

## TOWN COUNCIL STAFF REPORT

**To:** Honorable Mayor and Town Council  
**From:** Shane Stueckle, Deputy Town Manager  
          Alex Qishta, Project Manager  
**Date:** June 9, 2014  
**For Council Meeting:** June 23, 2014

**Subject:** Resolution No. 14-  
          Annual Assessment Engineer's Report for Previously Formed Street &  
          Drainage and Landscape & Lighting Maintenance Districts  
          Levying Annual Assessments upon Real Property within the Districts

**Prior Council Review:** The Town Council previously approved the formation of Landscape & Lighting Maintenance Districts and Street & Drainage Maintenance Districts which must be updated and approved by the Town Council annually pursuant to State law.

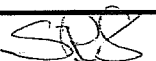
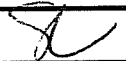
On May 13, 2014, the Town Council approved Resolution No.14-08 directing the preparation of an Assessment Engineers Report describing any new improvements within the districts or any substantial changes in the existing improvements within the existing districts.

On May 20, 2014, the Town Council adopted Resolution No. 14-13 preliminary approving the engineering report for the existing assessment districts and setting the Public Hearing day.

**Recommendation:** That the Town Council adopts the Resolution, approving and confirming the assessments as set forth in the Engineer's Reports and declares its intent to levy and collect assessments upon real property within the existing districts for the 2014-15 tax year, and authorizes the levy of assessments as recommended in the Engineer's Reports.

**Executive Summary:** The Town Council previously formed Landscape & Lighting Maintenance Districts and Street & Drainage Maintenance Districts as a condition of private subdivision development project approvals. The Assessment Engineer's Report(s), which establishes the annual assessment in each of the Districts, must be updated annually and approved by the Town Council, following a public hearing, in order to levy the annual assessment(s).

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Reviewed By:	 _____ Town Manager	_____ Town Attorney	 _____ Mgmt Services	SRS _____ Dept Head
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___ Department Report	___ Ordinance Action	<u>  X  </u> Resolution Action	<u>  X  </u> Public Hearing
___ Consent	___ Minute Action	___ Receive and File	___ Study Session

**Order of Procedure:**

- Request Staff Report
- Open Public Hearing
- Request Public Comment
- Close Public Hearing
- Council Discussion/ Council Questions of Staff
- Motion/Second
- Discussion on Motion
- Call the Question (Roll Call Vote)

**Discussion:** Development projects are approved subject to conditions of approval that require the formation of Landscape & Light Maintenance Assessment Districts and Street & Drainage Maintenance Districts. The assessment of an annual fee upon properties within the District provides the revenue to offset the cost of maintenance of the public improvements necessary to serve the development.

The California Streets and Highways Code §22620 et. seq. with respect to Landscape & Lighting Districts and Government Code §53750 et. seq. with respect to Street & Drainage Maintenance Districts require that the Assessment Engineer’s report for each of the Districts be updated and approved by the legislative body prior to the levy of any annual assessment on properties within the an assessment district.

The Town has formed nine (9) such assessment districts, which are described as follow:

**TM 16957:**

Location: 800 feet south of Joshua Drive on the east side of Acoma Trail

No. of Lots: 34 residential lots

Map Recorded: Yes

District type:

1. Benefit Assessment Act of 1982; Street and Drainage Maintenance District;
2. Landscape and Lighting Act of 1972; Landscape and Lighting Maintenance District;

**TM 16587:**

Location: Northeast corner of Acoma Trail and Zuni Trail

No. of Lots: 55 Residential lots

Map Recorded: Yes

District type:

1. Benefit Assessment Act of 1982; Street and Drainage Maintenance District;
2. Landscape and Lighting Act of 1972; Landscape and Lighting Maintenance District;

**TM 17328:**

Location: Southwest corner of Emerson Avenue and Yucca Trail.

No. of Lots: 17 residential lots.

Map Recorded: Yes

District type:

1. Benefit Assessment Act of 1982; Street and Drainage Maintenance District;
2. Landscape and Lighting Act of 1972; Landscape and Lighting Maintenance District;

**TM 17455:**

Location: East of the Avalon Avenue on the south side of SR62

No. of Lots: Four (4) commercial parcels.

Map Recorded: Yes

District Type:

1. Benefit Assessment Act of 1982; Street and Drainage Maintenance District;

**TM 17633:**

Location: Southwest corner of Palomar Avenue and Onaga Trail

No. of Lots: 61 total residential lots; Phase 1

Map Recorded: No

District Initiated and Levy Assessed: District initiated and levy approved by Town Council. Final map and supporting documents not yet submitted for approval and recording.

District type:

1. Benefit Assessment Act of 1982; Street and Drainage Maintenance District;
2. Landscape and Lighting Act of 1972; Landscape and Lighting Maintenance District;

The proposed maximum annual assessments, and the recommended annual assessments, are as follows.

TOWN OF YUCCA VALLEY  
ASSESSMENT DISTRICTS

PROJECT	DISTRICT NO. 1 BENEFIT ZONE 1	MAX. 2013-14 ALLOWED ASSESSMENT PER EDU	MAX. 2014-15 ALLOWED ASSESSMENT PER EDU	2014-2015 ANNUAL ASSESSMENT & LEVY PER EDU
TM #16957	Street & Drainage	816.23	832	61.76
TM #16957	Landscape & Lighting	207.5	212.24	61.76
<b>16957 TOTAL:</b>		<b>\$1,023.73</b>	<b>\$1,044.24</b>	<b>\$123.52</b>
TM #16587	Street & Drainage	469.72	478.8	39.08
TM #16587	Landscape & Lighting	235.68	241.08	39.08
<b>16587 TOTAL:</b>		<b>\$705.40</b>	<b>\$719.88</b>	<b>\$78.16</b>
TM #17328	Street & Drainage	711.39	725.14	114.70
TM #17328	Landscape & Lighting	407.87	417.2	111.76
<b>17328 TOTAL:</b>		<b>\$1,119.26</b>	<b>\$1,142.34</b>	<b>\$226.46</b>
TM #17633	Street & Drainage	487.55	496.97	36.06
TM #17633	Landscape & Lighting	201.32	205.92	36.88
<b>17633 TOTAL:</b>		<b>\$688.87</b>	<b>\$702.89</b>	<b>\$72.94</b>
PM #17455	Street & Drainage	2.16	1.9	\$7,907.80
	Parcel 1			\$2,283.80
	Parcel 2			\$630.80
	Parcel 3			\$2,827.20
	Parcel 4			
<b>17455 TOTAL:</b>		<b>\$2.16</b>	<b>\$1.90</b>	<b>\$13,649.60</b>

**Alternatives:** No alternatives are recommended. The recommended action is necessary for compliance with state law.

**Fiscal impact:** The assessment districts provide revenues to offset the cost of maintenance of public improvements to serve the development project(s). The Engineering Reports set forth the "Maximum Allowable Assessment" for each parcel (page 5 of the Engineering Report for Street and Drainage Maintenance Districts 1 through 5 and page 4 of the Engineering Report for Landscape and Lighting Maintenance Districts 1-4). These tables demonstrate the Maximum Allowable Assessment has increased only slightly from the prior year's assessment.

The assessment engineer notes that with the exception of Street and Drainage Maintenance District No. 5 (Home Depot), the projects have not been constructed. Therefore, the assessment engineer's report recommends a levy in the amount to recover administrative costs of these districts.

**Attachments:** Resolution No. 14-  
Resolution No. 14-08  
Resolution No. 14 -13  
Benefit Assessment District Engineering Reports  
Landscape and Lighting Assessment District Engineering Reports

**RESOLUTION NO. 14-**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA CONFIRMING THE ASSESSMENTS AS SET FORTH IN THE ENGINEER'S REPORTS FOR LANDSCAPE AND LIGHTING MAINTENANCE DISTRICTS AND STREET AND DRAINAGE MAINTENANCE DISTRICTS AND DECLARING ITS INTENT LEVY AND COLLECT ASSESSMENTS UPON REAL PROPERTY WITHIN SAID DISTRICTS FOR THE 2014-2015 TAX YEAR.**

**WHEREAS**, the following Landscape and Lighting Maintenance Districts and Street and Drainage Maintenance Districts have previously been formed pursuant to California Streets and Highways Code Section 22565 et. seq. and Government Code Section 53753 and Section 4 of Article XIID of the Constitution of the State of California:

Street and Drainage Maintenance District No. 1 and Landscape and Lighting Maintenance District No. 1 both districts comprised of Tract Map 16957 (34 residential lots) located on the east side of Acoma Trail between Joshua Drive and Golden Bee Drive. Improvements in these Districts are not yet constructed.

Street and Drainage Maintenance District No. 1, Annexation No. 1, Zone 2 and Landscape and Lighting Maintenance District No. 1 Annexation No. 1, Zone 2 both districts comprised of Tract Map 16587 (55 residential lots) located at the northeast corner of Acoma Trail and Zuni Trail. Improvements in these Districts are not yet constructed or not yet accepted into the Town's maintained systems.

Street and Drainage Maintenance District No. 1, Annexation No. 2, Zone 3 and Landscape and Lighting Maintenance District No. 1, Annexation No. 2, Zone 3 both districts comprised of Tract Map 17328 (17 residential lots) located at the southwest corner of Emerson Avenue and Yucca Trail. Improvements in these Districts are not yet constructed.

Street and Drainage Maintenance District No. 1, Annexation 3, Zone 4 and Landscape and Lighting Maintenance District No. 1, Annexation No. 3, Zone 4 both districts comprised of Tract Map 17633-Phase I (61 residential lots) located at the southwest corner of Palomar Avenue and Onaga Trail. Improvements in these Districts are not yet constructed.

Street and Drainage Maintenance District No. 1, Annexation No. 4, Zone 5 comprised of Parcel Map 17455 (4 commercial lots) located approximately 1000 feet east of the intersection of Avalon Avenue and State Route 62. Improvements in these Districts are constructed; and

**WHEREAS**, the improvements in the Landscape and Lighting Maintenance Districts are generally described as follows:

Regular maintenance, repair and replacement of all facilities within the public rights-of-ways or easements which shall include, but not be limited to, the landscaping, irrigation system, signage, perimeter wall, retaining walls, pedestrian path and erosion control plantings within or adjacent to the detention basins and drainage swale; operation, maintenance, repairs, replacement of and power for the street lighting; regular maintenance, repair and replacement of the landscape parkway strip and street trees; regular maintenance, repair and replacement of landscaping within public rights-of-ways or easements, and perimeter walls, including graffiti removal; regular maintenance, repair and replacement of pedestrian pathways, within the public rights-of-ways or easements and administrative services to operate the District including related administration, legal and contracted services costs; and

**WHEREAS**, the improvements in the Street and Drainage Maintenance Districts are generally described as follows:

Regular maintenance and operation of streets, roads and highways including but not limited to pavement rehabilitation, re-striping, slurry sealing, signing, street sweeping, traffic control devices and other repairs needed to keep the streets in a safe condition and to preserve the street network; maintenance and operation of drainage and flood control facilities, including but not limited to floodways, channels, percolation pond, storm drain systems including pipes and catch basins and appurtenant facilities, and administrative services to operate the District including related administration, legal and contracted services costs; and

**WHEREAS**, the assessment in the Districts is increased annually, as established at the time of initial formation of the District, by the change in the Consumer Price Index for all Urban Consumers for the Los Angeles Area (December – December); and

**WHEREAS**, no changes are proposed in the improvements in the Landscape and Lighting Maintenance District and the Street and Drainage Districts are proposed; and

**WHEREAS**, the Town Council approved Resolution No. 14-08 directing that an Engineer's Report be prepared for each the aforementioned Districts for purposes of determining the levy of assessments for the 2014-2015 tax year; and

**WHEREAS**, notice of this public hearing and Resolution of Intent has been given pursuant to Streets and Highways Code Sections 22626, 22552, and 22553 and Government Code Section 53753.

**NOW, THEREFORE, BE IT RESOLVED** that the Town Council of the Town of Yucca Valley does resolve as follows:

1. The assessments set forth in the Engineer's Reports attached hereto as Exhibit A and hereby incorporated in this Resolution for the following Districts are hereby confirmed:

**Street and Drainage Maintenance District No. 1 and Landscape and Lighting Maintenance District No. 1** both districts comprised of Tract Map 16957 (34 residential lots) located on the east side of Acoma Trail between Joshua Drive and Golden Bee Drive.

**Street and Drainage Maintenance District No. 1, Annexation No. 1, Zone 2 and Landscape and Lighting Maintenance District No. 1 Annexation No. 1, Zone 2** both districts comprised of Tract Map 16587 (55 residential lots) located at the northeast corner of Acoma Trail and Zuni Trail.

**Street and Drainage Maintenance District No. 1, Annexation No. 2, Zone 3 and Landscape and Lighting Maintenance District No. 1, Annexation No. 2, Zone 3** both districts comprised of Tract Map 17328 (17 residential lots) located at the southwest corner of Emerson Avenue and Yucca Trail.

**Street and Drainage Maintenance District No. 1, Annexation 3, Zone 4 and Landscape and Lighting Maintenance District No. 1, Annexation No. 3, Zone 4** both districts comprised of Tract Map 17633-Phase I (61 residential lots) located at the southwest corner of Palomar Avenue and Onaga Trail.

**Street and Drainage Maintenance District No. 1, Annexation No. 4, Zone 5** comprised of Parcel Map 17455 (4 commercial lots) located approximately 1000 feet east of the intersection of Avalon Avenue and State Route 62; and

2. The following assessments may be levied upon real property within the Town of Yucca Valley for fiscal year 2014-2015 at the rate not to exceed the maximum allowable assessment:

Street and Drainage Maintenance District No. 1: **\$61.76**  
Landscape and Lighting Maintenance District No. 1: **\$61.76**  
(Both districts comprised of Tract Map 16957 (34 residential lots)).



Street and Drainage Maintenance District No. 1,  
Annexation No. 1, Zone 2: **\$39.08**  
Landscape and Lighting Maintenance District No. 1,  
Annexation No. 1, Zone 2: **\$39.08**  
(Both districts comprised of Tract Map 16587 (55 residential lots)).

Street and Drainage Maintenance District No. 1,  
Annexation No. 2, Zone 3: **\$114.70**  
Landscape and Lighting Maintenance District No. 1,  
Annexation No. 2, Zone 3: **\$111.76**  
(Both districts comprised of Tract Map 17328 (17 residential lots)).

Street and Drainage Maintenance District No. 1,  
Annexation 3, Zone 4: **\$36.06**  
Landscape and Lighting Maintenance District No. 1,  
Annexation No. 3, Zone 4: **\$36.88**  
(Both districts comprised of Tract Map 17633-Phase I (61 residential lots)).

Street and Drainage Maintenance District No. 1, Annexation No. 4, Zone 5  
comprised of Parcel Map 17455 (4-commercial lots). The Maximum Annual  
Assessment per EDU shall be:

**Parcel 1: \$1.90 per Benefit Unit for a total annual assessment of \$7,907.80**  
**Parcel 2: \$1.90 per Benefit Unit for a total annual assessment of \$2,283.80**  
**Parcel 3: \$1.90 per Benefit Unit for a total annual assessment of \$630.80**  
**Parcel 4: \$1.90 per Benefit Unit for a total annual assessment of \$2,827.20**

APPROVED AND ADOPTED this 23<sup>rd</sup> day of June, 2014.

Town of Yucca Valley

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Mayor

**RESOLUTION NO. 14-13**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA CONFIRMING THE ASSESSMENTS AS SET FORTH IN THE ENGINEER'S REPORTS FOR LANDSCAPE AND LIGHTING MAINTENANCE DISTRICTS AND STREET AND DRAINAGE MAINTENANCE DISTRICTS AND DECLARING ITS INTENT LEVY AND COLLECT ASSESSMENTS UPON REAL PROPERTY WITHIN SAID DISTRICTS FOR THE 2014-2015 TAX YEAR.**

**WHEREAS**, the following Landscape and Lighting Maintenance Districts and Street and Drainage Maintenance Districts have previously been formed pursuant to California Streets and Highways Code Section 22565 et. seq. and Government Code Section 53753 and Section 4 of Article XIID of the Constitution of the State of California:

Street and Drainage Maintenance District No. 1 and Landscape and Lighting Maintenance District No. 1 both districts comprised of Tract Map 16957 (34 residential lots) located on the east side of Acoma Trail between Joshua Drive and Golden Bee Drive. Improvements in these Districts are not yet constructed.

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Street and Drainage Maintenance District No. 1, Annexation 3, Zone 4 and Landscape and Lighting Maintenance District No. 1, Annexation No. 3, Zone 4 both districts comprised of Tract Map 17633-Phase I (61 residential lots) located at the southwest corner of Palomar Avenue and Onaga Trail. Improvements in these Districts are not yet constructed.

Street and Drainage Maintenance District No. 1, Annexation No. 4, Zone 5 comprised of Parcel Map 17455 (4 commercial lots) located approximately 1000 feet east of the intersection of Avalon Avenue and State Route 62. Improvements in these Districts are constructed; and

**WHEREAS**, the improvements in the Landscape and Lighting Maintenance Districts are generally described as follows:

Regular maintenance, repair and replacement of all facilities within the public rights-of-ways or easements which shall include, but not be limited to, the landscaping, irrigation system, signage, perimeter wall, retaining walls, pedestrian path and erosion control plantings within or adjacent to the detention basins and drainage swale; operation, maintenance, repairs, replacement of and power for the street lighting; regular maintenance, repair and replacement of the landscape parkway strip and street trees; regular maintenance, repair and replacement of landscaping within public rights-of-ways or easements, and perimeter walls, including graffiti removal; regular maintenance, repair and replacement of pedestrian pathways, within the public rights-of-ways or easements and administrative services to operate the District including related administration, legal and contracted services costs; and

**WHEREAS**, the improvements in the Street and Drainage Maintenance Districts are generally described as follows:

Regular maintenance and operation of streets, roads and highways including but not limited to pavement rehabilitation, re-striping, slurry sealing, signing, street sweeping, traffic control devices and other repairs needed to keep the streets in a safe condition and to preserve the street network; maintenance and operation of drainage and flood control facilities, including but not limited to floodways, channels, percolation pond, storm drain systems including pipes and catch basins and appurtenant facilities, and administrative services to operate the District including related administration, legal and contracted services costs; and

**WHEREAS**, the assessment in the Districts is increased annually, as established at the time of initial formation of the District, by the change in the Consumer Price Index for all Urban Consumers for the Los Angeles Area (December – December); and

**WHEREAS**, no changes are proposed in the improvements in the Landscape and Lighting Maintenance District and the Street and Drainage Districts are proposed; and

**WHEREAS**, the Town Council approved Resolution No. 14-08 directing that an Engineer's Report be prepared for each the aforementioned Districts for purposes of determining the levy of assessments for the 2014-2015 tax year; and

**WHEREAS**, notice of this public hearing and Resolution of Intent has been given pursuant to Streets and Highways Code Sections 22626, 22552, and 22553 and Government Code Section 53753.

**NOW, THEREFORE, BE IT RESOLVED** that the Town Council of the Town of Yucca Valley does resolve as follows:

1. The assessments set forth in the Engineer's Reports attached hereto as Exhibit A and hereby incorporated in this Resolution for the following Districts are hereby confirmed:

**Street and Drainage Maintenance District No. 1 and Landscape and Lighting Maintenance District No. 1** both districts comprised of Tract Map 16957 (34 residential lots) located on the east side of Acoma Trail between Joshua Drive and Golden Bee Drive.

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**Street and Drainage Maintenance District No. 1, Annexation No. 4, Zone 5** comprised of Parcel Map 17455 (4 commercial lots) located approximately 1000 feet east of the intersection of Avalon Avenue and State Route 62; and

2. The following assessments may be levied upon real property within the Town of Yucca Valley for fiscal year 2014-2015 at the rate not to exceed the maximum allowable assessment:

Street and Drainage Maintenance District No. 1: **\$61.76**  
Landscape and Lighting Maintenance District No. 1: **\$61.76**  
(Both districts comprised of Tract Map 16957 (34 residential lots)).

Street and Drainage Maintenance District No. 1,  
Annexation No. 1, Zone 2: **\$378.18**  
Landscape and Lighting Maintenance District No. 1,  
Annexation No. 1, Zone 2: **\$187.72**  
(Both districts comprised of Tract Map 16587 (55 residential lots)).

Street and Drainage Maintenance District No. 1,  
Annexation No. 2, Zone 3: **\$39.08**  
Landscape and Lighting Maintenance District No. 1,  
Annexation No. 2, Zone 3: **\$39.08**  
(Both districts comprised of Tract Map 17328 (17 residential lots)).

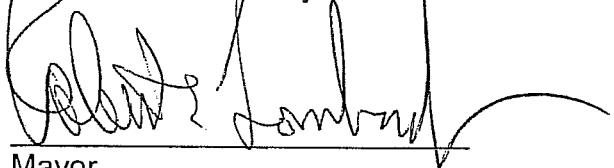
Street and Drainage Maintenance District No. 1,  
Annexation 3, Zone 4: **\$36.06**  
Landscape and Lighting Maintenance District No. 1,  
Annexation No. 3, Zone 4: **\$36.88**  
(Both districts comprised of Tract Map 17633-Phase I (61 residential lots)).

Street and Drainage Maintenance District No. 1, Annexation No. 4, Zone 5  
comprised of Parcel Map 17455 (4-commercial lots). The Maximum Annual  
Assessment per EDU shall be:

**Parcel 1: \$1.90 per Benefit Unit for a total annual assessment of \$7,907.80**  
**Parcel 2: \$1.90 per Benefit Unit for a total annual assessment of \$2,283.80**  
**Parcel 3: \$1.90 per Benefit Unit for a total annual assessment of \$630.80**  
**Parcel 4: \$1.90 per Benefit Unit for a total annual assessment of \$2,827.20**


APPROVED AND ADOPTED this 20th day of May, 2014.

Town of Yucca Valley

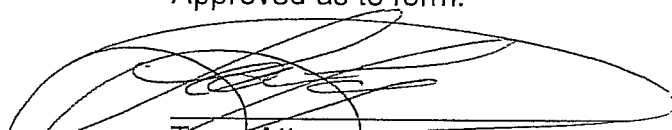


Mayor

Attest:

  
Town Clerk

Approved as to form:

  
Town Attorney

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

TOWN OF YUCCA VALLEY

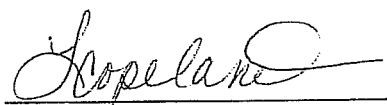
I, Lesley R. Copeland, Town Clerk of the Town of Yucca Valley, California hereby certify that the foregoing Resolution No. 14-13 as duly and regularly adopted at a meeting of the Town Council of the Town of Yucca Valley, California at a meeting thereof held on the 20th day of May, 2014, by the following vote:

Ayes: Council Members Huntington, Leone, Rowe and Mayor Lombardo

Noes: None

Abstain: None

Absent: Council Member Abel



TOWN CLERK

**RESOLUTION NO 14-08**

**A RESOLUTION OF THE TOWN COUNCIL, OF THE TOWN OF YUCCA VALLEY, CALIFORNIA CAUSING AN ENGINEER'S REPORT TO BE PREPARED FOR ASSESSMENTS TO BE LEVIED WITHIN EXISTING ASSESSMENT DISTRICTS DURING THE 2014-2015 TAX YEAR**

**WHEREAS**, the Town Council direct staff to prepare a preliminary engineer's report in the formation of the following assessment districts pursuant to Streets and Highways Code Section 22565 et.seq., and Government Code Section 54716 and Section 4(b) of Article 13D of the Constitution of the State of California:

Street and Drainage Maintenance District No. 1 and Landscape and Lighting Maintenance District No. 1 both districts comprised of Tract Map 16957;

Street and Drainage Maintenance District No. 1, Annexation No. 1, Zone 2 and Landscape and Lighting Maintenance District No. 1 Annexation No. 1, Zone 2 both districts comprised of Tract Map 16587;

Street and Drainage Maintenance District No. 1, Annexation No. 2, Zone 3 and Landscape and Lighting Maintenance District No. 1, Annexation No. 2, Zone 3 both districts comprised of Tract Map 17328;

Street and Drainage Maintenance District No. 1, Annexation 3, Zone 4 and Landscape and Lighting Maintenance District No. 1, Annexation No. 3, Zone 4 both districts comprised of Tract Map 17633-Phase I;

Street and Drainage Maintenance District No. 1, Annexation No. 4, Zone 5 comprised of Parcel Map 17455; and

**WHEREAS**, the improvements in the aforementioned Landscape and Lighting Maintenance Districts include regular maintenance, repair and replacement of all facilities within the public rights-of-ways or easements which shall include, but not be limited to, the landscaping, irrigation system, signage, perimeter wall, retaining walls, pedestrian path and erosion control plantings within or adjacent to the detention basins and drainage swale; operation, maintenance, repairs, replacement of and power for the street lighting; Regular maintenance, repair and replacement of the landscape parkway strip and street trees; regular maintenance, repair and replacement of landscaping within public rights-of-ways or easements, and perimeter walls, including graffiti removal; regular maintenance, repair and replacement of pedestrian pathways, within the public rights-of-ways or easements; and administrative services to operate the District; and

**WHEREAS**, the improvements, maintenance and operation of streets, roads and highways in the aforementioned Street and Maintenance Districts Maintenance shall include but not be limited to pavement rehabilitation, restriping, slurry sealing, signing, street sweeping, traffic control devices and other repairs needed to keep the streets in a safe

condition and to preserve the street network; and

**WHEREAS**, maintenance and operation of drainage and flood control facilities, including but not limited to floodways, channels, percolation pond, storm drain systems including pipes and catch basins and appurtenant facilities; and administrative services to operate the district; and

**NOW, THEREFORE, BE IT RESOLVED THAT THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA DOES RESOLVE AS FOLLOWS:**

The Town Council of the Town of Yucca Valley directs the Town Project Engineer to cause an engineer's report to be prepared and filed with the Town Clerk for submission to the Town Council for the following assessment districts for the fiscal year commencing July 1, 2014 and ending June 30, 2015:

Street and Drainage Maintenance District No. 1 and Landscape and Lighting Maintenance District No. 1 both districts comprised of Tract Map 16957;

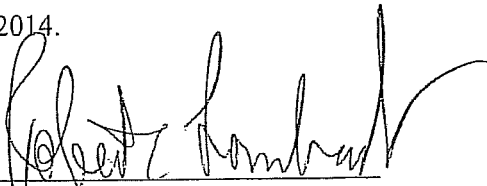
Street and Drainage Maintenance District No. 1, Annexation No. 1, Zone 2 and Landscape and Lighting Maintenance District No. 1 Annexation No. 1, Zone 2 both districts comprised of Tract Map 16587;

Street and Drainage Maintenance District No. 1, Annexation No. 2, Zone 3 and Landscape and Lighting Maintenance District No. 1, Annexation No. 2, Zone 3 both districts comprised of Tract Map 17328;

Street and Drainage Maintenance District No. 1, Annexation 3, Zone 4 and Landscape and Lighting Maintenance District No. 1, Annexation No. 3, Zone 4 both districts comprised of Tract Map 17633-Phase I;

Street and Drainage Maintenance District No. 1, Annexation No. 4, Zone 5 comprised of Parcel Map 17455.

APPROVED AND ADOPTED this 1<sup>st</sup> day of April, 2014.

  
MAYOR

ATTEST:

  
TOWN CLERK



STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

TOWN OF YUCCA VALLEY

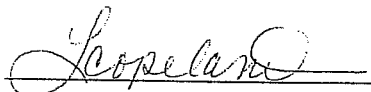
I, Lesley R. Copeland, Town Clerk of the Town of Yucca Valley, California hereby certify that the foregoing Resolution No. 14-08 as duly and regularly adopted at a meeting of the Town Council of the Town of Yucca Valley, California at a meeting thereof held on the 1st day of April, 2014, by the following vote:

Ayes: Council Members Huntington, Leone, Rowe and Mayor Lombardo

Noes: None

Abstain: None

Absent: Council Member Abel



TOWN CLERK

**ENGINEER'S REPORT FOR  
STREET AND DRAINAGE  
MAINTENANCE DISTRICT NO. 1  
BENEFIT ZONES 1-5**

**Fiscal Year 2014-15**

*Prepared for:*

**TOWN OF YUCCA VALLEY**  
San Bernardino County, California

*Prepared by:*

***K. Dennis Klingelhofer***  
***Assessment Engineer***

**May, 2014**

**PRELIMINARY ENGINEER'S REPORT  
TOWN OF YUCCA VALLEY  
STREET AND DRAINAGE MAINTENANCE DISTRICT No. 1, BENEFIT ZONES 1-5**

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**PRELIMINARY ENGINEER'S REPORT  
TOWN OF YUCCA VALLEY  
STREET AND DRAINAGE MAINTENANCE DISTRICT No. 1  
BENEFIT ZONES 1-5**

The undersigned respectfully submits the enclosed Engineer's Report as directed by the Town Council.

Dated: May 3, 2014

By: \_\_\_\_\_  
K. Dennis Klingelhofer, P.E.  
Assessment Engineer

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was filed with me on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Lesley Copeland, Town Clerk  
Town of Yucca Valley  
San Bernardino County, California

By \_\_\_\_\_

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was approved and confirmed by the Council of the Town of Yucca Valley, San Bernardino County, California, on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Lesley Copeland, Town Clerk  
Town of Yucca Valley  
San Bernardino County, California

By \_\_\_\_\_

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was filed with the County Auditor of the County of San Bernardino, on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Lesley Copeland, Town Clerk  
Town of Yucca Valley  
San Bernardino County, California

By \_\_\_\_\_

## **SECTION I - INTRODUCTION**

To ensure a flow of funds for the operation, maintenance and servicing of specified improvements within new development, the Town Council adopted Resolution No. 05-61 on October 27, 2005 to establish the Town of Yucca Valley Street Maintenance District No. 1 in accordance with the provisions of the Government Code and the provisions of Article XIID of the State Constitution (Proposition 218) and the Benefit Act of 1082 of the Government Code.

Since the formation of the District, additional benefit zones have been established as part of the conditions of property development and approved by the original property owner(s) and the proposed assessments are based upon the costs of maintenance, repair and servicing of the improvements that provide special benefit to properties within each benefit zone in the District. The annual levy includes all proposed expenditures, fund balances, revenues and reserves; and is set aside in a Special Fund by the Town. The assessment to be levied within each benefit zone upon the parcels within it are proportionate to the special benefit they receive as set forth in the method of apportionment established at the time the time each benefit was established.

Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this report.

As required by the Benefit Assessment Act of 1982, the Engineer's Report prepared for the formation of the District described the improvements to be maintained and serviced by the District which included:

1. Maintenance and operation of streets, roads and highways including but not limited to pavement rehabilitation, restriping, slurry sealing, signing, street sweeping, traffic control devices and other repairs needed to keep the streets in a safe condition and to preserve the street network;
2. Maintenance and operation of drainage and flood control facilities, including but not limited to floodways, channels, percolation pond, storm drain systems including pipes and catch basins and appurtenant facilities.

This annual update provides an estimated budget for each benefit zone within the District for fiscal year 2014-15 and lists the proposed assessments to be levied upon each assessable lot or parcel within the District.

The Town Council may order amendments to the budget as presented herein or confirm the report as submitted. Following final approval of the report and confirmation of the assessments, the Town Council may order the levy and collection of the assessment for Fiscal Year 2014-15. Upon approval, the assessments will be submitted to the San Bernardino County Auditor-Controller's Office to be included on the FY 2014-15 tax roll.

**SECTION II - PLANS AND SPECIFICATIONS**

The facilities, which are to be constructed within the Street and Drainage Maintenance District No. 1, and those which maybe subsequently constructed, will be operated, maintained and serviced as generally described as follows:

**DESCRIPTION OF IMPROVEMENTS**  
**TOWN OF YUCCA VALLEY**  
**STREET AND DRAINAGE MAINTENANCE DISTRICT NO. 1**

**Zone 1 (Tract 16957)** - Improvements within this zone consist of streets, roads and highways, public alleyways and the storm drain system within Tract No. 16957. The District may maintain and operate these improvements including but not limited to pavement repair and rehabilitation, restriping, slurry sealing, street sweeping, signing, concrete repair, maintenance of storm drain pipes, catch basins and percolation ponds within the subdivision, personnel, electrical energy, utilities such as water, materials, contractual services and other items necessary for the satisfactory operation of the improvements which shall also include; vandalism abatement.

**Zone 2 (Tract 16857)** - Improvements within this zone consist of streets, roads and highways, public alleyways and the storm drain system within Tract No. 16857. The District may maintain and operate these improvements including but not limited to pavement repair and rehabilitation, restriping, slurry sealing, street sweeping, signing, concrete repair, maintenance of storm drain pipes, catch basins and percolation ponds within the subdivision, personnel, electrical energy, utilities such as water, materials, contractual services and other items necessary for the satisfactory operation of the improvements which shall also include; vandalism abatement.

**Zone 3 (Tract 17328)** - Improvements within this zone consist of streets, roads and highways, public alleyways and the storm drain system within Tract No. 17328. The District may maintain and operate these improvements including but not limited to pavement repair and rehabilitation, restriping, slurry sealing, street sweeping, signing, concrete repair, maintenance of storm drain pipes, catch basins and percolation ponds within the subdivision, personnel, electrical energy, utilities such as water, materials, contractual services and other items necessary for the satisfactory operation of the improvements which shall also include; vandalism abatement.

**Zone 4 (Tract 17633)** - Improvements within this zone consist of streets, roads and highways, public alleyways and the storm drain system within Tract No. 17633. The District may maintain and operate these improvements including but not limited to pavement repair and rehabilitation, restriping, slurry sealing, street sweeping, signing, concrete repair, maintenance of storm drain pipes, catch basins and percolation ponds within the subdivision, personnel, electrical energy, utilities such as water, materials, contractual services and other items necessary for the satisfactory operation of the improvements which shall also include; vandalism abatement.

