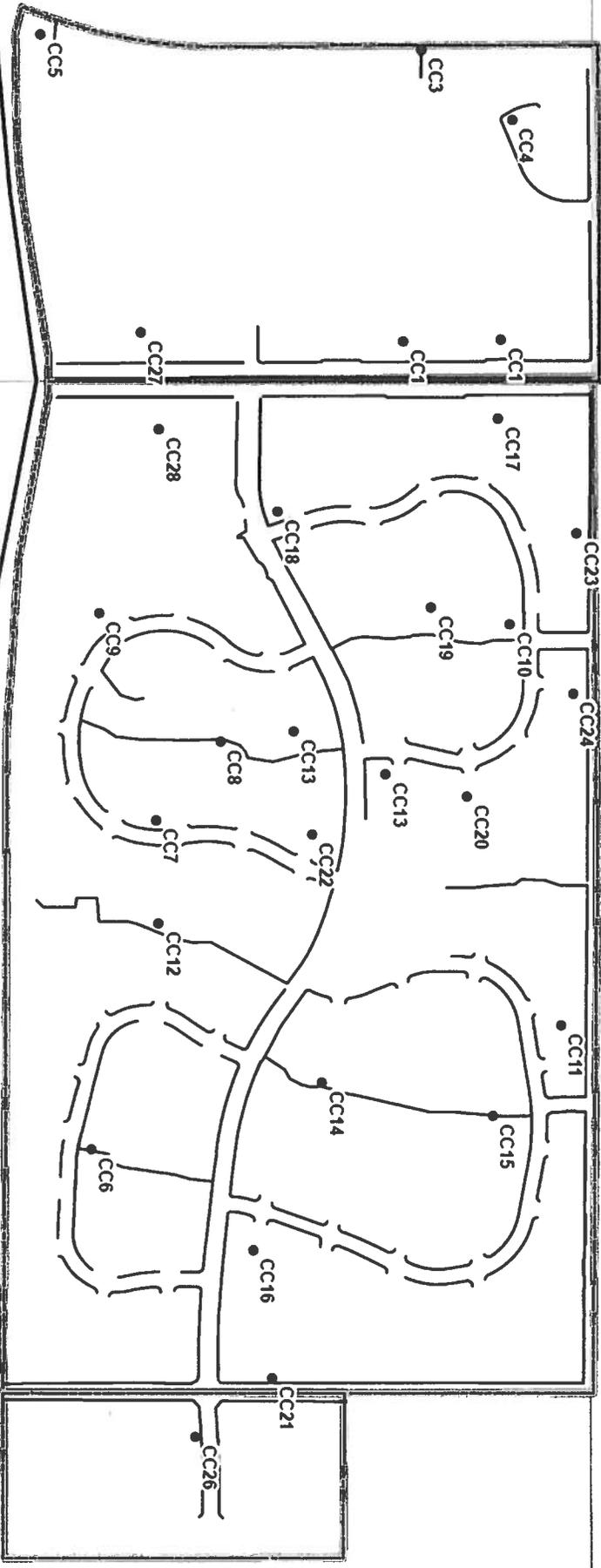
- CC-28 The east side of Milliken from Vintage to the 210 freeway right-of-way.
Ground Cover area: 17,724 square feet
Cobble area: 2,387 square feet
Hardscape area: 5,810 square feet

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



Landscape Maintenance District 6-R (LMD 6-R)



Milliken Av

Banyan St

Rochester Av

The map data and geographic information ("Information") available by and through this website is provided for informational purposes only. The City of Rancho Cucamonga, its employees, agents, contractors, consultants, and other personnel are not responsible for any errors or omissions in the information provided on this website. The user shall not rely on the information for any reason. The City of Rancho Cucamonga, including its employees, agents, contractors, consultants, and other personnel, shall not be liable for any damages, including any direct, indirect, or consequential damages, arising from the use of this website. The City of Rancho Cucamonga, including its employees, agents, contractors, consultants, and other personnel, shall not be liable for any damages, including any direct, indirect, or consequential damages, arising from the use of this website.



Legend

- Water Meter
- Irrigation Lines
- LMD 6-R

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year <u>2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 12,300
Fringe Benefits	5,640
Subtotal - Personnel	<u>17,940</u>
 Operations and Maintenance:	
Operations and Maintenance:	
O &M/General	10,000
Subtotal - Operations and Maintenance	<u>10,000</u>
Contract Services:	
Contract Services/General	215,240
Tree Maintenance	27,000
Subtotal - Contract Services	<u>242,240</u>
Utilities:	
Water Utilities	175,970
Electric Utilities	9,170
Subtotal - Utilities	<u>185,140</u>
Assessment Administration	7,020
Admin./General Overhead	32,490
Subtotal - Operations and Maintenance	<u>476,890</u>
 Total Expenditures Budget	 <u><u>\$ 494,830</u></u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 477,140
Anticipated Prior Year Delinquencies Collection	<u>3,850</u>
Subtotal - Taxes	<u>480,990</u>
Other Revenues:	
Interest Earnings	<u>2,080</u>
Subtotal - Other Revenues:	<u>2,080</u>
Transfers In	<u>31,880</u>
Total Revenues Budget	<u>\$ 514,950</u>
Contribution to/(Use of) Fund Balance	<u>\$ 20,120</u>
Total Gross Estimated Assessments	\$ 481,961.74
Total District EBU Count	1,196.98
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 402.65
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 402.65

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved when the property owners on September 1, 2010, voted in favor of a Proposition 218 assessment ballot increase with an allowable annual increase by the lesser of 3.0% or the percentage change in the year ending February preceding the start of the Fiscal Year of the Consumer Price Index for all Urban Consumers (CPI-U) and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however, it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 179,856
Contribution to Reserve - Fiscal Year 2016/17	<u>20,120</u>
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 199,976</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency

must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the District and include paseos, street trees, landscaped areas and appurtenant facilities that are located throughout the District and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the District which provides ingress and egress for parcels within the District to access the City's system of arterial streets. City residents and traffic from parcels not within the District do not use the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit

derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home.

Vacant parcels are assigned an EBU value of 0.25 EBU's per acre because they receive a lesser benefit from the improvements until such time as development occurs. Publicly owned school parcels are also assigned an EBU value of 0.25 EBU's per acre in recognition of the limited benefit they receive from the improvements which are provided for the use and benefit of the residential units within the District, and the benefit conferred upon other parcels within the District by the open space and landscaping maintained by the School District on their parcels which might be used by properties within the District under joint use agreements between the School District and the City.

There are two benefit zones within the District: Zone 1 and Zone 2. Parcels in Zone 2 are assigned 0.75 EBU per dwelling unit due to the reduction in special benefit they receive as a result of their location relative to the majority of the improvements maintained by the District. Zone 2 parcels are on the far east and west side of the District. Therefore, parcels within Zone 2 do not receive the same special benefit from the improvements due to their proximity, as parcels within Zone 1 which are assigned 1.00 EBU per dwelling unit and are generally located adjacent to or in close proximity to the improvements. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential – Zone 1	1.00	Dwelling Unit
Single Family Residential – Zone 2	0.75	Dwelling Unit
School	0.25	Acre or portion thereof
Vacant	0.25	Acre or portion thereof

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

Fiscal Year	Maximum Assessment per EBU	Actual Assessment per EBU
2010/11	\$366.00	\$246.97
2011/12	374.32	366.00
2012/13	382.15	373.66
2013/14	390.65	381.96
2014/15	392.78	389.96
2015/16	393.17	393.17
2016/17	402.65	402.65

The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential – Zone 1	\$402.65	\$402.65	963.00	963.00
Single Family Residential – Zone 2	402.65	402.65	310.00	232.50
School	402.65	402.65	5.35	1.34
Vacant	402.65	402.65	0.54	0.14

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

Cost of Living Inflatior

Each fiscal year beginning Fiscal Year 2011/12, the maximum allowable assessment amount may be increased by the lesser of 3.0% or the percentage change in the year ending February preceding the start of the Fiscal Year of the Consumer Price Index for all Urban Consumers (CPI-U), for the Los Angeles-Riverside-Orange County area. If for any reason the percentage change is negative the maximum allowable assessment would not be decreased by reason of such negative percentage change and would remain at the amount as computed on the previous fiscal year regardless of any CPI adjustment. The annual assessment cannot exceed the actual costs to operate the District in any given year. If operating costs are such that the maximum assessment amount is not needed, the City would levy only what is needed for that year.

The actual assessment rate for Fiscal Year 2016/17 will increase from \$393.17 to \$402.65 per single-family residence Zone 1 and from \$294.87 to \$301.99 per single family residence Zone 2, a CPI increase of 2.41% as compared to Fiscal Year 2015/16.

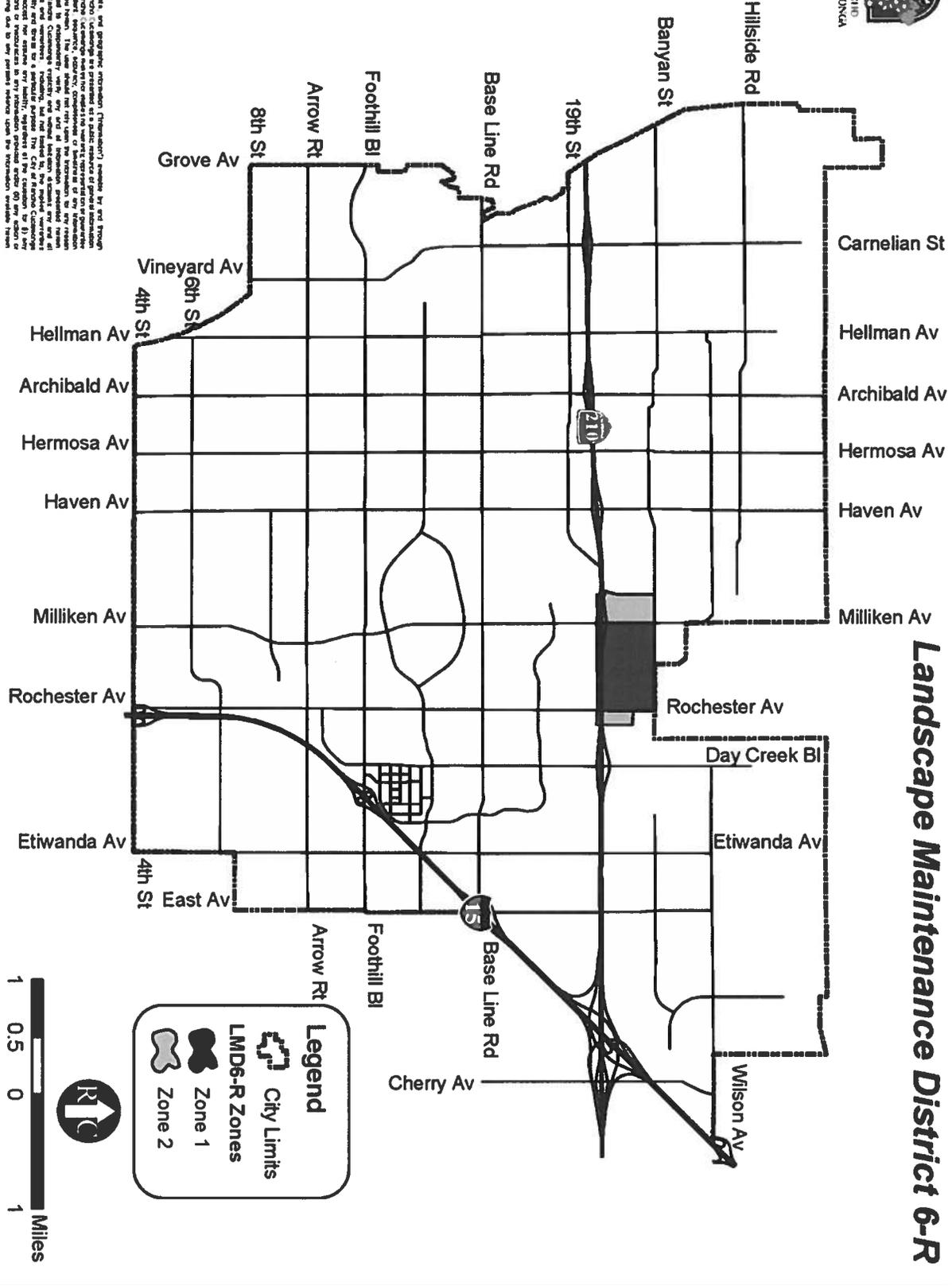
ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



Landscape Maintenance District 6-R

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Legend

- City Limits
- LMD6-R Zones
- Zone 1
- Zone 2



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 actual assessment for the District:

Property Type (County Use Code)	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs	Actual Assessment
Single Family Residential – Zone 1	\$402.65	963.00	963.00	\$387,751.95
Single Family Residential – Zone 2	402.65	310.00	232.50	93,616.90
School	402.65	5.35	1.34	538.53
Vacant	402.65	0.54	0.14	54.36
TOTALS		1,278.89	1,196.98	\$481,961.74

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no annexations for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 7
(North Etiwanda)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 7
(NORTH ETIWANDA)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016 the City Council of Rancho Cucamonga, under the Landscape and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 7 (North Etiwanda) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services	\$ 192,030
Operations and Maintenance	847,740
Total Expenditures Budget	<u>\$ 1,039,770</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 934,120
Anticipated Prior Year Delinquencies Collection	11,860
Subtotal - Taxes	945,980
Other Revenues	34,140
Transfers In	50,000
Total Revenues Budget	<u>\$ 1,030,120</u>
Contribution to/(Use of) Fund Balance	<u>\$ (9,650)</u>
Total District EBU Count	3,073.00
Actual Assessment per EBU	\$ 307.05
Maximum Allowable Assessment per EBU	\$ 307.05

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.

2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;

 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and

 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include, but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceeds the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area of the City known as North Etiwanda, which is generally bounded by the 210 Freeway on the south, I-15 Freeway on the west, and City limits on the north and east. Typically, parcels have been annexed to the District as they have been developed.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements are the maintenance and servicing of the paseos, parkways, median islands, street trees, parks, landscaped sites and appurtenant facilities that are throughout the District. These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

Parks: Etiwanda Creek Park.

<u>Site #</u>	<u>Descriptive Location</u>
EN-1	The north side of Wilson from San Sevaine to Ridgeline. The east side of Ridgeline from Wilson to Arcadia.
	Ground Cover area: 27,325 square feet
	Turf area: 19,334 square feet
	Hardscape area: 840 square feet

- EN-2 The Metropolitan Water District easement on the south side of Crescenta from San Marino to Ridgeline.
 Ground Cover area: 38,104 square feet
 Turf area: 41,250 square feet
 Hardscape area: 9,000 square feet

- EN-3 The Wilson median from Wardman Bullock to San Sevaine.
 Ground Cover area: 9,016 square feet
 Hardscape area: 11,088 square feet

- EN-4 The Planters on the north side of the drainage easement that is between and parallel to Highland and Arapaho from Etiwanda east to the end.
 Ground Cover area: 63,972 square feet

- EN-5 The south side of Wilson from 1,115 feet west of San Sevaine to 205 feet east of San Sevaine. The east side of San Sevaine from Wilson to Youngs Canyon.
 Ground Cover area: 45,584 square feet
 Turf area: 3,527 square feet

- EN-6 The north side of Wilson from Wardman Bullock to Ridgeline. The west side of Ridgeline from Wilson to 120 feet north of Arcadia.
 Ground Cover area: 29,226 square feet
 Turf area: 15,136 square feet
 Hardscape area: 1,300 square feet

- EN-7 The parkway on the eastside of Wardman Bullock from Wilson to 857 feet north of Glendora. The cobblestone between the tract wall and the flood wall will be handled for debris pickup and weed control on an as needed basis.
 Ground Cover area: 10,268 square feet
 Hardscape area: 31,549 square feet

- EN-8 The south side of Crescenta from Ridgeline to Crestline.
 Ground Cover area: 50,035 square feet
 Turf area: 35,960 square feet
 Hardscape area: 10,000 square feet

- EN-9 The paseo from Meadow Brook to Rock Creek.
 Ground Cover area: 1,400 square feet
 Turf area: 6,555 square feet
 Hardscape area: 2,820 square feet

- EN-10 The paseo from Etiwanda to Pacific Crest. The west side of Etiwanda from 175 feet north of North Rim to 171 feet south of Golden Prairie.
 Ground Cover area: 49,020 square feet
 Turf area: 4,445 square feet
 Hardscape area: 13,026 square feet
- EN-11 The paseo south of Ridge Crest to southern boundary of Tract 14139. *This site is temporarily maintained by another contractor and was deleted from the contract as of 7/16/01; however, this site is still the City's property.*
 Ground Cover area: 3,548 square feet
 Turf area: 800 square feet
 Hardscape area: 4,280 square feet
- EN-12 The cul-de-sac on the north side of Ridgecrest at Etiwanda Creek Channel.
 Ground Cover area: 1,870 square feet
 Turf area: 700 square feet
 Hardscape area: 450 square feet
- EN-13 The north side of Wilson from 574 feet west of Cherry to the channel east of San Sevaine. The Wilson median from Cherry to San Sevaine. The east side of San Sevaine from Wilson to 136 feet north of Crescenta.
 Ground Cover area: 46,611 square feet
 Turf area: 5,037 square feet
- EN-14 The west side of San Sevaine from 150 feet north of Wilson to 136 feet north of Crescenta.
 Ground Cover area: 55,166 square feet
 Turf area: 235 square feet
 Hardscape area: 6,975 square feet
- EN-15 The north side of Youngs Canyon from 500 feet east of Koch to 692 feet west of Koch. The south side of Youngs Canyon from 349 feet east of Koch to 692 feet west of Koch. The east and west side of Koch place from Youngs Canyon to 132 feet north of Youngs Canyon. The west side of Koch from Youngs Canyon to 132 feet south of Youngs Canyon. The east side of Koch from 82 feet south of Youngs Canyon to Youngs Canyon. The trailhead north east of the east end of Youngs Canyon to the south end of San Sevaine Horse Trail. The south end of San Sevaine Horse from the trail head to 254 feet north of trailhead.
 Ground Cover area: 42,925 square feet
 Hardscape area: 14,308 square feet
- EN-16 The east side of Wardman Bullock from 225 feet south of San Segundo to 80 feet north of Dona.
 Ground Cover area: 2,056 square feet
 Hardscape area: 3,450 square feet