**Zone 5 (Tract 17328)** - Improvements within this zone consist of streets, roads and highways, public alleyways and the storm drain system within Tract No. 17328. The District may maintain and operate these improvements including but not limited to pavement repair and rehabilitation, restriping, slurry sealing, street sweeping, signing, concrete repair, maintenance of storm drain pipes, catch basins and percolation ponds within the subdivision, personnel, electrical energy, utilities such as water, materials, contractual services and other items necessary for the satisfactory operation of the improvements which shall also include; vandalism abatement.

**TOWN OF YUCCA VALLEY**  
**Street and Drainage Maintenance District No. 1**  
**Benefit Zones 1-5**

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The plans and specifications for the improvements within each benefit zone are on file in the Office of the Town Engineer, Community Development/Public Works Department of the Town of Yucca Valley.

**TOWN OF YUCCA VALLEY**  
**Street and Drainage Maintenance District No. 1**  
**Benefit Zones 1-5**

**SECTION III - ESTIMATE OF COST**

The 1982 Act provides that the total cost of maintenance and operation of the streets and drainage facilities can be recovered by the District including administration of the District, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual levy and collection of assessments can also be included.

The following operation, maintenance and servicing costs for Fiscal Year 2014-15 are proposed to be included in the Street and Drainage Maintenance District No.1, including contributions to reserves.

The 1982 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. Any balance remaining on July 1 must be carried over to the next fiscal year.

Town of Yucca Valley Street and Drainage Maintenance District No. 1 Estimated Annual Costs					
Fiscal Year 2014-15	Benefit Zone 1 (Tract 16957)	Benefit Zone 2 (Tract 16587)	Benefit Zone 3 (Tract 17328)	Benefit Zone 4 (Tract 17633)	Benefit Zone 5 (PM 17455)
<b>Maintenance &amp; Servicing</b>					
Surfacing	\$ -	\$ -	\$ -	\$ -	\$ 1,255.00
Street Sweeping	\$ -	\$ -	\$ -	\$ -	\$ 100.00
Vandalism Abatement	\$ -	\$ -	\$ -	\$ -	\$ 300.00
Storm Drain Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 4,600.00
Rehabilitation Reserve	\$ -	\$ -	\$ -	\$ -	\$ 3,800.00
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 10,055.00
<b>Incidental Expenses</b>					
City Administration	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Assessment Engineering	\$ 750.00	\$ 650.00	\$ 650.00	\$ 650.00	\$ 500.00
County Administration Fee	\$ 350.00	\$ 500.00	\$ 300.00	\$ 550.00	\$ 200.00
Operating Reserve	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 2,100.00	\$ 2,150.00	\$ 1,950.00	\$ 2,200.00	\$ 1,700.00
<b>Annual Levy</b>					
Total Maintenance and Incidental Expenses	\$ 2,100.00	\$ 2,150.00	\$ 1,950.00	\$ 2,200.00	\$ 11,755.00
Less Contribution from Reserves					
Operating	\$ -	\$ -	\$ -	\$ -	\$ (2,000.00)
Capital Replacement	\$ -	\$ -	\$ -	\$ -	\$ -
Balance to Levy	\$ 2,100.00	\$ 2,150.00	\$ 1,950.00	\$ 2,200.00	\$ 13,755.00
Total EDU's /BU's	34	55	17	61	7,184
Proposed Levy per EDU	\$ 61.76	\$ 39.08	\$ 114.70	\$ 36.06	\$ 1.90
Maximum Allowable Levy per EDU	\$ 832.00	\$ 478.80	\$ 725.14	\$ 496.97	\$ 2.20
<b>Fund Balance Summary</b>					
Operating Reserve (Projected as of July 1, 2014)	\$ 4,186.43	\$ 4,186.43	\$ 4,186.43	\$ 4,186.43	\$ 6,442.04
Contribution to Operating Reserve	\$ -	\$ -	\$ -	\$ -	\$ 2,000.00
Projected Operating Reserve as of June 30, 2015	\$ 4,186.43	\$ 4,186.43	\$ 4,186.43	\$ 4,186.43	\$ 8,442.04
Capital Replacement Reserve (Projected as of July 1, 2014)	\$ -	\$ -	\$ -	\$ -	\$ 33,683.33
Contribution to Capital Replacement Reserve	\$ -	\$ -	\$ -	\$ -	\$ 3,800.00
Projected Capital Replacement Reserve as of June 30, 2015	\$ -	\$ -	\$ -	\$ -	\$ 37,483.33



**TOWN OF YUCCA VALLEY**  
**Street and Drainage Maintenance District No. 1**  
**Benefit Zones 1-5**

Since construction of the improvements in several of the benefit zones has not been completed, a reduced assessment is proposed to be levied in several of the benefit zones for 2013-14. However, the Maximum Annual Assessment per EDU will be increased as established at the time of formation by the change in Consumer Price Index for all Urban Consumers for the Los Angeles Area (December – December) to provide sufficient revenues for the maintenance of the improvements in future years. The Maximum Allowable Assessment by Benefit Zone for 2013-14 shall be as shown below:

Benefit Zone	Fiscal Year					
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	% Change in CPI					
	<b>0.11%</b>	<b>1.83%</b>	<b>1.23%</b>	<b>2.29%</b>	<b>1.93%</b>	<b>1.14%</b>
Zone 1 - Tract 16957	\$ 759.44	\$ 773.35	\$ 782.85	\$ 800.76	\$ 816.23	\$ 832.00
Zone 2 - Tract 16587	\$ 437.04	\$ 445.04	\$ 450.51	\$ 460.81	\$ 469.72	\$ 478.80
Zone 3 - Tract 17328	\$ 661.89	\$ 674.01	\$ 682.30	\$ 697.90	\$ 711.39	\$ 725.14
Zone 4 - Tract 17633	\$ 453.63	\$ 461.93	\$ 467.61	\$ 478.31	\$ 487.55	\$ 496.97
Zone 5 - Tract 17455	\$ 2.01	\$ 2.05	\$ 2.07	\$ 2.12	\$ 2.16	\$ 2.20

The Town shall have no obligation to commit funds in excess of the assessment revenues collected for the maintenance of the improvements within each benefit zone and the level of maintenance provided shall be adjusted to match the funds available. In addition, funds collected may be used to reimburse the Town for any funds advanced, including funds advanced for district administration.

The funds in the Rehabilitation Reserve for each Benefit Zone will be set aside annually and shall only be used for the replacement or rehabilitation of the improvements within that Benefit Zone unless the Town determines that there is a surplus based upon expected future replacement costs.

Funds raised by the assessments shall be used only for the purpose as stated herein. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements and operating reserves. The District may accumulate an operating reserve which shall not exceed the annual estimated costs of maintenance and servicing.

The 1982 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. Any balance remaining on July 1 must be carried over to the next fiscal year.

**SECTION IV - ASSESSMENT ROLL**

The proposed assessment for Fiscal Year 2014-15 apportioned to each lot or parcel, as shown on the latest roll at the Assessor's Office, is shown in Appendix A.

The description of each lot or parcel is part of the records of the Assessor of the County of San Bernardino and these records are, by reference, made part of this Report.

The total Assessment to be levied for 2014-15 Fiscal Year as approved by the Town Council per EDU/BU is shown below.

<b>Zone</b>	<b>Number of EDU's/Trips</b>	<b>Rate per EDU/BU's</b>	<b>Total FY14-15 Assessment</b>
<b>Benefit Zone 1 (Tract 16957)</b>	34	\$61.76	\$2,099.84
<b>Benefit Zone 2 (Tract 16587)</b>	55	\$39.08	\$2,150.00
<b>Benefit Zone 3 (Tract 17328)</b>	17	\$114.70	\$1,949.90
<b>Benefit Zone 4 (Tract 17633)</b>	61	\$36.06	\$2,199.66
<b>Benefit Zone 5 (PM 17455)</b>	7,184	\$1.90	\$13,649.60

**SECTION V - METHOD OF APPORTIONMENT OF ASSESSMENT**

Chapter 6.4, Division 2, Title 5, of the Government Code, the Benefit Assessment Act of 1982, permits the establishment of assessment districts by Cities for the purpose of financing the maintenance and operation of certain public improvements including streets and drainage facilities.

Section 54711 of the Benefit Assessment Act of 1982 requires that maintenance assessments be levied according to benefit rather than according to assessed value. This Section states:

- (a) No benefit assessment shall be levied pursuant to this chapter unless it meets all of the following requirements:
  - (1) The amount of the assessment imposed on any parcel of property shall be related to the benefit to the parcel which will be derived from the provision of the service. Except as provided in subdivision (d) or (e) of Section 54715, in the case of a benefit assessment for flood control services, the benefit must be determined on the basis of the proportionate storm water runoff from each parcel. In the case of an assessment for the maintenance of streets, roads, or highways, the benefit shall be in proportion to the estimated traffic volume to be generated by each parcel assessed, or by any other reasonable basis as determined by the legislative body.
  - (2) The annual aggregate amount of the assessment shall not exceed the estimated annual cost of providing the service.
  - (3) The revenue derived from the assessment shall not be used to pay the cost of any service other than the service for which the assessment was levied.
- (b) This section does not limit or prohibit the levy or collection of any other fee, charge, or tax for the provision of services, except that a maintenance district formed pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall impose an assessment pursuant to this chapter only as an alternative to imposing a property tax for the provision of street lighting services.

Excepted from the assessment would be the areas of all public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, all easements and rights-of-ways, all public parks, greenbelts and parkways, public school property and all other publicly owned property.

The costs for the operation, maintenance and servicing of the improvements maintained for each zone are apportioned in accordance with the methodology which was established by the Town Council upon formation of the District and is shown below:

**Method of Assessment – Zones 1- 4**

Benefit Zones 1-4 were established to provide a funding source for the maintenance and servicing of streets, roads, highways and storm drain facilities within the boundaries of each Benefit Zone which consist of single family residential parcels. The services within each of

**TOWN OF YUCCA VALLEY**  
**Street and Drainage Maintenance District No. 1**  
**Benefit Zones 1-5**

these Benefit Zones consist of the maintenance of public roads which provide access and drainage to those parcels of land within each Benefit Zone.

Parcels benefiting from the street and storm drainage maintenance within each of these Benefit Zones have been determined to be predominantly of the same land use type, specifically, single family detached home sites. Therefore, each home within each Benefit Zone receives the same benefit from the maintenance of the streets and drainage improvements and shall be treated equally in determining the method of spreading assessments.

The assessment costs for the operation; maintenance and servicing of the improvements are apportioned in accordance with the methodology as established by the Town Council upon formation of the District and the establishment of each benefit zone. It was determined at that time that the most equitable method for spreading the estimated benefit received by each parcel should be based on the Equivalent Dwelling Unit (EDU) method. Each residential parcel will be assessed on the basis of one EDU per parcel. The formula for each of the Benefit Zones 1-4 is as follows:

$$\text{Assessable budget} \div \text{total EDUs} = \text{rate per EDU}$$

Benefit Zone	Landuse	Parcels	Dwelling Units	EDU Factor	Total EDUs	Rate/EDU	Total Asmt.
1	Residential	34	34	1.00/DU	34	\$61.46	\$2,099.84
2	Residential	55	55	1.00/DU	55	\$39.08	\$2,150.00
3	Residential	17	17	1.00/DU	17	\$114.70	\$1,949.90
4	Residential	61	61	1.00/DU	61	\$36.06	\$2,199.66

**Method of Assessment - Zone 5**

Benefit Zone 5 was established to provide a funding source for the maintenance and servicing of streets, roads, highways and storm drain facilities within the boundaries of Benefit Zone 5. As a condition of development, the developer was required to construct Palisades Drive from the boundary of Parcel Map 17455 to Avalon Street. Palisades Drive is the primary access to the area within Parcel Map 17455. Parcel No. 0601-201-37-0000 located adjacent to Parcel Map 17455 takes primary access from Avalon Street, and therefore only receives an incidental benefit from the improvements to be maintained by the District.

The assessment costs for the operation; maintenance and servicing of the improvements are apportioned on the basis of the trips estimated to be generated by each parcel in accordance with the methodology as established by the Town Council upon formation of the Benefit Zone. The parcels will be assessed on the basis of one Benefit Unit (BU) per trip generated. Trip generation rates were based upon land use and the trip generation rates shown in the AGR Traffic Study prepared at the time of development approval. The formula is as follows:

$$\text{Assessable budget} \div \text{total BU's} = \text{rate per BU}$$

**TOWN OF YUCCA VALLEY**  
**Street and Drainage Maintenance District No. 1**  
**Benefit Zones 1-5**

Benefit Zone	Landuse	Building Sq Ft	Avg Daily Trips	Total BU's	Rate/BU	Total Asmt.
5	Parcel 1 - Home Depot	139,656	4,162	4,162	\$1.90	\$13,649.60
	Parcel 2 - Specialty Retail	27,110	1,202	1,202	\$1.90	
	Parcel 3 - Specialty Retail	7,500	332	332	\$1.90	
	Parcel 4 - Fast Food	3,000	1,488	1,488	\$1.90	

**SECTION VI - PROPERTY OWNER LIST**

A list of names and addresses of the owners of all parcels within the Street and Drainage Maintenance Districts shown on the last equalized Property Tax Roll of the Assessor of the County of San Bernardino, which by reference is hereby made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll in Appendix A.

**APPENDIX A**

**TOWN OF YUCCA VALLEY  
STREET AND DRAINAGE MAINTENANCE DISTRICT No. 1  
ASSESSMENT ROLL  
Fiscal Year 2014-15**

Benefit Zone 1 - Tract 16957

APN	Maximum Allowable Assessment	Assessment to Levy
585621010000	\$832.00	\$61.76
585621020000	\$832.00	\$61.76
585621030000	\$832.00	\$61.76
585621040000	\$832.00	\$61.76
585621050000	\$832.00	\$61.76
585621060000	\$832.00	\$61.76
585621070000	\$832.00	\$61.76
585621080000	\$832.00	\$61.76
585621090000	\$832.00	\$61.76
585621100000	\$832.00	\$61.76
585621110000	\$832.00	\$61.76
585621120000	\$832.00	\$61.76
585621130000	\$832.00	\$61.76
585621140000	\$832.00	\$61.76
585621150000	\$832.00	\$61.76
585621160000	\$832.00	\$61.76
585621170000	\$832.00	\$61.76
585621180000	\$832.00	\$61.76
585621190000	\$832.00	\$61.76
585621200000	\$832.00	\$61.76
585621210000	\$832.00	\$61.76
585621220000	\$832.00	\$61.76
585621230000	\$832.00	\$61.76
585621240000	\$832.00	\$61.76
585621250000	\$832.00	\$61.76
585621260000	\$832.00	\$61.76
585621270000	\$832.00	\$61.76
585621280000	\$832.00	\$61.76
585621290000	\$832.00	\$61.76
585621300000	\$832.00	\$61.76
585621310000	\$832.00	\$61.76
585621320000	\$832.00	\$61.76
585621330000	\$832.00	\$61.76
585621340000	\$832.00	\$61.76
<b>Total:</b>	<b>\$28,288.00</b>	<b>\$2,099.84</b>



**TOWN OF YUCCA VALLEY**  
**Street and Drainage Maintenance District No. 1**  
**Benefit Zones 1-5**

**Benefit Zone 2 - Tract 16587**

<b>APN</b>	<b>Maximum Allowable Assessment</b>	<b>Assessment to Levy</b>	<b>APN</b>	<b>Maximum Allowable Assessment</b>	<b>Assessment to Levy</b>
587441010000	\$478.80	\$39.08	587441290000	\$478.80	\$39.08
587441020000	\$478.80	\$39.08	587441300000	\$478.80	\$39.08
587441030000	\$478.80	\$39.08	587441310000	\$0.00	\$0.00
587441040000	\$478.80	\$39.08	587451040000	\$478.80	\$39.08
587441050000	\$478.80	\$39.08	587451050000	\$478.80	\$39.08
587441060000	\$478.80	\$39.08	587451060000	\$478.80	\$39.08
587441070000	\$478.80	\$39.08	587451070000	\$478.80	\$39.08
587441080000	\$478.80	\$39.08	587451080000	\$478.80	\$39.08
587441090000	\$478.80	\$39.08	587451090000	\$478.80	\$39.08
587441100000	\$478.80	\$39.08	587451100000	\$478.80	\$39.08
587441110000	\$478.80	\$39.08	587451110000	\$478.80	\$39.08
587441120000	\$478.80	\$39.08	587451120000	\$478.80	\$39.08
587441130000	\$478.80	\$39.08	587451130000	\$478.80	\$39.08
587441140000	\$478.80	\$39.08	587451140000	\$478.80	\$39.08
587441150000	\$478.80	\$39.08	587451150000	\$478.80	\$39.08
587441160000	\$478.80	\$39.08	587451160000	\$478.80	\$39.08
587441170000	\$478.80	\$39.08	587451170000	\$478.80	\$39.08
587441180000	\$478.80	\$39.08	587451180000	\$478.80	\$39.08
587441190000	\$478.80	\$39.08	587451190000	\$478.80	\$39.08
587441200000	\$478.80	\$39.08	587451200000	\$478.80	\$39.08
587441210000	\$478.80	\$39.08	587451210000	\$478.80	\$39.08
587441220000	\$478.80	\$39.08	587451220000	\$478.80	\$39.08
587441230000	\$478.80	\$39.08	587451230000	\$478.80	\$39.08
587441240000	\$478.80	\$39.08	587451240000	\$478.80	\$39.08
587441250000	\$478.80	\$39.08	587451250000	\$478.80	\$39.08
587441260000	\$478.80	\$39.08	587451260000	\$478.80	\$39.08
587441270000	\$478.80	\$39.08	587451270000	\$478.80	\$39.08
587441280000	\$478.80	\$39.08	587451280000	\$478.80	\$39.08
			<b>TOTAL ASSEMENT</b>	<b>\$26,334.00</b>	<b>\$2,149.40</b>

Benefit Zone 3 - Tract 17328

APN	Maximum Allowable Assessment	Assessment to Levy
588311100000	\$725.14	\$114.70
588311110000	\$725.14	\$114.70
588311120000	\$725.14	\$114.70
588311130000	\$725.14	\$114.70
588311140000	\$725.14	\$114.70
588311150000	\$725.14	\$114.70
588311160000	\$725.14	\$114.70
588311170000	\$725.14	\$114.70
588311180000	\$725.14	\$114.70
588311190000	\$725.14	\$114.70
588311200000	\$725.14	\$114.70
588311210000	\$725.14	\$114.70
588311220000	\$725.14	\$114.70
588311230000	\$725.14	\$114.70
588311240000	\$725.14	\$114.70
588311250000	\$725.14	\$114.70
588311260000	\$725.14	\$114.70
<b>TOTAL ASSEMENT</b>	<b>\$12,327.38</b>	<b>\$1,949.90</b>

**TOWN OF YUCCA VALLEY**  
**Street and Drainage Maintenance District No. 1**  
**Benefit Zones 1-5**

**Benefit Zone 4 - Tract 17633**

<b>Tract</b>	<b>Lot</b>	<b>Maximum Allowable Assessment</b>	<b>Assessment to Levy</b>	<b>Lot</b>	<b>Maximum Allowable Assessment</b>	<b>Assessment to Levy</b>
17633	1	\$496.97	\$36.06	32	\$496.97	\$36.06
17633	2	\$496.97	\$36.06	33	\$496.97	\$36.06
17633	3	\$496.97	\$36.06	34	\$496.97	\$36.06
17633	4	\$496.97	\$36.06	35	\$496.97	\$36.06
17633	5	\$496.97	\$36.06	36	\$496.97	\$36.06
17633	6	\$496.97	\$36.06	37	\$496.97	\$36.06
17633	7	\$496.97	\$36.06	38	\$496.97	\$36.06
17633	8	\$496.97	\$36.06	39	\$496.97	\$36.06
17633	9	\$496.97	\$36.06	40	\$496.97	\$36.06
17633	10	\$496.97	\$36.06	41	\$496.97	\$36.06
17633	11	\$496.97	\$36.06	42	\$496.97	\$36.06
17633	12	\$496.97	\$36.06	43	\$496.97	\$36.06
17633	13	\$496.97	\$36.06	44	\$496.97	\$36.06
17633	14	\$496.97	\$36.06	45	\$496.97	\$36.06
17633	15	\$496.97	\$36.06	46	\$496.97	\$36.06
17633	16	\$496.97	\$36.06	47	\$496.97	\$36.06
17633	17	\$496.97	\$36.06	48	\$496.97	\$36.06
17633	18	\$496.97	\$36.06	49	\$496.97	\$36.06
17633	19	\$496.97	\$36.06	50	\$496.97	\$36.06
17633	20	\$496.97	\$36.06	51	\$496.97	\$36.06
17633	21	\$496.97	\$36.06	52	\$496.97	\$36.06
17633	22	\$496.97	\$36.06	53	\$496.97	\$36.06
17633	23	\$496.97	\$36.06	54	\$496.97	\$36.06
17633	24	\$496.97	\$36.06	55	\$496.97	\$36.06
17633	25	\$496.97	\$36.06	56	\$496.97	\$36.06
17633	26	\$496.97	\$36.06	57	\$496.97	\$36.06
17633	27	\$496.97	\$36.06	58	\$496.97	\$36.06
17633	28	\$496.97	\$36.06	59	\$496.97	\$36.06
17633	29	\$496.97	\$36.06	60	\$496.97	\$36.06
17633	30	\$496.97	\$36.06	61	\$496.97	\$36.06
17633	31	\$496.97	\$36.06			
<b>TOTAL ASSEMENT</b>					<b>\$30,315.17</b>	<b>\$2,199.66</b>

**TOWN OF YUCCA VALLEY**  
**Street and Drainage Maintenance District No. 1**  
**Benefit Zones 1-5**

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Benefit Zone 5 - Map 17455

Assessor Parcel Number	Landuse	Building Sq Ft	Avg Daily Trips	Total EDUs	Rate/EDU	Total Asmt.
601201450000	Parcel 1 - Home Depot	139,656	4,162	4,162	\$1.90	\$ 7,907.80
601201460000	Parcel 2 - Specialty Retail	27,110	1,202	1,202	\$1.90	\$ 2,283.80
601201470000	Parcel 3 - Specialty Retail	7,500	332	332	\$1.90	\$ 630.80
601201480000	Parcel 4 - Fast Food	3,000	1,488	1,488	\$1.90	\$ 2,827.20
<b>Total</b>						<b>\$13,649.60</b>

**ENGINEER'S REPORT FOR  
LANDSCAPE AND LIGHTING  
MAINTENANCE DISTRICT NO. 1  
BENEFIT ZONES 1-4**

**Fiscal Year 2014-15**

*Prepared for:*

**TOWN OF YUCCA VALLEY**  
San Bernardino County, California

*Prepared by:*

***K. Dennis Klingelhofer, P.E.***  
***Assessment Engineer***

**May, 2014**

**PRELIMINARY ENGINEER'S REPORT**  
**TOWN OF YUCCA VALLEY**  
**LANDSCAPE & LIGHTING MAINTENANCE DISTRICT No. 1, BENEFIT ZONES 1-4**

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**TOWN OF YUCCA VALLEY  
LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT NO. 1  
BENEFIT ZONES 1-4**

The undersigned respectfully submits the enclosed Engineer's Report as directed by the Town Council.

Dated: May 5, 2014

By: \_\_\_\_\_  
K. Dennis Klingelhofer, P.E.  
Assessment Engineer

I HEREBY CERTIFY that the enclosed Preliminary Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was filed with me on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Lesley Copeland, Town Clerk  
Town of Yucca Valley  
San Bernardino County, California

By \_\_\_\_\_

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was approved and confirmed by the Council of the Town of Yucca Valley, San Bernardino County, California, on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Lesley Copeland, Town Clerk  
Town of Yucca Valley  
San Bernardino County, California

By \_\_\_\_\_

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was filed with the County Auditor of the County of San Bernardino, on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Lesley Copeland, Town Clerk  
Town of Yucca Valley  
San Bernardino County, California

By \_\_\_\_\_

## **SECTION I - INTRODUCTION**

To insure a flow of funds for the maintenance, repair and servicing of specified improvements within Tract 16957; the Town Council adopted Resolution No. 05-60 on October 27, 2005 to establish the District in accordance with the provisions of Part 2 of Division 15 of the California Streets and Highways Code, Sections 22500 through 22679, and the provisions of Article XIID of the State Constitution (Proposition 218).

The District was established as part of the conditions of property development and approved by the original property owner(s) and the proposed assessments are based upon the costs of maintenance, repair and servicing of the improvements that provide special benefit to properties within the District. The annual levies includes all proposed expenditures, fund balances, revenues and reserves, and are set aside in a Special Fund by the Town. The assessment to be levied upon the parcels within each Benefit Zone are proportionate to the special benefit they receive as set forth in the method of apportionment established at the time the Benefit Zone was formed.

Payment of the assessment for each parcel will be made in the same manner and at the same time as payments are made for property taxes. All funds collected through the assessment must be placed in a special fund and can only be used for the purposes stated within this report.

As required by the Landscaping and Lighting Act of 1972, this Engineer's Report describes the improvements to be maintained by the District, provides an estimated budget for the District, sets the Maximum Allowable Assessment which may be levied upon each parcel and lists the proposed assessments to be levied upon each assessable lot or parcel within the District for 2014-15.

The Town will hold a Public Hearing on \_\_\_\_\_, to provide an opportunity for any interested person to be heard. Following consideration of public comments and review of this report, the Town Council may order amendments to the Report or confirm the report as submitted. Following final approval of the report and confirmation of the assessments, the Town Council may order the levy and collection of the assessment for Fiscal Year 2014-15. Upon approval, the assessments will be submitted to the San Bernardino County Auditor-Controller's Office to be included on the FY 2014-15 tax roll.



## **SECTION II - PLANS AND SPECIFICATIONS**

The facilities, which will be constructed, maintained, repaired and serviced each Benefit Zone within Landscaping and Lighting Maintenance District No. 1 and which provide special benefits to parcels and properties within each Benefit Zone may include the following:

- Regular maintenance, repair and replacement of all facilities within the public rights-of-ways or easements which shall include, but not be limited to, the landscaping, irrigation system, signage, perimeter wall, retaining walls, pedestrian path and erosion control plantings within or adjacent to the detention basins and drainage swale.
- Operation, maintenance, repairs, replacement of and power for the street lighting.
- Regular maintenance, repair and replacement of the landscape parkway strip and street trees.
- Regular maintenance, repair and replacement of landscaping within public rights-of-ways or easements, and perimeter walls, including graffiti removal.
- Regular maintenance, repair and replacement of pedestrian pathways, within the public rights-of-ways or easements.
- Administrative services to operate the District.

Services include, but are not limited to: personnel; electrical energy; utilities such as water; materials; contractual services; grading; clearing; removal of debris; installation or construction of curbs, gutters, walls, sidewalks, paving, irrigation, drainage, hardscapes, trees, furnishings such as pots, bollards, tree grates, and appurtenant facilities as required to provide an aesthetically pleasing environment throughout the District; and other items necessary for the maintenance or servicing or both including the facilities described below.

Maintenance means the furnishing of services and materials for the ordinary and usual operations, maintenance and servicing of the landscaping, public park facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping, public park or appurtenant facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; and the removal of trimmings, rubbish, debris and other solid waste. Servicing means the furnishing of water for the irrigation of the landscaping, and recreational facilities or appurtenant facilities.

Plans and specifications for the improvements within each Benefit Zone shall be as approved by the Town of Yucca Valley and upon approval shall be placed on file in the Office of the Town Engineer, Community Development/Public Works Department, Town of Yucca Valley. Town staff will determine the frequency and specific maintenance activities required to maintain these improvements.

**SECTION III - ESTIMATE OF COST**

The 1972 Act provides that the total cost of installation, construction, operation, maintenance and servicing of landscaping and appurtenant facilities can be recovered by the District. Maintenance can include the repair and replacement of existing facilities. Servicing can include electrical and associated costs from a public utility. Incidental expenses, including administration of the District, engineering fees, legal fees, printing, posting, and mailing of notices, and all other costs associated with the annual collection process can also be included.

The projected costs for the maintenance, repair and servicing costs of the improvements within each Benefit including contributions to reserves for Fiscal Year 2014-15 are summarized below.

<b>Town of Yucca Valley</b>				
<b>Lighting and Landscape Maintenance District No. 1</b>				
<b>Estimated Annual Costs Fiscal Year 2014-15</b>				
<b>Fiscal Year 2014-15</b>	<b>Benefit Zone 1 (Tract 16957)</b>	<b>Benefit Zone 2 (Tract 16587)</b>	<b>Benefit Zone 3 (Tract 17328)</b>	<b>Benefit Zone 4 (Tract 17633)</b>
<b>Estimated Annual Maintenance Cost</b>				
Electricity for Street Lights	\$ -	\$ -	\$ -	\$ -
Acoma Trail Parkway Maintenance	\$ -	\$ -	\$ -	\$ -
Yucca Trail Parkway Maintenance	\$ -	\$ -	\$ -	\$ -
Irrigation Water	\$ -	\$ -	\$ -	\$ -
Landscape Maintenance	\$ -	\$ -	\$ -	\$ -
Retention Basin Landscape & Irrigation	\$ -	\$ -	\$ -	\$ -
Capital Replacements	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -
<b>Administration Costs</b>				
Town Administration	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Assessment Engineering	\$ 750.00	\$ 650.00	\$ 650.00	\$ 650.00
County Administration Fees	\$ 350.00	\$ 500.00	\$ 250.00	\$ 600.00
Subtotal	\$ 2,100.00	\$ 2,150.00	\$ 1,900.00	\$ 2,250.00
<b>Annual Levy</b>				
Total Direct and Administration Costs	\$ 2,100.00	\$ 2,150.00	\$ 1,900.00	\$ 2,250.00
Capital Replacement Reserve Contribution	\$ -	\$ -	\$ -	\$ -
Operating Reserve Contribution				
Less Contribution from Reserves				
Operating	\$ -	\$ -	\$ -	\$ -
Capital Replacement	\$ -	\$ -	\$ -	\$ -
Balance to Levy	\$ 2,100.00	\$ 2,150.00	\$ 1,900.00	\$ 2,250.00
Total EDU's	34	55	17	61
Proposed Levy per Edu	\$ 61.76	\$ 39.08	\$ 111.76	\$ 36.88
Maximum Allowable Levy	\$ 212.24	\$ 241.06	\$ 417.20	\$ 205.92
<b>Fund Balance Summary (Projected as of June 30, 2014)</b>				
Operating Reserve (Projected as of July 1, 2014)	\$ 3,998.00	\$ 3,998.00	\$ 3,998.00	\$ 3,998.00
Contribution to Operating Reserve	\$ -	\$ -	\$ -	\$ -
Projected Operating Reserve as of June 30, 2015	\$ 3,998.00	\$ 3,998.00	\$ 3,998.00	\$ 3,998.00
Capital Replacement Reserve (Projected as of July 1, 2014)	\$ -	\$ -	\$ -	\$ -
Contribution to Capital Replacement Reserve	\$ -	\$ -	\$ -	\$ -
Projected Capital Replacement Reserve as of June 30, 2014	\$ -	\$ -	\$ -	\$ -

Since construction of the improvements in Benefit Zones 1, 3 and 4 have not been completed, a reduced assessment is proposed to be levied for 2014-15. However, as established at the time of District Formation, the Maximum Allowable Annual Assessment per EDU which may be levied in future years will be increased by the Consumer Price Index for all Urban Consumers for the Los Angeles Area (December – December) to provide sufficient revenues for the maintenance of the improvements in future years. The Maximum Allowable Annual Assessment for 2014-15 shall be as shown below:

Benefit Zone	Fiscal Year						
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	% Change in CPI						
	4.17%	0.11%	1.83%	1.23%	2.29%	1.93%	1.14%
Zone 1 - Tract 16957	\$ 192.18	\$ 192.39	\$ 195.91	\$ 198.32	\$ 202.86	\$ 207.50	\$ 212.24
Zone 2 - Tract 16587	\$ 218.28	\$ 218.53	\$ 222.52	\$ 225.26	\$ 230.41	\$ 235.68	\$ 241.07
Zone 3 - Tract 17328	\$ 377.76	\$ 378.18	\$ 385.10	\$ 389.84	\$ 398.75	\$ 407.87	\$ 417.20
Zone 4 - Tract 17633	\$ 186.46	\$ 186.67	\$ 190.08	\$ 192.42	\$ 196.82	\$ 201.32	\$ 205.93

The Town shall have no obligation to commit funds in excess of the assessment revenues collected for the maintenance of the improvements and the level of maintenance provided shall be adjusted to match the funds available.

The funds in the Capital Replacement Reserve will be used for the replacement or rehabilitation of landscaping, irrigation systems, signage, perimeter walls, retaining walls, streetlights, pathways or other improvements maintained by the District. The funds will be set aside annually and shall only be used for the replacement or rehabilitation of the improvements unless the Town determines that there is a surplus based upon expected future replacement costs.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by the assessments shall be used only for the purpose as stated herein. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements and operating reserves. The District may accumulate an operating reserve which shall not exceed the annual estimated costs of maintenance and servicing.

**SECTION IV - ASSESSMENT DISTRICT DIAGRAM**

The boundaries of each Benefit Zone within Landscape and Lighting Maintenance District No. 1 are on file in the Office of the Town Clerk and are incorporated in this Report by reference.

A detailed description of the lines and dimensions of each lot or parcel within the assessment District are those lines and dimensions shown on the maps of the Assessor of the County of San Bernardino for FY 2014-15.

## SECTION V - METHOD OF APPORTIONMENT OF ASSESSMENT

### GENERAL

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 Agencies for the purpose of providing certain public improvements which include the operation, maintenance and servicing of landscaping and street lighting improvements for the purpose of:

- improving the livability, appearance, and economic conditions within the boundaries of the District, and
- ensuring that improvements do not reach a state of deterioration or disrepair so as to cause the depreciation of surrounding property or be materially detrimental to nearby properties and improvements; and
- protecting the health, safety and general welfare of occupants and visitors to properties.

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]."*

In addition, 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.

Because assessments are levied on the basis of benefit, they are considered a user's fee, not a tax, and, therefore, are not governed by Article IIIA of the California Constitution.

The 1972 Act 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" (Sec. 22547).

Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax." Article XIII D 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.

### **LANDSCAPING BENEFIT DETERMINATION**

Trees, landscaping, irrigation system, hardscaping and appurtenant facilities, if well maintained, provide beautification, shade and enhance the desirability of the surroundings, and therefore increase property values of the parcels within each Benefit Zone.

### **STREET LIGHTING BENEFIT DETERMINATION**

The proper functioning of street lighting is imperative for the welfare and safety of the property owners within the District. Proper operation, maintenance, and servicing of a street lighting system benefits properties with each Benefit Zone by providing increased illumination for ingress and egress, safety traveling at night, improved security, protection of property and the reduction of traffic accidents.

### **PARCEL CLASSIFICATIONS**

**Single Family Residential** - The single-family residential parcel classification will be per the *Town of Yucca Valley* land use designation and will be assessed on a per parcel basis. Each single family residential parcel will be assigned 1 Equivalent Dwelling Unit (EDU).

**Exempt** - Exempted from the assessment would be the areas of all public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, all easements and rights-of-ways, all public parks, greenbelts and parkways and all other public property designated open space.

Other parcel classifications will be included as necessary to accommodate future annexations.

### **ZONE CLASSIFICATION**

Benefit Zone No. 1 through 4 have been established to provide a funding source for the operation, maintenance and servicing of landscaping and lighting improvements within the boundaries of each benefit zone. Future benefit zones will be established in the future as development occurs and improvements are constructed in those benefit zone which will provide a specific and special benefit to the parcels within each benefit zone.

### **BENEFIT SPREAD METHODOLOGY**

The total operation, maintenance and servicing cost for the landscaping, street lighting, and open space improvements within each Benefit Zone are apportioned in accordance with a methodology that is consistent with standard assessment engineering practices.

Since the assessments are levied on the owners of properties as shown on the secured property tax rolls, the final charges must be assigned by Assessor's Parcel Number. If assessments were to be spread by parcel, not considering land use, this would not be equitable, because a single-family parcel would be paying the same as a 50-unit apartment parcel or a large commercial establishment. Therefore, as previously stated, the total assessment costs are spread to each parcel of land based on the benefit received by each particular parcel.

**BENEFIT ZONES NO. 1-4**

The costs for the operation; maintenance and servicing of the improvements are apportioned in accordance with the methodology as established by the Town Council upon formation of the District and the establishment of each benefit zone. It was determined at that time that the most equitable method for spreading the estimated benefit received by each parcel should be based on the Equivalent Dwelling Unit (EDU) method. Each residential parcel will be assessed on the basis of one EDU per parcel. The formula for each of the Benefit Zones 1-4 is as follows:

$$\text{Assessable budget} \div \text{total EDUs} = \text{rate per EDU}$$

Benefit Zone	Landuse	Parcels	Dwelling Units	EDU Factor	Total EDUs	Rate/EDU	Total Asmt.
1	Residential	34	34	1.00/DU	34	\$61.76	\$2,100.00
2	Residential	55	55	1.00/DU	55	\$39.08	\$2,150.00
3	Residential	17	17	1.00/DU	17	\$111.76	\$1,900.00
4	Residential	61	61	1.00/DU	61	\$36.88	\$2,250.00

**SECTION VI- PROPERTY OWNER LIST & ASSESSMENT ROLL**

A list of names and addresses of the owners of all parcels within the Town of Yucca Valley's Landscape and Lighting Maintenance District No. 1 is shown on the last equalized Property Tax Roll of the Assessor of the County of San Bernardino, which is hereby made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll on file in the Office of the Town Clerk

The proposed assessments and the amount of assessments for FY 2014-15 apportioned to each lot or parcel, as shown on the latest roll at the Assessor's Office, are on file in the Office of the Town Clerk. The description of each lot or parcel is part of the records of the Assessor of the County of San Bernardino and these records are, by reference, made part of this Report.

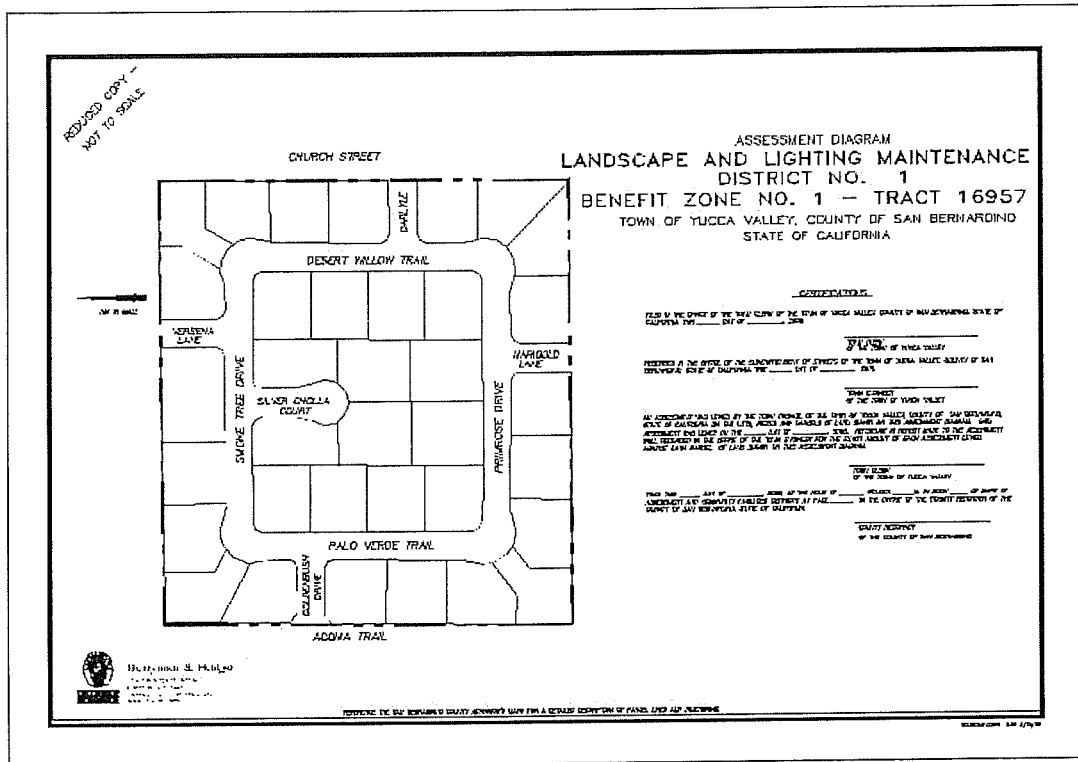
The Assessment Roll for FY 2014-15 is included in Appendix A of this Report and is on file in the Office of the Town Clerk.



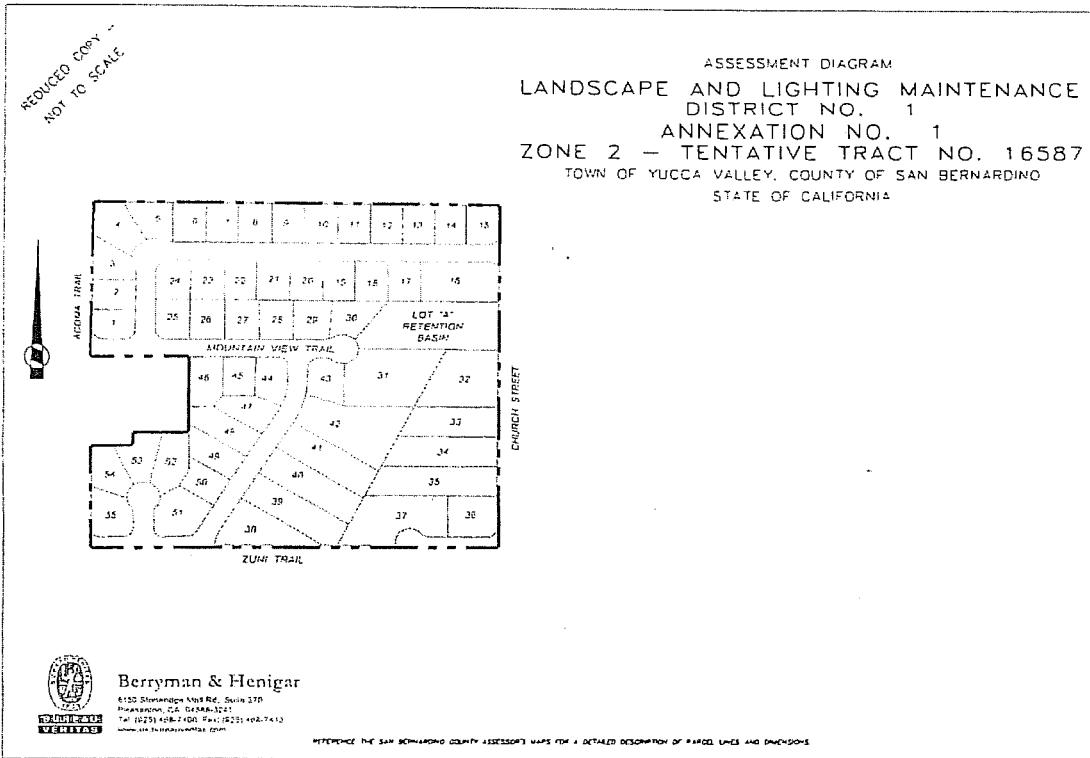
## **APPENDIX A**

### **Assessment Diagrams**

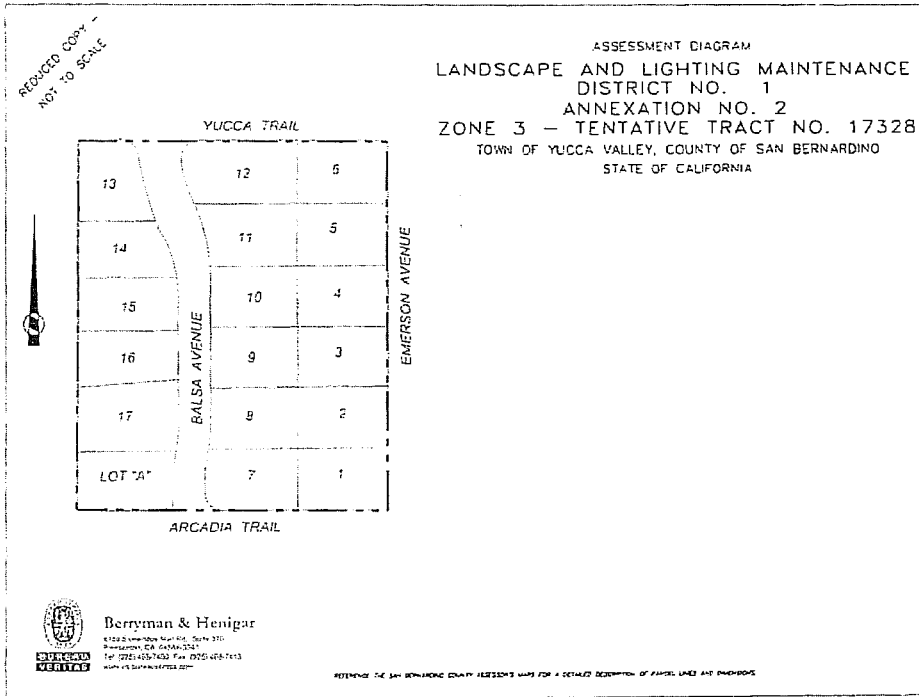
TOWN OF YUCCA VALLEY  
 Landscape & Lighting Maintenance District No. 1  
 Benefit Zones 1-4



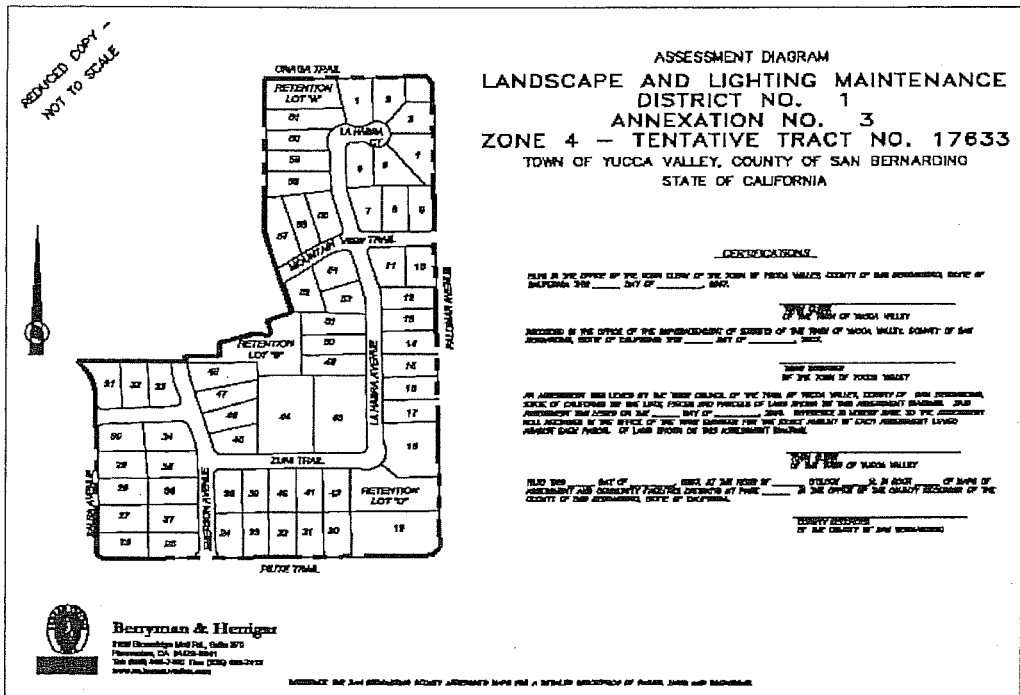
TOWN OF YUCCA VALLEY  
 Landscape & Lighting Maintenance District No. 1  
 Benefit Zones 1-4



TOWN OF YUCCA VALLEY  
 Landscape & Lighting Maintenance District No. 1  
 Benefit Zones 1-4



TOWN OF YUCCA VALLEY  
 Landscape & Lighting Maintenance District No. 1  
 Benefit Zones 1-4



**APPENDIX B**  
**FY 2014-15**  
**ASSESSMENT ROLL**

Benefit Zone 1 - Tract 16957

APN	Maximum Allowable Assessment	Assessment to Levy
585621010000	\$212.24	\$61.76
585621020000	\$212.24	\$61.76
585621030000	\$212.24	\$61.76
585621040000	\$212.24	\$61.76
585621050000	\$212.24	\$61.76
585621060000	\$212.24	\$61.76
585621070000	\$212.24	\$61.76
585621080000	\$212.24	\$61.76
585621090000	\$212.24	\$61.76
585621100000	\$212.24	\$61.76
585621110000	\$212.24	\$61.76
585621120000	\$212.24	\$61.76
585621130000	\$212.24	\$61.76
585621140000	\$212.24	\$61.76
585621150000	\$212.24	\$61.76
585621160000	\$212.24	\$61.76
585621170000	\$212.24	\$61.76
585621180000	\$212.24	\$61.76
585621190000	\$212.24	\$61.76
585621200000	\$212.24	\$61.76
585621210000	\$212.24	\$61.76
585621220000	\$212.24	\$61.76
585621230000	\$212.24	\$61.76
585621240000	\$212.24	\$61.76
585621250000	\$212.24	\$61.76
585621260000	\$212.24	\$61.76
585621270000	\$212.24	\$61.76
585621280000	\$212.24	\$61.76
585621290000	\$212.24	\$61.76
585621300000	\$212.24	\$61.76
585621310000	\$212.24	\$61.76
585621320000	\$212.24	\$61.76
585621330000	\$212.24	\$61.76
585621340000	\$212.24	\$61.76
<b>Total:</b>	<b>\$7,216.16</b>	<b>\$2,099.84</b>

**TOWN OF YUCCA VALLEY**  
**Landscape & Lighting Maintenance District No. 1**  
**Benefit Zones 1-4**

Benefit Zone 2 - Tract 16587

APN	Maximum Allowable Assessment	Assessment to Levy
587441010000	\$241.06	\$39.08
587441020000	\$241.06	\$39.08
587441030000	\$241.06	\$39.08
587441040000	\$241.06	\$39.08
587441050000	\$241.06	\$39.08
587441060000	\$241.06	\$39.08
587441070000	\$241.06	\$39.08
587441080000	\$241.06	\$39.08
587441090000	\$241.06	\$39.08
587441100000	\$241.06	\$39.08
587441110000	\$241.06	\$39.08
587441120000	\$241.06	\$39.08
587441130000	\$241.06	\$39.08
587441140000	\$241.06	\$39.08
587441150000	\$241.06	\$39.08
587441160000	\$241.06	\$39.08
587441170000	\$241.06	\$39.08
587441180000	\$241.06	\$39.08
587441190000	\$241.06	\$39.08
587441200000	\$241.06	\$39.08
587441210000	\$241.06	\$39.08
587441220000	\$241.06	\$39.08
587441230000	\$241.06	\$39.08
587441240000	\$241.06	\$39.08
587441250000	\$241.06	\$39.08
587441260000	\$241.06	\$39.08
587441270000	\$241.06	\$39.08
587441280000	\$241.06	\$39.08
587441290000	\$241.06	\$39.08
587441300000	\$241.06	\$39.08
587441310000	\$0.00	\$0.00
587451040000	\$241.06	\$39.08
587451050000	\$241.06	\$39.08
587451060000	\$241.06	\$39.08
587451070000	\$241.06	\$39.08
587451080000	\$241.06	\$39.08
587451090000	\$241.06	\$39.08
587451100000	\$241.06	\$39.08
587451110000	\$241.06	\$39.08
587451120000	\$241.06	\$39.08
587451130000	\$241.06	\$39.08
587451140000	\$241.06	\$39.08
587451150000	\$241.06	\$39.08
587451160000	\$241.06	\$39.08
587451170000	\$241.06	\$39.08
587451180000	\$241.06	\$39.08
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587451200000	\$241.06	\$39.08
587451210000	\$241.06	\$39.08
587451220000	\$241.06	\$39.08
587451230000	\$241.06	\$39.08
587451240000	\$241.06	\$39.08
587451250000	\$241.06	\$39.08
587451260000	\$241.06	\$39.08
587451270000	\$241.06	\$39.08
587451280000	\$241.06	\$39.08
<b>TOTAL ASSEMENT</b>	<b>\$13,258.30</b>	<b>\$2,149.40</b>



**Benefit Zone 3 - Tract 17328**

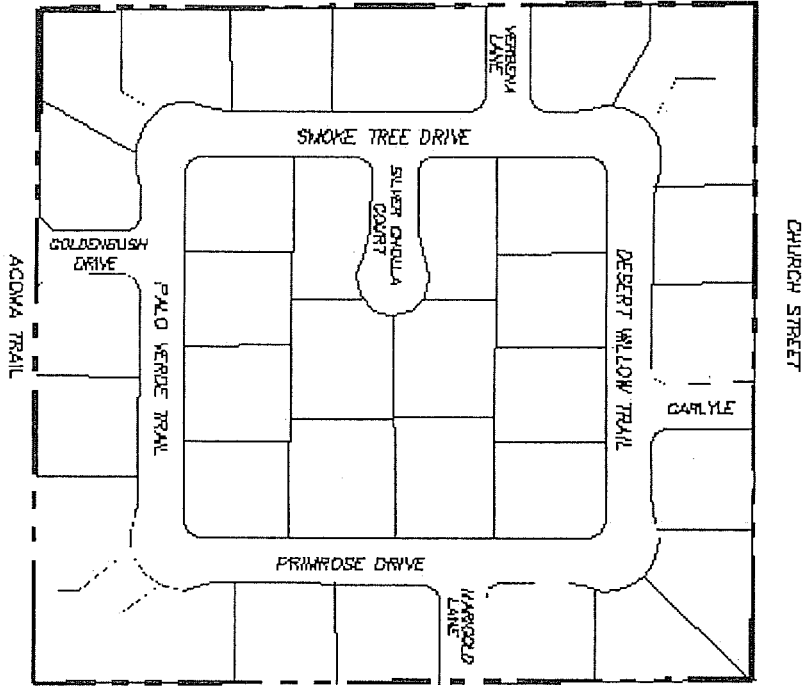
APN	Maximum Allowable Assessment	Assessment to Levy
58831110000	\$417.20	\$111.76
58831111000	\$417.20	\$111.76
58831112000	\$417.20	\$111.76
58831113000	\$417.20	\$111.76
58831114000	\$417.20	\$111.76
58831115000	\$417.20	\$111.76
58831116000	\$417.20	\$111.76
58831117000	\$417.20	\$111.76
58831118000	\$417.20	\$111.76
58831119000	\$417.20	\$111.76
58831120000	\$417.20	\$111.76
58831121000	\$417.20	\$111.76
58831122000	\$417.20	\$111.76
58831123000	\$417.20	\$111.76
58831124000	\$417.20	\$111.76
58831125000	\$417.20	\$111.76
58831126000	\$417.20	\$111.76
<b>TOTAL ASSEMENT</b>	<b>\$7,092.40</b>	<b>\$1,899.92</b>

**TOWN OF YUCCA VALLEY**  
**Landscape & Lighting Maintenance District No. 1**  
**Benefit Zones 1-4**

**Benefit Zone 4 - Tract 17633**

Tract	Lot	Maximum Allowable Assessment	Assessment to Levy	Lot	Maximum Allowable Assessment	Assessment to Levy
17633	1	\$205.92	\$36.88	32	\$205.92	\$36.88
17633	2	\$205.92	\$36.88	33	\$205.92	\$36.88
17633	3	\$205.92	\$36.88	34	\$205.92	\$36.88
17633	4	\$205.92	\$36.88	35	\$205.92	\$36.88
17633	5	\$205.92	\$36.88	36	\$205.92	\$36.88
17633	6	\$205.92	\$36.88	37	\$205.92	\$36.88
17633	7	\$205.92	\$36.88	38	\$205.92	\$36.88
17633	8	\$205.92	\$36.88	39	\$205.92	\$36.88
17633	9	\$205.92	\$36.88	40	\$205.92	\$36.88
17633	10	\$205.92	\$36.88	41	\$205.92	\$36.88
17633	11	\$205.92	\$36.88	42	\$205.92	\$36.88
17633	12	\$205.92	\$36.88	43	\$205.92	\$36.88
17633	13	\$205.92	\$36.88	44	\$205.92	\$36.88
17633	14	\$205.92	\$36.88	45	\$205.92	\$36.88
17633	15	\$205.92	\$36.88	46	\$205.92	\$36.88
17633	16	\$205.92	\$36.88	47	\$205.92	\$36.88
17633	17	\$205.92	\$36.88	48	\$205.92	\$36.88
17633	18	\$205.92	\$36.88	49	\$205.92	\$36.88
17633	19	\$205.92	\$36.88	50	\$205.92	\$36.88
17633	20	\$205.92	\$36.88	51	\$205.92	\$36.88
17633	21	\$205.92	\$36.88	52	\$205.92	\$36.88
17633	22	\$205.92	\$36.88	53	\$205.92	\$36.88
17633	23	\$205.92	\$36.88	54	\$205.92	\$36.88
17633	24	\$205.92	\$36.88	55	\$205.92	\$36.88
17633	25	\$205.92	\$36.88	56	\$205.92	\$36.88
17633	26	\$205.92	\$36.88	57	\$205.92	\$36.88
17633	27	\$205.92	\$36.88	58	\$205.92	\$36.88
17633	28	\$205.92	\$36.88	59	\$205.92	\$36.88
17633	29	\$205.92	\$36.88	60	\$205.92	\$36.88
17633	30	\$205.92	\$36.88	61	\$205.92	\$36.88
17633	31	\$205.92	\$36.88			
<b>TOTAL ASSEMENT</b>					<b>\$12,561.12</b>	<b>\$2,249.68</b>

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ASSESSMENT DIAGRAM  
STREET AND DRAINAGE MAINTENANCE  
DISTRICT NO. 1  
BENEFIT ZONE NO. 1 - TRACT 16957  
TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO  
STATE OF CALIFORNIA

DATE: \_\_\_\_\_

BY: \_\_\_\_\_

FOR THE TOWN OF YUCCA VALLEY

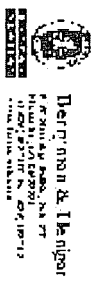
BY: \_\_\_\_\_

FOR THE TOWN OF YUCCA VALLEY

BY: \_\_\_\_\_

FOR THE TOWN OF YUCCA VALLEY

BY: \_\_\_\_\_



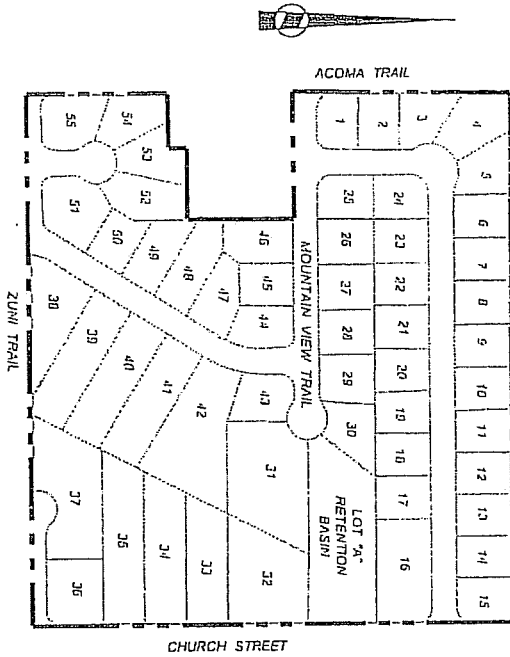
Therrian & Therrian  
CITY ENGINEERS  
1100 WEST 11TH STREET  
YUCCA VALLEY, CALIFORNIA 92386


ENGINEERING AND SURVEYING LICENSE NO. 16744

ADDITIONAL SHEETS

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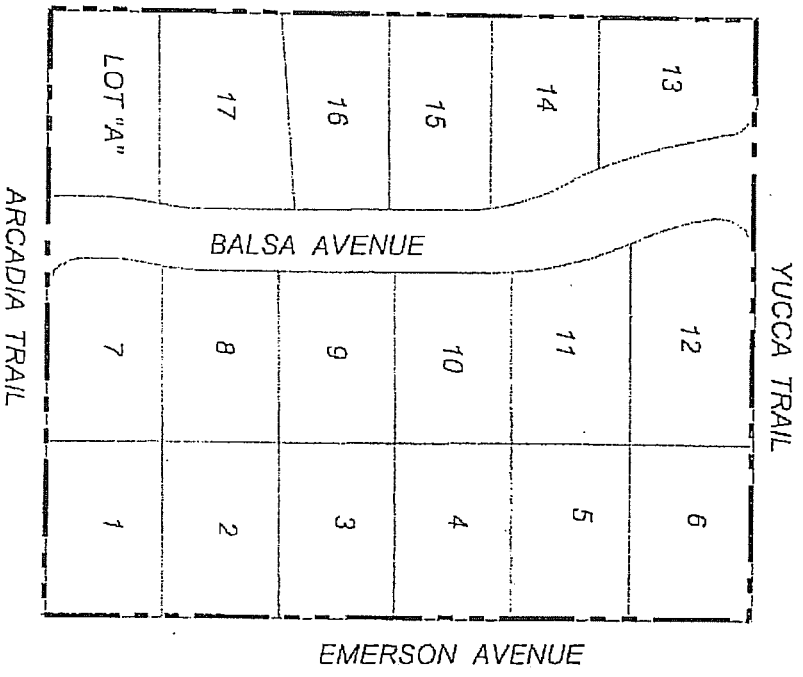
ASSESSMENT DIAGRAM  
LANDSCAPE AND LIGHTING MAINTENANCE  
DISTRICT NO. 1  
ANNEXATION NO. 1  
ZONE 2 - TENTATIVE TRACT NO. 16587  
TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO  
STATE OF CALIFORNIA



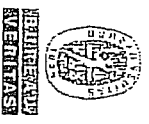
  
**Berryman & Henigar**  
1510 Stonewall Mill Rd., Suite 370  
Perris, CA 92568-3311  
Tel: (951) 468-7400 Fax: (951) 468-7412  
www.berrymanhenigar.com

REFERENCE THE SAN BERNARDINO COUNTY ASSESSOR'S MAP FOR A DETAILED DESCRIPTION OF PARCELS, LINES AND DIVISIONS.

REDUCED COPY -  
NOT TO SCALE

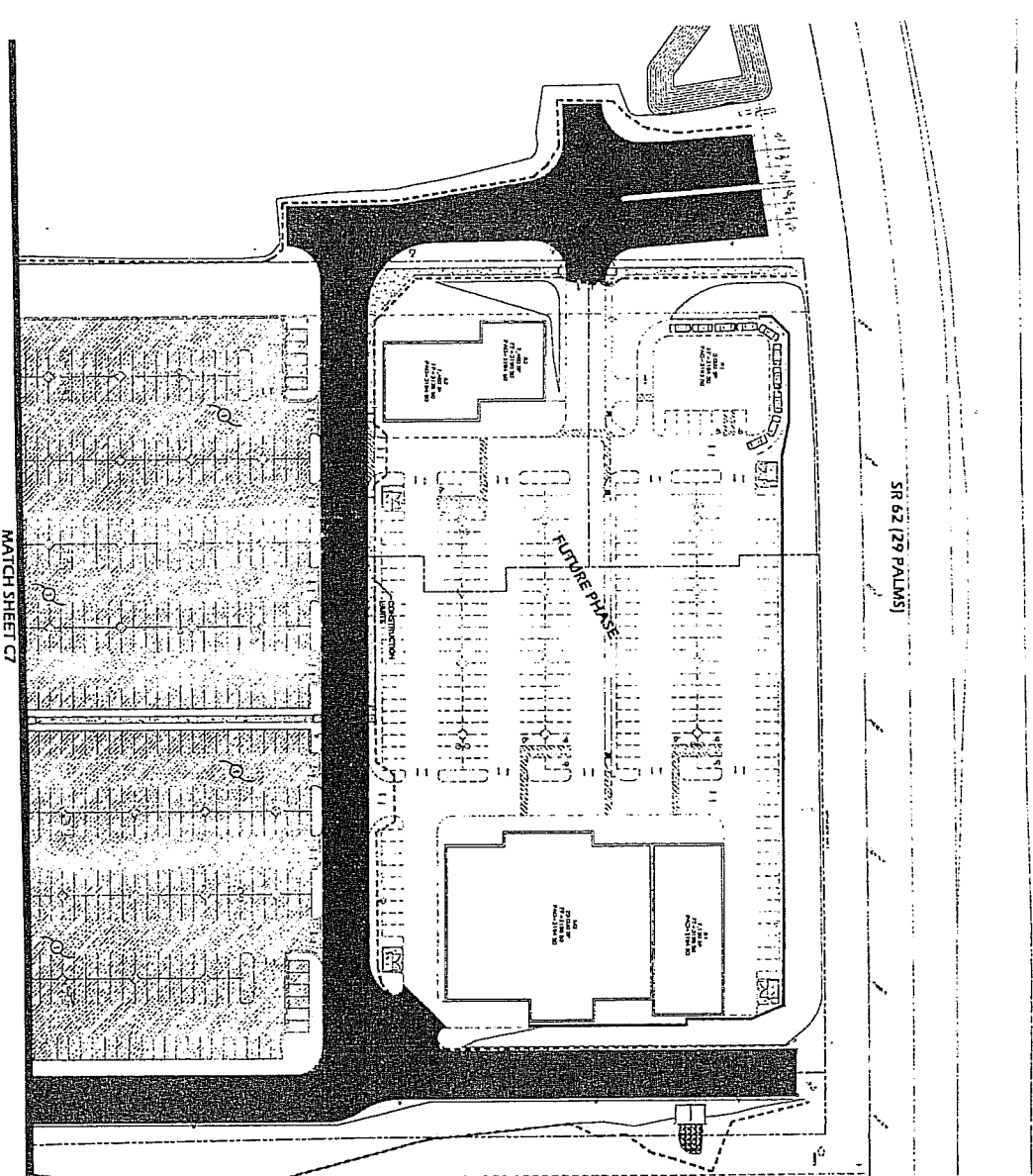


ASSESSMENT DIAGRAM  
 LANDSCAPE AND LIGHTING MAINTENANCE  
 DISTRICT NO. 1  
 ANNEXATION NO. 2  
 ZONE 3 - TENTATIVE TRACT NO. 17328  
 TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO  
 STATE OF CALIFORNIA



**Berryman & Henigar**  
 8150 Stonington Lake Rd., Suite 370  
 Phoenician, CA 94290-3241  
 Tel: (925) 468-7400 Fax: (925) 468-7413  
 www.usa.bhrr.com

REFERENCE THE SAN BERNARDINO COUNTY ASSESSOR'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS.



SFR 62 (29 PALMS)

MATCH SHEET C7

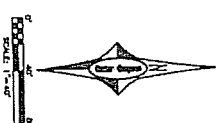
- PAVEMENT CONSTRUCTION NOTES**
- ① 5.5S STONE ASPHALT PAVEMENT
  - ② 5.5S NEW DIRT ASPHALT PAVEMENT
  - ③ 5.5S STONE CONCRETE PAVEMENT
  - ④ 5.5S NEW DIRT CONCRETE PAVEMENT

- PAVEMENT NOTES**
1. ALL DRIVE APPROXIMATE INCLUDING DRIVE AND DRIVEWAY. EXISTING ASPHALT CONCRETE OR HOT MIX ASPHALT SHALL BE REPAIRED OR RECONSTRUCTED TO MEET THE NEW EXISTING PAVEMENT DESIGN AND CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW CONCRETE DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW ASPHALT DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW ASPHALT DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA.
  2. THE PAVEMENT SURFACE OF THE EXISTING OR NEW CONCRETE DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW ASPHALT DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA.
  3. THE PAVEMENT SURFACE OF THE EXISTING OR NEW ASPHALT DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW CONCRETE DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA.
  4. THE PAVEMENT SURFACE OF THE EXISTING OR NEW CONCRETE DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW ASPHALT DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA.