- EN-17 The north side of Colonbero from San Sevaine Channel to Guidera. The south side of Colonbero from San Sevaine Channel to 400 feet north of Guidera. The north side of Aggazzotti from Colonbero to 4 75 feet east of Colonbero. This site has a pump which will be adjusted and maintained by City personnel.
 Ground Cover area: 43,241 square feet
 Hardscape area: 29,125 square feet
- EN-18 The north side of Aggazzotti from San Antonio to San Sevaine. The west side of San Sevaine from Aggazzotti to 702 feet south of Aggazzotti. The east side of San Sevaine from 702 feet south of Aggazzotti to Regina.
 Ground Cover area: 47,823 square feet
 Hardscape area: 30,986 square feet
- EN-19 The south side of Wilson from Etiwanda to Estates.
 Ground Cover area: 45,727 square feet
 Hardscape area: 19,229 square feet
- EN-20 The south side of Wilson form Bluegrass to Estates.
 Ground Cover area: 85,155 square feet
 Hardscape area: 48,784 square feet
- EN-21 The north side of Wilson from Etiwanda to Cervantes. The Wilson median from Etiwanda to Cervantes. The Westside of Etiwanda from Wilson to Del Norte.
 Ground Cover area: 88,795 square feet
 Hardscape area: 27,128 square feet
- EN-22 The north and south side of Vintage from 165 feet east of Country View to 338 feet west of Country View.
 Ground Cover area: 13,603 square feet
 Hardscape area: 7,365 square feet
- EN-23 The north side of Wilson and median from Etiwanda west to Etiwanda. The east side of Etiwanda from Wilson to 1150 feet north of Wilson.
 Ground Cover area: 32,027 square feet
 Hardscape area: 29,567 square feet
- EN-24 The north side of Vintage from 360 feet west of Ascot to 230 feet east of Countrywood. The south side of Vintage from Ascot to 500 feet east of Countrywood.
 Ground Cover area: 34,707 square feet
 Hardscape area: 92,600 square feet

- EN-25 The east side of Bluegrass from Banyan to 610 feet north of Banyan.
 Ground Cover area: 4,054 square feet
 Hardscape area: 5,819 square feet
- EN-26 The south side of Banyan from Bluegrass to Greenwood.
 Ground Cover area: 6,240 square feet
 Hardscape area: 3,200 square feet
- EN-27 The south side of Banyan from Laurel Blossom to Etiwanda.
 Ground Cover area: 1,703 square feet
 Hardscape area: 8,417 square feet
- EN-28 The north side of Wilson from Cervantes to 1715 feet west of Cervantes. The west side of Cervantes from Carmel Knolls to Wilson. The paseo from Wilson to Tejas. The median on Wilson from Cervantes to Bluegrass. The following temporary landscape: There is one planter on the west side of Altura at Tejas. There are five planters on the south side of Tejas from Altura to 195 feet east of Altura.
 Ground Cover area: 25,048 square feet
 Hardscape area: 22,532 square feet
- EN-29 The south side of Banyan from 787 feet west of East to East. The west side of East from Banyan to 600 feet south of Blue Gum. The east side of East from Banyan to 537 feet south of Banyan.
 Ground Cover area: 16,111 square feet
 Hardscape area: 15,774 square feet
- EN-30 The east side of Bluegrass from 257 feet south of Churchill to 418 feet north of Churchill.
 Ground Cover area: 9,303 square feet
 Hardscape area: 5,302 square feet
- EN-31 The south side of Banyan from 375 feet south of Cashew to Rose. The north side of Banyan from 435 feet west of Peak to Wardman Bullock.
 Ground Cover area: 53,000 square feet
 Hardscape area: 26,855 square feet
- EN-32 The landscaping south of the equestrian trail from 210 feet west of Grovewood to 1,170 feet east of Grovewood.
 Ground Cover area: 6,900 square feet
- EN-33 The north side of Youngs Canyon from 600 feet east of Banyan to Banyan. The east side of Wardman Bullock from Banyan to Wilson. The south side of Wilson from Wardman Bullock to 635 feet east of Fields.
 Ground Cover area: 66,601 square feet
 Hardscape area: 46,332 square feet

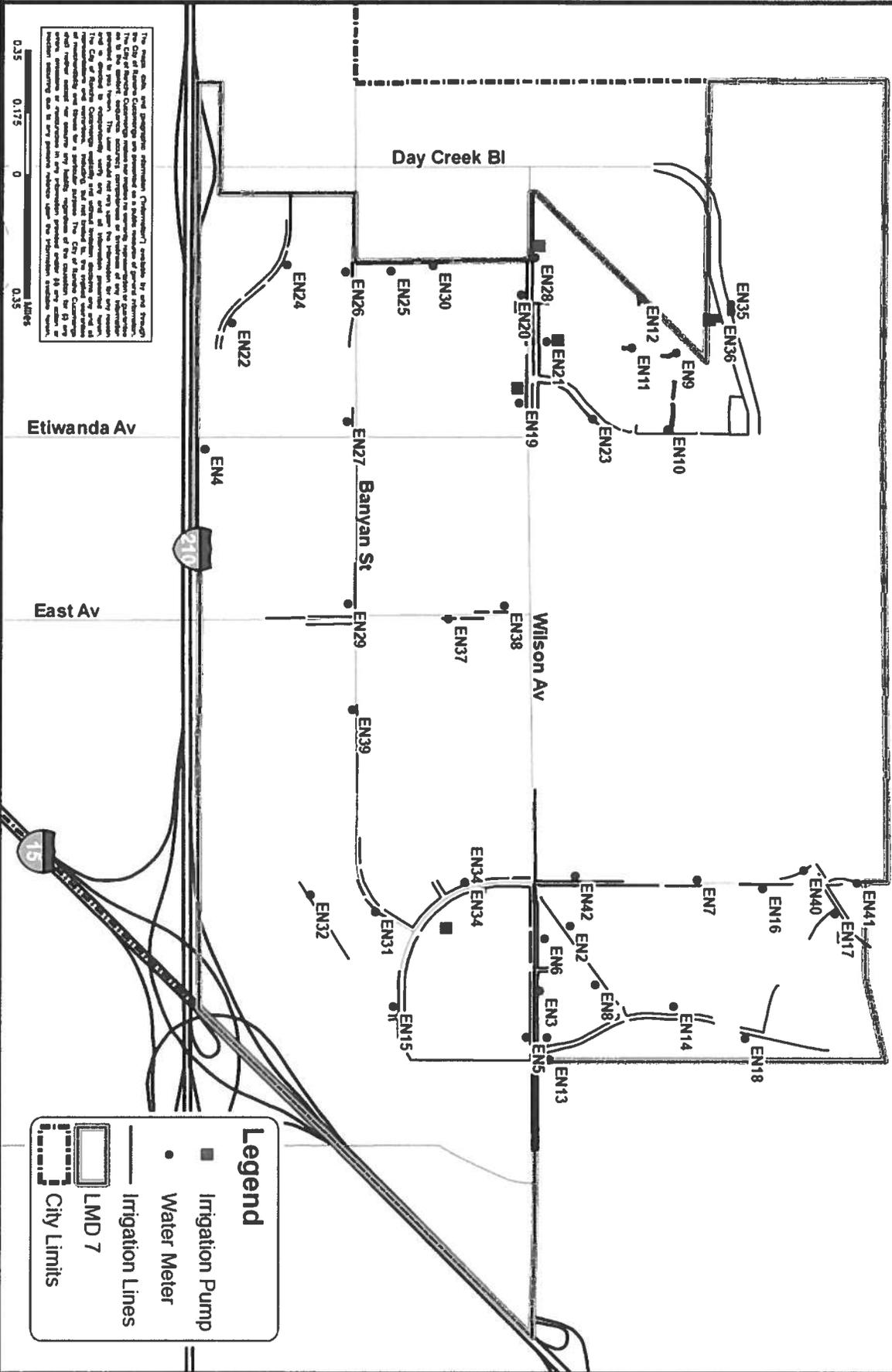
- EN-34 The west side of Wardman Bullock from Wilson to Banyan. Parkview from Wardman Bullock to Soledad.
Ground Cover area: 56,314 square feet
Hardscape area: 28,428 square feet
- EN-35 The north side of Day Creek from Etiwanda to Indian Wells.
Ground Cover area: 160,737 square feet
Hardscape area: 128,254 square feet
- EN-36 The south side of Day Creek from 380 feet north of Coyote to Etiwanda. The west side of Etiwanda from Day Creek to 170 feet north of North Rim. The west side of Day Creek from 380 feet north of Coyote to Indian Wells.
Ground Cover area: 58,398 square feet
Hardscape area: 68,127 square feet
- EN-37 The east side of East from 235 feet south of Hunt Club to 375 feet north of Hunt Club.
Ground Cover area: 5,559 square feet
Hardscape area: 5,231 square feet
- EN-38 The west side of East from 236 feet north of Philly to 245 feet south of Philly.
Ground Cover area: 4,605 square feet
Hardscape area: 3,394 square feet
- EN-39 The south side of Banyan from Golden Lock to Raindrop.
Ground Cover area 6,024 square feet
Hardscape area: 330 square feet
- EN-40 The west side of Wardman Bullock from Colonbero to Breeders Cup. The east side of Wardman Bullock from Colonbero to 385 feet south of Colonbero.
Ground Cover area: 28,527 square feet
Hardscape area: 21,723 square feet
- EN-41 The north side of Colonbero from Wardman Bullock to Ambleside. The south side of Colonbero from 150 feet east of Wardman Bullock to Ambleside. The east side of Ambleside from Colonbero to 700 feet north of Colonbero.
Ground Cover area: 17,065 square feet
Hardscape area: 12,990 square feet
- EN-42 The west side of Wardman Bullock from 778 feet north of Coral Sky to Wilson. The north side of Wilson from Wardman Bullock to 218 feet west of Compass. The east and west sides of Compass. from Wilson to the entrance monuments.
Ground Cover area: 31,809 square feet
Hardscape area: 34,321 square feet

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



Landscape Maintenance District 7 (LMD 7)



The map, data, and geographic information (hereinafter "materials") available by and through the City of Rancho Cucamonga are provided as a public resource of general information. The City of Rancho Cucamonga makes no warranty or representation regarding the accuracy, completeness, or timeliness of the materials. The user should not rely upon the information for any specific purpose or to make any decisions. The City of Rancho Cucamonga is not liable for any damages, including but not limited to, the special, incidental, or consequential damages, arising from the use of the materials. The City of Rancho Cucamonga is not responsible for any information or data provided by any third party, including but not limited to, any information or data provided by any third party, including but not limited to, any information or data provided by any third party, including but not limited to, any information or data provided by any third party.

Legend

- Irrigation Pump
- Water Meter
- Irrigation Lines
- LMD 7
- City Limits

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 120,360
Part-time Salaries	13,160
Fringe Benefits	58,510
Subtotal - Personnel	192,030
Operations and Maintenance:	
Operations and Maintenance:	
O & M/General	32,800
O & M/Facilities	210
Subtotal - Operations and Maintenance	33,010
Contract Services:	
Contract Services/General	322,210
Contract Services/Facilities	790
Tree Maintenance	7,090
Subtotal - Contract Services	330,090
Utilities:	
Telephone Utilities	1,390
Water Utilities	351,220
Electric Utilities	33,740
Subtotal - Utilities	386,350
Assessment Administration	15,430
Admin./General Overhead	82,860
Subtotal - Operations and Maintenance	847,740
Total Expenditures Budget	\$ 1,039,770

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 934,120
Anticipated Prior Year Delinquencies Collection	11,860
Subtotal - Taxes	<u>945,980</u>
Other Revenues:	
Interest Earnings	7,940
Other Rental/Lease Income	25,660
Park Maintenance Fees	540
Subtotal - Other Revenues:	<u>34,140</u>
Transfers In	<u>50,000</u>
Total Revenues Budget	<u>\$ 1,030,120</u>
Contribution to/(Use of) Fund Balance	<u>\$ (9,650)</u>
Total Gross Estimated Assessments	\$ 943,564.65
Total District EBU Count	3,073.00
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 307.05
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 307.05

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1996/97 and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however, it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 809,185
Use of Reserve - Fiscal Year 2016/17	(9,650)
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 799,535</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of

improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the District and include paseos, street trees, landscaped areas and appurtenant facilities that are located throughout the District and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the District which provides ingress and egress for parcels within the District to

access the City's system of arterial streets. City residents and traffic from parcels not within the District do not use the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

When the District was formed in 1989, Article XIID and Proposition 218 had not yet been passed. Upon the passage of Article XIID and the subsequent passage of the Proposition Omnibus Implementation Act, new rules were put into place. Due to the changes in legal requirements, as property annexed to the District after the passage of the Assessment Law, the description of the method of assessment became more refined, however, the assessment per

parcel has remained the same since 1996/97 Fiscal Year. Further, no parcel included in the District formation or annexations prior to when the language was refined are now being levied differently than they were at the time the District was formed or the parcels were annexed.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. The following table provides the weighting factors to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Dwelling Unit

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

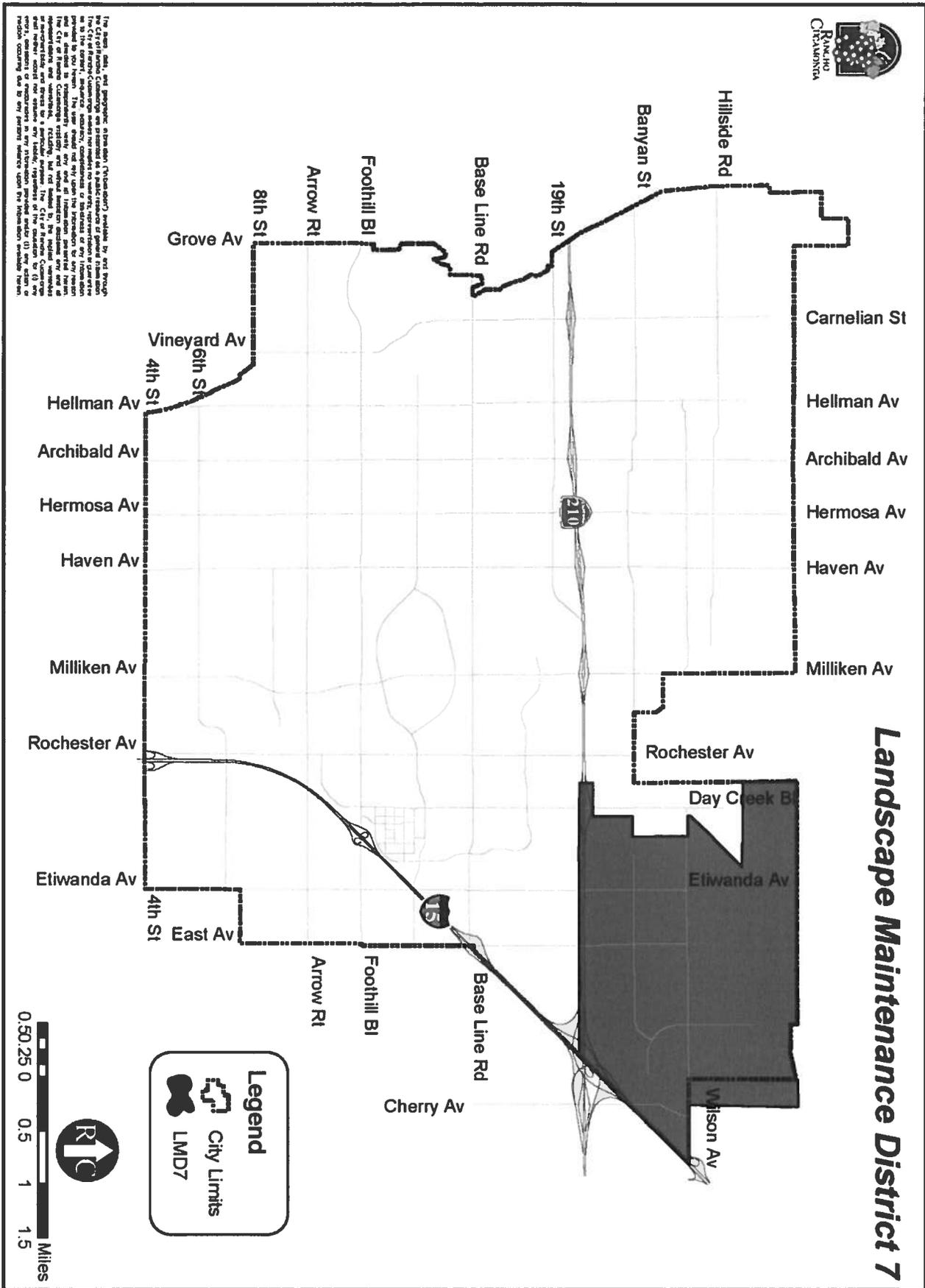
The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$307.05	\$307.05	3,073.00	3,073.00

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$307.05	3,073.00	3,073.00	\$943,564.65

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

The following annexations are effective for Fiscal Year 2016/17.