PAVEMENT TYPE	APPROXIMATE	CONCRETE	ASPHALT	STONE CONCRETE	STONE ASPHALT
STANDARD ASPHALT PAVEMENT	1	0	0	0	0
STANDARD CONCRETE PAVEMENT	0	1	0	0	0
NEW DIRT CONCRETE	0	0	1	0	0

- GENERAL NOTES**
1. CONTRACTOR TO OBTAIN RECOMMENDATION AS PROVIDED IN THE PRELIMINARY REPORT FROM THE LOCAL AGENCIES, BUT NOT LIMITED TO THE LOCAL AGENCIES, BEFORE PROCEEDING WITH THE PROJECT.
  2. THE PAVEMENT SURFACE OF THE EXISTING OR NEW CONCRETE DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW ASPHALT DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA.
  3. ALL CONSTRUCTION TO BE COMPLETED TO THE DESIGN CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW CONCRETE DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA.
  4. THE PAVEMENT SURFACE OF THE EXISTING OR NEW ASPHALT DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA. THE PAVEMENT SURFACE OF THE EXISTING OR NEW CONCRETE DRIVEWAY SHALL BE RECONSTRUCTED TO MEET THE DESIGN CRITERIA.

APPROVED BY: *[Signature]*  
 DATE: 06/24/08  
 PROJECT: HOME DEPOT YUCCA VALLEY  
 SHEET: C6 OF 25



**HOME DEPOT YUCCA VALLEY**

**PAVEMENT PLAN  
PRECISE GRADING PLANS**

Designed by: BP / ML	Version	Revisions
Drawn by: CL / JZ	1 CITY SUBMITTAL 06-02-08	
Checked by: KS	2 2ND SUBMITTAL 07-25-08	
Date: 09-04-08	3 3RD SUBMITTAL 08-09-08	

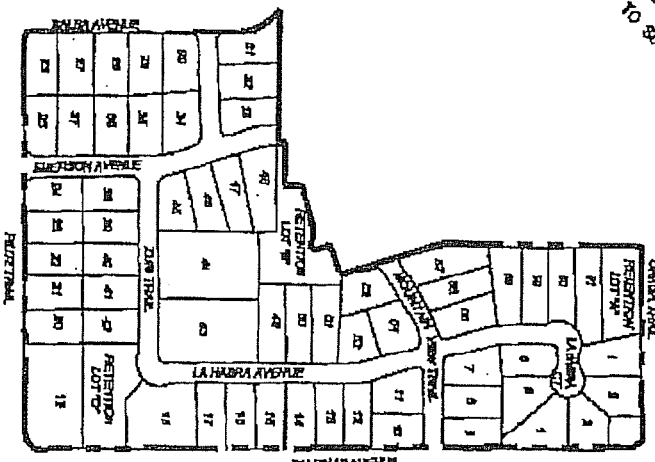
**Coster-Burgess**  
 4 HUTTON CENTRE DRIVE SUITE 200, SANTA ANA, CA TEL: (714) 327-1800 FAX: (714) 327-1001

151-A

TOWN OF YUCCA VALLEY

Landscape & Lighting Maintenance District No. 1  
 Annexation No. 3  
 Benefit Zone No. 4

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ASSESSMENT DIAGRAM  
 LANDSCAPE AND LIGHTING MAINTENANCE  
 DISTRICT NO. 1  
 ANNEXATION NO. 3  
 ZONE 4 - TENTATIVE TRACT NO. 17833  
 TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO  
 STATE OF CALIFORNIA

DATE IN THE OFFICE OF THE TOWN CLERK OF THE TOWN OF YUCCA VALLEY COUNTY OF SAN BERNARDINO STATE OF CALIFORNIA THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_

ACCEPTED BY THE TOWN OF THE APPOINTMENT OF MEMBERS OF SAID DISTRICT OF LANDS OF SAID TOWN OF YUCCA VALLEY COUNTY OF SAN BERNARDINO STATE OF CALIFORNIA THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_

BY THE TOWN OF YUCCA VALLEY  
 TOWN CLERK

BY THE TOWN OF YUCCA VALLEY  
 TOWN CLERK



BERNARDINO & HORTON  
 REAL ESTATE BROKERS  
 1000 W. YUCCA VALLEY AVENUE  
 YUCCA VALLEY, CALIFORNIA 92586

FOR INFORMATION ONLY - THIS DIAGRAM IS NOT TO BE USED FOR ANY PURPOSES OTHER THAN AS SHOWN ON THIS MAP AND SHOULD NOT BE USED FOR ANY OTHER PURPOSES.

City-County Delegate Agency Agreement with San Bernardino County for fiscal years 2015-16, 2016-17 and subsequently automatically renew unless terminated, and authorize the mayor to execute the agreement

- 5. **Approve** Resolution No. 14-08 directing the preparation of an assessment engineer’s report describing any new improvements or any substantial changes in the existing improvements in the existing assessment districts.
- 6. **Ratify** the Payroll Register total of \$126,315.94 dated March 14, 2014.  
**Ratify** Warrant Register total of \$336,373.69 for checks dated March 6, 2014.

Mayor Lombardo opened public comment for items on the Consent Agenda. With no other members of the public wishing to speak, Mayor Lombardo closed public comments.

Mayor Pro Tem Huntington moved to approve consent agenda items 2-6. Council Member Rowe seconded. Motion carried 4-0-1 moved on a roll call vote.

- AYES:** Council Members Huntington, Leone, Rowe and Mayor Lombardo
- NOES:** None
- ABSTAIN:** None
- ABSENT:** Council Member Abel

**DEPARTMENT REPORTS**

- 7. **Town-Wide Slurry Seal Project- Town Project No. 8340; Approval of Plans and Specifications; Authorization to Advertise for Construction**

Town Project Engineer Qishta presented the staff report for the 2014-15 Town-Wide Slurry Seal Project, known as Town Project No. 8340. The benefits of applying slurry to regularly maintained roads were explained. The goal of the street maintenance program is to have streets in sufficient condition to slurry seal every street in the Maintained Road System every five to seven years. Several local roadways have deteriorated beyond the slurry stage and require more expensive maintenance and repair. Estimated costs for slurry treatment is \$0.20 per square foot, cape seal treatment is \$0.45 per square foot and road reconstruction at \$8.00 per square foot. The 2014-2015 fiscal year slurry program is estimated at \$550,000.

Mayor Lombardo opened public comments.

Charles McHenry, Yucca Valley questioned the inclusion of partial roadways in the schedule instead of maintaining the entire section of road.

With no other members of the public wishing to speak, Mayor Lombardo closed public comments.



**TOWN OF YUCCA VALLEY  
TOWN COUNCIL MEETING MINUTES  
May 20, 2014**

**OPENING CEREMONIES**

Mayor Lombardo called the meeting to order at 6:00 p.m.

Council Members Present: Huntington, Leone, Rowe, and Mayor Lombardo. Abel was absent due to illness.

Staff Present: Deputy Town Manager Stueckle, Administrative Services Director Yakimow, Police Captain Mondary, Town Attorney Laymon, and Town Clerk Copeland

The Pledge of Allegiance was led by Mayor Lombardo.

The Invocation was led by Bishop Ralph Clinger, Church of Jesus Christ of Latter Day Saints.

**PRESENTATIONS**

**1. San Bernardino County Sheriff's Department- Welcome Captain Dale Mondary and Introduction of Sergeants.**

Mayor Lombardo introduced Dale Mondary, San Bernardino County Sheriff Captain, now serving the Morongo Basin.

Captain Mondary introduced San Bernardino County Sheriffs Sergeants, Matt Yost and Robert Warrick who are newly assigned to the Morongo Basin area.

**APPROVAL OF AGENDA**

Council Member Leone moved to approve the agenda for the Regular Town Council Meeting of May 20, 2014. Council Member Rowe seconded. Motion carried 4-0-1 on a roll call vote with Council Member Abel absent.

**AYES:** Council Members Huntington, Leone, Rowe and Mayor Lombardo  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Council Member Abel

**CONSENT AGENDA**

**2. Waive** further reading of all ordinances and read by title only

3. **Receive and file** the monthly Statistical Fire Department Reports for the month of April 2014.
4. **Reject** one claim filed against the Town of Yucca Valley submitted on April 30, 2014 by Patricia Jean Wimbush
5. **Adopt** Resolution 14-13:
  1. Preliminarily approving the engineering reports for the existing assessment districts and directing the filing of such reports with the Town Clerk.
  2. Setting the date for conducting a public hearing for June 23, 2014 at 6 p.m. in the Yucca Valley Community Center, 57090 29 Palms Highway, Yucca Valley, CA 92284 pursuant to California Streets and Highways Code Sections 22552 and 22553 and Government Code Section 53753.5, to consider the levy of annual assessments upon real property.
6. **Accept** Town Project No. 8327- SR62 Median and Sidewalk Improvement Project as substantially complete, authorize staff to file the Notice of Completion, authorize the reduction of the Faithful Performance Bond to 10%, and direct staff to retain the Labor and Material Bond for six (6) months.
7. **Receive and file** the FY 2013-14 Third Quarter Budget Report
8. **Receive and file** the Treasurer's Report for the Third Quarter of FY 2013-14
9. **Receive and file** the AB1234 Reporting Requirement Schedule for the month of April 2014
10. **Ratify** the Payroll Register total of \$136,902.48 dated April 25, 2014.  
**Ratify** Warrant Register total of \$72,994.78 for checks dated May 1, 2014.

Mayor Lombardo opened public comment for items on the Consent Agenda. With no members of the public wishing to speak, public comments were closed.

Council Member Leone commented on the meetings he attended as listed on the AB1234 monthly report. (Item 9)

Mayor Pro Tem Huntington commented on surplus funds from the completed TCRP project. (Item 6)

Mayor Pro Tem Huntington moved to approve consent agenda items 2-10. Council Member Rowe seconded. Motion carried 4-0-1 on roll call vote.

**AYES:** Council Members Huntington, Leone, Rowe and Mayor Lombardo  
**NOES:** None

**ABSTAIN:** None  
**ABSENT:** Council Member Abel

## **PUBLIC HEARING**

### **11. FY 2014-16 Proposed Budget Public Hearing**

Administrative Services Director Yakimow presented the staff report for the FY 2014-16 Proposed Budget, including an overview of the complete budget document developed with the Town Council's guiding principles. The proposed community partnership funding includes an additional allocation to Reach Out Morongo Basin of \$7,500 for both FY 2014-15 and FY 2015-16.

Mayor Lombardo opened the public hearing.

Ron Cohen, Yucca Valley commented that he will be meeting with Town staff regarding budget recommendations. Cohen also stated he is in favor of increasing the Transient Occupancy Tax (TOT) in Yucca Valley as an additional revenue source.

Robin Schlosser, Reach Out Morongo Basin thanked the Town Council for the support of the organization's programming.

Lori Herbel, Yucca Valley spoke favorably of the Hi Desert Nature Museum and would like the Town Council to consider raising the Museum's budget by \$70,000.

Margo Sturges, Yucca Valley commented on the Town's solar energy use and expects that the electricity bills to be lowered because of it. Sturges continued by requested to see a cash value of the Town's reserves and is against using reserves for infrastructure. Sturges suggested pulling the stated 10 percent for infrastructure off the top and then build the budget with what is remaining.

With no other members of the public wishing to speak, Mayor Lombardo closed the public hearing.

Mayor Lombardo commented favorably of public comment suggesting pulling an infrastructure allocation off the top. Also, sees the need to increase the TOT rate; however the increased revenue would not meet the required amount needed for infrastructure.

Deputy Town Manager Stueckle reminded the Town Council TOT revenue is a General Fund revenue, therefore is not considered restricted for a single use.

Council Member Leone stated is in favor of increasing the TOT rate and the benefits the increased revenue may have on the General Fund, especially tourism type activity.

Deputy Town Manager Stueckle explained that past conversations regarding increasing the TOT tax rate and the difficulty of a seeking revenue measure while the wastewater project is still pending and the taxpayer costs are unknown. A revenue measure requires an extensive outreach program and should be timed accordingly. There is not adequate time to structure a campaign for the November ballot.

Mayor Lombardo stated he understands it is critical for Hi Desert Water District (HDWD) to be able to move forward with the sewer project.

Mayor Pro Tem Huntington spoke in agreement with Stueckle, the Town should not be in voter competition with HDWD.

Mayor Lombardo stated that the Town Council has reviewed the budget document and has worked closely with Town Staff to create a working document for the upcoming years.

Council Member Rowe commented that the hotel proprietors should be considered before a TOT rate discussion occurs.

Mayor Lombardo stated he supports the museum; however the revenues need to match what they were during the times referenced during public comment in order to sustain an increased operating level.

Council Member Leone agrees that the HDWD has a big job ahead and though he is in favor of an increase to the TOT rate, he does not want to sabotage HDWD's efforts.

Council Member Rowe moved to:

- Receive and file the staff presentation of the proposed budget for the General and Special Revenue funds for fiscal years 2014-16.
- Review the proposed Authorized Position Listing for fiscal year 2014-16 and provide comment or direction as appropriate.
- Review and accept the staff recommendation of allocating final revenues in excess of expenditures in an amount ranging from \$100,000 - \$130,000 in 2014-15 and \$130,000 - \$150,000 in 2015-16 to be budgeted for use in meeting a portion of the Town's infrastructure deficit.
- Direct staff to incorporate the proposed changes into the Town's final proposed budget plan for fiscal years 2014-16, and return a proposed balanced budget for adoption with the implementing resolutions on June 3, 2014.

Mayor Pro Tem seconded. Motion carried 4-0-1 on a Roll Call Vote.

**AYES:** Council Members Huntington, Leone, Rowe and Mayor Lombardo

**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Council Member Abel

**DEPARTMENT REPORTS**

**12. SR 62, Camino del Cielo to Acoma, Signal Synchronization Project – Town Project No. 8028; Congestion Mitigation Air Quality (CMAQ) Grant; Federal Project No. CMLN 5466(019); Approval of Plans and Specifications: Authorization to Bid for Construction**

Town Project Engineer Qishta presented the staff report giving an overview of the Signal Synchronization project. The Town received an allocation of \$218,312 in CMAQ funds for the synchronization of the traffic signals on SR 62 between Camino del Cielo and Acoma Trail. Because CMAQ funds are federal financial resources, competitive bidding for the expenditure is required.

The SR 62 traffic signals included in this project are at the corners of Camino del Cielo, Kickapoo Trail, Pioneertown Road/Deer Trail and Acoma Trail. Once in place, the future Church Street and Inca Trail signals will also be synchronized using other CMAQ grant funds.

For Phase 2, at the completion of this project, the Town will request that San Bernardino Associated Government use grant allocations to continue the synchronization of the remaining SR 62 traffic control signals in Yucca Valley.

Mayor Lombardo opened public comments. With no members of the public wishing to speak, public comments were closed.

Council Member Leone spoke favorably of the project.

Mayor Pro Tem Huntington inquired on the time frame for Phase 2.

Mayor Pro Tem Huntington moved to adopt Resolution No. 14-14 approving the plans and specifications for Project No. 8028, and authorize the Town Clerk to advertise and receive bids. Council Member Rowe seconded. Motion carried 4-0-1 on a roll call vote.

**AYES:** Council Members Huntington, Leone, Rowe and Mayor Lombardo  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Council Member Abel

**FUTURE AGENDA ITEMS**

None stated.

## **PUBLIC COMMENTS**

Mayor Lombardo opened public comments for items not on the agenda.

Lori Herbel, Yucca Valley spoke favorably of animal control staff with their expertise and compassion to the animals.

Margo Sturges, Yucca Valley commented on the timing of HDWD ballots and also commented on the proceedings at a recent Planning Commission meeting.

Fritz Koenig, Yucca Valley spoke of potential candidates for the upcoming November election and also commented on a recent discussion held at a Planning Commission meeting regarding Home Occupancy Permits.

Terry Anderson, Yucca Valley spoke of water flow during recent rains in his Story Park neighborhood and requested an asphalt berm be placed across the front of two properties to divert the water.

Sarann Graham, Yucca Valley spoke of a homeless census and the recruitment process for those wishing to assist. Graham also reminded those in attendance of upcoming outreach HDWD is conducting regarding the wastewater project.

With no other members of the public wishing to speak, Mayor Lombardo closed public comments.

## **STAFF REPORTS AND COMMENTS**

Deputy Town Manager Stueckle commented on the inquiry received from Mr. Anderson. Town staff will be following up with him.

Administrative Services Director Yakimow reminded the Town Council of the upcoming Grubstake Days events and the new parade route along Onaga Trail.

## **MAYOR AND COUNCIL MEMBER REPORTS AND COMMENTS**

13. Council Member Leone welcomed Captain Mondary and the new sergeants. Leone also commended Animal Control staff for their services and commitment to the community. Reminded everyone to stay safe over the busy weekend.
14. Council Member Rowe thanked the Sheriff's Department for their assistance in a recent missing child case and also thanked staff for the work put into the staff reports and budget

document this evening.

15. Mayor Pro Tem Huntington thanked Yakimow and Cisneros for their assistance through the budget process and welcomed Mondary and sergeants. Huntington continued by giving a brief update on SB270 regarding the limit of single use or limited use plastic bags. Only five percent of these plastic bags are turned in for recycling.

16. Mayor Lombardo also welcomed Captain Mondary and Sergeants Yost and Warrick.

## ANNOUNCEMENTS

The next meeting of the Yucca Valley Town Council will be held on Tuesday, June 3, 2014 at 6:00 p.m., in the Yucca Room of the Yucca Valley Community Center.

## CLOSED SESSION

1. **Conference with Legal Counsel – Anticipated Litigation**
2. **Public Employee Appointment / Conference with Labor Negotiator (One Matter)**

Mayor Lombardo opened public comment on closed session items. With no members of the public wishing to speak, public comments were closed.

Mayor Lombardo adjourned to closed session at 7:50 p.m.

## REPORT OUT FROM CLOSED SESSION - ADJOURNMENT

Town Attorney Laymon reported that closed session adjourned at 8:20 p.m. with no reportable action.

Respectfully Submitted,

Lesley Copeland, CMC  
Town Clerk

## TOWN COUNCIL STAFF REPORT

**To:** Honorable Mayor & Town Council  
**From:** Shane R. Stueckle, Deputy Town Manager  
 Alex Qishta, Project Engineer  
**Date:** June 11, 2014  
**For Council Meeting:** June 23, 2014



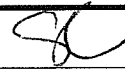
**Subject:** Public Lands Highway Discretionary Funds Project (PLHD)  
 SR62, Apache Trail to Palm Avenue – Town Project No. 8661  
 Federal Project No. PLHL04-5466(015)  
 Contract Amendment  
 Black Rock Canyon Road  
 Additional Traffic Control

**Prior Council Review:** The PLHD project was initiated in 2004, and there have been numerous Council actions since the inception of the project, including cooperative agreements with Caltrans, contracts with RBF for preparation of plans, specifications, and estimates, funding agreements with the San Bernardino Associated Governments, professional services agreements for right of way consulting services, authorization for SAFETEA-LU grant application submittal and associated efforts. At the September 3, 2013 meeting, the Town Council approved the Notice Inviting Bids and a Resolution for the purpose of advertising and receiving bid for the project.

On November 19, 2013 the Town Council:

- Awarded the construction contract to Matich Corporation, in the amount of \$2,798,000, and authorized a construction contingency in the amount of \$280,000, for a total contract amount not to exceed \$3,078,000.00, and authorized the Mayor, Town Manager, and Town Attorney to sign all necessary documents, and authorized the Town Manager to expend the contingency fund.
- Amended the FY 2013-2014 Adopted Budget by authorizing the transfer of \$113,553 from Fund 800, Capital Projects Fund Balance, to Fund 527, PLHD.
- Directed staff to request Caltrans approval to modify the project to include a left hand turn pocket for east bound traffic at the intersection of SR 62 and Palm Avenue;
- Directed staff to return to the Council in January 2014 with a detailed analysis of developing alternative access routes including Pima Trail, between Church Street

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Reviewed By:	 Town Manager	 Town Attorney	 Mgmt Services	SRS Dept Head
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<input checked="" type="checkbox"/> Department Report	<input type="checkbox"/> Ordinance Action	<input type="checkbox"/> Resolution Action	<input type="checkbox"/> Public Hearing
<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Minute Action	<input type="checkbox"/> Receive and File	<input type="checkbox"/> Study Session



developing alternative access routes including Pima Trail, between Church Street and Palm Avenue, and the alley, between Palm and Grand.

**Recommendation:** That the Town Council:

- Approves a contract amendment per Section 1.10 of the original Contract between the Town of Yucca Valley and Matich Corporation to add Black Rock Canyon Road repair to the scope of work in the amount of \$28,000, subject to easement acquisition on the east side of Black Rock Canyon Road;
- Amend the 2014/15 Adopted Budget to transfer \$30,800 (\$28,000 plus \$2,800 contingency) from Fund 516 to Fund 527.
- Directs staff to return to the Town Council at the meeting of July 15, 2014 with the recommended area of improvement/maintenance for Black Rock Canyon Road and a Resolution establishing the timeline for accepting Black Rock Canyon Road into the Town's Maintained Road System;
- Directs staff to proceed with the amended traffic control plan enabling two open travel lanes for both east and west bound traffic on SR 62 at the end of each work day and on weekends.

**Executive Summary:** Project No. 8661 involves the construction of raised median islands on SR 62 between Acoma/Mohawk Trail and Palm Avenue. The project also includes curb, gutter, ADA compliant ramps, and sidewalk improvements from Apache Trail to Palm Avenue; the construction of a new traffic signal at Church Street and SR62; modification to the existing traffic signal light at Acoma/Mohawk and SR62

**Order of Procedure:**

- Request Staff Report
- Request Public Comment
- Council Discussion/Questions of Staff
- Motion/Second
- Discussion on Motion
- Call the Question (Roll Call Vote)

**Discussion:** Pursuant to Town Council direction to bring Black Rock Canyon Road into the Town's Maintained Road System, staff has identified a temporary solution to bring the road to a drivable status. This involves eliminating potholes and deteriorated asphalt road surface by pulverizing the exiting asphalt in place, followed by grading and compacting. The Council should be aware that this is a temporary solution.

The Town will need to continue to see additional financial resources in order to construct a typical asphalt concrete road. It is estimated that Black Rock Canyon Road will required grading approximately every 2-to-3 months, and will require grading following storm events.

Additionally, in order to minimize the impact to traffic on the SR62 by allowing two lane of traffic in each direction after the day work is completed and during weekends, staff, with the cooperation of the contractor, has identified a methodology to allow two lanes on the highway in both directions to be open after the contractor has finished his day work and during the weekends. This methodology includes some temporary restriping, labor and equipment. This portion of the work will be paid from the project contingency.

**Alternatives:** Staff recommends no alternative action.

**Fiscal impact:** The estimated project costs, as well as available funding in the adopted 2013-2014 Capital Projects Budget, are summarized below. The additional traffic control coasts as described in herein is \$55,000, which will be paid from contingency funds. The additional work for Black Rock Canyon Road is \$28,000.

	<u>Estimated Project Cost</u>
Base Bid Amount	\$2,798,000.00
Construction Contingency	\$280,000.00
Contract Amendment	\$28,000.00
Contract Amendment Contingency	\$2,800.00
<b>Total Contract Work</b>	<b>\$3,108,800.00</b>

	<u>Funding</u>
Fund 527 – PLHD	\$2,964,447.00
Transfer from Fund 800	\$113,553.00
Transfer from Fund 516	\$30,800.00
<b>Total Project Funding</b>	<b>\$3,108,800.00</b>

Staff will value engineer components of the project to ensure project delivery below the adopted budget.

**Attachments:** Matich Corporation Contract  
Budget Pages

**FIRST AMENDMENT TO CONTRACT SERVICES AGREEMENT FOR  
CONSTRUCTION SERVICES BETWEEN THE TOWN OF YUCCA VALLEY  
("TOWN") AND MATICH CORPORATION ("CONTRACTOR")**

RECITALS

1. On November 5, 2013, TOWN and CONTRACTOR entered in an Agreement for Contract Services consisting of Construction of Town Project No. 8661; SR62 Traffic and Pedestrian Safety Improvements (PLHD) from Apache Trail to Palm Avenue. CONTRACTOR compensation is \$2,798,000.00.
2. CONTRACTOR proposes Amendment No. 1, attached hereto as Exhibit "A", to the Agreement for Construction Services in the amount of \$28,000.00 to cover the cost of repairing Black Rock Canyon Road, bringing the total compensation to \$2,826,000.00.
3. Section 1.10 of the signed and approved Agreement "Additional Services" give TOWN the authority to order extra work without invalidating the Agreement
3. The total compensation to CONTRACTOR as a result Amendments No. 1 to the original Agreement for Professional Consulting Services shall be \$2,826,000.00.

That certain Contract Services Agreement for Construction Services between the TOWN and CONTRACTOR dated November 5, 2013 and attached herein is amended in the following respects only:

**Section 2.1. Compensation. is hereby amended to read:**

"Section 2.1. Compensation. Compensation to the CONSULTANT shall not exceed Two Million Eight Hundred and Twenty Six Thousand Dollars and Zero Cents (\$2,826,000.00) for services including additional Contract Services described in CONTRACTOR'S Proposal dated May 30, 2014 and attached hereto as Exhibit "A".

Except as amended, all of the terms and conditions of the original Agreement are re-affirmed and incorporated as though fully set forth herein.

Dated: June 23, 2014

For the Contractor

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Robert Matich  
President

For the Town of Yucca Valley

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Shane Stueckle  
Acting Town Manager

Approved as to Form

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Lona N. Laymon  
Town Attorney

**CONTRACT SERVICES AGREEMENT**

**By and Between**

**THE TOWN OF YUCCA VALLEY,  
A MUNICIPAL CORPORATION**

**and**

**MATICH CORPORATION**

Project No. 8661 – SR62 Traffic and Pedestrian Safety Improvements  
Federal Project No. PLHL04-5466(015)

**AGREEMENT FOR CONTRACT SERVICES  
BETWEEN  
THE TOWN OF YUCCA VALLEY, CALIFORNIA  
AND  
MATICH CORPORATION**

THIS AGREEMENT FOR CONTRACT SERVICES (herein“ Agreement”) is made and entered into this 5<sup>th</sup> day of November, 2013 by and between the Town of Yucca Valley, a general law municipal corporation (“Town”) and Matich Corporation, (“Consultant” or “Contractor”). Town and Contractor are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties”). (The term Contractor includes professionals performing in a consulting capacity.)

**RECITALS**

A. Town has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Section 1 of this Agreement.

B. Contractor, following submission of a proposal or bid for the performance of the services defined and described particularly in Section 1 of this Agreement, was selected by the Town to perform those services.

C. Pursuant to the Town of Yucca Valley’s Municipal Code, Town has authority to enter into this Contract Services Agreement and the Town Manager has authority to execute this Agreement.

D. The Parties desire to formalize the selection of Contractor for performance of those services defined and described particularly in Section 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

**OPERATIVE PROVISIONS**

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

**ARTICLE 1. SERVICES OF CONTRACTOR**

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which services may be referred to herein as the “services” or “work” hereunder. As a material inducement to the Town entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities

necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Contractor shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

### 1.2 Contractor's Proposal.

The Scope of Service shall include the Contractor's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

### 1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with all ordinances, resolutions, statutes, rules, and regulations of the Town and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

### 1.4 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless Town, its officers, employees or agents of Town, against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against Town hereunder.

### 1.5 Familiarity with Work.

By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the Town of such fact and shall not proceed except at Town's risk until written instructions are received from the Contract Officer.

## 1.6 Care of Work.

The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by Town, except such losses or damages as may be caused by Town's own negligence.

## 1.7 Warranty.

Contractor warrants all Work under the Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the Town of any defect in the Work or non-conformance of the Work to the Agreement, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at his sole cost and expense. Contractor shall act sooner as requested by the Town in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the Town may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstatement of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the Town, regardless of whether or not such warranties and guarantees have been transferred or assigned to the Town by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the Town. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the Town, the Town shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the Town for any expenses incurred hereunder upon demand. This provision may be waived in Exhibit "B" if the services hereunder do not include construction of any improvements or the supplying of equipment or materials.

## 1.8 Prevailing Wages.

Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the



performance of other requirements on “Public Works” and “Maintenance” projects. If the Services are being performed as part of an applicable “Public Works” or “Maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. Town shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor’s principal place of business and at the project site. Contractor shall defend, indemnify and hold the Town, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

#### 1.9 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

#### 1.10 Additional Services.

Town shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Agreement Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to five percent (5%) of the Agreement Sum or \$25,000, whichever is less; or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the Town. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefor.

#### 1.11 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the “Special Requirements” attached hereto as Exhibit “B” and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit “B” and any other provisions of this Agreement, the provisions of Exhibit “B” shall govern.

## ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

### 2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, Town agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed **Two Million Seven Hundred and Ninety Eight Thousand and 0 Dollars and Zero Cents (\$2,798,000.00)** (the "Contract"), unless additional compensation is approved pursuant to Section 1.10.

### 2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with specified tasks or the percentage of completion of the services, (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation.

### 2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses if an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the Town. Coordination of the performance of the work with Town is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

### 2.4 Invoices.

Each month Contractor shall furnish to Town an original invoice for all work performed and expenses incurred during the preceding month in a form approved by Town's Director of Finance. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories.

Town shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by Town, or as provided in Section 7.3. Town will use its best efforts to cause Contractor to be paid within forty-five (45) days of receipt of Contractor's correct and undisputed invoice. In the event any charges or expenses are disputed by Town, the original invoice shall be returned by Town to Contractor for correction and resubmission.

2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

**ARTICLE 3. PERFORMANCE SCHEDULE**

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the Agency, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the Town for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Inspection and Final Acceptance.

Town may inspect and accept or reject any of Contractor's work under this Agreement, either during performance or when completed. Town shall reject or finally accept Contractor's work within forth five (45) days after submitted to Town. Town shall accept work by a timely written acceptance, otherwise work shall be deemed to have been rejected. Town's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any work by Town shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section X, pertaining to indemnification and insurance, respectively.

3.5 Term.

Unless earlier terminated in accordance with Article 8 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one (1) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

**ARTICLE 4. COORDINATION OF WORK**

4.1 Representatives and Personnel of Contractor.

The following principals of Contractor (Principals) are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

_____	_____
(Name)	(Title)

_____	_____
(Name)	(Title)

_____	_____
(Name)	(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for Town to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of Town. Additionally, Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify Town of any changes in Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Contractor.

Contractor shall have no authority to bind Town in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against Town, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by Town. Contractor shall not at any time or in any manner represent that Contractor or any of Contractor's officers, employees, or agents are in any manner

officials, officers, employees or agents of Town. Neither Contractor, nor any of Contractor's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to Town's employees. Contractor expressly waives any claim Contractor may have to any such rights.

#### 4.3 Contract Officer.

The Contract Officer shall be such person as may be designated by the Town Manager of Town. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by Town to the Contract Officer. Unless otherwise specified herein, any approval of Town required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the Town Manager, to sign all documents on behalf of the Town required hereunder to carry out the terms of this Agreement.

#### 4.4 Independent Contractor.

Neither the Town nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. Town shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of Town and shall remain at all times as to Town a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Town. Town shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with Contractor.

#### 4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the Agency to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the Agency. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of Agency. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty-five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of Agency.

## ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS

### 5.1 Insurance Coverage.

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to Town, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of Town:

(a) Comprehensive General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the Town against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$1,000,000. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Professional Liability. Professional liability insurance appropriate to the Contractor's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Contractor's services or the termination of this Agreement. During this additional 5-year period, Contractor shall annually and upon request of the Town submit written evidence of this continuous coverage.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements.

### 5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the Town, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by Town or its officers, employees or agents shall apply in excess of, and not contribute with Contractor's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the Town, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30)

days prior written notice by certified mail return receipt requested to the Town. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Contractor has provided the Town with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the Town. Town reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to Town.

All certificates shall name the Town as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

[to be initialed]

\_\_\_\_\_  
Contractor Initials

Town, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Contractor performs; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to Town, and their respective elected and appointed officers, officials, employees or volunteers. Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by Town. At the option of Town, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects Town or its respective elected or appointed officers, officials, employees and volunteers or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Contractor agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or persons for which the Contractor is otherwise responsible nor shall it limit the Contractor's indemnification liabilities as provided in Section 5.3.

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to Town.

### 5.3 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the Town, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable (“indemnors”), or arising from Contractor’s reckless or willful misconduct, or arising from Contractor’s indemnors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) Contractor will promptly pay any judgment rendered against the Town, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the Town, its officers, agents, and employees harmless therefrom;

(c) In the event the Town, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the Town, its officers, agents or employees, any and all costs and expenses incurred by the Town, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

Contractor shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify Town hereunder therefore, and failure of Town to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of Town’s sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from Town’s negligence, except that design professionals’ indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.



5.4 Performance Bond.

Concurrently with execution of this Agreement, and if required in Exhibit "B", Contractor shall deliver to Town performance bond in the sum of the amount of this Agreement, in the form provided by the Town Clerk, which secures the faithful performance of this Agreement. The bond shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void only if the Contractor promptly and faithfully performs all terms and conditions of this Agreement.

5.5 Sufficiency of Insurer or Surety.

Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the Town due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager of Town ("Risk Manager") determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the Town, the Contractor agrees that the minimum limits of the insurance policies and the performance bond required by Section 5.4 may be changed accordingly upon receipt of written notice from the Risk Manager; provided that the Contractor shall have the right to appeal a determination of increased coverage by the Risk Manager to the Town Council of Town within 10 days of receipt of notice from the Risk Manager.

**ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION**

6.1 Records.

Contractor shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to Town and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of Town, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the Town shall have access to such records in the event any audit is required. In the event of dissolution of Contractor's business, custody of the books and records may be given to Town, and access shall be provided by Contractor's successor in interest.

6.2 Reports.

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer

shall require. Contractor hereby acknowledges that the Town is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

### 6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of Town and shall be delivered to Town upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by Town of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the Town's sole risk and without liability to Contractor, and Contractor's guarantee and warranties shall not extend to such use, reuse or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to Town of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify Town for all damages resulting therefrom.

### 6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than Town without prior written authorization from the Contract Officer.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the Town Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives Town notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then Town shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Contractor's conduct.

(d) Contractor shall promptly notify Town should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. Town retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with Town and to provide Town with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by Town to control, direct, or rewrite said response.

## ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

### 7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of San Bernardino, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in San Bernardino.

### 7.2 Disputes; Default.

In the event that Contractor is in default under the terms of this Agreement, the Town shall not have any obligation or duty to continue compensating Contractor for any work performed after the date of default. Instead, the Town may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the Town shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the Town may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the Town may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the Town to give notice of the Contractor's default shall not be deemed to result in a waiver of the Town's legal rights or any rights arising out of any provision of this Agreement.

### 7.3 Retention of Funds.

Contractor hereby authorizes Town to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate Town for any losses, costs, liabilities, or damages suffered by Town, and (ii) all amounts for which Town may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, Town may withhold from any payment due, without liability

for interest because of such withholding, an amount sufficient to cover such claim. The failure of Town to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect Town as elsewhere provided herein.

#### 7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by Town of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

#### 7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

#### 7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

#### 7.7 Liquidated Damages.

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the Town the sum of **One Thousand Dollars and Zero Cents (\$1,000.00)** as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"). The Town may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages.

#### 7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The Town reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60)

days' written notice to Agency, except that where termination is due to the fault of the Agency, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

#### 7.9 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Town may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the Town shall use reasonable efforts to mitigate such damages), and Town may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the Town as previously stated.

#### 7.10 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

### **ARTICLE 8. TOWN OFFICERS AND EMPLOYEES: NON-DISCRIMINATION**

#### 8.1 Non-liability of Agency Officers and Employees.

No officer or employee of the Agency shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the Town or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

#### 8.2 Conflict of Interest.

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of Town or which would in any way hinder Contractor's performance of services under this

avoid conflicts of interest or the appearance of any conflicts of interest with the interests of Town in the performance of this Agreement.

No officer or employee of the Agency shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

### 8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, gender identity, national origin, or ancestry in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, gender identity, national origin, or ancestry.

### 8.4 Unauthorized Aliens.

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should the any liability or sanctions be imposed against Town for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse Town for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by Town.

## ARTICLE 9. MISCELLANEOUS PROVISIONS

### 9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the Town, to the Town Manager and to the attention of the Contract Officer, TOWN OF YUCCA VALLEY, 57090 Twentynine Palms Highway, Yucca Valley, CA 92284 and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

### 9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the Town Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Corporate Authority.

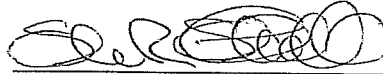
The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

TOWN:

TOWN OF YUCCA VALLEY, a municipal corporation

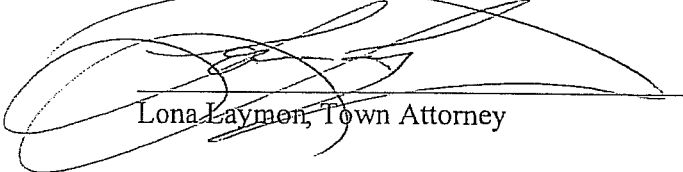


Town Manager

ATTEST:


  
Town Clerk

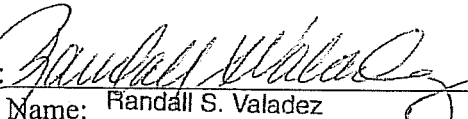
APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

  
Lona Laymen, Town Attorney

CONTRACTOR:

Matich Corporation

By:   
Name: Robert M. Matich  
Title: Vice President

By:   
Name: Randall S. Valadez  
Title: Secretary

Address: P.O. Box 10  
Highland, CA 92346

Two signatures are required if a corporation.

NOTE: CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.



**ACKNOWLEDGMENT**

State of California  
County of San Bernardino)

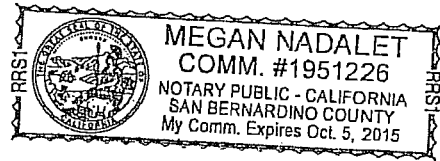
On NOV 26 2013 before me, Megan Nadalet, Notary Public  
(insert name and title of the officer)

personally appeared Robert M. Matich,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Megan Nadalet (Seal)



**ACKNOWLEDGMENT**

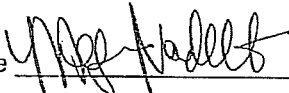
State of California  
County of San Bernardino )

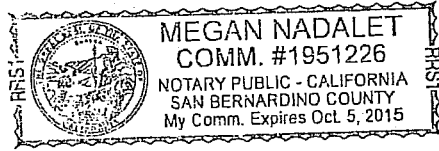
On NOV 26 2013 before me, Megan Nadalet, Notary Public  
(insert name and title of the officer)

personally appeared Randall S. Valadez,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature 



(Seal)

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

**I. Contractor will perform the following Services:**

- A. Traffic Control as shown on plans and described in Specifications.
- B. Construct Raised Medians as shown on plans and described in Specifications.
- C. Construct Curb, Gutter, and Sidewalk as shown on plans and described in Specifications.
- D. Construct Traffic Signal Light on plans and described in Specifications.
- E. Construct Street Lights as shown on plans and described in Specifications.
- F. Install Landscape as shown on plans and described in Specifications.

**II. As part of the Services, Contractor will prepare and deliver the following tangible work products to the Town:**

- A. Traffic Control as shown on plans and described in Specifications.
- B. Construct Raised Medians as shown on plans and described in Specifications.
- C. Construct Curb, Gutter, Sidewalk, ADA Ramps, Driveways and Asphalt as shown on plans and described in Specifications.
- D. Construct Traffic Signal Light on plans and described in Specifications.
- E. Construct Street Lights as shown on plans and described in Specifications.
- F. Install Drainage & Landscape as shown on plans and described in Specifications.

**III. In addition to the requirements of Section 6.2, during performance of the Services, Contractor will keep the Town apprised of the status of performance by delivering the following status reports:**

- A. Monthly Progress Meetings
- B. Construction Schedule
- C.

**IV. All work product is subject to review and acceptance by the Town, and must be revised by the Contractor without additional charge to the Town until found satisfactory and accepted by Town.**

**V. Contractor will utilize the following personnel to accomplish the Services:**

A.

B.

C.

**EXHIBIT "B"**  
**SPECIAL REQUIREMENTS**  
**(Superseding Contract Boilerplate)**

**8661-Agreement**

Project No. 8661 - SR62 Traffic and Pedestrian Safety Improvements  
Federal Project No. PLHL045466(015)

**EXHIBIT "C"**  
**COMPENSATION**

**I. Contractor shall perform the following tasks:**

		RATE	TIME	SUB-BUDGET
A.	Task A	<u>\$157,583.00</u>	<u>2/14 – 6/14</u>	_____
B.	Task B	<u>\$216,900.00</u>	<u>2/14 – 6/14</u>	_____
C.	Task C	<u>\$1,0394,440.00</u>	<u>2/14 – 6/14</u>	_____
D.	Task D	<u>\$270,000.00</u>	<u>2/14 – 6/14</u>	_____
E.	Task E	<u>\$87,000.00</u>	<u>2/14 – 6/14</u>	_____
E.	Task F	<u>\$1,027,077.00</u>	<u>2/14 – 6/14</u>	_____

**II. A retention of ten percent (5%) shall be held from each payment as a contract retention to be paid as a part of the final payment upon satisfactory completion of services.**

**III. Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task subbudget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 1.10.**

**VI. The Town will compensate Contractor for the Services performed upon submission of a valid invoice. Each invoice is to include:**

- A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
- B. Line items for all materials and equipment properly charged to the Services.
- C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
- D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

- V. The total compensation for the Services shall not exceed \$2,798,000.00, as provided in Section 2.1 of this Agreement.
- VI. The Contractor's billing rates for all personnel are attached as Exhibit C-1.

**EXHIBIT "D"**  
**SCHEDULE OF PERFORMANCE**

I. Contractor shall perform all services timely in accordance with the following schedule:

	<u>Days to Perform</u>	<u>Deadline Date</u>
A. Task A	<u>120 DAYS</u>	<u>2/14 – 6/14</u>
B. Task B	<u>120 DAYS</u>	<u>2/14 – 6/14</u>
C. Task C	<u>120 DAYS</u>	<u>2/14 – 6/14</u>
D. Task D	<u>120 DAYS</u>	<u>2/14 – 6/14</u>
E. Task E	<u>120 DAYS</u>	<u>2/14 – 6/14</u>

II. Contractor shall deliver the following tangible work products to the Town by the following dates.

A. Traffic Control	1/6/14
B. Raised Medians	1/6/14
C. Concrete and Asphalt	1/6/14
D. Traffic Signal Light and Street Lights	1/6/14
E. Drainage and Landscape	1/6/14

III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.



**SAMPLE**

	Task	Performance Date
1.	Needs Assessment and Timeline (may vary based upon on-site meetings). Includes timeline approval, statistics from current website due, department listing from client.	1-2 weeks from initial timeline meeting
2.	Website Design and Navigation Architecture. Includes main navigation and standards meeting, main navigation and standards worksheet due, pictures due, initial design meeting, initial content meeting, content process meeting, website design comp due to client, initial design feedback meeting, and design approval.	2-3 weeks
3.	Site Development and Module Setup (varies based upon development options). Includes wireframe due	2-3 weeks
4.	Content Development (varies based upon amount of content). Includes content worksheets due, content starts, content development completed, content finalized and approved.	5-6 weeks
5.	Reviews and testing.	2 weeks
6.	Training.	1 week
7.	Final Review and Test.	1-2 weeks
8.	Marketing.	1 week
9.	Go Live.	1 week
	Total (maximum)	21 weeks (22 weeks)

[Put in Phase numbers and approximate dates.]



Executed in Triplicate

PERFORMANCE BOND

Bond 24051839  
Premium: 17,581.00

KNOW ALL BY THESE PRESENTS, That we, Matich Corporation

(hereinafter called the Principal), as Principal, and Liberty Mutual Insurance Company, a corporation duly organized under the laws of the State of Massachusetts (hereinafter called the Surety), as Surety, are held and firmly bound unto Town of Yucca Valley

, (hereinafter called the Obligee), in the sum of Two Million Seven Hundred Ninety Eight Thousand and 0/100

( \$2,798,000.00 ) Dollars, for the payment of which sum well and truly to be made, we, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Signed and sealed this 21st day of November, 2013.

WHEREAS, said Principal has entered into a written Contract with said Obligee, dated November 5, 2013, for Project No. 8661 - SR62 Traffic and Pedestrian Safety Improvements  
Federal Project No. PLHL04-5466(015)

in accordance with the terms and conditions of said Contract, which is hereby referred to and made a part hereof as if fully set forth herein:

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, That if the above bounden Principal shall well and truly keep, do and perform each and every, all and singular, the matters and things in said contract set forth and specified to be by said Principal kept, done and performed, at the times and in the manner in said contract specified, or shall pay over, make good and reimburse to the above named Obligee, all loss and damage which said Obligee may sustain by reason of failure or default on the part of said Principal so to do, then this obligation shall be null and void; otherwise shall remain in full force and effect.

NO SUIT, ACTION OR PROCEEDING by the Obligee to recover on this bond shall be sustained unless the same be commenced within two (2) years following the date on which Principal ceased work on said Contract.

Matich Corporation  
Principal

By Robert M. Matich  
Robert M. Matich Vice President



Liberty Mutual Insurance Company  
By Heather Saltarelli  
Heather Saltarelli Attorney-in-Fact

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

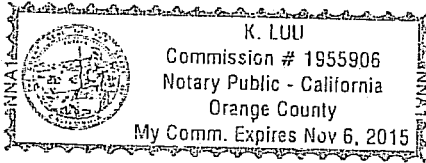
State of California

County of Orange

On NOV 21 2013 before me, K. Luu, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Heather Saltarelli  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/~~she~~/~~they~~ executed the same in ~~his~~/~~her~~/~~their~~ authorized capacity(~~ies~~), and that by ~~his~~/~~her~~/~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

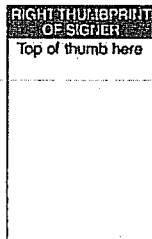
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney In Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney In Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_



Executed in Triplicate

PAYMENT BOND

BOND NO. 24051839

KNOW ALL BY THESE PRESENTS, That we,

Matich Corporation

(Here insert the name and address or legal title of Contractor)

as Principal, hereinafter called Principal, and Liberty Mutual Insurance Company, a MA Corporation, as Surety, hereinafter called Surety, are held and firmly bound unto Town of Yucca Valley

57090 29 Palms Highway, Yucca Valley, CA 92284 as Oblige, hereinafter called Owner, (Here insert the name and address or legal title of Owner)

for the use and benefit of Claimants as herein defined, in the amount of Two Million Seven Hundred Ninety Eight Thousand and 0/100 Dollars (\$2,798,000.00)

(Here insert a sum equal to at least one-half of the contract price)

for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has by written agreement dated November 5, 2013 entered into a contract with Owner for Project No. 8661 - SR62 Traffic and Pedestrian Safety Improvements, Federal Project No. PLHL04-5466(015) in accordance with the terms and conditions of said contract, which is hereby referred to and made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, That if the Principal shall promptly make payment to all Claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

- 1. A Claimant is defined as one having a direct Contract with the Principal or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract.
2. The above named Principal and Surety hereby jointly and severally agree with the Owner that every Claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such Claimant's work or labor was done or performed, or materials were furnished by such Claimant, may sue on this bond for the use of such Claimant, prosecute the suit to final judgment for such sum or sums as may be justly due Claimant, and have execution thereon.
3. No suit or action shall be commenced hereunder by any Claimant.
a) Unless Claimant, other than one having a direct Contract with the Principal, shall have given notice to any two of the following: The Principal, the Owner, or the Surety above named, within ninety (90) days after such Claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made.
b) After the expiration of one (1) year following the date on which Principal ceased work on said Contract. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
c) Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the Project, or any part thereof, is situated, or in the United States District Court for the district in which the Project, or any part thereof, is situated, and not elsewhere.
4. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

Signed and sealed this 21st day of November, 2013

Matich Corporation Principal
By Robert M. Matich Vice President



Liberty Mutual Insurance Company
By Heather Saltarelli Attorney-in-Fact

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Orange

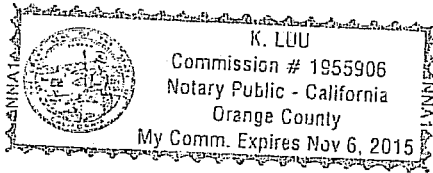
On NOV 21 2013 before me, K. Luu, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Heather Saltarelli  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/~~she~~/~~they~~ executed the same in ~~his~~/~~her~~/~~their~~ authorized capacity(~~ies~~), and that by ~~his~~/~~her~~/~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

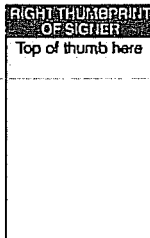
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney In Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney In Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

**THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.**

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 6282256

American Fire and Casualty Company  
The Ohio Casualty Insurance Company

Liberty Mutual Insurance Company  
West American Insurance Company

**POWER OF ATTORNEY**

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint; Heather Saltarelli; James A. Schaller; Jeri Apodaca; Kim Luu; Michael D. Parizino; Rachelle Rheault; Rhonda C. Abel

all of the city of Newport Beach, state of CA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 11th day of September, 2013.



American Fire and Casualty Company  
The Ohio Casualty Insurance Company  
Liberty Mutual Insurance Company  
West American Insurance Company

By: Gregory W. Davenport  
Gregory W. Davenport, Assistant Secretary

STATE OF WASHINGTON ss  
COUNTY OF KING

On this 11th day of September, 2013, before me personally appeared Gregory W. Davenport, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Seattle, Washington, on the day and year first above written.



By: KD Riley  
KD Riley, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

**ARTICLE IV – OFFICERS – Section 12. Power of Attorney:** Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

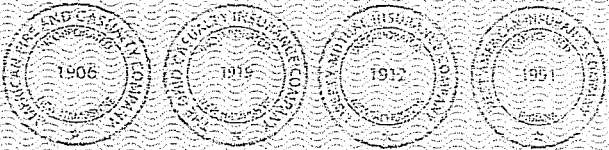
**ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings:** Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

**Certificate of Designation –** The President of the Company, acting pursuant to the Bylaws of the Company, authorizes Gregory W. Davenport, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

**Authorization –** By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, David M. Carey, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this NOV 21 2013 day of



By: David M. Carey  
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/22/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Alliant Insurance Services, Inc. 1301 Dove Street, Suite 200 Newport Beach CA 92660-2436	CONTACT NAME: <u>Diane Weller</u>		
	PHONE (A/C, No, Ext): <u>949-756-0271</u>	FAX (A/C, No): <u>949-756-2713</u>	
E-MAIL ADDRESS: <u>dweller@alliant.com</u>			
PRODUCER CUSTOMER ID #:			
INSURED		INSURER(S) AFFORDING COVERAGE	NAIC #
Match Corporation 1596 Harry Shepard Blvd. San Bernardino CA 92408		INSURER A: <u>Old Republic General Ins Corp</u>	<u>24139</u>
		INSURER B: <u>Great American Ins Co</u>	<u>16691</u>
		INSURER C:	
		INSURER D:	
		INSURER E:	

**COVERAGES**

CERTIFICATE NUMBER: 854734208

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			A1CG43921311	7/1/2013	7/1/2014	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPIOP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			A1CA43921311	7/1/2013	7/1/2014	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$			T0E405725707	7/1/2013	7/1/2014	EACH OCCURRENCE \$25,000,000 AGGREGATE \$25,000,000 \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	A1CW43921311	7/1/2013	7/1/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Re: Match Job No. 13-099, Town Project No.8661 - SR62 Traffic and Pedestrian Safety Improvements - Federal Project No. PLHL04-5466 (015).  
 The Town of Yucca Valley, a municipal corporation, its elected and appointed officers, employees and See Attached...

**CERTIFICATE HOLDER****CANCELLATION**

The Town of Yucca Valley, a municipal corporation 57090 Twentynine Palms Highway Yucca Valley CA 92284	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Diane Weller</i>

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AGENCY CUSTOMER ID: \_\_\_\_\_

LOC #: \_\_\_\_\_



### ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY Alliant Insurance Services, Inc.		NAMED INSURED Matich Corporation 1596 Harry Shepard Blvd. San Bernardino CA 92408	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

agents as additional insureds on Primary and Non-Contributory basis. Waiver of Subrogation applies per attached endorsements.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
As Per Written Contract.	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance** afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
As per written contract but only when coverage for completed operations is specifically required by that contract.	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
  2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### SCHEDULE

**Designated Construction Project(s):** All of your designation construction projects where required by written contract.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
  - 1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  - 2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  - 3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
  - 4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

- B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.
- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.
- D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E. The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

# OLD REPUBLIC GENERAL INSURANCE CORPORATION

## CHANGES ADDITIONAL INSURED PRIMARY WORDING SCHEDULE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Name of Additional Insured Person(s)  
Or Organization(s):

Location(s) of Covered Operations

As required by written contract.

As required by written contract:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The insurance provided by this endorsement is primary insurance and we will not seek contribution from any other insurance of a like kind available to the person or organization shown in the schedule above unless the other insurance is provided by a contractor other than the person or organization shown in the schedule above for the same operation and job location. If so, we will share with that other insurance by the method described in paragraph 4.c. of Section IV – Commercial General Liability Conditions.

All other terms and conditions remain unchanged.

Named Insured	Matich Corporation		
Policy Number	A1CG43921311	Endorsement No.	
Policy Period	7/1/13-7/1/14 to	Endorsement Effective Date:	see certificate
Producer's Name:	Alliant Insurance Services, Inc.		
Producer Number:			

*Alaine Miller*

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

see certificate

\_\_\_\_\_  
DATE

CG EN GN 0029 09 06

## WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### SCHEDULE

Name Of Person Or Organization:

Where required by written contract.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

POLICY NUMBER A1CA43921311

COMMERCIAL AUTO  
CA 20 01 03 06


**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**LESSOR - ADDITIONAL INSURED AND LOSS PAYEE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

<b>Named Insured:</b> Match Corporation
<b>Endorsement Effective Date:</b> see certificate
<b>Countersignature Of Authorized Representative</b>
<b>Name:</b> Diane Weller
<b>Title:</b> VP
<b>Signature:</b> 
<b>Date:</b> see certificate



POLICY NUMBER: A1CA43921311

COMMERCIAL AUTO  
CA 04 44 03 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

<p><b>Named Insured:</b> Matich Corporaiton</p> <p><b>Endorsement Effective Date:</b> see certificate</p>
---

### SCHEDULE

<p><b>Name(s) Of Person(s) Or Organization(s):</b></p> <p>Where required by written contract.</p>
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<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>
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The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

**OLD REPUBLIC GENERAL INSURANCE CORPORATION**  
**WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY**  
**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

All persons and/or organizations that are required by written contract or agreement with the insured, executed prior to the accident or loss.

The premium charge for this endorsement is \$0.00

Named Insured	Matich Corporation		
Policy Number	A1CW43921311	Endorsement No.	
Policy Period	7/1/13-7/1/14 to	Endorsement Effective Date:	see certificate
Producer's Name:	Alliant Insurance Services, Inc.		
Producer Number:			

*Aline Weller*

\_\_\_\_\_  
 AUTHORIZED REPRESENTATIVE

see certificate

\_\_\_\_\_  
 DATE

WC 99 03 15 (01/07)

## Shane Stueckle

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**From:** Robert Matich <rmatich@matichcorp.com>  
**Sent:** Tuesday, June 17, 2014 8:44 AM  
**To:** Alex Qishta  
**Subject:** RE: Black Rock Canyon Road

Morning Alex,  
I reworked the numbers on Black Rock Canyon Road.  
It would be \$28,000 to pulverize, grade and compact that street.  
This would eliminate the grindings and fogseal.

Call me with any questions.

Robert M. Matich



**Tel:** 909-382-7400  
**Fax:** 909-382-0113  
**Box 10, Highland, CA 92346**

[www.matichcorp.com](http://www.matichcorp.com)

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**From:** Alex Qishta [<mailto:aqishta@YUCCA-VALLEY.ORG>]  
**Sent:** Monday, June 16, 2014 10:50 AM  
**To:** Robert Matich  
**Subject:** Black Rock Canyon Road

Bob;

Are you interesting on only pulverizing the exiting road and keep it as a dirt road, meaning no grinding or fog seal?

Alex Qishta, P.E.  
Project Engineer  
Town of Yucca Valley  
760-369-1265  
[aqishta@yucca-valley.org](mailto:aqishta@yucca-valley.org)

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Please note that effective 6/16/2011 all Matich Corporation email addresses are transitioning to be @matichcorp.com. The old address will still function, but we would like you to update your address books to prevent future problems.

**Town of Yucca Valley**  
**FY 2013-14 Amended Budget**  
**Special Revenue Funds**

Proposed Budget Amendment

**516 - LTF**

**RECEIPTS**

	Amended Budget 2012-13	Actual 2012-13	Adopted 2013-14	Amended 2013-14
Revenue	\$ 95,000	\$ 181,839	\$ 56,000	\$ 56,000
SANBAG TAIM	91,000	-	91,000	91,000
Legal Settlement	-	85,000	-	-
Interest	-	1,649	250	250
<b>TOTAL RECEIPTS</b>	<b>186,000</b>	<b>268,488</b>	<b>147,250</b>	<b>147,250</b>

**EXPENDITURES**

Indirect Cost	500	23	-	-
Professional Services	5,000	-	4,600	4,600
<b>TOTAL EXPENDITURES</b>	<b>5,500</b>	<b>23</b>	<b>4,600</b>	<b>4,600</b>

**CAPITAL OUTLAY**

Work in Progress	287,000	4,600	282,000	251,200
<b>TOTAL CAPITAL OUTLAY</b>	<b>287,000</b>	<b>4,600</b>	<b>282,000</b>	<b>251,200</b>

**OPERATING TRANSFERS IN (OUT)**

Transfer OUT - Fund 632	-	-	-	-
Transfer OUT - Fund 527	-	-	-	(30,800)
Transfer OUT - Fund 529	-	-	(50,000)	(50,000)
Transfer OUT - Fund 551	-	-	-	-
<b>TOTAL OPERATING TRANSFERS IN (OUT)</b>	<b>-</b>	<b>-</b>	<b>(50,000)</b>	<b>(80,800)</b>

**INCREASE (DECREASE) IN**

<b>FUND BALANCE</b>	<b>(106,500)</b>	<b>263,865</b>	<b>(189,350)</b>	<b>(189,350)</b>
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**BEGINNING FUND BALANCE**

	659,317	659,317	446,517	923,182
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**ENDING FUND BALANCE**

	\$ 552,817	\$ 923,182	\$ 257,167	\$ 733,832
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**Work in Progress Detail**

Project	Account	Amended Budget 2012-13	Actual 2012-13	Adopted 2013-14	Amended 2013-14
Street Engineering Prof Serv	516 55-59 7117 0000	5,000	4,600	5,000	5,000
SANBAG TAIM Project	516 55-59 8310 8454	182,000	-	182,000	182,000
Safe Routes to School Match	516 xx xx xxxx	50,000	-	-	-
Pinon/Ridge	516 55-59 8310 8416	20,000	-	-	-
Town Wide Slurry Seal	516 55-59 8310 8340	-	-	-	-
Blackrock Road Reservation	516 55-59 8310 8455	-	-	75,000	44,200
Del Monte Overlay	516 55-59 8310 8344	-	-	-	-
Fortuna	516 55-59 8310 8351	20,000	-	20,000	20,000
Church:Joshua/Onaga	516 55-58 8310 8348	10,000	-	-	-
Standard Drawings Project	516 55-58 8310 8380	-	-	-	-
		<b>287,000</b>	<b>4,600</b>	<b>282,000</b>	<b>251,200</b>

**Town of Yucca Valley**  
**FY 2013-14 Amended Budget**  
**Special Revenue Funds**

Proposed Amended Budget

**527 - Public Lands Fed Grant**

**RECEIPTS**

	Amended Budget 2012-13	Actual 2012-13	Adopted 2013-14	Amended 2013-14
PLHD Grant	\$ -	\$ -	\$ -	\$ -
Bond Funds From SA 527 55-59 4702 8661-630	250,000	-	250,000	250,000
Measure I Exchange	-	-	-	-
SLPP Funding	-	-	-	-
SAFETEA -LEU -Federal	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>250,000</b>	<b>-</b>	<b>250,000</b>	<b>250,000</b>

**EXPENDITURES**

Indirect Cost Recovery	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**CAPITAL OUTLAY**

Work in Progress	3,031,293	63,041	2,968,900	3,133,800
<b>TOTAL CAPITAL OUTLAY</b>	<b>3,031,293</b>	<b>63,041</b>	<b>2,968,900</b>	<b>3,133,800</b>

**OPERATING TRANSFERS IN (OUT)**

Transfer IN - Fund 516 527 55-59 4999 8661-400	-	-	-	30,800
Transfer IN - Fund 800 527 55-59 4999 8661-400	-	-	-	113,553
Transfer IN - Fund 535 527 55-59 4999 8661-401	1,440,000	-	1,440,000	1,440,000
Transfer IN - Fund 534 527 55-59 4999 8661-402	723,120	-	723,120	723,120
Transfer IN - Fund 520 527 55-59 4999 8661-403	135,000	-	135,000	135,000
Transfer IN - Fund 522 527 55-59 4999 8661-404	588,120	-	613,120	613,120
	-	-	-	-
<b>TOTAL OPERATING TRANSFERS IN (OUT)</b>	<b>2,886,240</b>	<b>-</b>	<b>2,911,240</b>	<b>3,055,593</b>

**INCREASE (DECREASE) IN  
FUND BALANCE**

	104,947	(63,041)	192,340	171,793
<b>BEGINNING FUND BALANCE</b>	<b>(92,839)</b>	<b>(92,839)</b>	<b>(180,232)</b>	<b>(155,880)</b>

**ENDING FUND BALANCE**

	\$ 12,108	\$ (155,880)	\$ 12,108	\$ 15,913
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**Work in Progress Detail**

Project	Account	Amended Budget 2012-13	Actual 2012-13	Adopted 2013-14	Amended 2013-14
PLHD PA/ED Phase 1	527 55-59 8310 8661 100	-	-	-	-
PLHD PS&E Phase 2	527 55-59 8310 8661 101	-	-	-	-
PHLD ROW Phase 3	527 55-59 8310 8661 102	-	33,695	25,000	25,000
Measure I Exchange Phase 1	527 55-59 8310 8661 200	-	-	-	-
Measure I Exchange Phase 2	527 55-59 8310 8661 200	-	-	-	-
Cnstr Phase 4 - Non Contract	527 55-59 8310 8661 400	145,053	29,346	57,660	222,560
Cnstr Phase 4 - SAFETEA	527 55-59 8310 8661 401	1,440,000	-	1,440,000	1,440,000
Cnstr Phase 4 - SLPP	527 55-59 8310 8661 402	723,120	-	723,120	723,120
Cnstr Phase 4 - Mea I Reg	527 55-59 8310 8661 403	135,000	-	135,000	135,000
Cnstr Phase 4 - Mea I Arterial	527 55-59 8310 8661 404	588,120	-	588,120	588,120
		<b>3,031,293</b>	<b>63,041</b>	<b>2,968,900</b>	<b>3,133,800</b>

**TOWN COUNCIL STAFF REPORT**

**To:** Honorable Mayor and Town Council  
**From:** Shane Stueckle, Deputy Town Manager  
Alex Qishta, Project Manager  
**Date:** June 12, 2014  
**For Council Meeting:** June 23, 2014

**Subject:** Resolution No. 14-  
Authorization of the Levy of a Special Service Tax upon Real Property within  
Community Facilities District (CFD) No. 11-1

**Prior Council Review:** There has been no prior review of this specific item. The Town Council previously established Town of Yucca Valley Community Facilities District No. 11-1.


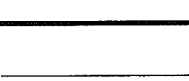
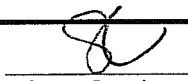
**Recommendation:** That the Town Council adopts the Resolution, authorizing the annual levy of special taxes for Community Facility District No. 11-1, for fiscal year 2014/2015.

**Executive Summary:** The Town Council previously established Town of Yucca Valley Community Facilities District No.11-1 (Maintenance Services) (the "CFD") to finance a portion of the cost of providing street, storm drain, and landscape maintenance and street lighting services (the "services") that are in addition to those services provided within the CFD territory prior to the formation of the CFD.

- Order of Procedure:**
- Request Staff Report
  - Request Public Comment
  - Council Discussion/ Council Questions of Staff
  - Motion/Second
  - Discussion on Motion
  - Call the Question (Roll Call Vote)

**Discussion:** Development projects are approved subject to conditions of approval that require the formation of maintenance districts. The assessment of an annual fee upon properties within the District provides the revenue to offset the cost of maintenance of the public improvements necessary to serve the development.

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Reviewed By:  \_\_\_\_\_  \_\_\_\_\_  \_\_\_\_\_ SRS  
Town Manager Town Attorney Mgmt Services Dept Head

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Department Report     Ordinance Action     Resolution Action     Public Hearing  
 Consent     Minute Action     Receive and File     Study Session

The Town of Yucca Valley previously established Community Facilities District (CFD) No. 11-1 (Maintenance Services) pursuant to the Mello-Roos Community Facilities Act (Act) of 1982, as amended, to finance a portion of the cost of providing street maintenance, storm drain maintenance, landscape maintenance, signal light maintenance, and street lighting services (the "services") that are in addition to those provided in the territory within the CFD prior to the formation of the CFD.

The Town Council acting as a legislative body is authorized each year, by resolution as provided in section 53340 of the Act, to determine the specific special tax rate and amount to be levied for the current or future tax years, except that the special tax rate to be levied shall not exceed the maximum rate.

The authorized Services Special Tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency and provided for ad valorem taxes; provided, however, the CFD may collect the Services Special Tax and the Special Tax at a different time or in a different manner if necessary to meet its financial obligations

The Town has formed three (3) such service areas. The following information identifies those areas and establishes the maximum annual special tax which may be applied to the properties, including the following

- Warren Vista Center CFD, Annexation Area No. 1, Improvement Area 1:
- Dollar General CFD, Annexation Area No. 1, Improvement Area 2:
- Super Wall-Mart CFD, Annexation Area No. 2, Improvement Area 3:

Specifics for each service areas are as follows.