APN	Annexation Date	Project Name	Total Units/Acres	Total EBUS	Property Type
1087-071-15	03/18/15	TR16226-2	95.00	95.00	Single Family Residential
0225-191-37	05/20/15	PM19528	2.00	2.00	Single Family Residential

**Annual Engineering Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 8
(South Etiwanda)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 8
(SOUTH ETIWANDA)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor
Sam Spagnolo, Mayor Pro Tem
William Alexander, Council Member
Lynne B. Kennedy, Council Member
Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager
Linda D. Daniels, Assistant City Manager
Lori E. Sassoon, Deputy City Manager/Administrative Services
Jason C. Welday, Director of Engineering Services/City Engineer
William Wittkopf, Public Works Director
Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga, under the Landscape and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 8 (South Etiwanda) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 5,560
Operations and Maintenance	34,920
Total Expenditures Budget	<u>\$ 40,480</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 32,330
Anticipated Prior Year Delinquencies Collection	380
Subtotal - Taxes	32,710
Other Revenues	730
Total Revenues Budget	<u>\$ 33,440</u>
Contribution to/(Use of) Fund Balance	<u>\$ (7,040)</u>
Total District EBU Count	216.22
Actual Assessment per EBU	\$ 151.45
Maximum Allowable Assessment per EBU	\$ 151.45

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceeds the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area known as South Etiwanda, which is south of the I-210 Freeway along Fisher, east of East, including the south side of Highstone Manor, the south side of Smokestone, and to the San Bernardino County Flood Control drainage basin on east side. Typically parcels have been annexed to the District as they have been developed.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements maintained by the District include the paseos, community trails, trees, landscaped sites and appurtenant facilities that are throughout the District. These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

<u>Site #</u>	<u>Descriptive Location</u>
SE-1	The east side of East from 480 feet south of Catalpa to 182 feet north of Catalpa. The north and south side of Catalpa from East to Brownstone. The west side of Brownstone from Catalpa to 150 feet south of Catalpa. Not including the frontage parkway at 6649 East.
	Ground Cover area: 10,355 square feet
	Turf area: 6,258 square feet
	Hardscape area: 4,050 square feet

- SE-2 The south side of Fisher from 361 feet east of East to 210 feet east of Starstone.
Ground Cover area: 9,366 square feet
Hardscape area: 4,074 square feet

- SE-3 The south side of Fisher from 860 feet west of Mulberry to Mulberry.
Ground Cover area: 3,676 square feet
Hardscape area: 6,910 square feet

Ground cover, shrubs and turf areas that make up parkways, median islands and paseos are maintained under contract by a private landscape maintenance company.

With a Majority Protest for the Proposition 218 Ballot Initiative in September 2010, the City stopped maintaining the north side of Fisher and reduced the service level to a B.

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



Landscape Maintenance District 8 (LMD 8)



East Av

SE1

SE2

SE3

The maps, data, and geographic information ("Information") available by and through the City of Rancho Cucamonga are provided as a public resource of general information, and are not intended to be used for any specific purpose. The City of Rancho Cucamonga makes no warranty regarding the accuracy, reliability, or completeness of the Information. The user should not rely upon the Information for any reason, and is advised to independently verify any use of the Information. The City of Rancho Cucamonga is not responsible for any damages, including but not limited to, the direct, indirect, or consequential damages, arising from any use of the Information. The City of Rancho Cucamonga does not warrant the Information for any particular purpose. The City of Rancho Cucamonga makes no representation or warranty regarding the Information, and the user should verify the accuracy of the Information before using it for any purpose. The City of Rancho Cucamonga is not responsible for any damages, including but not limited to, the direct, indirect, or consequential damages, arising from any use of the Information.



Legend

- Water Meter
- Irrigation Lines
- ▭ LMD 8
- ▭ City Limits

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 3,830
Fringe Benefits	1,730
Subtotal - Personnel	<u>5,560</u>
Operations and Maintenance:	
Operations and Maintenance:	
O &M/General	<u>2,000</u>
Subtotal - Operations and Maintenance	<u>2,000</u>
Contract Services:	
Contract Services/General	12,430
Tree Maintenance	4,300
Subtotal - Contract Services	<u>16,730</u>
Utilities:	
Water Utilities	6,050
Electric Utilities	1,440
Subtotal - Utilities	<u>7,490</u>
Assessment Administration	1,050
Admin./General Overhead	7,650
Subtotal - Operations and Maintenance	<u>34,920</u>
Total Expenditures Budget	<u>\$ 40,480</u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 32,330
Anticipated Prior Year Delinquencies Collection	380
Subtotal - Taxes	<u>32,710</u>
Other Revenues:	
Interest Earnings	730
Subtotal - Other Revenues:	<u>730</u>
Total Revenues Budget	<u>\$ 33,440</u>
Contribution to/(Use of) Fund Balance	<u>\$ (7,040)</u>
Total Gross Estimated Assessments	\$ 32,746.51
Total District EBU Count	216.22
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 151.45
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 151.45

The maximum allowable assessment per Equivalent Benefit Unit (EBU) listed in the District budget above, is the amount which was approved in Fiscal Year 1989/90, when the District was formed, and subsequent District annexations. Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per EBU will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however, it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 60,063
Use of Reserve - Fiscal Year 2016/17	(7,040)
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 53,023</u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be

determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the District and include paseos, street trees, landscaped areas and appurtenant facilities that are located throughout the District and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the District which provides ingress and egress for parcels within the District to

access the City's system of arterial streets. City residents and traffic from parcels not within the District do not use the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of

development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Dwelling Unit
Non-Residential	2.00	Acre or portion thereof
Church	1.00	Acre or portion thereof

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

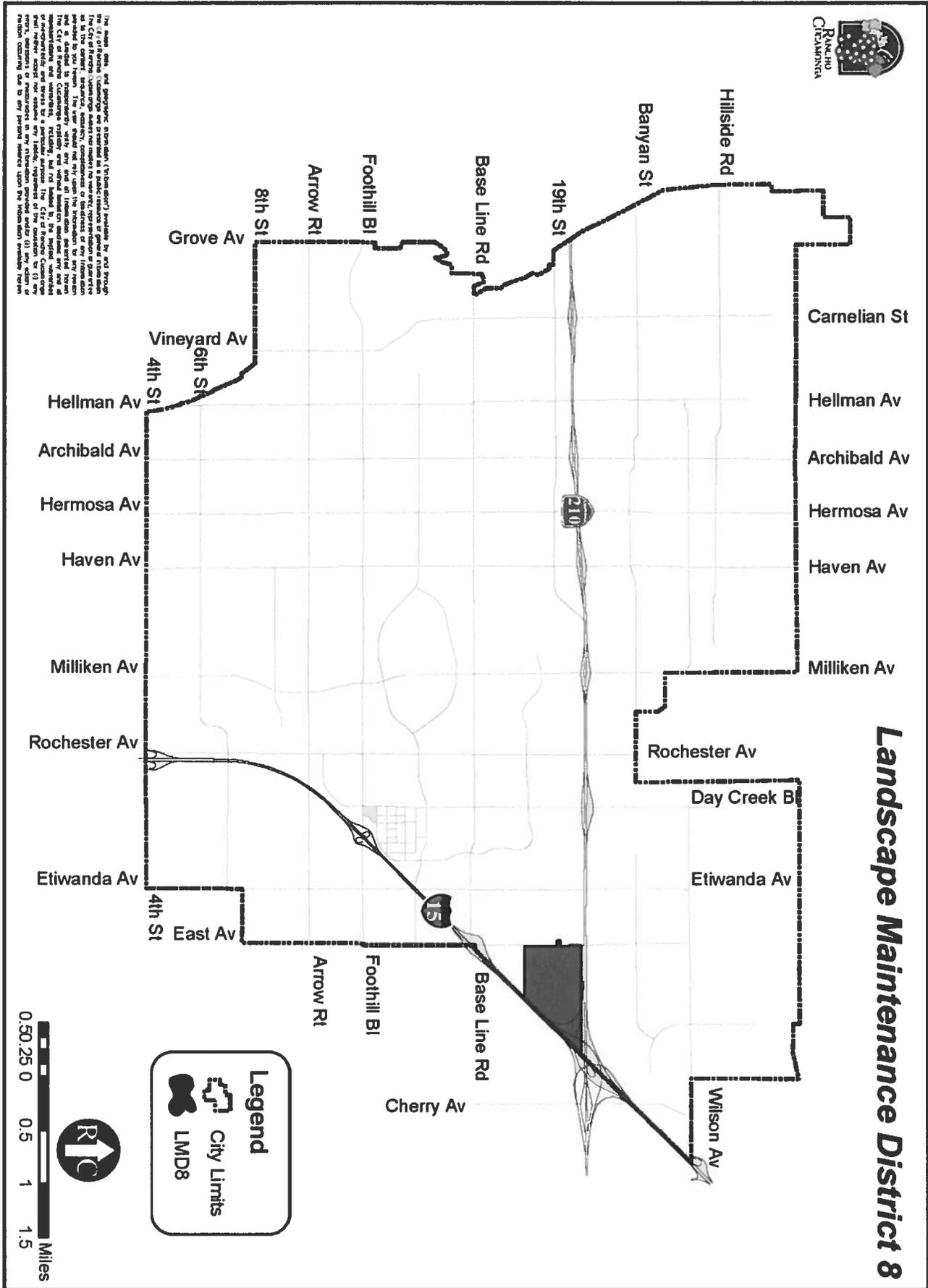
The following table summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$151.45	\$151.45	188.00	188.00
Non-Residential	151.45	151.45	13.61	27.22
Church	151.45	151.45	1.00	1.00

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 maximum and actual assessments for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU*	Total Units/ Acres	Total EBUs	Maximum Allowable Assessment
Single Family Residential	\$151.45	188.00	188.00	\$28,472.60
Non-Residential	151.45	13.61	27.22	4,122.46
Church	151.45	1.00	1.00	151.45
TOTALS		202.61	216.22	\$32,746.51

* "Actual Assessment Rate per EBU" is the same as "Maximum Allowable Assessment Rate Per EBU".

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no annexations for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 9
(Lower Etiwanda)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 9
(LOWER ETIWANDA)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor

Sam Spagnolo, Mayor Pro Tem

William Alexander, Council Member

Lynne B. Kennedy, Council Member

Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager

Linda D. Daniels, Assistant City Manager

Lori E. Sassoon, Deputy City Manager/Administrative Services

Jason C. Welday, Director of Engineering Services/City Engineer

William Wittkopf, Public Works Director

Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga, under the Landscape and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 9 (Lower Etiwanda) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 264,770
Operations and Maintenance	269,110
Total Expenditures Budget	<u>\$ 533,880</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 170,240
Anticipated Prior Year Delinquencies Collection	1,380
Subtotal - Taxes	171,620
Other Revenues	24,090
Total Revenues Budget	<u>\$ 195,710</u>
Contribution to/(Use of) Fund Balance	<u>\$ (338,170)</u>
Total District EBU Count	2,149.56
Actual Assessment per EBU	\$ 80.00
Maximum Allowable Assessment per EBU	\$ 551.35

In making the assessments contained herein pursuant to the 1972 Act:

1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.
2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;
 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and
 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



 Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition, to the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceeds the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area known as Lower Etiwanda, which is south of Victoria, north of Foothill, generally east of Etiwanda and the I-15 Freeway and west of East. Typically parcels have been annexed to the District as they have developed.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements maintained by the District include the paseos, community trails, trees, landscaped sites and appurtenant facilities that are throughout the District. These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

Parks: Garcia Park (formerly known as South Etiwanda Park).

<u>Site #</u>	<u>Descriptive Location</u>
9-1	The west side of East from 380 feet north of Chateau to 290 feet south of Chateau.
	Ground Cover area: 7,244 square feet
	Hardscape area: 7,525 square feet

- 9-2 The west side of East from 339 feet north of Brookfield to 157 north of Brookfield. Brookfield from East to Oak Crest. The east side of Oak Crest to 137 feet north of Brookfield.
 Ground Cover area: 2,390 square feet
 Hardscape area: 6,874 square feet
- 9-3 The west side of East from 790 feet north of Highfield to 256 feet south of Highfield.
 Ground Cover area: 8,769 square feet
 Hardscape area: 10,669 square feet
- 9-4 The west side of East From 295 feet north of Via Veneto To Via Veneto. The north side of Via Veneto From East to Dolcetto. The east side of Dolcetto from Via Veneto to Miller. The south side of Miller from 372 feet west of Dolcetto to 240 feet east of Dolcetto. The west side of Dolcetto from Miller to Garcia. The north side of Garcia from Dolcetto to Etiwanda.
 Ground Cover area: 48,612 square feet
 Hardscape area: 28,746 square feet
- 9-5 The north side of Miller from 429 feet west of Dolcetto to 1029 feet west of Dolcetto.

 Ground Cover area: 6,519 square feet
 Hardscape area: 3,325 square feet
- 9-6 The north side of Miller from 254 feet east of Dolcetto to 167 feet west of Dolcetto.
 Ground Cover area: 4,089 square feet
 Hardscape area: 2,854 square feet
- 9-8 The south side of Base Line from Etiwanda Ave. to Shelby. The Base Line median form Etiwanda to 473 feet east of Shelby.
 Ground Cover area: 16,395 square feet
 Hardscape area: 14,558 square feet
- 9-9 The north side of Candlewood from Exbury to Etiwanda.
 Ground Cover area: 3,362 square feet
 Hardscape area: 786 square feet
- 9-10 The north side of Base Line form 522 feet east of Forester to 180 feet west of Forester. The Base Line median form 503 feet east of Forester to 200 feet west of Forester.
 Ground Cover area: 16,930 square feet
 Hardscape area: 13,600 square feet

- 9-11 The north side of Mueller from 40 feet past the east end of Mueller to 20 feet east of Dicarlo.
Ground Cover area: 9,420 square feet
Hardscape area: 742 square feet
- 9-12 The north and south sides of Highland from 217 feet west of Norcia to 210 feet east of Dicarlo.
Ground Cover area: 12,471 square feet
Hardscape area: 14,445 square feet
- 9-13 The south side of Carnesi from Etiwanda to 395 feet east of Murietta.
Ground Cover area: 8,919 square feet
Hardscape area: 6,203 square feet
- 9-14 The west side of East from 665 feet north of Miller to Miller. The north side of Miller from East to 667 feet west of East.
Ground Cover area: 9,150 square feet
Hardscape area: 16,226 square feet
- 9-15 The north side of Base Line from Shelby to 343 feet east of Shelby.
Ground Cover area: 3,480 square feet
Hardscape area: 4,638 square feet
- 9-16 The east side of Dolcetto from Garcia to Via Veneto. The south side of Via Veneto from Dolcetto to East. The west side of East from Via Veneto to 276 feet south of Via Veneto.
Ground Cover area: 16,310 square feet
Hardscape area: 13,411 square feet
- 9-17 The east side of Etiwanda from 145 feet south of Miller to Miller. The south side of Miller from Etiwanda to Three Vines.
Ground Cover area: 7,535 square feet
Hardscape area: 6,130 square feet
- FH-17 The Foothill median from Etiwanda to Cornwell.
Ground Cover area: 8,275 square feet

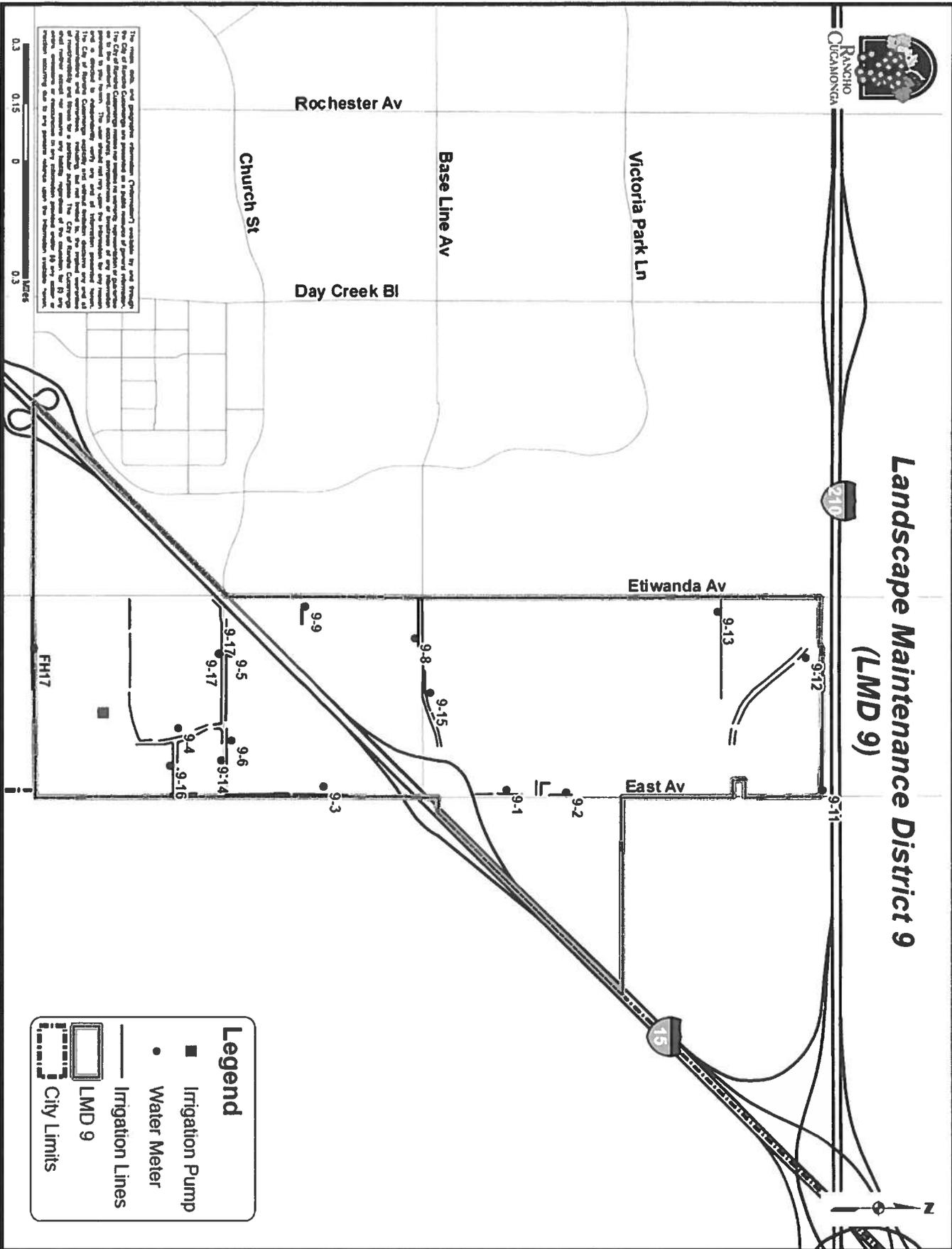
Ground cover, shrubs and turf areas that make up parkways, median islands and paseos are maintained under contract by a private landscape maintenance company. Parks are maintained by the City's Park Maintenance Crews.