**Warren Vista CFD:**

**Maximum Special Tax for Approved Property  
Community Facilities District No. 11-1  
Annexation Area No. 1 (Improvement Area 1)**

<b>Property Classification</b>	<b>Maximum annual Special Tax</b>
<b>Developed Property</b> Residential Non-Residential	\$197.48 per EDU \$888.66 per acre
<b>Approved Property</b> Residential Non-Residential	\$197.48 per EDU \$888.66 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$197.48 per acre \$888.66 per acre

<u>Assessor's Parcel Number</u>	<u>Owner</u>	<u>Acreage</u>	<u>Annual Special tax</u>
0595-271-44	Thrifty Payless Inc.	1.74	<i>\$1,546.27</i>
0595-271-45	G&L Yucca Valley II LLC	.83	<i>\$737.59</i>
0595-271-46	G&L Yucca Valley II LLC	1.11	<i>\$986.41</i>
0595-271-47	G&L Yucca Valley II LLC	1.99	<i>\$1,768.43</i>
0595-271-48	G&L Yucca Valley II LLC	2.13	<i>\$1,892.85</i>

**Dollar General CFD:**

**(IMPROVEMENT AREA No. 2)**  
**Maximum Special Tax for Approved Property**  
**Community Facilities District No. 11-1**  
**Annexation Area No. 1 (Improvement Area 2)**

<b>Property Classification</b>	<b>Maximum annual Special Tax</b>
<b>Developed Property</b> Residential Non-Residential	\$321.16 per EDU \$1,445.24 per acre
<b>Approved Property</b> Residential Non-Residential	\$321.16 per EDU \$1,445.24 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$1,445.24 per acre \$1,445.24 per acre

<u>Assessor's Parcel Number</u>	<u>Owner</u>	<u>Acreage</u>	<u>Annual Special tax</u>
0586-121-06	Dynamic Real Estate Investments I, LLC	1.283	<i>\$1,854.24</i>



**WAL-MART CFD:**

**(IMPROVEMENT AREA No. 3)**

**Maximum Special Tax for Approved Property  
Community Facilities District No. 11-1  
Annexation Area No. 2 (Improvement Area 3)**

<b>Property Classification</b>	<b>Maximum annual Special Tax</b>
<b>Developed Property</b> Residential Non-Residential	\$128.35 per EDU \$577.55 per acre
<b>Approved Property</b> Residential Non-Residential	\$128.35 per EDU \$577.55 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$577.55 per acre \$577.55 per acre

<u>Assessor's Parcel Number</u>	<u>Owner</u>	<u>Acreage</u>	<u>Annual Special tax</u>
0601-201-37	Wal-Mart	25.41	<b><i>\$14,675.55</i></b>

**Alternatives:** No alternatives are recommended. The Town Council is authorized to establish the annual levy of special taxes for maintenance programs within CFD No. 11-1.

**Fiscal impact:** The District provides revenue to finance a portion of the cost of providing street, storm drain, landscape, and traffic signal maintenance and street lighting services within the boundaries of CFD No. 11-1, as outlined within this report. The Maximum Allowable Assessment has increased by 1.7% in accordance with the Los Angeles/San Bernardino County Consumer Price Index.

**Attachments:** Resolution No. 14-  
Town Council Minutes, CDF Formation and Annexations  
Los Angeles/San Bernardino Consumer Price Index

**RESOLUTION NO. 14-**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF  
YUCCA VALLEY AUTHORIZING THE ANNUAL LEVY OF  
SPECIAL TAXES FOR COMMUNITY FACILITIES DISTRICT NO 11-1  
FOR FISCAL YEAR 2014/2015**

WHEREAS, the Town Council (the "Council") of the Town of Yucca Valley (the "Town") has previously established Town of Yucca Valley Community Facilities District No. 11-1 (Maintenance Services) (the 'CFD') pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), to finance a portion of the cost of providing street maintenance, storm drain maintenance, landscape maintenance and street lighting services (the "services") that are in addition to those provided in the territory within the CFD prior to the formation of the CFD No 11-1:

NOW, THEREFORE BE IT RESOLVED by the Town Council of the Town of Yucca Valley as follows:

**SECTION 1.**

A special tax (the "maintenance services Special Tax") is levied within the boundaries of each Improvement Area of the CFD pursuant to the formula set forth in Exhibit "A" attached hereto and incorporated by reference in an amount necessary to pay all of the costs of providing the Services, periodic costs, and costs of the tax levy and collection, and all other costs, including CFD administrative costs and all maintenance activities and programs as originally approved.

**SECTION 2.**

This legislative body is hereby further authorized each year, by resolution adopted as provided in section 53340 of the Act, to determine the specific special tax rate and amount to be levied for the then current or future tax years, except that the special tax rate to be levied shall not exceed the maximum rate set forth in Exhibit "A."

**SECTION 3.**

The above authorized Services Special Tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency and provided for ad valorem taxes; provided, however, the CFD may collect the Services Special Tax and the Special Tax at a different time or in a different manner if necessary to meet its financial obligations.

**SECTION 4:**

The rate determined and as set forth does not exceed the amount as previously authorized by the Ordinance and is not in excess of that amount previously approved by the qualified electors of the CFD, and is exempt from Proposition 218, Section XIID of the California State Constitution. After adoption of this Resolution, the Director of Administrative Services may make any necessary modification to these special taxes to correct errors, omission or inconsistencies in the listing or categorization of parcels to be taxed or in the amount to be charged to any category of parcels, provided, however, that any such modification shall not result in an increase in the tax applicable to any category of parcels.

APPROVED AND ADOPTED on this 23<sup>rd</sup> day of June 2014.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK

EXHIBIT .A"

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX  
(IMPROVEMENT AREA No. 1)

Maximum Special Tax for Approved Property  
 Community Facilities District No. 11-1  
 Annexation Area No. 1 (Improvement Area 1)

Property Classification	Maximum annual Special Tax
<b>Developed Property</b> Residential Non-Residential	\$197.48 per EDU \$888.66 per acre
<b>Approved Property</b> Residential Non-Residential	\$197.18 per EDU \$888.66 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$888.66 per acre \$888.66 per acre

<u>Assessor's Parcel Number</u>	<u>Owner</u>	<u>Acreage</u>	<u>Annual Special tax</u>
0595-271-44	Thrifty Payless Inc.	1.74	<i>\$1,574.27</i>
0595-271-45	G&L Yucca Valley II LLC	.83	<i>\$737.59</i>
0595-271-46	G&L Yucca Valley II LLC	1.11	<i>\$986.41</i>
0595-271-47	G&L Yucca Valley II LLC	1.99	<i>\$1,768.43</i>
0595-271-48	G&L Yucca Valley II LLC	2.13	<i>\$1,892.85</i>

(IMPROVEMENT AREA No. 2)  
 Maximum Special Tax for Approved Property  
 Community Facilities District No. 11-1  
 Annexation Area No. 1 (Improvement Area 2)

Property Classification	Maximum annual Special Tax
<b>Developed Property</b> Residential Non-Residential	\$321.16 per EDU \$1,445.24 per acre
<b>Approved Property</b> Residential Non-Residential	\$321.16 per EDU \$1,445.24 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$1,445.24 per acre \$1,445.24 per acre

Assessor's Parcel Number      Owner      Acreage      Annual Special tax  
 0586-121-06      Dynamic Real Estate Investments I, LLC      1.283      \$1,854.24

**(IMPROVEMENT AREA No. 3)**

**Maximum Special Tax for Approved Property  
 Community Facilities District No. 11-1  
 Annexation Area No. 2 (Improvement Area 3)**

<b>Property Classification</b>	<b>Maximum annual Special Tax</b>
<b>Developed Property</b> Residential Non-Residential	\$128.35 per EDU \$577.55 per acre
<b>Approved Property</b> Residential Non-Residential	\$128.35 per EDU \$577.55 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$577.35 per acre \$577.35 per acre

Assessor's Parcel Number      Owner      Acreage      Annual Special tax  
 0601-201-37      Wal-Mart      25.41      \$14,675.55

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council

From: Alex Qishta, Project Engineer

Date: January 28, 2013

For Council Meeting: February 5, 2013

Subject: Annexation Area No. 2 (Improvement Area No. 3) (Super Wal-Mart)
APN 0601-201-37 to Community Facilities District No. 11-1 (Services)

Prior Council Review: On June 7, 2011, the Town Council adopted a Resolution approving the goals and policies for the formation of Community Facilities Districts Pursuant to the Mello-Roos Community Facilities Act of 1982. On December 4, 2012, the Town Council approved a Resolution Declaring Its Intention to Annex Territory to Community Facilities District No. 11-1, Annexation Area No. 2, (Improvement Area No. 3) (Services) and Setting a Date and Time for a Public Hearing.

Recommendation: That the Town Council adopts the Resolutions to annex the project into Community Facilities District No. 11-1, Annexation Area No. 2, (Improvement Area No. 3) and levy a special tax thereon to finance certain services as follows, and introduces the Ordinance.

- 1. A Resolution for the annexation of Annexation Area No. 2, Improvement Area No. 3 to Community Facilities District No. 11-1 (Services), preliminarily establishing an appropriation limit for Improvement Area No. 3, and submitting the levy of the special tax to the qualified electors within the District.
2. A Resolution setting a date for an election on the annexation of Annexation Area No. 2, Improvement Area No. 3, to Community Facilities District No. 11-1 (Services), and setting an appropriation limit.
3. A Resolution declaring results of the special election and directing recording of Notice of Special Tax Lien.
4. An Ordinance of the Town Council of the Town of Yucca Valley, California, authorizing the levy of a special tax within Community Facilities District No. 11-1, Annexation No. 2, Improvement Area No. 3 (Super Wal-Mart).

Executive Summary: The Town has formed Landscape and Lighting Maintenance Districts and Street and Drainage (Benefit) Assessment Districts, as well as Community Facility Districts (CFD's) as a condition of subdivision and other development projects to pay the costs of infrastructure maintenance created by new development.

Reviewed By:

[Signature]
Town Manager

[Signature]
Town Attorney

[Signature]
Mgmt Services

Dept Head

Department Report [X] Ordinance Action [X] Resolution Action [X] Public Hearing
Consent [ ] Minute Action [ ] P. 505 Receive and File [ ] Study Session

The CFD is a more flexible approach that allows the Town to recover 100% of the maintenance costs created by the new infrastructure constructed as part of the development project.

The Town Council previously formed CFD 11-1 (Warren Vista Center and Dollar General) pursuant to the Mello-Roos Community Facilities Act of 1982 to provide funding for the maintenance of public improvements.

**Order of Procedure:** Request Staff Report  
Request Public Comment  
Council Discussion/Questions of Staff  
Motion/Second  
Discussion on Motion  
Call the Question (Voice Vote)

**Discussion:** Subdivision and other development projects are approved subject to conditions of approval that require that projects form/annex into a maintenance district. These districts apply an annual fee or special tax upon properties within the District which provides the revenue to offset the cost of maintenance of the public improvements necessary to serve the development.

The public facilities and services proposed to be financed within the territory to be annexed to the District are the following:

- Maintenance of public streets and alleyways, including pavement, traffic control devices, landscaping and other public improvements installed within the public right-of-way;
- Maintenance of all public pedestrian or bicycle pathways within the public right-of-way;
- Public Lighting and appurtenant facilities, including street lights within public right-of-way and traffic signals located at the entrance driveway on Twentynine Palms Highway, the intersection of Twentynine Palms Highway and Avalon Street, the intersection of Twentynine Palms Hwy and Inca Trail, the intersection of Palomar Avenue and Yucca Trail, and the intersection of Joshua Lane and Yucca Trail, which will include all electrical utility charges.
- Town and County costs associated with the setting, levying and collection of the special tax, and in the administration of the District including the contract administration.

If the Maximum Allowable Annual Fee were levied, the revenue generated would be \$14,430 per year.

**Alternatives:** No alternatives are recommended.

**Fiscal impact:** The annual revenues generated from the Community Facilities District offset the cost of maintenance of public improvements that serve the development project.

**Attachments:** Resolution(s) No. 13-  
Ordinance No.  
Community Facilities District Report



RESOLUTION NO. 13-

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA FOR THE ANNEXATION OF IMPROVEMENT AREA NO. 3 TO COMMUNITY FACILITIES DISTRICT NO. 11-1, ANNEXATION AREA #2, IMPROVEMENT AREA #3 (SERVICES), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE DISTRICT, AND SUBMITTING THE LEVY OF THE SPECIAL TAX TO THE QUALIFIED ELECTORS OF THE AREA TO BE ANNEXED TO THE DISTRICT

WHEREAS, on December 4, 2012, the Town Council adopted Resolution No. 12-45, entitled "Resolution of the Town Council of the Town of Yucca Valley Declaring Its Intention to Annex Territory to Community Facilities District No. 11-1 (Services)" (the District) stating its intent to annex Improvement Area No. 3 to the District under the Mello-Roos Act and to levy a special tax on all property within Improvement Area No. 3 for legally-permitted facilities and services, and directed staff to implement the Act's requirements for annexation of territory to said District;

WHEREAS, the Resolution of Intention included a map of the proposed boundaries of Annexation Area No. 2 (Improvement Area No. 3) to the District, stated the services to be financed, and the rate and method of apportionment of the special tax to be levied within Annexation Area No. 2 (Improvement Area No. 3) of the District to pay the costs, is on file with the Town Clerk, and the provisions thereof are incorporated herein by the reference as if fully set forth, and

WHEREAS, on January 22, 2013, the Town Council held a public hearing on the annexation of Annexation Area No. 2 (Improvement Area No. 3) to Community Facilities District No. 11-1 (Services), and accepted written and documentary testimony and evidence relating thereto; and

WHEREAS, the Town Council now wishes to annex the territory and establish Improvement Area No. 2 in the Community Facilities District as provided herein, and all protests against formation of the proposed district are insufficient to prevent annexation; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Yucca Valley as follows:

**SECTION 1.** The Town Council hereby affirms the accuracy of the foregoing recitals.

**SECTION 2.** Pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311, *et seq.*), the Town Council has declared its intent to annex territory to a community facilities district. Pursuant to Section 53321 of the California Government Code, the Town Council hereby determines the following:

- A. The proposed area shall be annexed pursuant to the Mello-Roos Community Facilities Act of 1982 set forth in California Government Code Title 5, Division

2, Part 1, Chapter 2.5;

- B. The Town Council accepts the "Special Tax Report for the Town of Yucca Valley Community Facilities District No.11-1 (Services), Annexation Area No. 2 (Improvement Area No. 3).
- C. The proposed special tax to be levied within Annexation Area No. 2 (Improvement Area No. 3), CFD No. 11-1 (Services) has not been precluded by majority protest pursuant to Section 53324 of the Act.
- D. The annexation area shall be designated "Town of Yucca Valley Community Facilities District No. 11-1, Annexation Area 2 (Improvement Area No. 3)" is hereby established pursuant to the Act.
- E. The boundaries of Annexation Area No. 2 (Improvement Area No. 3) to the District, as set forth in the map of Annexation Area No. 2 (Improvement Area No. 3), CFD No. 11-1 (Services) shall correspond with the boundaries indicated on the map attached hereto as "Exhibit A" as recorded in the San Bernardino County Recorder's Office in Book 601 and Page 20 of Maps of Assessment and Community Facilities Districts.
- F. The name for the proposed area to be annexed to the district is "Community Facilities District No.11-1 (Services), Annexation Area No. 2 (Improvement Area No. 3)";
- G. The public services to be financed by the District shall consist of those items described in the Resolution of Intention and by this reference incorporated herein.
- H. Except where funds are otherwise available, a special tax sufficient to pay for all services, secured by recordation of a continuing lien against all nonexempt real property in Annexation Area No. 2 of the District, will be levied annually within Annexation Area No. 2 (Improvement Area No. 3) of CFD No. 11-1 (Services), and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as the Town Council shall direct. The proposed rate and method of apportionment of the special tax among parcels of real property within the District in sufficient detail to allow each landowner within the proposed District to estimate the probable maximum amount such owner will have to pay, are described in "Exhibit B" attached to the Resolution of Intention and by reference are incorporated herein.
- I. It is hereby found and determined that the Services are necessary to meet the increased demands as the result of development occurring in Annexation Area No. 2 (Improvement Area No. 3) of the District.
- J. The Director of Finance or his/her designee shall be responsible for preparing annually a current roll of the special tax levy obligation by assessor's parcel number and which will be responsible for estimating future special tax levies

pursuant to Government Code Section 53340.2

- K. Upon recordation of the Notice of Special Tax Lien pursuant to Section 3114.5 of the Street and Highways Code, a continuing lien to secure levy of the special tax shall attach to all nonexempt real property in Annexation Area No. 2 (Improvement Area No. 3) of the District and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien is canceled in accordance with law or until collection of the tax by the Town Council ceases.
  
- L. Pursuant to the provisions of the Act, the proposition of the levy of the special tax and shall be submitted to the qualified electors of the area to be annexed to the District and an election, the time, place and condition of which shall be as specified by a separate resolution of the Town Council.

APPROVED AND ADOPTED on this 5<sup>th</sup> day of February, 2013.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK

Attachments: Resolution No. 12-45  
Exhibit A – Boundary Map

RESOLUTION NO.12-45

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY DECLARING ITS INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO.11-1 (SERVICES)

WHEREAS, the Town of Yucca Valley, pursuant to Resolution No.11-38 adopted on August 16, 2011, approved the formation of Community Facilities District No. 11-1 (Services) ; and

WHEREAS, the Town requires that a funding mechanism be established for the purpose of funding the long-term maintenance and rehabilitation asphalt pavement, sidewalk, curbs, and other related facilities related to the approval of Conditional Use Permit (CUP) 02-04, and

WHEREAS, in order to accomplish the foregoing, the Town desires to annex territory to be known as Annexation Area No. 2 (Improvement Area No. 3) to Community Facilities District No. 11-1 pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311, *et seq.*), and to levy a special tax on all property within the annexed territory for legally-permitted facilities and services;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Yucca Valley as follows:

**SECTION 1.** Pursuant to the Mello-Roos Community Facilities Act of 1982 (Gov't Code § 53311, *et seq.*), the Town Council hereby declares its intent to annex Improvement Area No. 3 to Community Facilities District No. 11-1 (Services). Pursuant to Section 53321 of the California Government Code, the Town Council hereby determines the following:

- A. The improvement area shall be annexed pursuant to the Mello-Roos Community Facilities Act of 1982 set forth in California Government Code Title 5, Division 2, Part 1, Chapter 2.5;
- B. The proposed boundaries of Annexation Area No.2 (Improvement Area No. 3) shall correspond with the boundaries indicated on the map attached hereto as "Exhibit A" and incorporated herein by reference;
- C. The public facilities and services proposed to be financed by the District within Improvement Area No. 3 are the following:
  1. Maintenance of public streets and alleyways, including pavement, traffic control devices, landscaping and other public improvements installed within the public rights-of-way;
  2. Maintenance of all public pedestrian or bicycle pathways within the public rights-of-way;

3. Public lighting and appurtenant facilities, including street lights within public rights-of-way and traffic signals located at the entrance driveway on Twentynine Palms Highway, and at the intersection of Twentynine Palms Highway and Avalon Avenue; and
  4. Town and County costs associated with the setting, levying and collection of the special tax, and in the administration of the District including the contract administration.
- D. Except where funds are otherwise available, a special tax sufficient to pay for all facilities and services, secured by recordation of a continuing lien against all nonexempt real property in the District, will be annually levied within Annexation Area No. 2 (Improvement Area No. 3) ("the area"). The rate, method of apportionment, and manner of collection of the special tax are described in Exhibit B to this Resolution.
- E. The annexation area does not currently contain any parcels used for private residential purposes, and the Council hereby declares that no special tax shall be levied within the District against any parcel that may be subsequently used for private residential purposes;

**SECTION 2.** The Town Council hereby fixes January 15, 2013 as the date for a public hearing on this resolution, to commence at 6:00 p.m. at the Town of Yucca Valley Town Council Chambers, located at 57090 29 Palms Highway, Yucca Valley, California.

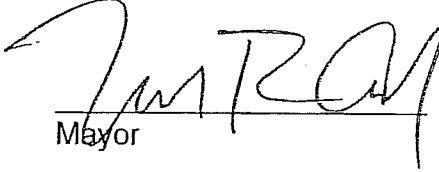
**SECTION 3.** The Town Manager or his designee is hereby directed to study the need for the formation of the proposed District and, at or before the time of the public hearing on formation of the District, to file a report with the Town Council containing a brief description of the public services which will be required to adequately meet the needs of the Annexation Area No. 2 (Improvement Area No. 3) and an estimate of the cost of providing those services.

**SECTION 4.** At or prior to the public hearing, protests against the formation of the District may be made orally or in writing by interested persons or taxpayers. Written response should be directed to: Janet M. Anderson, Town Clerk, Town of Yucca Valley, CA.

**SECTION 5.** The levy of the special tax to be imposed with the District shall be submitted to the qualified electors of the territory to be included within the District pursuant to Section 53326 of the Government Code.

**SECTION 6.** The Town Council hereby directs the Town Clerk to publish notice of the public hearing on this resolution in the manner required by Section 53322 of the California Government Code; and to provide written notice of said public hearing to all landowners within the proposed District in the manner required by Section 53322.4 of the California Government Code; and to conduct all activities necessary for the election on the levy of special taxes as may be legal and necessary.

APPROVED AND ADOPTED on this 4th day of December, 2012

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
Town Clerk

Attachments: Exhibit A – Boundary Map Annexation Area No. 2  
Exhibit B - Rate and Method of Apportionment of Special Taxes for  
Annexation Area No. 2

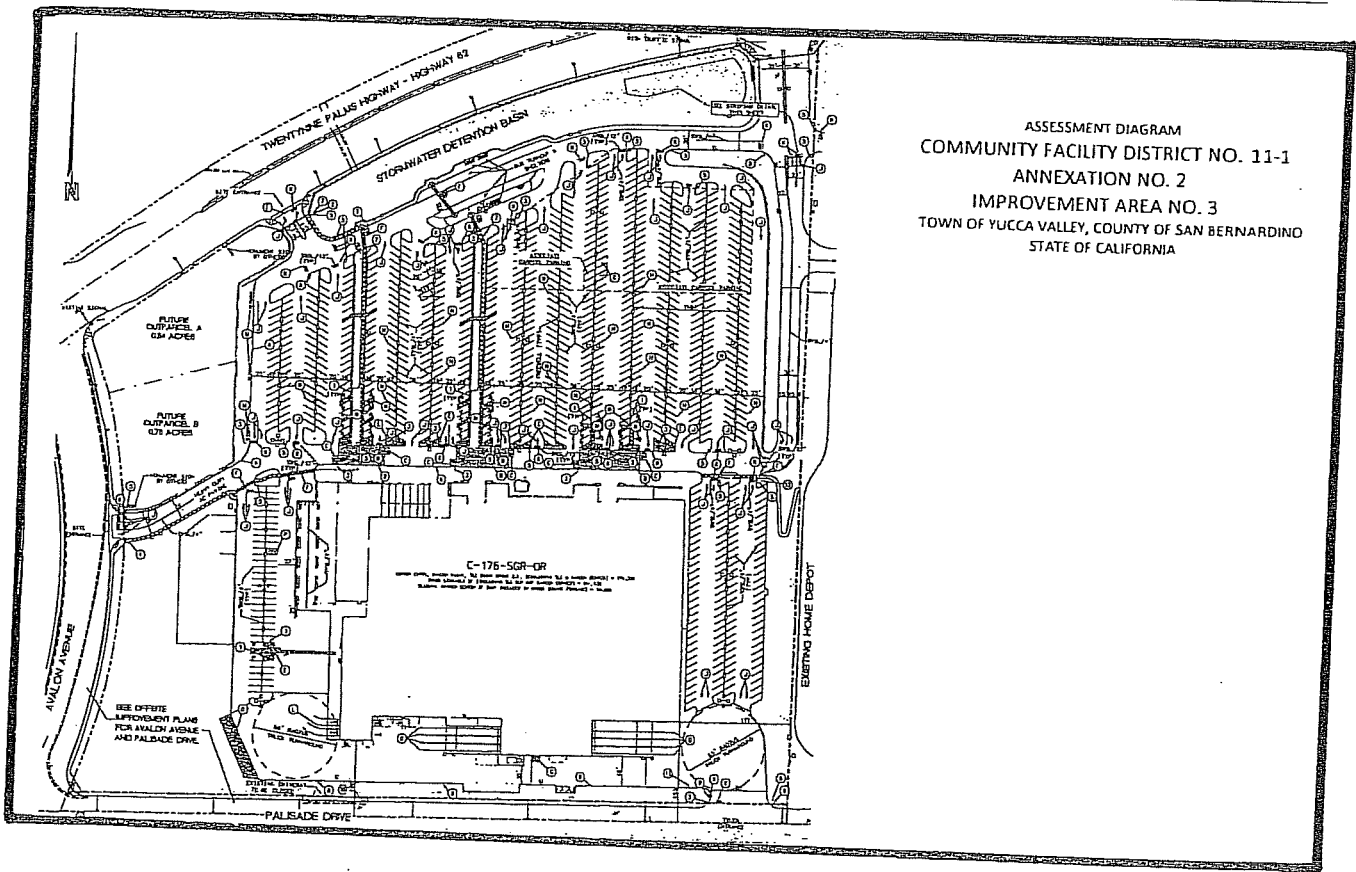
**PROPOSED BOUNDARIES**  
**ANNEXATION NO. 1**

(Attached)

NOTE – all parcels located within the proposed annexation boundaries are owned by the following parties:

<u>Assessor's Parcel No.</u>	<u>Owner</u>
601-201-37	Wal-Mart Stores, Inc.

TOWN OF YUCCA VALLEY  
ANNEXATION AREA NO. 1 (IMPROVEMENT AREA NO. 3)  
Community Facilities District No. 11-1 (Services)



RESOLUTION NO. 13-

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA SETTING A DATE FOR AN ELECTION ON THE ANNEXATION OF ANNEXATION AREA NO. 2 (IMPROVEMENT AREA NO. 3) TO COMMUNITY FACILITIES DISTRICT NO. 11-1 (SERVICES), SPECIAL TAX LEVY FOR FY 2013/14**

**WHEREAS**, the Town of Yucca Valley established Community Facilities District No. 11-1 (the "District"), on August 2, 2011 pursuant to the Mello-Roos Community Facilities Act of 1982 ("Mello-Roos Act"; Government Code § 53311, *et seq.*); and

**WHEREAS**, the Town Council of the Town of Yucca Valley (the "Town Council") has previously declared its intention and held and conducted proceedings relating to the annexation of territory as a separate improvement area therein pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part I Division 2 Title 5 of the Government Code of the State of California, and specifically Article 3.5 thereof (the "Act"). The existing Community Facilities District has been designated as COMMUNITY FACILITIES DISTRICT NO. 11-1 (SERVICES (the "District")); and

**WHEREAS**, notice of a public hearing relating to the annexation of territory to the existing District, the extent of the territory to be annexed, the furnishing of certain public services, amendments to the rate and method of apportionment of special tax and all other related matters has been given, and a Special Tax Report pertaining to the proposed annexation, as ordered by this Town Council, has been presented and considered; and

**WHEREAS**, the area proposed to be annexed is known and designated as COMMUNITY FACILITIES DISTRICT NO.11-1 (SERVICES), ANNEXATION NO. 2 (IMPROVEMENT AREA NO. 3) (the "Annexed Territory"); and

**WHEREAS**, the proposed public services are necessary to meet increased demands placed upon the Town as a result of development and/or rehabilitation occurring in the Annexed Territory; and

**WHEREAS**, it has now been determined that written protests have not been received by 50% or more of the registered voters residing either within the Annexed Territory or the original District and/or property owners representing more than one-half (1/2) or more of the area of land proposed to be annexed to said District or within the original District; and



**WHEREAS** inasmuch as there have been less than twelve (12) persons registered to vote within the Annexed Territory for each of the 90 preceding days, this legislative body desires to submit the levy of the required special tax to the landowners of the Annexed Territory, said landowners being the qualified electors as authorized by law: and

**WHEREAS**, in order to accomplish the Town's desired purpose for the District, the Town must conduct a special election; and

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the Town of Yucca Valley as follows:

**SECTION 1.** Pursuant to Sections 53326.53353.5 and 53325.7 of the Act, propositions of the levy of the special tax on property within Annexation Area No. 2 (Improvement Area No. 3) of the District shall be submitted to the qualified electorate of Annexation Area No. 2 of the District at an election called thereof as provided below.

**SECTION 2.** As authorized by the Section 53353.5 of the Act, the ballot measure, the form of which is attached as "Exhibit "A" and by this reference incorporated herein. Said form of ballot is hereby approved.

**SECTION 3.** The Town Council submits to the qualified voters of the area to be annexed to the District the question of levying a new special tax to finance public facilities and services within Annexation Area No. 2 of the District, as specified in the Resolution of Intent.

**SECTION 4.** The Town Council hereby calls for a special election to consider the measures described in Section 1 above, which election shall be held on January 22, 2013. Pursuant to Section 53327 of the Act, the election shall be conducted by the use of mailed ballots, or hand delivered ballot pursuant of Section 4000 of the California Election Code. All mail ballots shall be returned to the Town Clerk's office (by mail or personal delivery) no later than 4:00 pm on January 22, 2013, or shall be delivered personally to the Town Clerk no later than the close of the special election on such date.

**SECTION 5.** In the event that landowners owning all of the property within Annexation Area No. 2 of the District that is subject to the proposed special tax have waived election requirements and/or designated other entities to cast their votes on their behalf, such votes may be cast (verbally or otherwise) at the election by any person or body so designated, and all votes cast shall be counted by the Town Clerk in determining the final vote.

**SECTION 6.** The Town Clerk is hereby directed to publish in a newspaper of general circulation circulating within the area of CFD No. 11-1 a copy of this Resolution as soon as practicable after the date of adoption of this Resolution.

**SECTION 7.** In the event that two-thirds or more of the votes cast favor the levying of the special tax, the Town Council may, by resolution, levy the special tax.

APPROVED, PASSED AND ADOPTED this 5<sup>th</sup> day of February, 2013.

\_\_\_\_\_  
MAYOR

ATTESTED:

\_\_\_\_\_  
TOWN CLERK

EXHIBIT A

OFFICIAL BALLOT  
SPECIAL TAX ELECTION  
TOWN OF YUCCA VALLEY  
ANNEXATION OF TERRITORY TO  
COMMUNITY FACILITIES DISTRICT NO. 11-1 (SERVICES)  
(DATE)

Assessor Parcel Number: \_\_\_\_\_

Number of votes entitled to cast: 25.41

**INSTRUCTIONS TO VOTERS:** To vote on the measure, mark an (X) on the line after the word "YES" or after the word "NO." All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

**MEASURE SUBMITTED TO QUALIFIED ELECTORS**

**Ballot Measure:** Shall the Town of Yucca Valley be authorized to levy a special tax at the rates and apportioned as described in Exhibit B to the Resolution Declaring its Intention to Annex Territory to Community Facilities District No. 11-1 (Services) adopted by the City Council on \_\_\_\_\_, 2012 (the "Resolution"), which is incorporated herein by this reference, within the territory identified on the map entitled "Boundary Map of Annexation Area No. 2 (Improvement Area No. 3) Community Facilities District No. 11-1 (Services), Town of Yucca Valley, County of San Bernardino", to finance certain services as set forth in Exhibit B of the Resolution?

YES \_\_\_\_\_

NO \_\_\_\_\_

**NOTE:** This is a special landowner election. You must return this ballot to the Town Clerk of the Town of Yucca Valley either (i) to the Office of the Town Clerk at Town Hall, 57090 Twentynine Palms Highway, Yucca Valley, CA, by 4:00 p.m. on \_\_\_\_\_, 2012 or (ii) thereafter, to the regular meeting place of the Town Council at Yucca Room, Community Center, Yucca 57090 Twentynine Palms Highway, Yucca Valley, CA on \_\_\_\_\_, 2012, by five minutes following the adoption of the resolution calling the election (the Town Council meeting convenes at 6:00 p.m. on \_\_\_\_\_, 2013).

RESOLUTION NO. 13-

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, DECLARING RESULTS OF THE SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN

**WHEREAS**, on December 4, 2012, the Town Council of the Town of Yucca Valley (the "City") adopted the "Resolution of the Town Council of the Town of Yucca Valley Declaring Its Intent to Annex Territory to Community Facilities District No.11-1 (Services)" (referred to herein as the "Resolution of Intent") stating its intention to annex territory to Community Facilities District No.11-1 and to finance specified public facilities and services, pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311, *et seq.*; the "Mello-Roos Act");

**WHEREAS**, on January 22, 2013, the Town Council of the Town of Yucca Valley held a public hearing on the Resolution of Intent;

**WHEREAS**, on January 22, 2013, after the public hearing, the Town Council adopted a "Resolution of the Town Council of the Town of Yucca Valley for the Annexation of Improvement Area No. 3 to Community Facilities District No. 11-1 (Service )(Resolution No. \_\_\_\_\_; also referred to herein as the "Resolution of Formation"), annexing Annexation Area No. 2 (Improvement Area No. 3) to Community Facilities District No. 11-1 (hereafter, the "District"); and the Town Council also adopted the "Resolution of the Town Council of the Town of Yucca Valley Setting a Date for an Election on the levy of a special tax within Annexation Area No. 2 (Improvement Area No. 3) of Community Facilities District No. 11-1 for January 22, 2013 (Resolution No. \_\_\_\_\_; also referred to herein as the "Resolution Calling for Special Election");

**WHEREAS**, on January 22, 2013, an election on the levy of special taxes on parcels within Annexation Area No. 2 (Improvement Area No. 3) of the District was held;

**WHEREAS**, this Resolution will only take effect if two-thirds of the votes cast in the special election are in favor of the levy, and such results were certified by the Town Council through adoption of the "Resolution of the Town Council of the Town of Yucca Valley Certifying the Results of the Election on the Levy of Special Taxes in Annexation Area No. 2 (Improvement Area No. 3) of Community Facilities District No. 11-1 (Services)" (Resolution No. \_\_\_\_\_), whereby the levying of special taxes was authorized;

**WHEREAS**, pursuant to the Resolution of Intent, the Resolution of Formation, and the provisions of the Mello-Roos Act, the maximum rate of special taxes and the manner of apportionment has been determined, and within 15 days of an election resulting in two-thirds of the votes cast in favor of the levy of a special tax in the District, a Notice of Special Tax Lien will be recorded with the San Bernardino County Recorder's Office; and

**WHEREAS**, pursuant to Government Code Section 53340(a), the Town Council, as legislative body for the District, now wishes to levy the special taxes at the rate, apportionment, and in the manner specified in the above-referenced Resolutions.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Yucca Valley as follows:

**SECTION 1.** The Town Council hereby affirms the accuracy of the foregoing recitals.

**SECTION 2.** Pursuant to Government Code Sections 53328, 53340(a), and other provisions and requirements under the Mello-Roos Act, the Town Council hereby levies the special taxes as specified in said Resolutions, and hereby apportions the special taxes in such manner.