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



Landscape Maintenance District 9 (LMD 9)



ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 163,450
Part-time Salaries	21,200
Fringe Benefits	80,120
Subtotal - Personnel	<u>264,770</u>
Operations and Maintenance:	
Operations and Maintenance:	
O &M/General	23,000
Cellular Technology	1,370
Emergency Equipment and Vehicle Rental	1,200
Subtotal - Operations and Maintenance	<u>25,570</u>
Contract Services:	
Contract Services/General	110,080
Tree Maintenance	31,070
Subtotal - Contract Services	<u>141,150</u>
Utilities:	
Water Utilities	42,140
Electric Utilities	9,630
Subtotal - Utilities	<u>51,770</u>
Assessment Administration	9,100
Admin./General Overhead	41,520
Subtotal - Operations and Maintenance	<u>269,110</u>
Total Expenditures Budget	<u>\$ 533,880</u>

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 170,240
Anticipated Prior Year Delinquencies Collection	1,380
Subtotal - Taxes	<u>171,620</u>
Other Revenues:	
Interest Earnings	21,590
Park Maintenance Fees	2,000
Sports Field User Group Rentals	500
Subtotal - Other Revenues:	<u>24,090</u>
Total Revenues Budget	<u>\$ 195,710</u>
Contribution to/(Use of) Fund Balance	<u>\$ (338,170)</u>
Total Gross Estimated Assessments	\$ 171,964.80
Total District EBU Count	2,149.56
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 80.00
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 551.35

Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per Equivalent Benefit Unit (EBU) will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however, it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 1,758,827
Use of Reserve - Fiscal Year 2016/17	(338,170)
Estimated Reserve Fund Balance, June 30, 2017	<u>\$ 1,420,657</u>

The City has reserve funds that are more than sufficient to cover an estimated six months' worth of maintenance and servicing costs for the District. When there are excess funds in the District's reserve account, the excess can be used to lower the annual levy to property owners

within the District. The City will continue to annually review the estimated costs and expenses for the District as well as reserve fund levels, in order to determine if future levies can be reduced as well.

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency

must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the District and include paseos, street trees, landscaped areas and appurtenant facilities that are located throughout the District and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the District which provides ingress and egress for parcels within the District to access the City's system of arterial streets. City residents and traffic from parcels not within the District do not use the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the Assessment District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit

derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. Every other land-use is converted to EBUs based on an assessment formula that equates to the property's specific development status, type of development (land-use), and size of the property, as compared to a single family home. The following table provides the weighting factors applied to various land-use types, as assigned by County use code, to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units		
Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Dwelling Unit
Multi-Family Residential	1.00	Dwelling Unit
Non-Residential Improved	2.00	Acre

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

Cost of Living Inflator

Each fiscal year beginning with Fiscal Year 2001/02, the maximum allowable assessment may be increased each year, based upon the Consumer Price Index ("CPI"), All Urban Consumers, for the Los Angeles-Anaheim-San Bernardino Area, as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. The Engineer shall compute the percentage difference between the CPI for March of each year and the CPI for the previous March, and shall then adjust the existing assessment by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living. If for any reason the percentage change is negative the maximum allowable assessment would not be decreased by reason of such negative percentage change and would remain at the amount as computed on the previous fiscal year regardless of any CPI adjustment. The annual assessment cannot exceed the actual costs to operate the District in any given year. If operating costs are such that the maximum assessment amount is not needed, the City would levy only what is needed for that year.

The Fiscal Year 2016/17 actual assessment rate is reduced due to the City having reserve funds that are more than sufficient to cover an estimated six months' worth of maintenance and servicing costs for the District. When there are excess funds in the District's reserve account, the excess can be used to lower the annual levy to property owners within the District. The City will continue to annually review the estimated costs and expenses for the District as well as reserve fund levels, in order to determine if future levies can be reduced as well.

The following table reflects both the maximum allowable assessment and the actual assessment rates for each year since the formation of the District and the proposed assessment rate for Fiscal Year 2016/17 for the District:

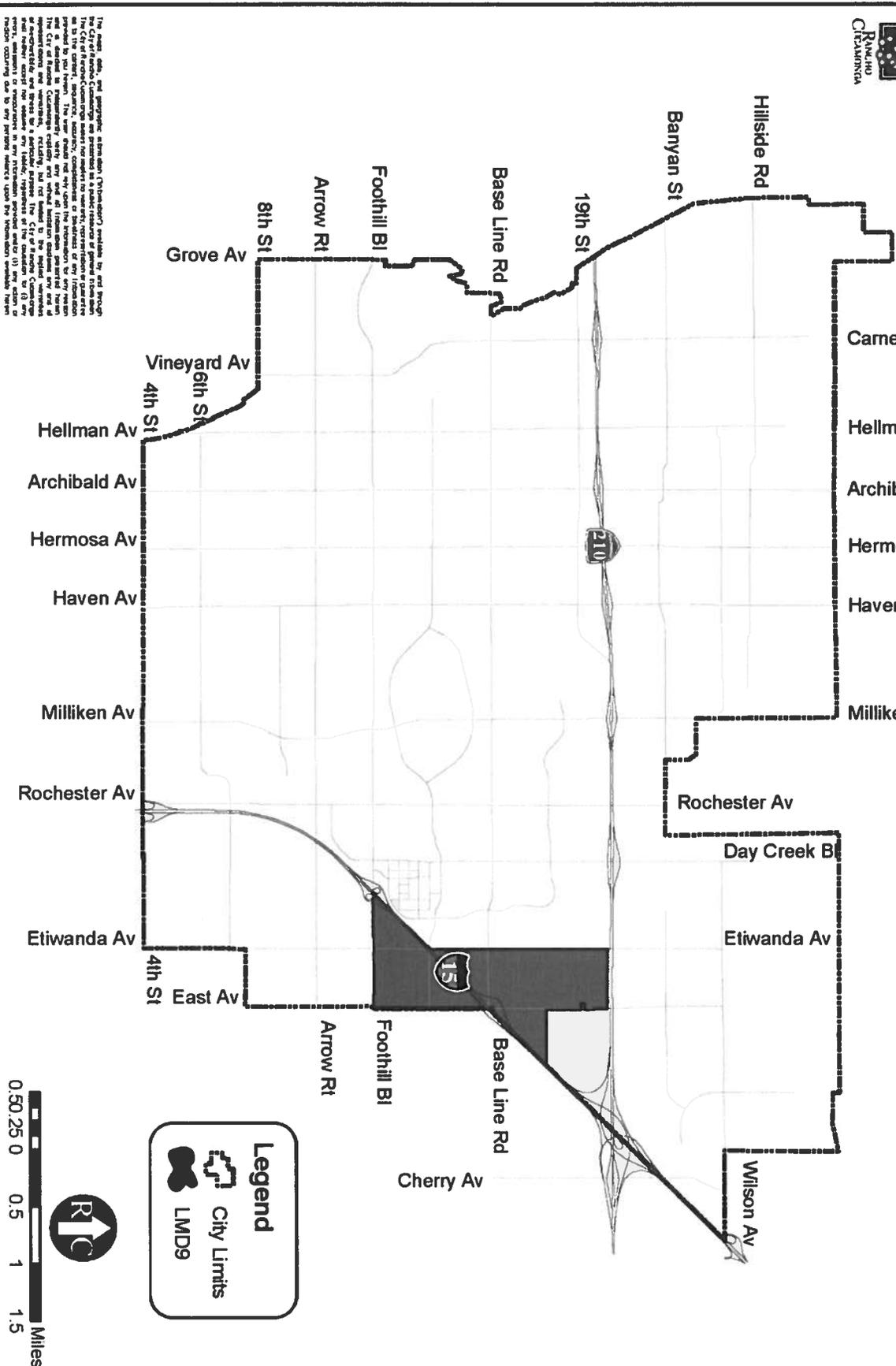
Fiscal Year	Maximum Assessment per EBU	Actual Assessment per EBU
2000/01	\$375.91	\$375.91
2001/02	388.02	375.91
2002/03	398.81	375.91
2003/04	414.44	375.91
2004/05	421.71	375.91
2005/06	438.67	375.91
2006/07	459.15	375.91
2007/08	476.76	387.94
2008/09	492.41	387.94
2009/10	492.41	387.94
2010/11	501.55	387.94
2011/12	516.58	187.00
2012/13	527.03	187.00
2013/14	533.83	80.00
2014/15	536.50	80.00
2015/16	542.15	80.00
2016/17	551.35	80.00

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



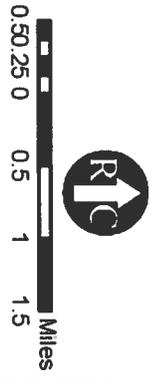
Landscape Maintenance District 9



The maps, data, and geographic information ("Information") provided by and through the City of Rancho Cucamonga are provided as a public resource of general information and are not intended to be used for any specific purpose. The City of Rancho Cucamonga makes no warranty or representation as to the accuracy, completeness, or timeliness of the information provided by you herein. The user should not rely upon the information for any reason and is advised to independently verify any and all information presented herein. The City of Rancho Cucamonga is not responsible for any errors or omissions in the information provided herein. The City of Rancho Cucamonga is not liable for any damages, including, but not limited to, the indirect, consequential, or incidental damages, arising out of the use of the information provided herein. The City of Rancho Cucamonga is not responsible for any damages, including, but not limited to, the indirect, consequential, or incidental damages, arising out of the use of the information provided herein. The City of Rancho Cucamonga is not responsible for any damages, including, but not limited to, the indirect, consequential, or incidental damages, arising out of the use of the information provided herein.

Legend

- City Limits
- LMD9



ASSESSMENT ROLL AND ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 actual assessments for the District:

Property Type (County Use Code)	Actual Assessment Rate Per EBU	Total Units/ Acres	Total EBUs	Actual Assessment
Single Family Residential	\$80.00	1,056.00	1,056.00	\$84,480.00
Multi-Family Residential	80.00	1,057.00	1,057.00	84,560.00
Non-Residential Improved	80.00	18.28	36.56	2,924.80
TOTALS		2,131.28	2,149.56	\$171,964.80

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no annexations for Fiscal Year 2016/17.

**Annual Engineer's Report
Fiscal Year 2016/17**

**City of Rancho Cucamonga
Landscape Maintenance District No. 10
(Rancho Etiwanda)**

**CITY OF RANCHO CUCAMONGA
LANDSCAPE MAINTENANCE DISTRICT NO. 10
(RANCHO ETIWANDA)
10500 Civic Center Drive
Rancho Cucamonga, CA 91730
Phone: 909.477.2700
Fax: 909.477.2849**

CITY COUNCIL

L. Dennis Michael, Mayor

Sam Spagnolo, Mayor Pro Tem

William Alexander, Council Member

Lynne B. Kennedy, Council Member

Diane Williams, Council Member

CITY STAFF

John R. Gillison, City Manager

Linda D. Daniels, Assistant City Manager

Lori E. Sassoon, Deputy City Manager/Administrative Services

Jason C. Welday, Director of Engineering Services/City Engineer

William Wittkopf, Public Works Director

Tamara L. Layne, Finance Director

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ENGINEER'S LETTER

WHEREAS, on July 6, 2016, the City Council of Rancho Cucamonga, under the Landscape and Lighting Act of 1972 (the "1972 Act") adopted its Resolution No. 16-076, a Resolution Initiating Proceedings for the Levy of Annual Assessments for Landscape Maintenance District No. 10 (Rancho Etiwanda) (the "District"); and

WHEREAS, the Resolution Initiating Proceedings directed staff to prepare and file an Annual Engineer's Report for Fiscal Year 2016/17 pursuant to the requirements of the 1972 Act. The Annual Engineer's Report presents the plans and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the maintenance, operations and servicing of the improvements for the District for the referenced fiscal year, a diagram for the District, showing the area and properties proposed to be assessed, and an assessment of the estimated costs of the maintenance, operations and servicing of the improvements, assessing the net amount upon all assessable lots and/or parcels within the District in proportion to the special benefit received; and

NOW THEREFORE, the following assessment is proposed to be authorized in order to pay the estimated costs of maintenance, operation and servicing of the improvements to be paid by the assessable real property within the boundaries of the District in proportion to the special benefit received. The following table summarizes the proposed assessment.

	<u>Fiscal Year 2016/17 Budget</u>
<u>Expenditures</u>	
Personnel Services	\$ 233,300
Operations and Maintenance	452,530
Total Expenditures Budget	<u>\$ 685,830</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 549,610
Anticipated Prior Year Delinquencies Collection	6,750
Subtotal - Taxes	556,360
Other Revenues	27,970
Total Revenues Budget	<u>\$ 584,330</u>
Contribution to/(Use of) Fund Balance	<u>\$ (101,500)</u>
Total District EBU Count	786.00
Actual Assessment per EBU	\$ 711.71
Maximum Allowable Assessment per EBU	\$ 848.43

In making the assessments contained herein pursuant to the 1972 Act:

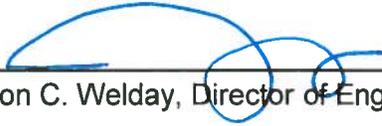
1. I have identified all parcels which will have a special benefit conferred upon them from the improvement described in the Special Benefit Section of this Annual Engineer's Report (the "Specially Benefited Parcels"). For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is included in this Annual Engineer's Report.

2. I have evaluated the costs and expenses of the improvements upon the Specially Benefited Parcels. In making such evaluation:
 - a. The proportionate special benefit derived by each Specially Benefited Parcel from the improvements was determined in relationship to the entirety of the maintenance costs of the improvements;

 - b. No assessment has been imposed on any Specially Benefited Parcel which exceeds the reasonable cost of the proportional special benefit conferred on such parcel from the improvements; and

 - c. Any general benefits from the improvements have been separated from the special benefits and only special benefits have been assessed.

I, the undersigned, respectfully submit the enclosed Annual Engineer's Report and, to the best of my knowledge, information and belief, I certify that the Annual Engineer's Report and Assessment Diagram included herein have been prepared and computed in accordance with the order of the City Council of the City of Rancho Cucamonga and the Assessment Law.



Jason C. Welday, Director of Engineering Services/City Engineer



INTRODUCTION

Reason for Assessment

Approval of the assessment covered by this Engineer's Report will generate the revenue necessary to:

Provide for the maintenance and servicing of the improvements described in this Engineer's Report. Maintenance may include but is not limited to, all of the following: the upkeep, repair, removal or replacement of all or any part of any improvement or facility such as paseos, community trails, fencing and irrigation systems, and providing for the growth, vigor and care of the trees and landscape plant materials. Servicing means the furnishing of electricity, gas or other illuminating energy for the lighting of landscape or appurtenant facilities. This shall also include material, vehicle, equipment, capital improvements and administrative costs associated with the annual administration and operation of the District.

Process for Annual Assessment

The City cannot levy and collect annual assessments within the District without complying with the procedures specified in the 1972 Act. On an annual basis, an Engineer's Report must be prepared which contains a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the District for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the District by its distinctive designation and indicate the general location of the District.
- Refers to the Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the District and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment amount approved, the City Clerk shall give notice by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public

hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including the improvements, to the zones within the District, and the proposed diagram or the proposed assessment.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

If the assessment to be levied exceeds the maximum assessment amount previously approved, the City must comply with the procedures specified in Article XIII D and Proposition 218. The voters in the State of California in November 1996 added Article XIII D to the California Constitution imposing, among other requirements, the necessity for the City to conduct an assessment ballot procedure to enable the owners of each property on which assessments are proposed to be enacted or increased, the opportunity to express their support for, or opposition to, the proposed assessment or increase in such assessment. The basic steps of the assessment ballot procedure are outlined below.

The City must prepare a Notice of Public Hearing ("Notice"), which describes, along with other mandated information, the reason for the proposed assessments, and provides a date and time of a public hearing to be held on the matter. The City must also prepare an assessment ballot, which clearly gives the property owner the ability to sign and mark their assessment ballot either in favor of, or in opposition to, the proposed assessment. The Notice and assessment ballot are mailed to each affected property owner within the District a minimum of 45 days prior to the public hearing date as shown in the Notice. The City may also hold a community meeting with the property owners to discuss the issues facing the District and to answer property owner questions directly.

After the Notice and assessment ballot are mailed, property owners are given until the close of the public hearing, stated in the Notice, to return their signed and marked assessment ballot to the City Clerk. During the public hearing, property owners are given the opportunity to address the City Council and ask questions or voice their concerns. At the public hearing, the returned assessment ballots received prior to the close of the public hearing are tabulated, weighted by the proposed assessment amount on each property and the results are announced by the City Council.

Article XIII D provides that if, as a result of the assessment ballot proceeding, a majority protest is found to exist, the City Council shall not have the authority to levy and collect the assessments as proposed. A majority protest exists if the assessments represented by ballots submitted in opposition exceed those submitted in favor of the assessment. All returned ballots are tabulated and weighted according to the financial obligation of each particular parcel.

If there is no majority protest as described above, the City Council may approve the proposed assessments. If there is a majority protest, as described above, the City will not levy and collect any assessments that exceeds the maximum assessment amount previously approved.

PLANS AND SPECIFICATIONS

The District provides for the administration, maintenance, operations, and servicing of various improvements located within the public right-of-way and dedicated easements within the boundaries of the District.

Description of the Boundaries of the District

The District is located in the City of Rancho Cucamonga, State of California. The boundaries of the District are generally described as that area known as Rancho Etiwanda, which lies north of the 210 Freeway, east of Day Creek Channel, and west of Hanley. Typically parcels have been annexed to the District as they have developed.

Reference is also made to the Assessment Diagram included in this Report.

Description of Improvements and Services

The improvements maintained by the District include the paseos, community trails, trees, landscaped sites and appurtenant facilities that are throughout the District. These improvements are located within the street right-of-ways and dedicated public easements which are within the boundaries of the District. The landscaping maintenance includes, but is not limited to, the pruning, fertilizing, mowing, weeding, pest control, removal of trash/debris, and irrigation of the trees, shrubs, vines, ground cover, and turf. Maintenance of associated improvements and facilities, such as community trails, fencing and irrigation systems, includes but is not limited to, grading and replacement of trail surfacing, trail fence repair and replacement, steel fence painting, repair and replacement, and irrigation systems control, adjustment, trouble-shooting, repair and replacement. Services include personnel, materials, contracting services, utilities, capital projects and all necessary costs associated with the maintenance, replacement and repair required to keep the improvements in a healthy, vigorous and satisfactory condition. In addition, it is the City's intention to continue to use cost effective materials, including the future ability to replace landscaping with drought resistant or low water use plants, in order to lower expenses of the District. The breakdown of maintained areas is as follows:

Parks: Day Creek Park.

<u>Site #</u>	<u>Descriptive Location</u>
10-1	The west side of Day Creek from 790 feet north of Richfield to Wilson. The north side of Wilson from Day Creek to 227 feet west of Day Creek. This site overlaps 10-2.
	Ground Cover area: 16,941 square feet
	Hardscape area: 3,589 square feet

- 10-2 The north and south side of Wilson from 497 feet west of Alvarado to Day Creek. The south side of Wilson from Day Creek to Bluegrass. The Wilson median from Day Creek to Bluegrass.
Ground Cover area: 47,275 square feet
Hardscape area: 6,444 square feet
- 10-3 The west side of Day Creek from Wilson to 144 feet south of Clydesdale. The Day Creek median from Wilson to Banyan.
Ground Cover area: 32,619 square feet
Hardscape area: 10,983 square feet
- 10-4 The east side of Day Creek from 648 feet south of Keenland to Wilson.
Ground Cover area: 15,952 square feet
Hardscape area: 4,365 square feet
- 10-5 The west side of Bluegrass from Wilson to 705 feet south of Challendon.
Ground Cover area: 26,882 square feet
Hardscape area: 12,220 square feet
- 10-6 The south side of Banyan from Rochester to Day Creek. The north side of Banyan from 427 feet west of Rocking Horse to Rocking Horse. The west side of Day Creek from Banyan to Vintage. The north side of Vintage from Day Creek to Paseo ending 153 feet west of Sand Hill.
Ground Cover area: 44,000 square feet
Hardscape area: 16,197 square feet
- 10-7 The north side of Vintage from 180 feet east of Taylor Canon Place to Day Creek. The east side of Day Creek from Vintage to Banyan. The south side of Banyan from Day Creek to Bluegrass.
Ground Cover area: 22,164 square feet
Hardscape area: 11,724 square feet
- 10-8 The landscape against the south side facing wall north of the 210 freeway from the top of the slope on the east side of Day Creek to 300 feet eastward. The Day Creek median from the 210 freeway to Vintage. The east side of Day Creek from Caltrans ROW to Vintage. The south side of Vintage from Day Creek to 180 feet east of Taylor Canyon.
Ground Cover area: 16,841 square feet
Hardscape area: 7,025 square feet
- 10-9 The north side of Coyote from Brookstone to Day Creek. The east side of Day Creek from Coyote to 358 feet north of Coyote. The west side of Day Creek from 118 feet north of Coyote to 380 feet north of Coyote.
Ground Cover area: 9,403 square feet
Hardscape area: 6,052 square feet

- 10-10 The north side of Wilson from 395 feet east of Day Creek to Day Creek. The east side of Day Creek from Wilson to Blackstone. The south side of Blackstone from Day Creek to Stoneview. The north side of Blackstone from Day Creek to 165 feet west of Stoneview.
 Ground Cover area: 26,304 square feet
 Hardscape area: 19,117 square feet
- 10-11 The west side of Day Creek from 340 feet north of Banyan to Banyan. The north side of Banyan from Day Creek to Rocking Horse.
 Ground Cover area: 20,378 square feet
 Hardscape area: 11,212 square feet
- 10-12 The paseo on the east side of Stoneview across from Duncaster.
 Ground Cover area: 3,326 square feet
 Hardscape area: 2,374 square feet
- 10-13 The west side of Day Creek from 340 feet south of Vintage to 915 feet south of Vintage.
 Ground Cover area: 27,416 square feet
 Hardscape area: 16,167 square feet
- 10-14 The south side of Vintage from Saddle Tree to Day Creek. The west side of Day Creek from Vintage to 325 feet south of Vintage.
 Ground Cover area: 7,777 square feet
 Hardscape area: 16,167 square feet
 *This sites irrigation pump and valves are powered from site 10-13

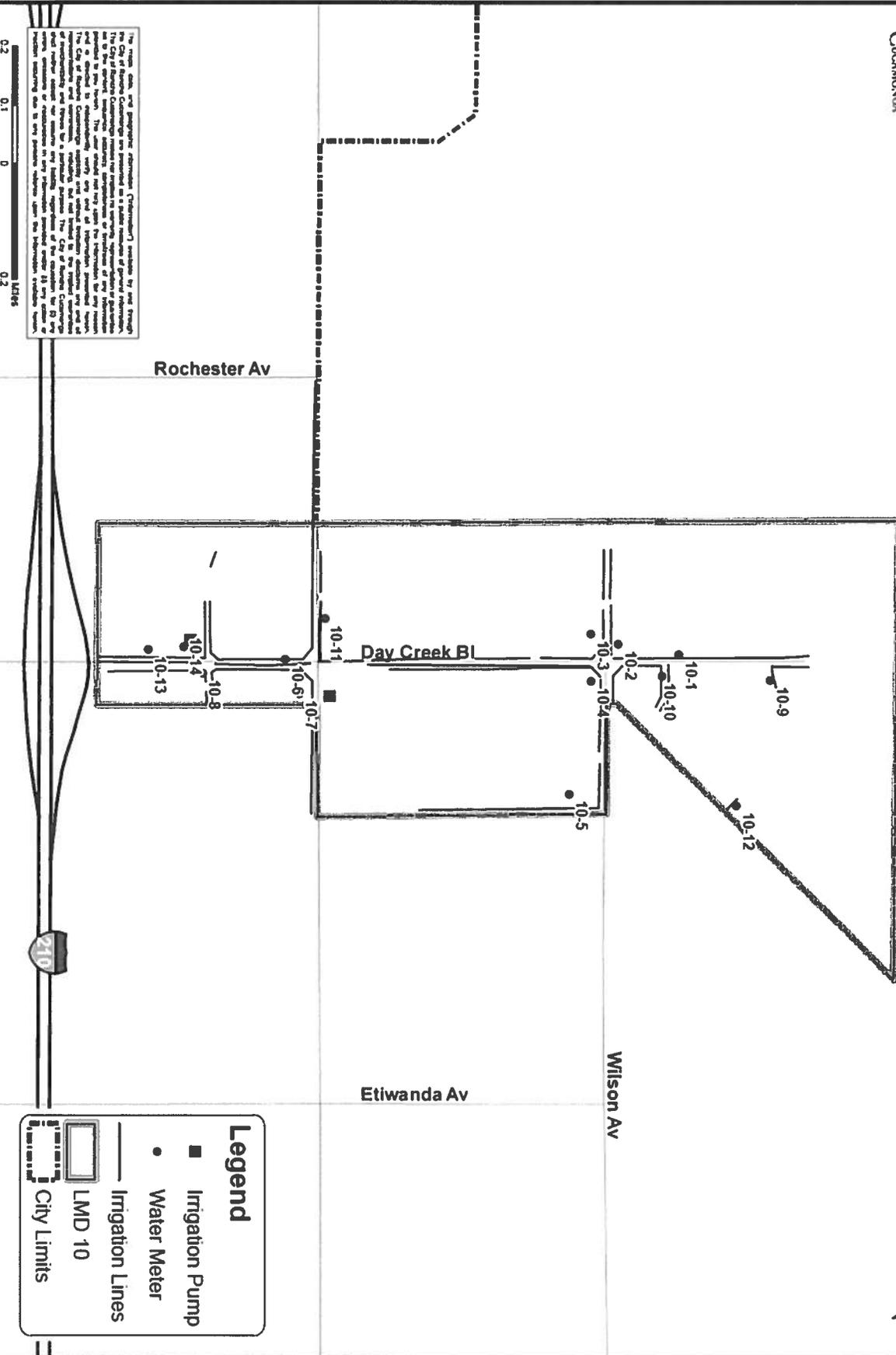
Ground cover, shrubs and turf areas that make up parkways, median islands and paseos are maintained under contract by a private landscape maintenance company. Parks are maintained by the City's Park Maintenance Crews.

Map of Improvements

The following page shows the map of landscaping improvements, including irrigation sites and community trails, to be maintained using District funds.



Landscape Maintenance District 10 (LMD 10)



The meter data, and geographic information ("metadata") available by this through the City of Rancho Cucamonga's public information system is provided for informational purposes only. The City of Rancho Cucamonga makes no warranty, representation, or guarantee as to the accuracy, reliability, completeness, or timeliness of any information provided. The City of Rancho Cucamonga is not responsible for any errors or omissions in this information. The City of Rancho Cucamonga is not responsible for any damages, including consequential damages, arising from the use of this information. The City of Rancho Cucamonga is not responsible for any damages, including consequential damages, arising from the use of this information. The City of Rancho Cucamonga is not responsible for any damages, including consequential damages, arising from the use of this information.

Legend

- Irrigation Pump
- Water Meter
- Irrigation Lines
- LMD 10
- City Limits

ESTIMATE OF COSTS

The estimated costs of administration, maintenance, operations, and servicing the improvements as described in the Plans and Specifications are summarized below. Each year, as part of the District levy calculation process, the costs and expenses are reviewed and the annual costs are projected for the following fiscal year.

District Budget

	Fiscal Year 2016/17 Budget
<u>Expenditures</u>	
Personnel Services:	
Regular Salaries	\$ 133,400
Overtime Salaries	1,050
Part-time Salaries	31,110
Fringe Benefits	67,740
Subtotal - Personnel	233,300
Operations and Maintenance:	
Operations and Maintenance:	
O & M/General	139,500
O & M/Facilities	2,550
Emergency Equipment and Vehicle Rental	1,200
Equipment Operations and Maintenance	500
Subtotal - Operations and Maintenance	143,750
Contract Services:	
Contract Services/General	111,080
Contract Services/Facilities	2,250
Tree Maintenance	10,000
Subtotal - Contract Services	123,330
Utilities:	
Water Utilities	95,470
Electric Utilities	24,260
Subtotal - Utilities	119,730
Assessment Administration	4,260
Admin./General Overhead	61,460
Subtotal - Operations and Maintenance	452,530
Total Expenditures Budget	\$ 685,830

	<u>Fiscal Year 2016/17 Budget</u>
<u>Revenues</u>	
Taxes:	
Estimated Assessments, Net of Estimated Delinquencies	\$ 549,610
Anticipated Prior Year Delinquencies Collection	6,750
Subtotal - Taxes	<u>556,360</u>
 Other Revenues:	
Interest Earnings	10,230
Other Rental/Lease Income	7,500
Park Maintenance Fees	4,740
Sports Field User Group Rentals	2,000
Other Revenue	3,500
Subtotal - Other Revenues:	<u>27,970</u>
 Total Revenues Budget	 <u><u>\$ 584,330</u></u>
 Contribution to/(Use of) Fund Balance	 <u><u>\$ (101,500)</u></u>
 Total Gross Estimated Assessments	 \$ 559,404.06
Total District EBU Count	786.00
Actual Assessment per EBU - Fiscal Year 2016/17	\$ 711.71
Maximum Allowable Assessment per EBU - Fiscal Year 2016/17	\$ 848.43

Each year, prior to the assessments being placed on the tax roll, the City will review the budget and determine the amount needed to maintain the improvements for the upcoming fiscal year. The actual assessment per Equivalent Benefit Unit (EBU) will be based on the estimated costs of maintenance, available fund balance and maximum allowable assessment with the goal of maintaining the improvements in a satisfactory and healthy condition. The actual assessment amount may be lower than the maximum allowable assessment; however, it may not exceed the maximum unless the increase is approved by the property owners in accordance with Proposition 218.

It is the intent of the City to maintain an Operating Reserve which shall not exceed the estimated costs of maintenance and servicing of the improvements prior to December 10 of the fiscal year, or when the City expects to receive its apportionment of special assessments and tax collections from the County, whichever is later. The reserve balance information for the District is as follows:

	<u>Operating Reserve</u>
Estimated Reserve Fund Balance, June 30, 2016	\$ 993,380
Use of Reserve - Fiscal Year 2016/17	<u>(101,500)</u>
Estimated Reserve Fund Balance, June 30, 2017	<u><u>\$ 891,880</u></u>

Definitions of Budget Items

The following definitions describe the costs and expenses included in the District Budget:

Personnel Services: This item includes the costs attributed to the salaries of all full-time and part-time employees dedicated to maintenance of the District improvements. Additionally, this includes benefits available to City employees.

Operations and Maintenance: This item includes the costs of City staff to perform maintenance duties within the boundaries of the District.

Contract Services: This item includes the contract costs of a landscape maintenance company responsible for the ongoing maintenance of the District improvements.

Utilities: This item includes the costs to furnish electricity, water, and telephone services, as required, for the operation and maintenance of the sprinklers and irrigation controllers in the District.

Assessment Administration: This item includes the cost of all particular departments and staff of the City, as well as consultants, for providing the administration, coordination and management of District services, operations, and incidental expenses related to the District. This item also includes creation of an annual Engineer's Report, resolutions and placing the assessment amounts onto the County tax roll each year, along with responding to any public inquiries and future Proposition 218 balloting proceedings.

General Overhead: This item includes the costs of all central services departments of the City for providing the coordination of District services, inspections, annual bid management, responding to public concerns, public education, accounting, auditing and procedural matters associated with the District. This item also includes an allocation for general City staff time for administrative functions and systems that provide for a functional and operational District within the City's administrative structure.

Capital Outlay: This item includes new improvements to further enhance the level and quality of service provided within the boundaries of the District. This may include new monuments, irrigation systems, and other large improvements.

Other Revenues: This includes other revenues that are not levied through the annual assessments that support the District operations. These other revenues may include: interest earnings, other rental/lease income (cell site tower leases), Park Maintenance Fees, Sports Field User Group Rentals, and parking permits (Metrolink Station paid parking).

METHOD OF ASSESSMENT

Overview

Pursuant to the 1972 Act and Article XIII D, all parcels that have a special benefit conferred upon them as a result of the maintenance and operation of improvements and services shall be identified, and the proportionate special benefit derived by each identified parcel shall be determined in relationship to the entire costs of the maintenance and operation of

improvements. The 1972 Act, permits the establishment of assessment districts for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping improvements.

Section 22573 of the 1972 Act requires that maintenance assessments must be levied according to benefit rather than according to assessed value. This Section states:

The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefit to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 commencing with Section 5000) [of the Streets and Highways Code, State of California].

Section 22547 of the 1972 Act also permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIII D, Section 4(a) of the California Constitution limits the amount of any assessment to the proportional special benefit conferred on the property. Article XIII D also provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

The net amount to be assessed may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels. Proposition 218, approved by the voters in November 1996, requires the City to separate general benefit from special benefit, where only special benefit is assessed.

General Benefit

Section 4 of Article XIII D of the California Constitution provides that once a local agency which proposes to impose assessments on property has identified those parcels that will have special benefits conferred upon them and upon which an assessment will be imposed, the local agency must next "separate the general benefits from the special benefits conferred," and only the special benefits can be included in the amount of the assessments imposed.

In this District, the improvements being financed consists of the maintenance of local improvements located within the boundaries of the District and include paseos, street trees, landscaped areas and appurtenant facilities that are located throughout the District and were installed to create a common landscape theme and neighborhood identity for parcels within the District. The improvements are situated within the public rights-of-way of the internal local street network within the District which provides ingress and egress for parcels within the District to access the City's system of arterial streets. City residents and traffic from parcels not within the

District do not use the internal local street network or paseos except for the express purpose of accessing properties located within the District, and therefore do not benefit from the improvements. Only parcels which are within the District and proximate to the improvements and within the District are being assessed. Accordingly, there is a direct physical and visual nexus between each parcel being assessed and the improvements to be funded by the assessment that does not exist for parcels outside of the District boundary and that is particular and distinct from that shared by the public at large. Under these circumstances, all of the benefits conferred are direct and local in nature, and provide a benefit to only those parcels located within the boundaries of the District.

Based upon this, it has been determined that there is no quantifiable general benefit to the surrounding community and the public in general from the maintenance of the improvements within the boundaries of the District, and therefore no portion of the project costs should be attributed to general benefit.

Special Benefit

The maintenance and servicing of the improvements within the District (which are described in the Description of Improvements and Services Section of this report) are for the benefit of the properties within the District and, as such, confer a special and direct benefit to parcels within the District by:

- improving the livability, appearance, and desirability for properties within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to be materially detrimental to properties within the District, and
- providing beautification, shade and overall enhancement to properties within the District.

The above mentioned items affect the assessed property in a way that is particular and distinct from their effect on other parcels and that real property in general and the public at large do not share. They contribute to a specific enhancement of the properties within the District. Since these improvements, including the community trails, were installed and are maintained specifically for the properties within the District, only properties within the District receive a special benefit and are assessed for said maintenance.

Method of Assessment Spread

Each of the parcels within the District is deemed to receive special benefit from the improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entire costs of the maintenance and operation of the improvements.

To assess special benefit appropriately, it is necessary to relate the different type of parcel improvements to each other. The EBU method of apportionment uses the single family home as the basic unit of assessment.

A single family home equals one EBU. The following table provides the weighting factors applied to determine each parcel's EBU assignment.

Land-Use Equivalent Dwelling Units

Property Type (County Use Code)	EBU Value	Multiplier
Single Family Residential	1.00	Dwelling Unit

The use of the latest County Assessor's Secured Roll shall be the basis for the Property Type determination and units/acreage assignments, unless better data is available to the City. In addition, if any parcel within the District is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, the Property Type and EBU assignment shall be based on the correct parcel number and/or new parcel number(s) County use code and subsequent property information. If a single parcel has changed to multiple parcels, the EBU assignment and assessment amount applied to each of the new parcels will be recalculated rather than spread the proportionate share of the original assessment.