**SECTION 3.** The levy and apportionment of all special taxes hereby shall be consistent with the authorizations provided under the Mello-Roos Act, the Resolution of Intent, and the Resolution of Formation. No levy or apportionment of any special tax not otherwise consistent with said authorities is authorized by this Resolution.

**SECTION 4.** The Town Council hereby authorizes the Town Manager or his/her designee to implement all necessary steps to cause the special taxes levied hereby to be placed on the San Bernardino County Tax Assessor's secured property tax rolls for the fiscal year commencing July 1, 2013, and continuing each subsequent fiscal year for so long as said special taxes are authorized under the Mello-Roos Act. Furthermore, the Town Council hereby authorizes the Town Manager or his/her designee to cause all such special taxes to be collected, deposited, expended, and otherwise used in a manner consistent with the provisions of the District.

**SECTION 5.** The Town Council hereby determines that all proceedings for the formation of the District and the levy and apportionment were valid and in conformity with the requirements of the Mello-Roos Community Facilities Act of 1982.

APPROVED AND ADOPTED this 5<sup>th</sup> day of February, 2013.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK

ORDINANCE NO.

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN IMPROVEMENT AREA 3, ANNEXATION NO 2, OF COMMUNITY FACILITIES DISTRICT NO. 11-1 (SUPER WAL-MART)

WHEREAS, The Town Council of the Town of Yucca Valley has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors authorizing the levy of special taxes within 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 I, Division 2, Title 5 of the Government Code of the State of California (the "Act"). This Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 11-1 (the "District").

NOW, THEREFORE THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY DOES ORDAIN AS FOLLOWS:

**Section 1.** The Town Council does, by passage of this ordinance authorize the levy of special taxes within the District for the 2013-2014 tax year pursuant to the Rate and Method Apportionment of Special Taxes as set forth in Exhibit "A" attached hereto, referenced and so incorporated.

**Section 2.** The Town Council, is further authorized to annually determine, by Resolution, the special taxes to be levied within the District for the then current tax year or future tax years, except that the special tax to be levied within the District shall no exceed the maximum special tax calculated pursuant to the Rate and Method, but the special tax may be levied at a lower rate.

**Section 3.** The special taxes herein authorized, to the extent possible, shall be collected in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale, and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the District may utilize a direct billing procedure for any special taxes that cannot be collected on the County tax roll or my , by resolution, elect to collect the special taxes at a different time or in a different manner if necessary to meet its financial obligations.

**Section 4.** The special taxes shall be secured by the lien imposed pursuant to Sections 3114.5 and 3115.5 of the Streets and Highways Code of the State of California, which lien shall be a continuing lien and shall secure each levy of the special tax. The lien of the special tax shall continue in force an effect until the special tax obligation is permanently satisfied and canceled in accordance with Section 53344 of the Government Code of the State of California or until the

special tax ceases to be levied by the Town Council in the manner provided in Section 53330.5 of said Government Code.

**Section 5. NOTICE OF ADOPTION.** Within fifteen (15) days after the adoption hereof, the Town Clerk shall certify to the adoption of this Ordinance and cause it to be published once in a newspaper of general circulation printed and published in the County and circulated in the Town pursuant to Section 36933 of the Government Code.

**Section 6. EFFECTIVE DATE:** This Ordinance shall be effective thirty (30) days after its adoption.

APPROVED AND ADOPTED by the Town Council and signed by the Mayor and attested by the Town Clerk this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
TOWN CLERK

\_\_\_\_\_  
TOWN ATTORNEY

**EXHIBIT B**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES**

**TOWN OF YUCCA VALLEY**

**COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)**

**Annexation No. 2 (Improvement Area No. 3)**

Special Taxes shall be levied annually on all Assessor's Parcels in Annexation Area No. 2 ( Improvement Area No. 3) located within Community Facilities District No. 11-1(Services) of the Town of Yucca Valley (the "District") commencing in Fiscal Year 2013-14 in an amount determined by the Town through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in Annexation Area No. 2 (Improvement Area No. 3), unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

"**Act**" means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California, as amended.

"**Administrative Expenses**" means the actual or estimated costs incurred by the Town as administrator of the District to determine, levy and collect the Special Taxes, including salaries and benefits of Town employees whose duties are directly related to administration of the District and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports; and any other costs required to administer the District as determined by the Town.

"**Annual Escalation Factor**" means the greater of the increase in the annual percentage change of the All Urban Consumers Consumer Price Index (CPI) or four percent (4%). The annual CPI used shall be for the San Diego Area as determined by the Bureau of Labor Statistics.

"**Approved Property**" means an Assessor's Parcel and/or Lot in the District, which has a Final Map recorded prior to March 1st preceding the Fiscal Year in which the Special Tax is being levied, but for which no building permit has been issued prior to the May 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied. The term "Approved Property" shall apply only to Assessors' Parcels and/or Lots, which have been subdivided for the purpose of residential development, excluding any Assessor's Parcel that is designated as a remainder parcel determined by final documents and/or maps available to the District Administrator, or Non-Residential Property which has an approved Parcel Map.

"**Assessor's Parcel**" means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

"**Assessor's Parcel Map**" means an official map of the Assessor of the County designating parcels by assessor's parcel number.

"**Authorized Services**" means those services as described in the "Special Tax Report Community Facilities District No. 11-1, Annexation No. 2 (Improvement Area No. 3) Town of Yucca Valley.



**"Base Year"** means Fiscal Year ending June 30, 2014.

**"District Administrator"** means the Town Manager, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"District"** means Community Facilities District No. 11-1 (Services) of the Town of Yucca Valley.

**"Developed Property"** means all Taxable Property for which a building permit has been issued prior to May 1st preceding the Fiscal Year in which the Special Tax is being levied.

**"Dwelling Unit"** means an individual single family unit or an individual residential unit within a duplex, tri-plex, four-plex, condominium or apartment structure.

**"Exempt Property"** means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, (iii) property used exclusively for the retention/detention of storm water and (iv) property designated by the Town's District Administrator as Tax-Exempt Property

**"Final Map"** means an Assessor's Parcel Map, a final subdivision map, other parcel map, other final map, other condominium plan, or functionally equivalent map that has been recorded in the Office of the County Recorder.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Land Use Class"** means any of the classes listed in Table 1.

**"Lot"** means property within a recorded Final Map identified by a lot number for which a building permit has been issued or may be issued.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C below that can be levied within Annexation Area No. 2 (Improvement Area No. 3) in the District in any Fiscal Year on any Assessor's Parcel.

**"Property Owner Association Property"** means any property within the boundaries of the District that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to a property owner association, including any master or sub-association.

**"Proportionately"** means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

**"Public Property"** means any property within the boundaries of the District that is, at the time of the District formation or at the time of an annexation, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State, the County, or any other public agency.

**"Residential Property"** means any parcel on which an individual single family residence or, a duplex, tri-plex, four-plex, condominium or apartment structure may be constructed.

**"Special Tax"** means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for the District to: (i) pay for providing the authorized services including the actual costs of maintenance, repair, monitoring, replacement of facilities, and reporting as required under all applicable permits; (ii) pay reasonable Administrative Expenses; (iii) pay any amounts required to establish or replenish any reserve funds; and (iv) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less any surplus of funds available from the previous Fiscal Year's Special Tax levy.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of the District and any future annexation to Annexation Area No. 2 (Improvement Area No. 3) of the District that is not exempt from the Special Tax pursuant to law or as defined herein.

**"Town"** means the Town of Yucca Valley, California

**"Undeveloped Property"** means, for each Fiscal Year, all Assessors' Parcels of Taxable Property not classified as Developed Property or Approved Property, including an Assessor's Parcel that is designated as a remainder parcel and is not identified as potential Public Property by any final documents and/or maps available to the District Administrator.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year using the definitions above, all Taxable Property within Annexation Area No. 2 (Improvement Area No. 3) of the District shall be classified as Developed Property, Approved Property, Undeveloped Property or Exempt Property. Commencing with the Base Year and for each subsequent Fiscal Year, all Taxable Property shall be subject to Special Taxes pursuant to Sections C and D below.

**C. MAXIMUM SPECIAL TAX RATE**

The Maximum Annual Special Tax rates for Assessor's Parcels are shown in the following tables:

**TABLE 1**  
**Equivalent Dwelling Unit Factors**  
**Community Facilities District No. 11-1**  
**Annexation Area No. 2 (Improvement Area 3)**

Property Classification	Improvement Area 2
<b>Developed Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Approved Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Undeveloped Property</b> Residential Non-Residential	4.5 EDU per acre 4.5 EDU per acre
<b>Exempt Property</b>	N/A

**TABLE 2**  
**Maximum Special Tax for Approved Property**  
**Community Facilities District No. 11-1**  
**Annexation Area No. 2 (Improvement Area 3)**

Property Classification	Maximum annual Special Tax
<b>Developed Property</b> Residential Non-Residential	\$126.20 per EDU \$567.90 per acre
<b>Approved Property</b> Residential Non-Residential	\$126.20 per EDU \$567.90 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$567.90 per acre \$567.90 per acre

On each July 1 following the Base Year, the Maximum Special Tax Rates in Table 2 shall be increased in accordance with the Annual Escalation Factor.

**4. Tax-Exempt Property**

No Special Tax shall be levied on Tax-Exempt Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2013-14, and for each subsequent Fiscal Year, the District Administrator shall calculate the Special Tax Requirement based on the definitions in Section A and levy the Special Tax as follows until the amount of the Special Tax levied equals the Special Tax Requirement. First, the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax for Developed Property. Second, if the Special Tax Requirement

has not been satisfied by the first step, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Approved Property up to 100% of the applicable Maximum Special Tax for Approved Property. Third, if the Special Tax Requirement has not been satisfied by the first two steps, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax for Undeveloped Property.

**E. APPEALS**

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the District Administrator appealing the levy of the Special Tax. This notice is required to be filed with the District Administrator during the Fiscal Year the error is believed to have occurred. The District Administrator or designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the District Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

**F. MANNER OF COLLECTION**

Special Tax as levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the District Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the District or as otherwise determined appropriate by the District Administrator. The Special Taxes when levied shall be the lien imposed pursuant to Section 3115.5 of the Streets and Highways Code. This lien shall be a continuing lien and shall secure each levy of Special Taxes. The lien of the Special Taxes shall continue in force and effect until the Special Tax ceases to be levied in the manner provided by Section 53330.5 of the Government Code.

**G. TERM OF SPECIAL TAX**

The Special Tax shall be levied in perpetuity.

**TOWN OF YUCCA VALLEY**

**COMMUNITY FACILITIES DISTRICT REPORT**

**COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)  
ANNEXATION NO. 2 (IMPROVEMENT AREA NO. 3)**

**HEARING REPORT**

**September 7, 2012**

*Prepared by*  
**K. Dennis Klingelhofer, P.E**

TOWN OF YUCCA VALLEY

COMMUNITY FACILITIES DISTRICT HEARING REPORT  
COMMUNITY FACILITIES DISTRICT NO. 1(Services)  
ANNEXATION NO. 2 (IMPROVEMENT AREA NO. 3)

REPORT CONTENTS

Section I	Introduction
Section II	Description of Services and Estimated Costs
Section III	Description of District of CFD
Section III	Overview of the Proposed CFD

Exhibits

Exhibit A	List of Authorized Services – Improvement Area No. 3
Exhibit B.	Rate and Method of Apportionment – Improvement Area No. 3
Exhibit C	CFD Boundary Map – Annexation No. 2

**TOWN OF YUCCA VALLEY  
COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)  
ANNEXATION NO. 2 (IMPROVEMENT AREA NO. 3)**

**Section I – Introduction**

The Town Council of the Town of Yucca Valley has been requested to initiate proceedings to annex territory into Community Facilities District No. 11-1 (Services) (the “District”) to include the property which is contained within Yucca Valley Retail Specific Plan and encompasses approximately 25.41 acres located at the southeast corner of the intersection of Twentynine Palms Highway (State Highway 62) and Avalon Avenue. Planned development on the 25.41 acre parcel will be consist of an approximately 184,146 s.f. single retail use, a 3,500 s.f. retail use and a 4,000 s.f. fast-food restaurant use.

The Town Council adopted a resolution entitled “Resolution of Intention to Annex Territory to Community Facilities District No. 11-1” Resolution No. 12-45 pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), on December 4, 2012 declaring its intention to annex territory located within Annexation Area No. 2 (Improvement Area No. 3) and ordered the preparation of a written Community Facilities District Report (the “Report”) as required by the Act.

This report has been prepared in accordance with Section 53321.5 of the Act and includes among other information:

Section II – Description of Services and Estimated Costs This section describes the services to be funded within Annexation Area No. 2 (Improvement Area No. 3), the estimated annual costs associated with providing those services and the proposed annual maximum special tax for parcels within the District.

Section III – Description of District of CFD This section contains the map showing the proposed boundaries of Annexation Area No. 2 (Improvement Area No. 3) within the CFD and those properties and parcels on which special taxes may be levied to pay for the costs and expenses of the services to be funded.

Section III – Overview of the Proposed CFD This section of the report describes the proposed structure of Annexation Area No. 2 (Improvement Area No. 3) within the CFD and the Rate and Method for the allocation of the special tax within Annexation Area No. 2 (Improvement Area No. 3).

In addition there are three exhibits attached to this report. Exhibit A is the list of authorized services within Improvement Area No. 3 the CFD may fund. Exhibit B is the Rate and Method of Apportionment for Annexation No. 2 (Improvement Area No. 3). Exhibit C is the Boundary Map for Annexation No. 2 (Improvement Area No. 3).

**Section II – Description of Services and Estimate of Costs**

Pursuant to Resolution 12-45, the types of public services to be funded, in whole or in part by the District, are generally described as the maintenance, operation and management of the following types of facilities.

- Maintenance of public streets and alleyways, including pavement, traffic control devices, landscaping and other public improvements installed within the public rights-of-way; and
- Maintenance of all public pedestrian or bicycle pathways within the public rights-of-way; and
- Public Lighting and appurtenant facilities, including street lights within public right-of-way and traffic signals located at the entrance driveway on Twentynine Palms Highway, the intersection of Twentynine Palms Highway and Avalon Street, the intersection of Twentynine Palms Hwy and Inca Trail, the intersection of Palomar Avenue and Yucca Trail, and the intersection of Joshua Lane and Yucca Trail, which will include all electrical utility charges, and
- Town and County costs associated with the setting, levying and collection of the special tax, and in the administration of the District including the contract administration.

The estimated costs for the maintenance of the eligible improvements within Annexation Area No. 2 (Improvement Area No. 3) of the District are shown below, including costs for future repairs or replacement of the improvements. The costs shown also include 25% contingencies, contract administration and Town overhead for the administration of the District. The costs shown are applicable to fiscal year 2013-14.

Right-of-Way Maintenance, Operation and Management

The Improvement Area is anticipated to maintain, operate and manage fifty percent (50%) of the public improvements installed within Avalon Street from the intersection of 29 Palms Highway to southern property line of the project, and fifty percent (50%) of the public improvements installed within Palisade Drive along the southern boundary of the project. This includes slurry seals (3-5 year cycle) and pavement overlays (10-15 year cycle), miscellaneous pavement repairs annually, restriping and as-needed curb, gutter and sidewalk repair. The Improvement Area will also operate and maintain 5 traffic signals and 7 street lights.

Total Linear Feet	1,860
Total Area (Square Feet)	39,120
Cost per Square Foot (2013-14 \$'s)	\$0.37
Total Costs (2013-14 \$'s)	\$14,430
Improvement Area EDU's	114.345
Fiscal Year 2013-14 Cost per EDU	\$126.20

Section III - Proposed Boundaries of CFD

The proposed District is generally described as Yucca Valley Retail Specific Plan, as may be amended from time to time, and includes the following Assessor's Parcel Numbers:

<u>Assessor's Parcel Number</u>	<u>Owner</u>	<u>Acreage</u>
601-201-37	Wall-Mart	25.41



**Section IV – Overview of the Proposed CFD**

The area proposed to be annexed to CFD 11-01 as Annexation No. 2 (Improvement Area No. 3) will levy an annual special tax on all of the property in Improvement Area No. 3 unless exempted by law or, the Rate and Method of Assessment (RMA) for the purpose of maintaining, managing and operating the improvements within the Improvement Area. Each year the Town Engineer will develop a budget for the projected costs of providing the authorized services within the Improvement Area for the CFD for the coming year, including the costs of:

- Authorized CFD services, including the pro-rata share of costs for future lump sum expenditures;
- Costs of administering the CFD, including County costs and contract administration; and
- Any amounts needed to cure actual or projected delinquencies in special taxes for the current or previous years.

The Tax Formula shall then be used to allocate the total amount required to provide the authorized services to each taxable parcel based upon the EDU’s assigned based on the Property Classification as shown below

**Equivalent Dwelling Unit Factors**

<b>Property Classification</b>	<b>Improvement Area 1</b>
<b>Developed Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Approved Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Undeveloped Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Exempt Property</b>	N/A

A list of parcels subject to the special tax will be prepared and submitted to the County Assessor for inclusion on the tax roll. The special tax will be collected in the same manner and at the same time as ad valorem property taxes.

The maximum special tax which may be levied upon any taxable parcel is set at a base rate of \$126.20 per EDU. The maximum special tax will escalate at a rate not to exceed 4 percent per year to cover increases in the costs of providing the authorized services. The special tax shall be levied and collected in perpetuity.

**Exhibit A**  
**Community Facilities District No. 11-1 (Services)**  
**Annexation No. 2 (Improvement Area No. 3)**

List of Authorized Services

The maintenance obligations to be funded, in whole, by the levying of an annual special tax upon all taxable parcels within Annexation Area No. 2 (Improvement Area No. 3) of the District shall include all of the following:

1. Maintenance of public streets and alleyways, including pavement, traffic control devices, landscaping and other public improvements installed within the public rights-of-way; and
2. Maintenance of all public pedestrian or bicycle pathways within the public rights-of-way; and
3. Public Lighting and appurtenant facilities, including street lights within public right-of-way and traffic signals located at the entrance driveway on Twentynine Palms Highway, the intersection of Twentynine Palms Highway and Avalon Street, the intersection of Twentynine Palms Hwy and Inca Trail, the intersection of Palomar Avenue and Yucca Trail, and the intersection of Joshua Lane and Yucca Trail, which will include all electrical utility charges; and
4. Town and County costs associated with the setting, levying and collection of the special tax, and in the administration of the District including the contract administration.

In addition, the Special Taxes collected may be set-aside in a designated replacement fund to be used to fund the future replacement or repair of any of the items described above or other improvements funded by CFD No. 11-1, Annexation Area No. 2 (Improvement Area No. 3).

**EXHIBIT B**

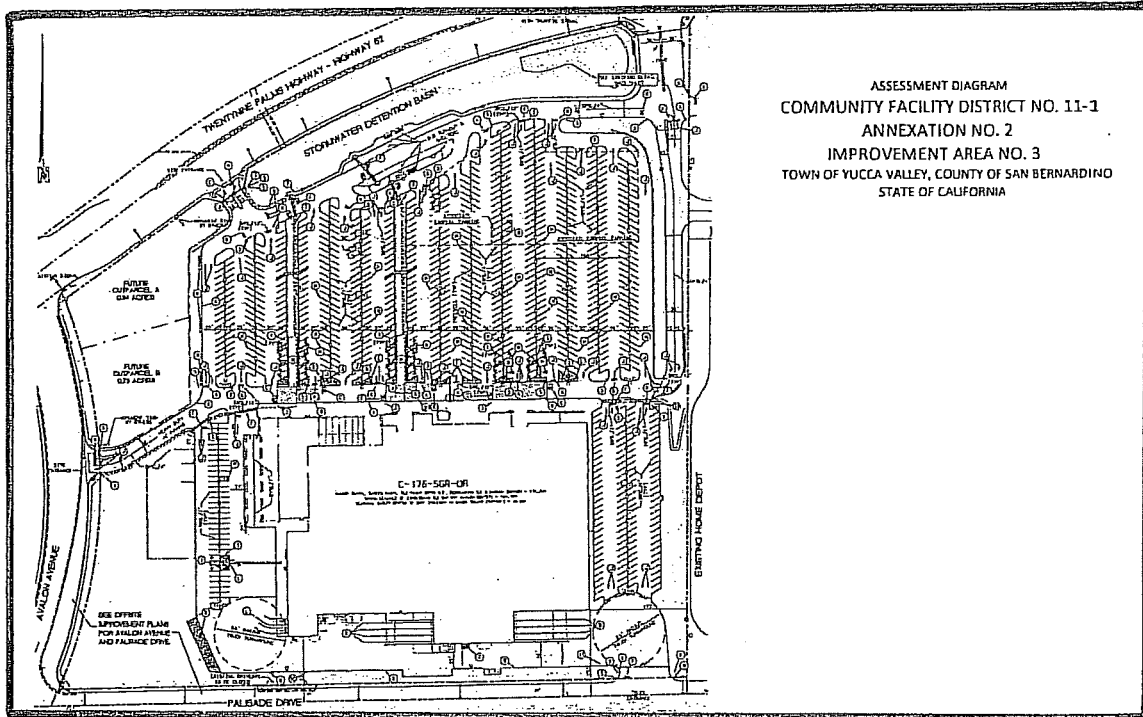
**TOWN OF YUCCA VALLEY  
COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)  
ANNEXATION NO. 2 (IMPROVEMENT AREA NO. 3)**

**RATE AND METHOD OF APPORTIONMENT**

The Rate and Method of Apportionment of Special Tax is shown on the following pages.

Exhibit C  
Community Facilities District No. 11-1 (Services)  
Annexation No. 2 (Improvement Area No. 3)

TOWN OF YUCCA VALLEY  
ANNEXATION AREA NO. 1 (IMPROVEMENT AREA NO. 3)  
Community Facilities District No. 11-1 (Services)



ASSESSMENT DIAGRAM  
COMMUNITY FACILITY DISTRICT NO. 11-1  
ANNEXATION NO. 2  
IMPROVEMENT AREA NO. 3  
TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO  
STATE OF CALIFORNIA

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council
From: Alex Qishta, Project Engineer
Date: September 12, 2012
For Council Meeting: September 18, 2012

Subject: Resolution(s) No. 12-
Ordinance No.
Annexation Area No. 1, Improvement Area No. 2, (Dollar General)
APN 586-121-06 to Community Facilities District No. 11-1 (Services)

Prior Council Review: On June 7, 2011, the Town Council adopted a Resolution approving the goals and policies for the formation of Community Facilities Districts Pursuant to the Mello-Roos Community Facilities Act of 1982. On August 7, 2012, the Town Council approved a Resolution Declaring Its Intention to Annex Territory to Community Facilities District No. 11-1(Improvement Area No. 2) (Services) and Setting a Date and Time for a Public Hearing.

Recommendation: That the Town Council adopts the Resolutions to annex the project into Community Facilities District No. 11-1 (Improvement Area No. 2) and levy a special tax thereon to finance certain services as follows, and introduces the Ordinance.

- 1. A Resolution for the annexation of Annexation Area No. 1, Improvement Area No. 2, to Community Facilities District No. 11-1 (Services), preliminarily establishing an appropriation limit for Improvement Area No. 2, and submitting the levy of the special tax to the qualified electors within the District.
2. A Resolution setting a date for an election on the annexation of Annexation Area No. 1, Improvement Area No. 2, to Community Facilities District No. 11-1 (Services), and setting an appropriation limit.
3. A Resolution declaring results of the special election and directing recording of notice of special tax lien.
4. An Ordinance of the Town Council of the Town of Yucca Valley, California, authorizing the levy of a special tax within Community Facilities District no. 11-1, Annexation No. 1, Improvement Area No. 2 (Dollar General).

Executive Summary: The Town has formed Landscape and Lighting Maintenance Districts and Street and Drainage (Benefit) Assessment Districts, as well as Community Facility Districts (CFDs) as a condition of subdivision development projects to pay the costs of infrastructure maintenance created by new development.

Reviewed By: [Signatures]
Town-Manager, Town Attorney, Mgmt Services, Dept Head

Department Report [X] Ordinance Action P.536 [X] Resolution Action [X] Public Hearing
Consent [ ] Minute Action P.53 [ ] Receive and File [ ] Study Session

The CFD is a more flexible approach that allows the Town to recover 100% of the maintenance costs created by the new infrastructure constructed as part of the development project.

The Town Council previously formed CFD 11-1 (Warren Vista Center) pursuant to the Mello-Roos Community Facilities Act of 1982 to provide funding for the maintenance of public improvements.

**Order of Procedure:** Request Staff Report  
Request Public Comment  
Council Discussion/Questions of Staff  
Motion/Second  
Discussion on Motion  
Call the Question (Roll Call Vote)

**Discussion:** Subdivision development projects are approved subject to conditions of approval that require that projects form/annex to a maintenance district. These districts apply an annual fee or special tax upon properties within the District which provides the revenue to offset the cost of maintenance of the public improvements necessary to serve the development.

The public facilities and services proposed to be financed within the territory to be annexed to the District are the following:

- Maintenance of public streets and alleyways, including pavement, traffic control devices, landscaping and other public improvements installed within the public right-of-way;
- Maintenance of all public pedestrian or bicycle pathways; and
- Public lighting and appurtenant facilities, including street lights and traffic signals;
- Town and County costs associated with the setting, levying and collection of the special tax, and in the administration of the District including the contract administration.

If the Maximum Allowable Annual Fee were levied, the revenue generated would be \$1,823.24 per year. Approximately 60% of this amount is devoted to future replacement costs of the improvements, contract administration, annual report costs and any other cost related to maintenance of the District.

**Alternatives:** No alternatives are recommended.

**Fiscal impact:** The annual revenues generated from the Community Facilities District offset the cost of maintenance of public improvements that serve the development project.

**Attachments:** Resolution(s) No 12-  
Ordinance No.  
Community Facilities District Report

RESOLUTION NO. 12-

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY FOR THE ANNEXATION OF ANNEXATION AREA NO. 1, IMPROVEMENT AREA NO. 2, TO COMMUNITY FACILITIES DISTRICT NO. 11-1 (SERVICES) (DOLLAR GENERAL), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE DISTRICT, AND SUBMITTING THE LEVY OF THE SPECIAL TAX TO THE QUALIFIED ELECTORS OF THE AREA TO BE ANNEXED TO THE DISTRICT**

WHEREAS, on August 7, 2012, the Town Council adopted Resolution No. 12-31, entitled "Resolution of the Town Council of the Town of Yucca Valley Declaring Its Intention to Annex Territory to Community Facilities District No. 11-1 (Services)" (the District) stating its intent to annex Improvement Area No. 2 to the District under the Mello-Roos Act and to levy a special tax on all property within Improvement Area No. 2 for legally-permitted facilities and services, and directed staff to implement the Act's requirements for annexation of territory to said District;

WHEREAS, the Resolution of Intention included a map of the proposed boundaries of Annexation Area No. 1 (Improvement Area No. 2) to the District, stated the services to be financed, and the rate and method of apportionment of the special tax to be levied within Annexation Area No. 1 (Improvement Area No. 2) of the District to pay the costs, is on file with the Town Clerk, and the provisions thereof are incorporated herein by the reference as if fully set forth, and

WHEREAS, on September 18, 2012, the Town Council held a public hearing on the annexation of Annexation Area No. 1 (Improvement Area No. 2) to Community Facilities District No. 11-1 (Services), and accepted written and documentary testimony and evidence relating thereto; and

WHEREAS, the Town Council now wishes to annex the territory and establish Improvement Area No. 2 in the community facilities district as provided herein, and all protests against formation of the proposed district are insufficient to prevent annexation; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Yucca Valley as follows:

SECTION 1. The Town Council hereby affirms the accuracy of the foregoing recitals.

SECTION 2. Pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311, *et seq.*), the Town Council has declared its intent to annex territory to a community facilities district. Pursuant to Section 53321 of the California Government Code, the Town Council hereby determines the following:

- A. The proposed area shall be annexed pursuant to the Mello-Roos Community Facilities Act of 1982 set forth in California Government Code Title 5, Division 2, Part 1, Chapter 2.5;
- B. The Town Council accepts the "Special Tax Report for the Town of Yucca Valley



Community Facilities District No.11-1 (Services), Annexation Area No. 1 (Improvement Area No. 2).

- C. The proposed special tax to be levied within Annexation Area No. 1 (Improvement Area No. 2), CFD No. 11-1 (Services) has not been precluded by majority protest pursuant to Section 53324 of the Act.
- D. The annexation area shall be designated "Town of Yucca Valley Community Facilities District No. 11-1, Annexation Area 1 (Improvement Area No. 2)" is hereby established pursuant to the Act.
- E. The boundaries of Annexation Area No. 1 (Improvement Area No. 2) to the District, as set forth in the map of Annexation Area No. 1 (Improvement Area No. 2), CFD No. 11-1 (Services) shall correspond with the boundaries indicated on the map attached hereto as "Exhibit A" as recorded in the San Bernardino County Recorder's Office in Book 42 and Pages 57 to 58 of Maps of Assessment and Community Facilities Districts.
- F. The name for the proposed area to be annexed to the district is "Community Facilities District No.11-1 (Services), Annexation Area No. 1 (Improvement Area No. 2)";
- G. The public services to be financed by the District shall consist of those items described in the Resolution of Intention and by this reference incorporated herein.
- H. Except where funds are otherwise available, a special tax sufficient to pay for all services, secured by recordation of a continuing lien against all nonexempt real property in Annexation Area No. 1 of the District, will be levied annually within Annexation Area No. 1 (Improvement Area No. 2) of CFD No. 11-1 (Services), and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as the Town Council shall direct. The proposed rate and method of apportionment of the special tax among parcels of real property within the District in sufficient detail to allow each landowner within the proposed District to estimate the probable maximum amount such owner will have to pay, are described in "Exhibit B" attached to the Resolution of Intention and by reference are incorporated herein.
- I. It is hereby found and determined that the Services are necessary to meet the increased demands as the result of development occurring in Annexation Area No. 1 (Improvement Area No. 2) of the District
- J. The Director of Finance or his/her designee shall be responsible for preparing annually a current roll of the special tax levy obligation by assessor's parcel number and which will be responsible for estimating future special tax levies pursuant to Government Code Section 53340.2
- K. Upon recordation of the Notice of Special Tax Lien pursuant to Section 3114.5 of the Street and Highways Code, a continuing lien to secure levy of the special tax shall attach to all nonexempt real property in Annexation Area No. 1 (Improvement Area No. 2) of the District and this lien shall continue in force and effect until the special

tax obligation is prepaid and permanently satisfied and the lien is canceled in accordance with law or until collection of the tax by the Town Council ceases.

- L. Pursuant to the provisions of the Act, the proposition of the levy of the special tax and shall be submitted to the qualified electors of the area to be annexed to the District and an election, the time, place and condition of which shall be as specified by a separate resolution of the Town Council.

APPROVED AND ADOPTED on this 18<sup>th</sup> day of September, 2012.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK

Attachments: Resolution No. 12-31  
Exhibit A – Boundary Map  
Exhibit B - Rate and Method of Apportionment of Special Taxes

RESOLUTION NO.12-31

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY DECLARING ITS INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO.11-1 (SERVICES)

WHEREAS, the Town of Yucca Valley pursuant to Resolution No.11-38 adopted on August 16, 2011, approved the formation of Community Facilities District No. 11-1 (Services) ; and

WHEREAS, the Town requires that a funding mechanism be established for the purpose of funding the long-term maintenance and rehabilitation of asphalt pavement, sidewalk, curbs, and other related facilities related to the approval of Site Plan Review (SPR) 11-01, and

WHEREAS, in order to accomplish the foregoing, the Town desires to annex territory to be known as Annexation Area No. 1 (Improvement Area No. 2) to Community Facilities District No. 11-1 pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311, *et seq.*), and to levy a special tax on all property within the annexed territory for legally-permitted facilities and services;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Yucca Valley as follows:

**SECTION 1.** Pursuant to the Mello-Roos Community Facilities Act of 1982 (Gov't Code § 53311, *et seq.*), the Town Council hereby declares its intent to annex Improvement Area No. 2 to Community Facilities District No. 11-1 (Services). Pursuant to Section 53321 of the California Government Code, the Town Council hereby determines the following:

- A. The improvement area shall be annexed pursuant to the Mello-Roos Community Facilities Act of 1982 set forth in California Government Code Title 5, Division 2, Part 1, Chapter 2.5;
- B. The proposed boundaries of Annexation Area No. 1 (Improvement Area No. 2) shall correspond with the boundaries indicated on the map attached hereto as "Exhibit A" and incorporated herein by reference;
- C. The public facilities and services proposed to be financed by the District within Improvement Area No. 2 are the following:
  - i. Maintenance of public streets and alleyways, including pavement, traffic control devices, landscaping and other public improvements installed within the public right-of-way;
  - ii. Maintenance of all public pedestrian or bicycle pathways; and
  - iii. Public lighting and appurtenant facilities, including street lights and traffic signals.

- D. Except where funds are otherwise available, a special tax sufficient to pay for all facilities and services, secured by recordation of a continuing lien against all nonexempt real property in the District, will be annually levied within Annexation Area No. 1 (Improvement Area No. 2) ("the area"). The rate, method of apportionment, and manner of collection of the special tax are described in Exhibit B to this Resolution.
- E. The annexation area does not currently contain any parcels used for private residential purposes, and the Council hereby declares that no special tax shall be levied within the District against any parcel that may be subsequently used for private residential purposes;

**SECTION 2.** The Town Council hereby fixes September 18, 2012 as the date for a public hearing on this resolution, to commence at 6:00 p.m. at the Town of Yucca Valley Town Council Chambers, located at 57090 29 Palms Highway, Yucca Valley, California.

**SECTION 3.** The Town Manager or his designee is hereby directed to study the need for the formation of the proposed District and, at or before the time of the public hearing on formation of the District, to file a report with the Town Council containing a brief description of the public services which will be required to adequately meet the needs of the Annexation Area No. 1 (Improvement Area No. 2) and an estimate of the cost of providing those services.