The following summarizes the Fiscal Year 2016/17 maximum allowable assessment rates for the District:

Property Type (County Use Code)	Maximum Allowable Assessment Rate per EBU	Actual Assessment Rate per EBU	Total Units/ Acres	Total EBUs
Single Family Residential	\$848.43	\$711.71	786.00	786.00

The total amount of maintenance and incidental costs for maintaining the landscaping and community trail improvements is assessed to the individual parcels of real property within the District in proportion to the special benefit received by such parcels of real property. The proposed individual assessments are shown on the assessment roll in this report.

Cost of Living Inflatior

Each fiscal year beginning with Fiscal Year 2002/03, the maximum allowable assessment may increase each year, based upon the Consumer Price Index ("CPI"), All Urban Consumers, for the Los Angeles-Anaheim-San Bernardino Area, as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. The Engineer shall compute the percentage difference between the CPI for March of each year and the CPI for the previous March, and shall then adjust the existing assessment by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living. If for any reason the percentage change is negative the maximum allowable assessment would not be decreased by reason of such negative percentage change and would remain at the amount as computed on the previous fiscal year regardless of any CPI adjustment. The annual assessment cannot exceed the actual costs to operate the District in any given year. If operating costs are such that the maximum assessment amount is not needed, the City would levy only what is needed for that year.

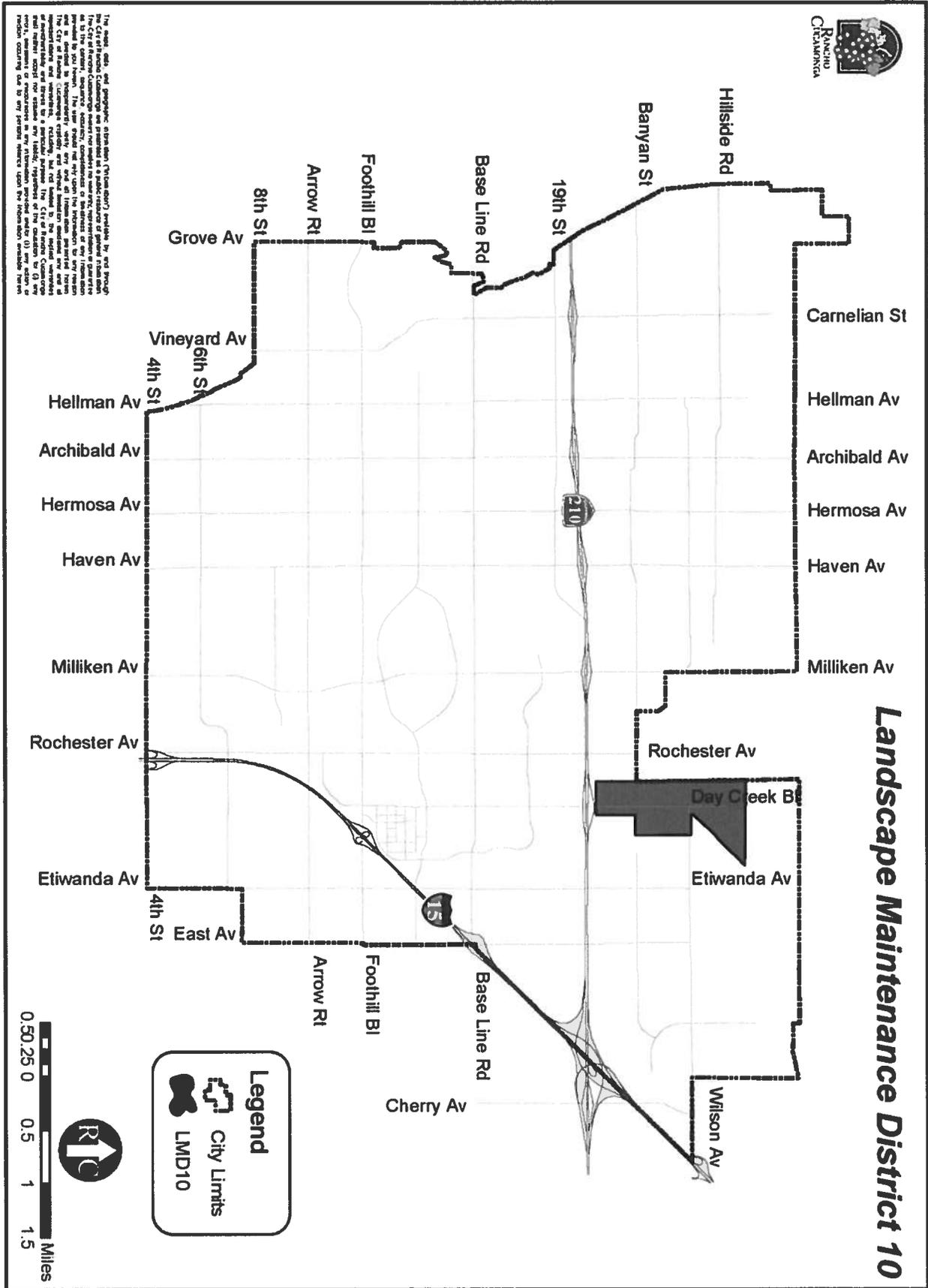
The actual assessment rate for Fiscal Year 2016/17 will remain at \$711.71 per single-family residence.

The following table reflects both the maximum allowable assessment and the actual assessment rates for each year since the formation of the District and the proposed assessment rate for fiscal year 2016/17 for the District:

Fiscal Year	Maximum Assessment per EBU	Actual Assessment per EBU
2001/02	\$597.09	\$597.09
2002/03	613.69	597.09
2003/04	637.75	597.09
2004/05	648.93	597.09
2005/06	675.03	597.09
2006/07	706.54	597.09
2007/08	733.65	616.20
2008/09	757.73	616.20
2009/10	757.73	616.20
2010/11	771.79	616.20
2011/12	794.92	616.20
2012/13	811.01	616.20
2013/14	821.46	616.20
2014/15	830.00	647.01
2015/16	834.27	711.71
2016/17	848.43	711.71

ASSESSMENT DIAGRAM

An Assessment Diagram for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the San Bernardino County Assessor Office, at the time this report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



The street, city, and regional boundaries (boundaries) include, but not limited to, the City of Rancho Cucamonga and are presented as a representation of general information only. The City of Rancho Cucamonga does not warrant, represent or guarantee the accuracy, completeness, or timeliness of the information. The information is provided for informational purposes only and is not intended to be used for any other purpose. The City of Rancho Cucamonga is not responsible for any errors or omissions in any information provided under (1) any other conditions or measures in any information provided under (1) any other conditions occurring due to any person reliance upon the information available herein.

ASSESSMENT ROLL and ANNEXATIONS

Assessment Roll

The assessment roll is a listing of the assessment for Fiscal Year 2016/17 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of San Bernardino. The following tables summarize the Fiscal Year 2016/17 actual assessment for the District:

Property Type (County Use Code)	Actual Assessment Rate Per EBU	Total Units/Acres	Total EBUs	Actual Assessment
Single Family Residential	\$711.71	786.00	786.00	\$559,404.06

A copy of the full assessment roll is available for review in the City Clerk's office.

Annexations

There were no annexations for Fiscal Year 2016/17.

RESOLUTION NO. 16-119

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CUCAMONGA, CALIFORNIA, CONFIRMING THE DIAGRAMS AND ASSESSMENTS; APPROVING THE ANNUAL ENGINEER'S REPORTS; AND ORDERING THE LEVY AND COLLECTION OF THE ANNUAL ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE DISTRICT NOS. 1, 2, 3A, 3B, 4-R, 5, 6-R, 7, 8, 9 AND 10, INCLUSIVE, FOR FISCAL YEAR 2016/17.

WHEREAS, the City Council of the City of Rancho Cucamonga did on the 6th day of July, 2016, adopt its Resolution of Intention No. 16-076 (the "Resolution of Intention") pursuant to the Landscaping and Lighting Act of 1972, as amended (the "1972 Act"), declaring its intention to levy and collect assessments within Landscape Maintenance Districts Nos. 1, 2, 3A, 3B, 4-R, 5, 6-R and 7 through 10, inclusive (each a "District" and collectively the "Districts") for Fiscal Year 2016/17 and giving notice of the time and place for a public hearing by the City Council on the levy of the proposed assessments within the Districts; and

WHEREAS, the City Council previously received and preliminarily approved a report of the Assessment Engineer (each an "Annual Engineer's Report" and collectively the "Annual Engineer's Reports") for each District as required pursuant to Article 4 of Chapter 1 of the 1972 Act, Article XIII D of the Constitution of the State of California ("Article XIII D") and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 and following) (the "Implementation Act") (the 1972 Act, Article XIII D and the Implementation Act are referred to collectively as the "Assessment Law"); and

WHEREAS, notice of such public hearing was duly and legally published in the time, form and manner as required by the Assessment Law, shown by the affidavit of Publication of said Resolution of Intention on file in the Office of the City Clerk; and

WHEREAS, said City Council having duly received and considered evidence, oral and documentary, concerning the jurisdiction facts in this proceeding and concerning the necessity for the contemplated work and the benefits to be derived therefrom, and said City Council having now acquired jurisdiction to order the proposed work.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the City Council of the City of Rancho Cucamonga, as follows:

SECTION 1. This City Council hereby finds and determines that:

a. Notice of the public hearing has been given and the proceedings for the consideration of the levy of the annual assessments within each District have been undertaken in accordance with the 1972 Act; and

b. The annual assessments for Fiscal Year 2016/17 proposed to be levied within each District as set forth in the applicable Annual Engineer's Report do not exceed the annual assessments as previously authorized to be levied within such District, and therefore, the proposed levy of assessments for Fiscal Year 2016/17 within such District are not deemed to be "increased" over the maximum authorized annual assessments.

SECTION 2. The final assessments and diagrams for the proceedings, as contained in the Annual Engineer's Report for each of the Districts, is hereby approved and confirmed. The assessments for the Districts contained in the Annual Engineer's Reports for Fiscal Year 2016/17 are hereby levied upon the respective lots or parcels in the Districts in the amounts as set forth in the applicable Annual Engineer's Report.

SECTION 3. This City Council hereby orders that the work, as set forth and described in the Resolution of Intention, be done and made.

SECTION 4. The above-referenced diagram and assessment shall be filed in the Office of the City Clerk. Said diagram and assessment, and the certified copy thereof, shall be open for public inspection.

SECTION 5. The City Clerk is hereby ordered and directed to immediately file a certified copy of the diagram and assessment with the County Auditor. Such filing shall be made no later than the 3rd Monday in August 2016.

SECTION 6. After the filing of the diagram and assessment, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount assessed thereupon, as shown in the assessment.

SECTION 7. The assessments shall be collected at the same time and in the same manner as County taxes are collected, and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments.

SECTION 8. The assessments as above confirmed and levied for these proceedings will provide revenue and relate to the fiscal year commencing July 1, 2016 and ending June 30, 2017.

PASSED, APPROVED, and ADOPTED this _____ day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice C. Reynolds, City Clerk

I, Janice C. Reynolds, City Clerk of the City of Rancho Cucamonga, California, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the City Council of the City of Rancho Cucamonga, at a regular meeting of said City Council held on _____, 2016.

Executed this _____, at Rancho Cucamonga, California.

Janice C. Reynolds, City Clerk

Oral Report from the Rancho Cucamonga Fire
Protection District regarding Fireworks Enforcement
Activities for 2016

STAFF REPORT

SUCCESSOR AGENCY TO THE RANCHO CUCAMONGA REDEVELOPMENT AGENCY



Date: July 20, 2016

To: Chairman and Members of the Successor Agency
John R. Gillison, City Manager

From: Linda D. Daniels, Assistant City Manager

By: Donna Finch, Management Analyst I

Subject: **Approval of a Resolution Authorizing the Issuance of a Refunding Bond for the Outstanding Rancho Cucamonga Redevelopment Agency Tax Exempt 2007 Housing Bonds, Series A, a Sixth Supplemental Trust Indenture, and Requesting the Oversight Board Take Necessary Actions to Approve the Proposed Bond Refunding.**

RECOMMENDATION

It is recommended that the Successor Agency to the former Rancho Cucamonga Redevelopment Agency approve a resolution authorizing the issuance of a refunding bond for the outstanding Rancho Cucamonga Redevelopment Agency Tax Exempt 2007 Housing Bonds, Series A, a Sixth Supplemental Trust Indenture, and requesting the Oversight Board take necessary actions to approve the proposed bond refunding.

BACKGROUND

Pursuant to Health and Safety Code Section 34172 (a) and the California Supreme Court's decision to uphold ABx1 26, the Rancho Cucamonga Redevelopment Agency (the "Former Agency") was dissolved on February 1, 2012 and no longer exists as a public body. The City of Rancho Cucamonga has become the Successor Agency to the Former Agency and is responsible for winding down outstanding obligations of the Former Agency. One primary obligation of the Successor Agency is to ensure that outstanding bond payments are made in a timely manner until associated debt is paid off.

AB 1484 is a follow-up legislative act that clarifies certain procedures created by ABx1 26 and permits Successor Agencies to refund outstanding bonds of a former redevelopment agency under certain conditions outlined in Health and Safety Code Section 34177.5. Specifically, a Successor Agency may issue refunding bonds if there is a savings in the overall cost of the bonds, the life of the bonds is not extended and there are no additional proceeds raised.

Prior to the dissolution of redevelopment, the Former Agency issued \$73,305,000 in 2007 Housing Set-Aside Tax Allocation Bonds, Series A (the "2007A Bonds") for the purpose of financing redevelopment housing projects. Based on current interest rates, the Successor Agency has determined that refinancing these bonds has the potential to reduce debt service by approximately 20%, or \$12,500,000 over the remaining life of the bonds. These savings will increase the amount of residual property tax (tax increment) available to be redistributed to other taxing agencies, pursuant Health and Safety Code Section 34183. The distribution of savings includes approximately \$2,200,000 to the City and Fire District, \$7,400,000 to the school districts (including Chaffey College), and \$2,900,000 to other taxing entities. The estimated savings is based on a projected

APPROVAL OF A RESOLUTION AUTHORIZING THE ISSUANCE OF A REFUNDING BOND FOR THE
OUTSTANDING RANCHO CUCAMONGA REDEVELOPMENT AGENCY TAX EXEMPT 2007 HOUSING
BONDS, SERIES A, A SIXTH SUPPLEMENTAL TRUST INDENTURE, AND REQUESTING THE OVERSIGHT
BOARD TAKE NECESSARY

PAGE 2

JULY 20, 2016

bond refinancing interest rate of approximately 2.8%. The actual level of savings will depend upon conditions in the municipal bond market at the time the Tax Allocation Refunding Bonds are priced.

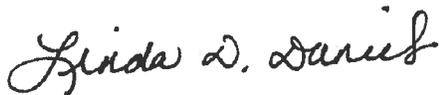
The total bond issuance needed to refund all the prior bonds is estimated to not exceed \$73,000,000. This amount includes bond reserves and costs of issuance. The bond refunding will create a lower debt service and will not extend the life of the bonds or create additional bond funds for new projects.

Upon approval of this resolution by the Successor Agency, staff will present a resolution to the Oversight Board at their July 21, 2016 meeting requesting the Oversight Board to direct the Successor Agency to begin proceedings to refund the 2007A Bonds. The bond refunding issue will also require additional review and approval by the Department of Finance (DOF).

The process for refunding the bonds is expected to take approximately four months. This timeframe includes the scheduling of future Successor Agency actions, related Oversight Board approvals, and the maximum review period by the DOF for required approvals. This schedule would have staff returning to the Successor Agency in September for final bond document approval with a bond closing date in October.

After the refunding of the bonds is finalized, the Successor Agency would reduce the requested funds needed to pay the debt service from the Redevelopment Property Tax Trust Fund (RPTTF), generating more residual balance available to the City and to other taxing entities in furtherance of the goals of the redevelopment agency dissolution.

Respectfully Submitted,



Linda D. Daniels
Assistant City Manager

Attachment: Resolution No. 16-120

RESOLUTION NO. 16-120

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE RANCHO CUCAMONGA REDEVELOPMENT AGENCY APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE DISSOLVED RANCHO CUCAMONGA REDEVELOPMENT AGENCY, APPROVING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENTAL INDENTURE RELATING THERETO, REQUESTING OVERSIGHT BOARD APPROVAL OF THE ISSUANCE OF THE REFUNDING BONDS, REQUESTING CERTAIN DETERMINATIONS BY THE OVERSIGHT BOARD, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the City of Rancho Cucamonga has elected to serve as the successor agency (the "Successor Agency") to the Rancho Cucamonga Redevelopment Agency (the "Former Agency") pursuant to Resolution No. 12-001 adopted by the City Council of the City of Rancho Cucamonga;

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency issued \$73,305,000 Rancho Redevelopment Project Housing Set-Aside Tax Allocation Bonds Tax-Exempt 2007 Series A (the "Prior Bonds") for the purpose of financing and refinancing redevelopment activities relating to the provision or preservation of low and moderate income housing units;

WHEREAS, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters");

WHEREAS, the Former Agency has approved a Trust Indenture (the "Original Indenture") dated as of March 1, 1990, as amended and supplemented, between the Former Agency and Wells Fargo Bank, N.A., as supplemented by a Fifth Supplemental Indenture (the "Fifth Supplemental Indenture") dated July 1, 2014, between the Successor Agency and the Trustee; and

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of the Successor Agency to the Rancho Cucamonga Redevelopment Agency Rancho Redevelopment Project Area Tax Allocation Refunding Bonds, Series 2016 (the "Refunding Bonds"), the Successor Agency has caused its municipal advisor, Fieldman, Rolapp & Associates, Inc. (the "Municipal Advisor"), to prepare an analysis of the potential savings that will accrue to

the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to repay all or a portion of the Prior Bonds and, thereby, to refund all or a portion of the Prior Bonds (the "Debt Service Savings Analysis");

WHEREAS, the Successor Agency wishes at this time to approve the issuance of the Refunding Bonds pursuant to the Original Indenture and to approve the form of and authorize the execution and delivery of the Sixth Supplemental Indenture, expected to be dated as of the first day of the month such bonds are issued, by and between the Successor Agency and Wells Fargo Bank, N.A., as trustee, providing for the issuance of the Refunding Bonds (the "Sixth Supplemental Indenture") and the Escrow Deposit and Trust Agreement by and between the Successor Agency and Wells Fargo Bank, N.A., as trustee for the Prior Bonds, to be dated as of the date of the issuance and delivery of the Refunding Bonds (the "Escrow Agreement");

WHEREAS, pursuant to Section 34179, an oversight board (the "Oversight Board") has been established for the Successor Agency;

WHEREAS, the Successor Agency requests that the Oversight Board approve the issuance of the Refunding Bonds pursuant to this Resolution, the Original Indenture and the Sixth Supplemental Indenture;

WHEREAS, the Successor Agency further requests that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds;

WHEREAS, the Former Agency has determined to sell the Refunding Bonds on a negotiated basis to Stifel, Nicolaus & Company, Incorporated (the "Underwriter"); and

WHEREAS, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance for its approval of the issuance of the Refunding Bonds, the Successor Agency will, with the assistance of its Disclosure Counsel and the Municipal Advisor, cause to be prepared a form of Official Statement describing the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the Underwriter to persons and institutions interested in purchasing the Refunding Bonds;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the City Council of the City of Rancho Cucamonga, acting in its capacity as the legislative body of the successor agency to the dissolved Rancho Cucamonga Redevelopment Agency, as follows:

Section 1. Determination of Savings. The Successor Agency has determined that there are significant potential savings available to the Successor

Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the Refunding Bonds to provide funds to refund and defease all or a portion of the outstanding Prior Bonds, all as evidenced by the Debt Service Savings Analysis on file with the of the Successor Agency, which Debt Service Savings Analysis is hereby approved.

Section 2. Approval of Issuance of the Bonds. The Successor Agency hereby authorizes and approves the issuance of the Refunding Bonds under Health and Safety Code Section 34177.5, the Refunding Law, the Original Indenture and the Sixth Supplemental Indenture in the aggregate principal amount of not to exceed \$73,000,000, provided that the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery.

Section 3. Approval of Sixth Supplemental Indenture. The Successor Agency hereby approves the Sixth Supplemental Indenture prescribing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. Each of the Mayor, as the Chair and presiding officer of the Successor Agency, or the City Manager of the City of Rancho Cucamonga, as the chief administrative officer of the Successor Agency (each, an "Authorized Officer"), is hereby authorized and directed to execute and deliver, and the Secretary of the Successor Agency, is hereby authorized and directed to attest to, the Sixth Supplemental Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Secretary of the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Sixth Supplemental Indenture. The Successor Agency hereby authorizes the delivery and performance of the Sixth Supplemental Indenture.

Section 4. Approval of Escrow Agreement. The form of the Escrow Agreement on file with the Secretary is hereby approved and the Authorized Officers are, each acting alone hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the Escrow Agreement. The Successor Agency hereby authorizes the delivery and performance of its obligations under the Escrow Agreement by the Authorized Officers.

Section 5. Oversight Board Approval of the Issuance of the Bonds. The Successor Agency hereby requests the Oversight Board as authorized by Section 34177.5(f) and Section 34180 to approve the issuance of the Refunding Bonds pursuant to Section 34177.5(a)(1) and this Resolution and the Sixth Supplemental Indenture.

Section 6. Determinations by the Oversight Board. The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

- (a) The Successor Agency is authorized, as provided in Section 34177.5(f), to recover its costs related to the issuance of the Refunding Bonds

from the proceeds of the Refunding Bonds, including the cost of reimbursing the City for administrative staff time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds;

(b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of all or a portion of the Prior Bonds, as well as the payment by the Successor Agency of costs of issuance of the Refunding Bonds, as provided in Section 34177.5(a), shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds notwithstanding Section 34177.3 or any provision of law to the contrary without the approval of the Oversight Board, the California Department of Finance, the San Bernardino County Auditor-Controller or any other person or entity other than the Successor Agency;

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34181(a)(3) without any deductions with respect to continuing costs related to the Refunding Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183. In addition and as provided by Section 34177.5(f), if the Successor Agency is unable to complete the issuance of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings from such property tax revenues pursuant to Section 34183 without reduction in its Administrative Cost Allowance.

Section 7. Filing of Debt Service Savings Analysis and Resolution.

The Secretary of the Successor Agency is hereby authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j) with the San Bernardino County Administrative Officer, the San Bernardino County Auditor-Controller and the California Department of Finance.

Section 8. Sale of Refunding Bonds. The Successor Agency hereby approves the sale of the Refunding Bonds by the Successor Agency to the Underwriter pursuant to the terms of a bond purchase agreement (the "Purchase Contract") to be entered into with the Underwriter. Following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of its Bond Counsel and the Municipal Advisor, work with the Underwriter to prepare a form of the Purchase Contract, the preliminary form of which will be submitted to the Successor Agency for approval. The Underwriter's discount (not including issue discount) may not exceed 0.75% of the principal amount of the Refunding Bonds.

Section 9. Issuance of Refunding Bonds in Whole or in Part. It is the intent of the Successor Agency to sell and deliver the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, the Successor Agency will initially authorize the sale and delivery of the Refunding Bonds in whole or, if such Savings Parameters cannot be met with respect to the whole, then in part; provided that the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters. The sale and delivery of the Refunding Bonds in part will in each instance provide sufficient funds only for the refunding of that portion of the Refunding Bonds that meet the Savings Parameters. In the event the Refunding Bonds are initially sold in part, the Successor Agency intends to sell and deliver additional parts of the Refunding Bonds pursuant to an additional supplement to the Indenture without the prior approval of the Oversight Board provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

Section 10. Municipal Bond Insurance and Surety Bonds. The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy for the Refunding Bonds and reserve account surety bonds for the Refunding Bonds from a municipal bond insurance company if it is determined, upon consultation with Fieldman, Rolapp & Associates, Inc., the Municipal Advisor to the Successor Agency and the Underwriter, that such municipal bond insurance policy and/or surety bonds will reduce the true interest cost or increase cash flow savings with respect to the Refunding Bonds.

Section 11. Approval of Official Statement. Following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance for its approval of the issuance of the Refunding Bonds and the Successor Agency will, with the assistance of their Disclosure Counsel and the Municipal Advisor, cause to be prepared a form of Official Statement describing the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the underwriter of the Refunding Bonds to persons and institutions interested in purchasing the Refunding Bonds.

Section 12. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department of Finance and in the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 13. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 20th day of July, 2016.

AYES:

NOES:

ABSENT:

ABSTAINED:

L. Dennis Michael, Mayor

ATTEST:

Janice C. Reynolds, City Clerk

I, **JANICE C. REYNOLDS, CITY CLERK** of the City of Rancho Cucamonga, California, do hereby certify that the foregoing was duly passed, approved and adopted by the Successor Agency to the Rancho Cucamonga Redevelopment Agency, at a regular meeting of said Successor Agency held on the 20th day of July, 2016.

Executed this 20th day of July, 2016, at Rancho Cucamonga, California.

Janice C. Reynolds, Secretary



STAFF REPORT

CITY MANAGER'S OFFICE

Date: July 20, 2016
To: Mayor and Members of the City Council
From: John R. Gillison, City Manager
Subject: UPDATE ON 2016 CITY COUNCIL GOALS

RECOMMENDATION: To receive and file the July 2016 Goals update.

BACKGROUND: In January 2016 the City Council held a workshop to review the status and achievements of goals set in prior years, as well as establish new goals.

As can be seen on the attached July 2016 Goals update, many of the goals established by the City Council have been completed, or are near completion.

Staff will provide a more detailed review of the goals during the presentation to the City Council.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "John R. Gillison".

John R. Gillison
City Manager

ACTIVE GOALS - JULY 2016

	Active Goals	Lead Dept./Div.	Year Established	Original Estimated Completion Date	Funding Source and Ongoing Costs	July 2016 Status
	PUBLIC SAFETY Proactively develop public safety programs and facilities to meet community needs					
A1	Complete construction drawings for a training facility at Jersey Station (174).	Fire District	2011	June 2012	Due to the elimination of RDA, this project is now funded by the Fire District.	COMPLETED: The District has completed the construction drawings and is currently rebidding the project in two phases. Construction of Phase 1 is expected to begin August 2016.
A2	Create a Rancho Cucamonga Animal Care and Adoption Center Foundation and Endowment Fund to fundraise for enhanced animal care services and facilities in the community.	Animal Services	2013	June 2014	This will require staff time to form a Foundation and to provide on-going support.	COMPLETED: The first official meeting of the new Animal Care Foundation was held June 23, 2016 and incorporation paperwork has been filed.
A3	Explore the feasibility of additional measures that allow the Police Department to limit pedestrian access during the Thoroughbred holiday lights display.	Police Department	2015	August 2015	None	The Police Department has hosted 2-community meetings with residents on Thoroughbred and the nearby neighborhoods. The goal of the meetings is to engage the residents in discussing their concerns, the City's concerns, and possible solutions to help all in improving public safety, reducing neighborhood impacts in order for all to enjoy the holiday season. To date, the meetings have been beneficial, giving interested residents the chance to share their thoughts not just with us, but with neighbors they otherwise wouldn't talk to face-to-face. We have also achieved the goal of working together to enhance safety for all and explained we are not working to shut down the holiday light display. We are preparing an assessment of car counts and timing of cars traveling through before our next meeting which is planned for September 2016. We expect to have our final recommendations prepared by January 2017. Interim adjustments for 2016 are being made.
A4	Fire Station 178	Fire District	2008	January 2016	Revenue that has been set aside for land acquisition	COMPLETED: A Purchase and Sale agreement was completed and the Grant Deed recorded April 19, 2016. The District now owns property.
A5	Execute a contract for architectural services to prepare construction drawings for the relocation of the San Bernardino Fire Station.	Fire District	2016	December 2016	Fire District Capital Reserves	Design is budgeted for FY16-17. Selection of Architect is planned for the first quarter of FY16-17.
A6	Continue to build/expand the Public Safety Video Network (PSVN) to include most major public facilities in town as well as the City perimeter.	Police	2016	December 2016	Police budget; JAG grant; Asset Seizure funds	Final stages of PSVN installation is taking place at Metro-Link. The next installation project is City Hall and then Archibald Library.

ACTIVE GOALS - JULY 2016

	Active Goals	Lead Dept./Div.	Year Established	Original Estimated Completion Date	Funding Source and Ongoing Costs	July 2016 Status
A7	<p>Further enhance community relationships by educating and training residents to "harden the target" by:</p> <ul style="list-style-type: none"> Present monthly Citizen Advisory Committee meetings (12); Create at least 4 new Neighborhood Watch programs; Present 10 "How to Survive An Active Shooter Event" classes; and Host at least 6 "Coffee With A Cop" or similar events 	Police	2016	December 2016	Police budget	<p>The police department has had several Citizen Advisory Committee Meetings as well as Active Shooter training. The Police department has also participated in Cookies with a Cop and Popsicles with the Police. We are participating in the Police Data Initiative and posting various data sets to enhance the police department's transparency.</p> <p>To date, the Police department has held:</p> <ul style="list-style-type: none"> 6 - Citizen Advisory Committee meetings with average attendance at 100 6 - Surviving an Active Shooter public classes with more than 620 citizens trained; trained staff at all 5-school districts 12 new Neighborhood Watch Programs have formed and 3 have re-started dormant programs 25 Crime Free Multi-Housing meetings for tenants have taken place at a variety of complexes 4 Coffee with A Cop events 4 Popsicles with Police events 1 Cookies with Cops event 5 Faith based organization meetings
A8	<p>In partnership with Police, Fire, and Public Works, develop a safety plan for Archibald Library, Biane Library, Central Park, Lions East and West and the Family Resource Center. The safety plan could include increased staff training, recommendations for enhanced video surveillance, and an action plan in the event of an emergency.</p>	Library Community Services Police	2016	December 2016	Library, Community Services and Police staff	<p>The Lewis Family Playhouse is completing a safety plan specific to that venue. A multi-department team has met and developed an action plan to address safety plans at other City facilities. The two public libraries will be the next buildings evaluated, followed by Central Park. Facilities will be evaluated based in individual plans of service to the public.</p>
PARKS AND RECREATION DEVELOPMENT						
Proceed with planning and development of major park and recreational projects						
A9	<p>Develop plan for enhancements to the Cultural Center Courtyard that include shade and seating, directional signage from parking areas and design work for future capital improvements.</p>	Community Services	2014	March 2015	Estimated funding requests for 2014/15 of \$50,000- \$60,000 to include site furnishings, shade, signage and design work for future improvements.	<p>The City and Victoria Gardens staff have met several times to discuss and agree on the process to hire a Landscape Architect to complete the design work. A survey of the project area was complete in April 2016. A preliminary proposal from a landscape architectural firm has been received and is in review.</p>
A10	<p>After the completion of the construction drawings for Southwest Cucamonga Park, conduct a bid process and award a construction contract.</p>	Community Services	2015	December 2015	\$3.9 million Prop 84 Grant is funding design and construction. Site remediation is funded from Fund 120.	<p>COMPLETED: The bidding was very competitive and a contract was awarded in January 2016. Construction began on Los Amigos Park in early February and is proceeding on schedule. The park is expected to be completed by March 2017.</p>

ACTIVE GOALS - JULY 2016

	Active Goals	Lead Dept./Div.	Year Established	Original Estimated Completion Date	Funding Source and Ongoing Costs	July 2016 Status
A11	Complete Design Development, Schematic Design and begin construction drawings for a new city gymnasium on Lot G at the Epicenter.	Community Services	2016	December 2017	Capital Reserves	COMPLETED: Architects began construction drawings in May 2016, with expected completion in October 2016, at which time staff will seek City Council authorization to advertise bids. The project is also working its way through the Design Review Process.
ENHANCING PREMIER COMMUNITY STATUS As the community matures, undertake programs and projects to enhance Rancho Cucamonga's position as the premier community in our region						
A12	Negotiate updated joint use agreements with the elementary school districts.	Community Services	2011	June 2011	No additional costs expected at this time.	Staff is finalizing agreements with Alta Loma and Cucamonga School Districts are these are expected to be complete in September 2016. An Agreement with Central School District is in draft form and is expected to be complete by December 2016.
A13	Complete the design drawings for a proposed widening of Hellman Avenue at the Metrolink Tracks, including a Traffic Signal at 8th Street, and construct the improvements.	Engineering	2014	March 2016	Transportation funding (124)	SCRRA applied for Proposition 1B Trade Corridor Improvement Fund (TCIF) funding for the railroad improvements and in May 2016 they went to the California Transportation Commission (CTC) to program the funds. The earliest the funding is available is October 2016. In the meantime the Railroad is working on their design portion and the City is updating our design portion which is 95% complete. Construction is anticipated to start in 2017.
A14	Explore the feasibility of purchasing the 17,000 existing City street lights from SCE and handling all of the operation and maintenance in-house. This would provide a significant cost savings to the City in the long run due to a lower streetlight tariff for the City from SCE.	RCMU/Engineering	2014	February 2015	Unknown at this time. Funding source will either come from bond financing, reserve fund borrowing or Purchase agreement. Feasibility Analysis will provide estimated ongoing cost.	COMPLETED: The SCE Purchase and Sale Agreement was approved at the June 15, 2016 City Council meeting. It is anticipated that the entire process will take almost 12 months for the agreement to be approved by the CPUC before the ownership transition can begin. Funding for the purchase of the lights will come from an interfund loan and reserves from specified SLDs that have a healthy fund balance reserve. Staff will also be preparing for any Operations and Maintenance contracts and potential LED opportunities during this transition period.

ACTIVE GOALS - JULY 2016

	Active Goals	Lead Dept./Div.	Year Established	Original Estimated Completion Date	Funding Source and Ongoing Costs	July 2016 Status
A15	Position the City to improve its issuer credit rating from the current AA (by S&P) to AA+ or AAA in the next three years.	Finance	2014	December 2017	Contract cost is \$11,000; PO encumbered in FY 2014/15; no anticipated ongoing costs.	The new Finance Manager continues to assist the Finance Director in furthering the progress of this project with the City's financial consultant. Work is in progress to develop new policies and procedures for the City which will strengthen the City's financial management component of its credit rating. Additionally, the Finance Department will be working in conjunction with DoIT on the City's PCI DSS (Payment Card Industry Data Security Standard) compliance. PCI DSS is a set of requirements designed to ensure that ALL companies that process, store or transmit credit card information maintain a secure environment. The process to become PCI compliant will ultimately result in some new City policies that are anticipated to have a positive effect on the City's efforts to maximize its credit rating.
A16	Develop a Communications Plan and Evaluation Plan, including an email GIS database, in order to identify the tools to measure effectiveness of Healthy RC Initiative as part of the Phase II of the Healthy RC Strategic Plan.	City Manager	2014	June 2015	Funding provided through grants	A preliminary list of health indicators and preliminary analysis of qualitative data is under review by the Evaluation Subcommittee. A Community Health Survey has been administered and the data is currently being inputted and analyzed. The Evaluation Plan is anticipated to be completed and presented to City Council in September 2016.
A17	Develop a Public Art Master Plan to consider how significant art pieces can be incorporated into future public and private development, to include funding options for both art installation and long-term maintenance.	City Manager's Office and Planning	2015	June 2016	Staff time and funding for consulting contract	An outline of a proposed Ordinance has been developed. Staff has also developed a web page that highlights existing public art in the City. This web site will be presented to the City Council on July 20, 2016.
A18	Develop a system to incorporate Health Impact Assessment tool(s) to measure and evaluate health impact of policies, programs, plans, strategies, and initiatives citywide.	City Manager's Office	2015	July 2015	Staff time	COMPLETED: A comprehensive tool has been developed to determine how a policy, plan, or project will affect health, to ensure that health and health disparities are considered in decision-making, and that stakeholders are engaged in the process. The HIA tool was piloted in various applications, settings, and users; CMO and Engineering staff used the tool to prioritize infrastructure grant projects (the 6th Street Cycle Track and Los Osos SRTS Sidewalk Improvements); the Healthy RC Steering Committee used the tool in the development of the mental health campaign and in analyzing upcoming policy strategies; and the Healthy RC Youth Leaders are currently using the tool to analyze potential policy strategies regarding smoking prevention.
A19	Complete and open Phase I (tenant improvements and programming spaces) of Second Floor of the Blaine Library to include a large programming space, art room, classroom, early learning space, and STEM lab.	Library	2016	December 2016	Library Capital Reserves	The contract for the phase 1 improvements was awarded on October 21, 2015 and construction is progressing well. Staff anticipates the phase 1 construction will be completed by October 2016.

ACTIVE GOALS - JULY 2016

	Active Goals	Lead Dept./Div.	Year Established	Original Estimated Completion Date	Funding Source and Ongoing Costs	July 2016 Status
A20	Create an ad hoc committee of community partners to enhance inclusion and special needs programming and examine feasibility of an advisory committee.	Community Services Library	2016	December 2016	Staff time with minimal increase to existing programming costs	COMPLETED: The Special Needs Partnership Coalition was launched in early February 2016 and brings together multiple agencies serving special populations. Already the group members have been assisting each other with programming and marketing efforts. The City is launching its first ever Special Olympics program in August 2016 with soccer as the initial sport.
MID AND LONG RANGE PLANNING						
Begin efforts to develop mid-range and long-term goals and vision for the City.						
A21	Develop and present to City Council a long term financial plan for the fiscal sustainability of the City's special districts (LMD's, SLD's, CFD's).	Administrative Services	2013	January 2014	Will require staff support and some cost for assessment district engineering.	Draft plan and associated recommendations is complete and being reviewed internally, with the goal of presenting the draft to the City Council in late summer 2016.
A22	Review areas with industrial zoning along arterials for possible rezoning to permit more commercial/office uses. Example of one such area is Rochester/Jack Benny by Quakes Stadium.	Planning/Community Development	2013	September 2013	Staff Time	Staff has been working to identify parcels along Foothill Blvd. and within the Industrial Commercial Overlay Districts (ICOD). The goal is to continue to evaluate and map the locations that are appropriate for potential rezoning or to evaluate the Development Code language to determine if the goal could be accomplished by allowing additional uses within the existing zoning districts with specific conditions. Final recommendations on possible rezoning will be completed in March 2017.

ACTIVE GOALS - JULY 2016

	Active Goals	Lead Dept./Div.	Year Established	Original Estimated Completion Date	Funding Source and Ongoing Costs	July 2016 Status
A23	Review the City's long-term objectives for the entire 6,000 acre Sphere area and identify development, mitigation, preservation and annexation potential.	City Manager/Community Development	2013	March 2014	Staff Time and some consultant support which will be proposed as part of the 13/14 budget process.	The past 6 months staff, the consultant team, and San Bernardino County Flood Control District (SBCFCD) have devoted significant time and study to addressing U.S. Fish and Wildlife Service and the California Department of Fish and Wildlife habitat concerns regarding the potential presence of protected species, primarily the SB Kangaroo Rat. Substantial SB Kangaroo Rat trappings have been conducted and this additional work has found no presence of the species on site. USFWS has concurred that the SBKR is absent from the site and staff is working with CDFW to reach the same conclusion. During the time the trappings were taking place, the consultant team also studied the area for the quality of the Riversidian Alluvial Fan Sage Scrub (RAFSS) presence. The biologist determined that the RAFSS is degraded due to the lack of sand and water that is on the site as a result of the two dams (Day Creek and Deer Creek) and the levy that have been constructed. CDFW has acknowledged the existing RAFSS habitat is declining and will continue to degrade. In response, staff and the consultant team are working on a restoration plan that will restore water and import sand to the site. The consultant team is working with SBCFCD to discuss project design considerations that will be used to refine the initial development concepts for the project site and development of the North Eastern Sphere Annexation Specific Plan.
A24	Utilizing the SCAG Sustainability Planning Grant award, commence the development of a citywide sustainability action plan.	City Manager/Planning	2014	January 2016	SCAG Sustainability Planning Grant and staff time	COMPLETED: Over the past three months (March-May 2016) staff conducted more than 1,000 Sustainability Action Plan surveys by attending numerous community events and providing presentations at a multitude of community meetings. A Community Forum and Sustainability Expo was held on Thursday, June 2 from 6:00pm-8:00pm at the Victoria Gardens Cultural Center to solicit feedback and input received from the survey responses. Over 150 attendees participated in the Community Forum discussion along with 20 exhibitors and 7 restaurants from the City's Healthy Dining program. The City's consultant and staff will take the information received and create a draft of the Sustainability Action Plan to present to the City Council in the Fall of 2016.

ACTIVE GOALS - JULY 2016

	Active Goals	Lead Dept./Div.	Year Established	Original Estimated Completion Date	Funding Source and Ongoing Costs	July 2016 Status
A25	Review the City's zoning districts and evaluate/investigate creating overlay districts or specific plan areas that will create villages or development districts in order to revitalize underperforming or underutilized areas and create synergy amongst the varying land uses.	Planning	2014	May 2016	Staff Time and may require some consultant support.	Staff has been working to identify parcels along Foothill Blvd. that would be appropriate for Mixed Use/TOD/Higher Density development. After the parcels were identified staff initiated a General Plan Amendment which was approved by City Council on June 15, 2016 to amend the Land Use of the identified parcels to Mixed Use. Land Use amendments will still need to be approved with each project on a case by case basis. Additionally, staff has held a kick off meeting to evaluate appropriate boundaries for the overlays districts or Villages based on character defining features along each section of Foothill Blvd. Development Code changes to address these districts, appropriate parking standards, and corrections to the Development Code language will be drafted and forwarded to the City Council for review and action. Next steps include mapping the district boundaries, creating graphics and images of the high profile intersections and gateways to the districts, and drafting the Development Code language.
A26	Review the possibility of an open data technology system that provides access to the City's budget and financial information in order to promote local government transparency and public trust.	Finance and City Manager's Office	2015	June 2016	Awarded contract to Socrata through SunGard Public Sector Inc.; contract cost is \$14,000; purchase order issued in June 2016 from General Fund resources	Contract awarded to selected vendor in June 2016. Anticipated go live for Open Budget dashboard is end of September 2016. Vendor selected (Socrata) is the same vendor used for the City's current performance dashboard. Consistency will lead to a more user-friendly environment for our citizens and other users of the dashboard.
A27	Initiate discussions with the Friends of the PE Trail to determine their interest in partnering on a long term relationship with the City to improve the Etiwanda Train Depot as an event venue and a trail head for the PE Trail.	City Manager's Office and Planning	2015	September 2015	Staff time to meet and develop partnership agreement if there is interest	COMPLETED: Staff and the Friends of the PE Trail have developed a draft Sub-Lease, however SANBAG has recently informed the City of policy changes regarding sub-leasing of SANBAG property and now requires an annual maintenance fee for any sub-lease. This annual fee makes the sub-lease of the SANBAG property financially infeasible. Staff will pursue working with the Friends on a Special Event Permit process, or other partnership arrangement, in order to make the property and historic Etiwanda Train Depot available to the public and community events and to help fund raise for needed improvements to the building and the property.

ON HOLD GOALS - JULY 2016

	On Hold Goals	Lead Dept./Div.	Year Established	Original Estimated Completion Date	Funding Source and Ongoing Costs	July 2016 Status
H1	Work with the community to develop a recommendation for an updated Vision statement for the City Council's consideration	City Manager's Office	2015	December 2015	Staff time and an estimated \$15,000 for marketing material to promote and hold community meetings	



STAFF REPORT

ENGINEERING SERVICES DEPARTMENT

Date: July 20, 2016

To: Mayor and Members of the City Council
John R. Gillison, City Manager

From: Jason C. Welday, Director of Engineering Services/City Engineer

By: Fred Lyn, Utilities Division Manager

Subject: CONSIDERATION OF APPROVAL OF CONTRACT NO. 16-DSR-12648 AND THE AMENDED AND RESTATED IMPLEMENTATION AGREEMENT NO. 95-PAO-10616 BETWEEN THE CITY OF RANCHO CUCAMONGA, THE U.S. DEPARTMENT OF THE INTERIOR - BUREAU OF RECLAMATION, AND THE U.S. DEPARTMENT OF ENERGY'S WESTERN AREA POWER ADMINISTRATION FOR 3 MEGAWATTS OF ELECTRIC SERVICE FROM THE BOULDER CANYON PROJECT AS A SCHEDULE D CONTRACTOR AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT AND AGREEMENT.

RECOMMENDATION

It is recommended that the City Council approve Contract No. 16-DSR-12648 (Contract) and the Amended and Restated Implementation Agreement No. 95-PAO-10616 (Agreement) between the City of Rancho Cucamonga, the U.S. Department of the Interior - Bureau of Reclamation, and the U.S. Department of Energy's Western Area Power Administration for 3 Megawatts of Electric Service from the Boulder Canyon Project as a Schedule D Contractor and authorizing the City Manager to sign the Contract and Agreement.

BACKGROUND / ANALYSIS

The Boulder Canyon Project, located in Boulder City, Nevada is better known as the Hoover Dam Power Plant (Hoover), which is operated and maintained by the U.S. Department of Interior - Bureau of Reclamation, with the power marketing and delivery conducted by the U.S. Department of Energy's Western Area Power Administration (Western). Hoover power is a vital power resource for consumers in the States of Arizona, California and Nevada, where over 29 million people rely on this hydroelectricity power, which is a carbon free source of energy. Hoover Dam was initially authorized by an Act of Congress beginning in 1928 and was dedicated by President Roosevelt in 1935. Under the 1984 Hoover Power Plant Act, Congress mandated allocation of Hoover power through contracts with state, municipal and utility contractors.

With the existing 1984 Hoover power contract set to expire in 2017 for the existing 15 Hoover contractors, a new Act of Congress was needed in order for Hoover Power to continue to be an energy resource for the 3 Western States. The Hoover Power Allocation Act of 2011 (HPAA) was introduced which reauthorized Hoover Dam to continue distributing power for another 50 years. In addition, the Act also set aside 5% of its electricity for use by new entities (Schedule D Contractors), including Native American tribes, municipalities and irrigation districts, electric cooperatives and others that previously lacked access to Hoover and other Federal Power opportunities. The City of Rancho Cucamonga (City) had been involved with Hoover's federal legislative and regulatory process since March of 2011 and wrote numerous support letters urging the passage of HPAA. On December 21, 2011, the HPAA (Public Law 112-72) was enacted into law by President Obama and the City's municipal electric utility (RCMU) was eligible to apply as a Schedule D Hoover contractor to obtain a share of this new set-aside power.

CITY COUNCIL STAFF REPORT – CITY MANAGER SIGN CONTRACT AND AGREEMENT

July 20, 2016

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From 2012 to the spring of 2016, City staff and outside legal counsel spent numerous hours following and attending Western's administrative and regulatory process of setting the remarketing criteria of the Hoover resource pool of 93 megawatts of contingent capacity and filing numerous comment letters, testifying in public hearings, finalizing allocations, and final contract execution.

In July 2014, the City was informed by Western that it was approved for its full allocation request of 3 megawatts (0.1446% of Hoover's entire capacity) of contingent capacity for Hoover Power as a new Schedule D Contractor, in which RCMU is one of eight new California non-tribal contractors. Being a small electric utility, RCMU's purchasing power in the energy market is not as great as larger utility counterparts; therefore, having a stable long term 50 year resource such as Hoover would greatly benefit the City's electric utility. Hoover power is a clean, emission-free source of low-cost hydroelectric power that is critical to advancing the City and State's aggressive renewable energy and carbon emission commitments. Hoover Dam's hydroelectricity cost is about \$23 to \$25 per MWh, while power from natural-gas plants and in the energy market can range in cost from \$35 to \$50 per MWh.

Lastly, one of the criteria's of being a new Schedule D Contractor is that the City will also be responsible for providing a repayable advance to the existing Hoover contractors who previously funded capital replacements, improvements and upgrades at Hoover Dam in order to improve equipment and turbine head efficiency despite historic low levels at Lake Mead. This is a fair and reasonable request since the new Schedule D contractors would realize the efficiency benefits without having paid into the capital improvements themselves. The estimated repayable advance for RCMU is approximately \$216,887, payable as a lump sum payment or a maximum of 5 years with interest beginning on October 1, 2018. RCMU has sufficient funds to cover this expense and will budget for this in the FY 2018/19 budget.

The Contract and Agreement shall become effective October 1, 2016, which provides for electric service beginning October 1, 2017 through September 30, 2067. The City Council adopted an Energy Risk Management Policy on April 18, 2012, indicating a maximum term of any supply resource transaction (purchase or sale) should be 10 years, unless specifically approved by the City Council, to meet long-term portfolio planning objectives. The Boulder Canyon Project term is for 50 years, but the longer term provides RCMU with a stable, low cost, renewable and emission free resource for the next 50 years and will meet RCMU's long-term resource planning needs. As a small electric utility entering its 13th year in operation, being provided this long term cost effective federal resource allocation from Western is a once in a lifetime opportunity. RCMU's outside legal counsel has reviewed the Contract and Agreement and indicated no objections to the proposed documents.

RCMU strives to procure adequate and eligible supplies of energy resources to meet the procurement targets and portfolio content categories as set forth in the City's Renewable Portfolio Standard Procurement Plan. Consistent with the Plan, approval to enter into the Boulder Canyon Project will help RCMU achieve regulatory compliance as well as meet procurement goals in a cost-effective manner.

Respectively submitted,



Jason C. Welday
Director of Engineering Services/City Engineer

JCW:FL/rif

STAFF REPORT

COMMUNITY SERVICES DEPARTMENT



Date: July 20, 2016
To: Mayor and Members of the City Council
John R. Gillison, City Manager
From: Nettie Nielsen, Community Services Director
Subject: **CONSIDERATION OF THE CITY COUNCIL COMMUNITY SERVICES SUB-COMMITTEE'S RECOMMENDATION REGARDING AN APPOINTMENT TO THE RC COMMUNITY & ARTS FOUNDATION BOARD OF DIRECTORS**

RECOMMENDATION:

Consideration to approve the recommendation of the City Council Community Services Subcommittee to appoint Fatima Corbett to a four year term on the Rancho Cucamonga Community & Arts Foundation's Board of Directors.

BACKGROUND:

The Rancho Cucamonga Community & Arts Foundation, currently at 11 members, does year round recruitments for board member candidates. Often these recommendations come from other Board members and interviews are scheduled with staff, the Board President and any other Board member who may know the candidate.

Fatima Corbett, of U.S. Bank, has applied and been screened and interviewed for an appointment to the Foundation Board of Directors. U.S. Bank is a partner of the Lewis Family Playhouse and the Foundation and another bank employee had previously held a board position.

The Community Services Subcommittee met on July 6, 2016 to review Ms. Corbett's application and is recommending to the City Council that she be appointed to the Community & Arts Foundation Board. As terms can be no longer than 4 years and must expire in December, her actual term would expire in December 2019.

Respectfully submitted,

A handwritten signature in black ink that reads "Nettie Nielsen". The signature is written in a cursive style and is followed by a horizontal line.

Nettie Nielsen
Community Services Director

STAFF REPORT

CITY MANAGER'S OFFICE



Date: July 20, 2016

To: Mayor and Members of the City Council
John Gillison, City Manager

From: Donna Finch, Management Analyst I

Subject: **Designation of a Voting Delegate and Alternates for the League of California Cities Annual Business Meeting**

RECOMMENDATION

It is recommended that the City Council designate one voting delegate and up to two alternates for the Annual Business Meeting of the 2016 League of California Cities Annual Conference.

BACKGROUND

This year's League of California Cities Annual Conference is scheduled for October 5 – 7, 2016 in Long Beach. An important part of the Annual Conference is the Annual Business Meeting during General Assembly, scheduled for noon on Friday, October 7th at the Long Beach Convention Center. At this meeting, the League membership will consider and take action on a number of conference resolutions, which establish League policy on municipal issues of statewide importance.

The League requires that each member city designate one (1) voting delegate and may also appoint up to two (2) alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity. According to the League bylaws, the voting delegate and the two alternate delegates must be designated by an official vote of the City Council.

The designated voting delegate and alternates must be registered to attend the conference and sign in at the Voting Delegate Desk to pick up their voting delegate card. Only one (1) voting card will be provided at sign-in to be used by either the voting delegate or the alternates. The task of voting at the Annual Business Meeting cannot be transferred to any other city official beyond the designated voting delegate and alternates. The voting delegate and alternates can be Council Members or City Staff scheduled to attend the conference and must be present at the Annual Business Meeting with the voting card in order to vote.

CONCLUSION

For your consideration, it is offered as a recommendation that the City Council designate one Council Member to serve as the primary voting delegate and another Council Member to serve as an alternate, with staff or an additional Council Member serving as the second alternate.

Respectfully Submitted,

Donna Finch
Management Analyst I

Attachment – League Annual Conference Voting Procedures and Submittal Form

Annual Conference Voting Procedures

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.



CITY: _____

2016 ANNUAL CONFERENCE
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, September 23, 2016. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: _____

Title: _____

2. VOTING DELEGATE - ALTERNATE

Name: _____

Title: _____

3. VOTING DELEGATE - ALTERNATE

Name: _____

Title: _____

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: _____ E-mail _____

Mayor or City Clerk _____ Phone: _____
(circle one) (signature)

Date: _____

Please complete and return by Friday, September 23, 2016

League of California Cities
ATTN: Kayla Gibson
1400 K Street, 4th Floor
Sacramento, CA 95814

FAX: (916) 658-8240
E-mail: kgibson@cacities.org
(916) 658-8247