**SECTION 4.** At or prior to the public hearing, protests against the formation of the District may be made orally or in writing by interested persons or taxpayers. Written response should be directed to: Janet M. Anderson, Town Clerk, Town of Yucca Valley, CA.

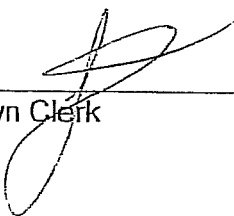
**SECTION 5.** The levy of the special tax to be imposed with the District shall be submitted to the qualified electors of the territory to be included within the District pursuant to Section 53326 of the Government Code.

**SECTION 3.** The Town Council hereby directs the Town Clerk to publish notice of the public hearing on this resolution in the manner required by Section 53322 of the California Government Code; and to provide written notice of said public hearing to all landowners within the proposed District in the manner required by Section 53322.4 of the California Government Code; and to conduct all activities necessary for the election on the levy of special taxes as may be legal and necessary.

APPROVED AND ADOPTED on this 7th day of August, 2012

  
Mayor

ATTEST:

  
\_\_\_\_\_  
Town Clerk

Attachments: Exhibit A – Boundary Map Annexation Area No. 1  
Exhibit B - Rate and Method of Apportionment of Special Taxes for  
Annexation Area No. 1

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

TOWN OF YUCCA VALLEY

I, Janet M. Anderson, Town Clerk of the Town of Yucca Valley, California do hereby certify that Resolution No. 12-31 was duly and regularly adopted by the Town Council of the Town of Yucca Valley, California, at a meeting thereof held on the 7<sup>th</sup> day of August, 2012, by the following vote:

AYES: Council Members Abel, Huntington, Lombardo, and Mayor Rowe

NOES: None

ABSTAIN: None

ABSENT: None

  
\_\_\_\_\_  
TOWN CLERK

# Exhibit A

PROPOSED BOUNDARY MAP

## TOWN OF YUCCA VALLEY

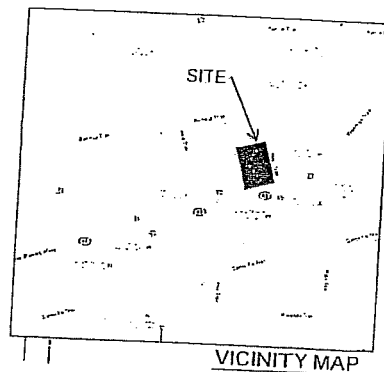
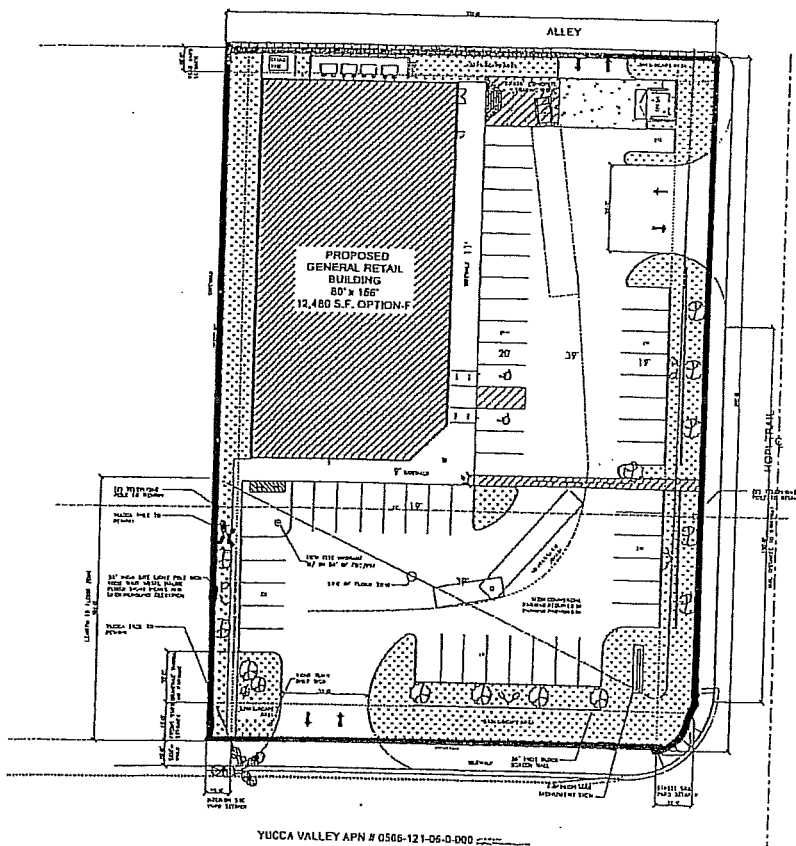
IN THE COUNTY OF SAN BERNARDINO

STATE OF CALIFORNIA

COMMUNITY FACILITIES DISTRICT NO.11-1

ANNEXATION AREA No.1 (IMPROVEMENT AREA NO. 2)

LOT 13 AND 14, A PORTION OF YUCCA VALLEY UNIT NO. 3, OF TRACT NO. 3081, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 42, PAGES 57 TO 58 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.



LEGEND  
INDICATES FACILITIES DISTRICT BOUNDARY

FILED IN THE OFFICE OF THE TOWN CLERK THIS \_\_\_\_\_ DAY  
OF \_\_\_\_\_, 2012.

TOWN CLERK  
TOWN OF YUCCA VALLEY

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2012 AT THE HOUR OF \_\_\_\_\_ O'CLOCK  
BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES  
DISTRICT AT PAGE \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER IN THE  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF  
COMMUNITY FACILITIES DISTRICT 11-1, ANNEXATION AREA NO.1 (IMPROVEMENT  
AREA NO.2) OF THE TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO,  
STATE OF CALIFORNIA WAS APPROVED BY THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY  
AT A REGULAR MEETING THEREOF, HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2012  
BY ITS RESOLUTION NO. \_\_\_\_\_

TOWN CLERK  
TOWN OF YUCCA VALLEY

COUNTY RECORDER  
COUNTY OF SAN BERNARDINO

**EXHIBIT B**  
**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES**  
**TOWN OF YUCCA VALLEY**  
**COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)**  
**Annexation No. 1 (Improvement Area No. 2)**

Special Taxes shall be levied annually on all Assessor's Parcels in Annexation Area No. 1 (Improvement Area No. 2) located within Community Facilities District No. 11-1 (Services) of the Town of Yucca Valley (the "District") commencing in Fiscal Year 2013-14 in an amount determined by the Town through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in Annexation Area No. 1 (Improvement Area No. 2), unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California, as amended.

**"Administrative Expenses"** means the actual or estimated costs incurred by the Town as administrator of the District to determine, levy and collect the Special Taxes, including salaries and benefits of Town employees whose duties are directly related to administration of the District and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports; and any other costs required to administer the District as determined by the Town.

**"Annual Escalation Factor"** means the greater of the increase in the annual percentage change of the All Urban Consumers Consumer Price Index (CPI) or four percent (4%). The annual CPI used shall be for the San Diego Area as determined by the Bureau of Labor Statistics.

**"Approved Property"** means an Assessor's Parcel and/or Lot in the District, which has a Final Map recorded prior to March 1st preceding the Fiscal Year in which the Special Tax is being levied, but for which no building permit has been issued prior to the May 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied. The term "Approved Property" shall apply only to Assessors' Parcels and/or Lots, which have been subdivided for the purpose of residential development, excluding any Assessor's Parcel that is designated as a remainder parcel determined by final documents and/or maps available to the District Administrator, or Non-Residential Property which has an approved Parcel Map.

**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by assessor's parcel number.

**"Authorized Services"** means those services as described in the "Special Tax Report Community Facilities District No. 11-1, Annexation No. 1 (Improvement Area No. 2) Town of Yucca Valley.



**"Base Year"** means Fiscal Year ending June 30, 2014.

**"District Administrator"** means the Town Manager, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"District"** means Community Facilities District No. 11-1 (Services) of the Town of Yucca Valley.

**"Developed Property"** means all Taxable Property for which a building permit has been issued prior to May 1st preceding the Fiscal Year in which the Special Tax is being levied.

**"Dwelling Unit"** means an individual single family unit or an individual residential unit within a duplex, tri-plex, four-plex, condominium or apartment structure.

**"Exempt Property"** means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, and (iii) property designated by the Town's District Administrator as Tax-Exempt Property

**"Final Map"** means an Assessor's Parcel Map, a final subdivision map, other parcel map, other final map, other condominium plan, or functionally equivalent map that has been recorded in the Office of the County Recorder.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Land Use Class"** means any of the classes listed in Table 1.

**"Lot"** means property within a recorded Final Map identified by a lot number for which a building permit has been issued or may be issued.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C below that can be levied within Annexation Area No. 1 (Improvement Area No. 2) in the District in any Fiscal Year on any Assessor's Parcel.

**"Property Owner Association Property"** means any property within the boundaries of the District that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to a property owner association, including any master or sub-association.

**"Proportionately"** means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

**"Public Property"** means any property within the boundaries of the District that is, at the time of the District formation or at the time of an annexation, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State, the County, or any other public agency.

**"Residential Property"** means any parcel on which an individual single family residence or, a duplex, tri-plex, four-plex, condominium or apartment structure may be constructed.

**"Special Tax"** means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for the District to: (i) pay for providing the authorized services including the actual costs of maintenance, repair, monitoring, replacement of facilities, and reporting as required under all applicable permits; (ii) pay reasonable Administrative Expenses; (iii) pay any amounts required to establish or replenish any reserve funds; and (iv) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less any surplus of funds available from the previous Fiscal Year's Special Tax levy.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of the District and any future annexation to Annexation Area No. 1 (Improvement Area No. 2) of the District that is not exempt from the Special Tax pursuant to law or as defined herein.

**"Town"** means the Town of Yucca Valley, California

**"Undeveloped Property"** means, for each Fiscal Year, all Assessors' Parcels of Taxable Property not classified as Developed Property or Approved Property, including an Assessor's Parcel that is designated as a remainder parcel and is not identified as potential Public Property by any final documents and/or maps available to the District Administrator.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year using the definitions above, all Taxable Property within Annexation Area No. 1 (Improvement Area No. 2) of the District shall be classified as Developed Property, Approved Property, Undeveloped Property or Exempt Property. Commencing with the Base Year and for each subsequent Fiscal Year, all Taxable Property shall be subject to Special Taxes pursuant to Sections C and D below.

**C. MAXIMUM SPECIAL TAX RATE**

The Maximum Annual Special Tax rates for Assessor's Parcels are shown in the following tables:

**TABLE 1**  
**Equivalent Dwelling Unit Factors**  
**Community Facilities District No. 11-1**  
**Annexation Area No. 1 (Improvement Area 2)**

<b>Property Classification</b>	<b>Improvement Area 2</b>
<b>Developed Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Approved Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Undeveloped Property</b> Residential Non-Residential	4.5 EDU per acre 4.5 EDU per acre
<b>Exempt Property</b>	N/A

**TABLE 2**  
**Maximum Special Tax for Approved Property**  
**Community Facilities District No. 11-1**  
**Annexation Area No. 1 (Improvement Area 2)**

<b>Property Classification</b>	<b>Maximum annual Special Tax</b>
<b>Developed Property</b> Residential Non-Residential	\$315.79 per EDU \$1,421.08 per acre
<b>Approved Property</b> Residential Non-Residential	\$315.79 per EDU \$1,421.08 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$1,421.08 per acre \$1,421.08 per acre

On each July 1 following the Base Year, the Maximum Special Tax Rates in Table 2 shall be increased in accordance with the Annual Escalation Factor.

**4. Tax-Exempt Property**

No Special Tax shall be levied on Tax-Exempt Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2013-14, and for each subsequent Fiscal Year, the District Administrator shall calculate the Special Tax Requirement based on the definitions in Section A and levy the Special Tax as follows until the amount of the Special Tax levied equals the Special Tax Requirement. First, the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax for Developed Property. Second, if the Special Tax Requirement

has not been satisfied by the first step, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Approved Property up to 100% of the applicable Maximum Special Tax for Approved Property. Third, if the Special Tax Requirement has not been satisfied by the first two steps, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax for Undeveloped Property.

**E. APPEALS**

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the District Administrator appealing the levy of the Special Tax. This notice is required to be filed with the District Administrator during the Fiscal Year the error is believed to have occurred. The District Administrator or designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the District Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

**F. MANNER OF COLLECTION**

Special Tax as levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the District Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the District or as otherwise determined appropriate by the District Administrator. The Special Taxes when levied shall be the lien imposed pursuant to Section 3115.5 of the Streets and Highways Code. This lien shall be a continuing lien and shall secure each levy of Special Taxes. The lien of the Special Taxes shall continue in force and effect until the Special Tax ceases to be levied in the manner provided by Section 53330.5 of the Government Code.

**G. TERM OF SPECIAL TAX**

The Special Tax shall be levied in perpetuity.

**RESOLUTION NO. 12-**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCA VALLEY SETTING A DATE FOR AN ELECTION ON THE ANNEXATION OF ANNEXATION AREA NO. 1 (IMPROVEMENT AREA NO. 2) TO COMMUNITY FACILITIES DISTRICT NO. 11-1 (SERVICES) (DOLLAR GENERAL), SPECIAL TAX LEVY FOR FY 2013/14**

**WHEREAS**, the Town of Yucca Valley established Community Facilities District No. 11-1 (the "District"), on August 16, 2011 pursuant to the Mello-Roos Community Facilities Act of 1982 ("Mello-Roos Act"; Government Code § 53311, *et seq.*); and

**WHEREAS**, the Town Council of the Town of Yucca Valley (the "Town Council") has previously declared its intention and held and conducted proceedings relating to the annexation of territory as a separate improvement area therein pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part I Division 2 Title 5 of the Government Code of the State of California, and specifically Article 3.5 thereof (the "Act"). The existing Community Facilities District has been designated as COMMUNITY FACILITIES DISTRICT NO. 11-1 (SERVICES (the "District")); and

**WHEREAS**, notice of a public hearing relating to the annexation of territory to the existing District, the extent of the territory to be annexed, the furnishing of certain public services, amendments to the rate and method of apportionment of special tax and all other related matters has been given, and a Special Tax Report pertaining to the proposed annexation, as ordered by this Town Council, has been presented and considered; and

**WHEREAS**, the area proposed to be annexed is known and designated as Community Facilities District No.11-1 (services), Annexation No. 1 (Improvement Area No. 2) (the "Annexed Territory"); and

**WHEREAS**, the proposed public services are necessary to meet increased demands placed upon the Town as a result of development and/or rehabilitation occurring in the Annexed Territory; and

**WHEREAS**, it has now been determined that written protests have not been received by 50% or more of the registered voters residing either within the Annexed Territory or the original District and/or property owners representing more than one-half (1/2) or more of the area of land proposed to be annexed to said District or within the original District; and

**WHEREAS** inasmuch as there have been less than twelve (12) persons registered to vote within the Annexed Territory for each of the 90 preceding days, this legislative body desires to submit the levy of the required special tax to the landowners of the Annexed Territory, said landowners being the qualified electors as authorized by law; and

**WHEREAS**, in order to accomplish the Town's desired purpose for the District, the Town must conduct a special election; and

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the Town of Yucca Valley as follows:

**SECTION 1.** Pursuant to Section s 53326.53353.5 and 53325.7 of the Act, propositions of the levy of the special tax on property within Annexation Area No. 1 (Improvement Area No. 2) of the District shall be submitted to the qualified electorate of Annexation Area No. 1 of the District at an election called thereof as provided below.

**SECTION 2.** As authorized by the Section 53353.5 of the Act, the ballot measure, the form of which is attached as "Exhibit "A" and by this reference incorporated herein. Said form of ballot is hereby approved.

**SECTION 3.** The Town Council submits to the qualified voters of the area to be annexed to the District the question of levying a new special tax to finance public facilities and services within Annexation Area No. 1 of the District, as specified in the Resolution of Intent.

**SECTION 4.** The Town Council hereby calls for a special election to consider the measures described in Section 1 above, which election shall be held on September 18, 2012. Pursuant to Section 53327 of the Act, the election shall be conducted by the use of mailed ballots, or hand delivered ballot pursuant of Section 4000 of the California Election Code. All mail ballots shall be returned to the Town Clerk's office (by mail or personal delivery) no later than 4:00 pm on September 14, 2012, or shall be delivered personally to the Town Clerk no later than the close of the special election on such date.

**SECTION 5.** In the event that landowners owning all of the property within Annexation Area No. 1 of the District that is subject to the proposed special tax have waived election requirements and/or designated other entities to cast their votes on their behalf, such votes may be cast (verbally or otherwise) at the election by any person or body so designated, and all votes cast shall be counted by the Town Clerk in determining the final vote.

**SECTION 6.** The Town Clerk is hereby directed to publish in a newspaper of general circulation circulating within the area of CFD No. 11-1, Annexation No. 1, Improvement Area No. 2 (Dollar General) a copy of this Resolution as soon as practicable after the date of adoption of this Resolution.

**SECTION 7.** In the event that two-thirds or more of the votes cast favor the levying of the special tax, the Town Council may, by resolution, levy the special tax.

APPROVED, PASSED AND ADOPTED this 18<sup>th</sup> day of September, 2012.

\_\_\_\_\_  
MAYOR

ATTESTED:

\_\_\_\_\_  
TOWN CLERK

**EXHIBIT A**

**OFFICIAL BALLOT  
SPECIAL TAX ELECTION  
TOWN OF YUCCA VALLEY  
ANNEXATION OF TERRITORY TO  
COMMUNITY FACILITIES DISTRICT NO. 11-1 (SERVICES)  
September 11, 2012**

**Assessor Parcel Number: 0586-121-06**

**Number of votes entitled to cast: 1.283**

**INSTRUCTIONS TO VOTERS:** To vote on the measure, mark an (X) on the line after the word "YES" or after the word "NO." All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

**MEASURE SUBMITTED TO QUALIFIED ELECTORS**

**Ballot Measure:** Shall the Town of Yucca Valley be authorized to levy a special tax at the rates and apportioned as described in Exhibit B to the Resolution Declaring its Intention to Annex Territory to Community Facilities District No. 11-1 (Services) adopted by the City Council on August 7, 2012 (Resolution No.12-31), which is incorporated herein by this reference, within the territory identified on the map entitled "Boundary Map of Annexation Area No. 1 (Improvement Area No. 2) Community Facilities District No. 11-1 (Services), Town of Yucca Valley, County of San Bernardino", to finance certain services as set forth in Exhibit B of the Resolution?

YES \_\_\_\_\_

NO \_\_\_\_\_

**NOTE:** This is a special landowner election. You must return this ballot to the Town Clerk of the Town of Yucca Valley either (i) to the Office of the Town Clerk at Town Hall, 57090 Twentynine Palms Highway, Yucca Valley, CA, by 4:00 p.m. on September 14, 2012 or (ii) thereafter, to the regular meeting place of the Town Council in the Yucca Room of the Community Center, 57090 Twentynine Palms Highway, Yucca Valley, CA on September 18, 2012, by five minutes following the adoption of the resolution calling the election (the Town Council meeting convenes at 6:00 p.m. on September 18, 2012).



**RESOLUTION NO. 12-**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, DECLARING RESULTS OF THE SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN**

**WHEREAS**, on August 7, 2012, the Town Council of the Town of Yucca Valley (the "City") adopted the "Resolution of the Town Council of the Town of Yucca Valley Declaring Its Intent to Annex Territory to Community Facilities District No.11-1 (Services)" (referred to herein as the "Resolution of Intent") stating its intention to annex territory to Community Facilities District No.11-1 and to finance specified public facilities and services, pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311, *et seq.*; the "Mello-Roos Act");

**WHEREAS**, on September 18, 2012, the Town Council of the Town of Yucca Valley held a public hearing on the Resolution of Intent;

**WHEREAS**, on September 18, 2012, after the public hearing, the Town Council adopted a "Resolution of the Town Council of the Town of Yucca Valley for the Annexation of Improvement Area No. 2 to Community Facilities District No. 11-1 (Service) (Resolution No. \_\_\_\_\_; also referred to herein as the "Resolution of Formation"), annexing Annexation Area No. 1 (Improvement Area No. 2) to Community Facilities District No. 11-1 (hereafter, the "District"); and the Town Council also adopted the "Resolution of the Town Council of the Town of Yucca Valley Setting a Date for an Election on the levy of a special tax within Annexation Area No. 1 (Improvement Area No. 2) of Community Facilities District No. 11-1 for September 18, 2012 (Resolution No. \_\_\_\_\_; also referred to herein as the "Resolution Calling for Special Election");

**WHEREAS**, on September 18, 2012, an election on the levy of special taxes on parcels within Annexation Area No. 1 (Improvement Area No. 2) of the District was held;

**WHEREAS**, this Resolution will only take effect if two-thirds of the votes cast in the special election are in favor of the levy, and such results were certified by the Town Council through adoption of the "Resolution of the Town Council of the Town of Yucca Valley Certifying the Results of the Election on the Levy of Special Taxes in Annexation Area No. 1 (Improvement Area No. 2) of Community Facilities District No. 11-1 (Services)" (Resolution No. \_\_\_\_\_), whereby the levying of special taxes was authorized;

**WHEREAS**, pursuant to the Resolution of Intent, the Resolution of Formation, and the provisions of the Mello-Roos Act, the maximum rate of special taxes and the manner of apportionment has been determined, and within 15 days of an election resulting in two-thirds of the votes cast in favor of the levy of a special tax in the District, a Notice of Special Tax Lien will be recorded with the San Bernardino County Recorder's Office; and

**WHEREAS**, pursuant to Government Code Section 53340(a), the Town Council, as legislative body for the District, now wishes to levy the special taxes at the rate, apportionment, and in the manner specified in the above-referenced Resolutions.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Yucca Valley as follows:

SECTION 1. The Town Council hereby affirms the accuracy of the foregoing recitals.

SECTION 2. Pursuant to Government Code Sections 53328, 53340(a), and other provisions and requirements under the Mello-Roos Act, the Town Council hereby levies the special taxes as specified in said Resolutions, and hereby apportions the special taxes in such manner.

SECTION 3. The levy and apportionment of all special taxes hereby shall be consistent with the authorizations provided under the Mello-Roos Act, the Resolution of Intent, and the Resolution of Formation. No levy or apportionment of any special tax not otherwise consistent with said authorities is authorized by this Resolution.

SECTION 4. The Town Council hereby authorizes the Town Manager or his/her designee to implement all necessary steps to cause the special taxes levied hereby to be placed on the San Bernardino County Tax Assessor's secured property tax rolls for the fiscal year commencing July 1, 2013, and continuing each subsequent fiscal year for so long as said special taxes are authorized under the Mello-Roos Act. Furthermore, the Town Council hereby authorizes the Town Manager or his/her designee to cause all such special taxes to be collected, deposited, expended, and otherwise used in a manner consistent with the provisions of the District.

SECTION 5. The Town Council hereby determines that all proceedings for the formation of the District and the levy and apportionment were valid and in conformity with the requirements of the Mello-Roos Community Facilities Act of 1982.

APPROVED AND ADOPTED this 18<sup>th</sup> day of September, 2012.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK

ORDINANCE NO.

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN IMPROVEMENT AREA 2, ANNEXATION NO 1, OF COMMUNITY FACILITIES DISTRICT NO. 11-1 (DOLLAR GENERAL)

WHEREAS, The Town Council of the Town of Yucca Valley has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors authorizing the levy of special taxes within 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 I, Division 2, Title 5 of the Government Code of the State of California (the "Act"). This Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 11-1 (the "District").

NOW, THEREFORE THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY DOES ORDAIN AS FOLLOWS:

**Section 1.** The Town Council does, by passage of this ordinance authorize the levy of special taxes within the District for the 2013-2014 tax year pursuant to the Rate and Method Apportionment of Special Taxes as set forth in Exhibit "A" attached hereto, referenced and so incorporated.

**Section 2.** The Town Council, is further authorized to annually determine, by Resolution, the special taxes to be levied within the District for the then current tax year or future tax years, except that the special tax to be levied within the District shall no exceed the maximum special tax calculated pursuant to the Rate and Method, but the special tax may be levied at a lower rate.

**Section 3.** The special taxes herein authorized, to the extent possible, shall be collected in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale, and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the District may utilize a direct billing procedure for any special taxes that cannot be collected on the County tax roll or my , by resolution, elect to collect the special taxes at a different time or in a different manner if necessary to meet its financial obligations.

**Section 4.** The special taxes shall be secured by the lien imposed pursuant to Sections 3114.5 and 3115.5 of the Streets and Highways Code of the State of California, which lien shall be a continuing lien and shall secure each levy of the special tax. The lien of the special tax shall continue in force an effect until the special tax obligation is permanently satisfied and canceled in accordance with Section 53344 of the Government Code of the State of California or until the

special tax ceases to be levied by the Town Council in the manner provided in Section 53330.5 of said Government Code.

**Section 5. NOTICE OF ADOPTION.** Within fifteen (15) days after the adoption hereof, the Town Clerk shall certify to the adoption of this Ordinance and cause it to be published once in a newspaper of general circulation printed and published in the County and circulated in the Town pursuant to Section 36933 of the Government Code.

**Section 6. EFFECTIVE DATE:** This Ordinance shall be effective thirty (30) days after its adoption.

APPROVED AND ADOPTED by the Town Council and signed by the Mayor and attested by the Town Clerk this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
TOWN CLERK

\_\_\_\_\_  
TOWN ATTORNEY

**TOWN OF YUCCA VALLEY**

**COMMUNITY FACILITIES DISTRICT REPORT**

**COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)  
ANNEXATION NO. 1 (IMPROVEMENT AREA NO. 2)**

**HEARING REPORT**

**July 14, 2012**

*Prepared by*  
**K. Dennis Klingelhofer, P.E**

TOWN OF YUCCA VALLEY

COMMUNITY FACILITIES DISTRICT HEARING REPORT  
COMMUNITY FACILITIES DISTRICT NO. 1 (Services)  
ANNEXATION NO. 1 (IMPROVEMENT AREA NO. 2)

REPORT CONTENTS

Section I	Introduction
Section II	Description of Services and Estimated Costs
Section III	Description of District of CFD
Section III	Overview of the Proposed CFD

Exhibits

Exhibit A	List of Authorized Services – Improvement Area No. 2
Exhibit B.	Rate and Method of Apportionment – Improvement Area No. 2
Exhibit C	CFD Boundary Map – Annexation No. 1

**TOWN OF YUCCA VALLEY  
COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)  
ANNEXATION NO. 1 (IMPROVEMENT AREA NO. 2)**

**Section I – Introduction**

The Town Council of the Town of Yucca Valley has been requested to initiate proceedings to annex territory into Community Facilities District No. 11-1 (Services) (the “District”) to include the property which is contained within SPR 11-01 which is planned to include 12,406 sq. ft. of commercial space on approximately 1.283 acres.

The Town Council adopted a resolution entitled “Resolution of Intention to Annex Territory to Community Facilities District No. 11-1” Resolution No. 12-31 pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), on August 7, 2012 declaring its intention to annex territory located within Annexation Area No. 1 (Improvement Area No. 2) and ordered the preparation of a written Community Facilities District Report (the “Report”) as required by the Act.

This report has been prepared in accordance with Section 53321.5 of the Act and includes among other information:

Section II – Description of Services and Estimated Costs: This section describes the services to be funded within Annexation Area No. 1 (Improvement Area No. 2), the estimated annual costs associated with providing those services and the proposed annual maximum special tax for parcels within the District.

Section III – Description of District of CFD: This section contains the map showing the proposed boundaries of Annexation Area No. 1 (Improvement Area No. 2) within the CFD and those properties and parcels on which special taxes may be levied to pay for the costs and expenses of the services to be funded.

Section III – Overview of the Proposed CFD: This section of the report describes the proposed structure of Annexation Area No. 1 (Improvement Area No. 2) within the CFD and the Rate and Method for the allocation of the special tax within Annexation Area No. 1 (Improvement Area No. 2).

In addition there are three exhibits attached to this report. Exhibit A is the list of authorized services within Improvement Area No. 2 the CFD may fund. Exhibit B is the Rate and Method of Apportionment for Annexation No. 1 (Improvement Area No. 2). Exhibit C is the Boundary Map for Annexation No. 1 (Improvement Area No. 2).

**Section II – Description of Services and Estimate of Costs**

Pursuant to Resolution No. 12-31, the types of public services to be funded, in whole or in part by the District, are generally described as the maintenance, operation and management of the following types of facilities

- Maintenance of public streets and alleyways, including pavement, traffic control devices, landscaping and other public improvements installed within the public right-of-way;
- Maintenance of all public pedestrian or bicycle pathways; and
- Public lighting and appurtenant facilities, including street lights and traffic signals;

- Town and County costs associated with the setting, levying and collection of the special tax, and in the administration of the District including the contract administration.

The estimated costs for the maintenance of the eligible improvements within Annexation Area No. 1 (Improvement Area N0. 2) of the District are shown below, including costs for future repairs or replacement of the improvements. The costs shown also include 25% contingencies, contract administration and Town overhead for the administration of the District. The costs shown are applicable to fiscal year 2013-14.

Right-of-Way Maintenance, Operation and Management

The Improvement Area No. 2 is anticipated to maintain, operate and manage fifty percent (50%) of the public improvements installed within Hopi Trail from the intersection of 29 Palms Highway to northern property line of the project and the public alleyway along the northern boundary of the project.

Approx. Linear Feet	495
Approx. Area (Square Feet)	8,900
Cost per Square Foot (2013-14 \$'s)	\$0.205
Total Costs (2013-14 \$'s)	\$1,823
Improvement Area EDU's	5.7735
Fiscal Year 2013-14 Cost per EDU	\$315.79

**Section III - Proposed Boundaries of CFD**

The proposed District is generally described as SPR 11-01, as may be amended from time to time, and includes the following Assessor's Parcel Numbers:

<u>Assessor's Parcel Number</u>	<u>Owner</u>	<u>Acreage</u>
0586-121-06	Dynamic Real Estate Investments I, LLC	1.283



**Section IV – Overview of the Proposed CFD**

The area proposed to be annexed to CFD No.11-01 as Annexation No. 1 (Improvement Area No. 2) will levy an annual special tax on all of the property in Improvement Area No. 2 unless exempted by law or, the Rate and Method of Assessment (RMA) for the purpose of maintaining, managing and operating the improvements within the Improvement Area. Each year the Town Engineer will develop a budget for the projected costs of providing the authorized services within the Improvement Area for the CFD for the coming year, including the costs of:

- Authorized CFD services, including the pro-rata share of costs for future lump sum expenditures;
- Costs of administering the CFD, including County costs and contract administration; and
- Any amounts needed to cure actual or projected delinquencies in special taxes for the current or previous years.

The Tax Formula shall then be used to allocate the total amount required to provide the authorized services to each taxable parcel based upon the EDU’s assigned based on the Property Classification as shown below

**Equivalent Dwelling Unit Factors**

<b>Property Classification</b>	<b>Improvement Area 1</b>
<b>Developed Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Approved Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Undeveloped Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Exempt Property</b>	N/A

A list of parcels subject to the special tax will be prepared and submitted to the County Assessor for inclusion on the tax roll. The special tax will be collected in the same manner and at the same time as ad valorem property taxes.

The maximum special tax which may be levied upon any taxable parcel is set at a base rate of \$315.79 per EDU. The maximum special tax will escalate at a rate not to exceed 4 percent per year to cover increases in the costs of providing the authorized services. The special tax shall be levied and collected in perpetuity.

**Exhibit A**  
**Community Facilities District No. 11-1 (Services)**  
**Annexation No. 1 (Improvement Area No. 2)**

List of Authorized Services

The maintenance obligations to be funded, in whole, by the levying of an annual special tax upon all taxable parcels within Annexation Area No. 1 (Improvement Area No. 2) of the District shall include all of the following:

1. Maintenance of public streets and alleyways, including pavement, traffic control devices, landscaping and other public improvements installed within the public right-of-way;
2. Maintenance of all public pedestrian or bicycle pathways; and
3. Public lighting and appurtenant facilities, including street lights and traffic signals;
4. Town and County costs associated with the setting, levying and collection of the special tax, and in the administration of the District including the contract administration.

In addition, the Special Taxes collected may be set-aside in a designated replacement fund to be used to fund the future replacement or repair of any of the items described above or other improvements funded by CFD No. 11-1, Annexation Area No. 1 (Improvement Area No. 2).

**EXHIBIT B**

**TOWN OF YUCCA VALLEY  
COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)  
ANNEXATION NO. 1 (IMPROVEMENT AREA NO. 2)**

**RATE AND METHOD OF APPORTIONMENT**

The Rate and Method of Apportionment of Special Tax is shown on the following pages.

**EXHIBIT B**  
**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES**  
**TOWN OF YUCCA VALLEY**  
**COMMUNITY FACILITIES DISTRICT NO. 11-1 (Services)**  
**Annexation No. 1 (Improvement Area No. 2)**

Special Taxes shall be levied annually on all Assessor's Parcels in Annexation Area No. 1 (Improvement Area No. 2) located within Community Facilities District No. 11-1 (Services) of the Town of Yucca Valley (the "District") commencing in Fiscal Year 2013-14 in an amount determined by the Town through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in Annexation Area No. 1 (Improvement Area No. 2), unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California, as amended.

"Administrative Expenses" means the actual or estimated costs incurred by the Town as administrator of the District to determine, levy and collect the Special Taxes, including salaries and benefits of Town employees whose duties are directly related to administration of the District and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports; and any other costs required to administer the District as determined by the Town.

"Annual Escalation Factor" means the greater of the increase in the annual percentage change of the All Urban Consumers Consumer Price Index (CPI) or four percent (4%). The annual CPI used shall be for the San Diego Area as determined by the Bureau of Labor Statistics.

"Approved Property" means an Assessor's Parcel and/or Lot in the District, which has a Final Map recorded prior to March 1st preceding the Fiscal Year in which the Special Tax is being levied, but for which no building permit has been issued prior to the May 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied. The term "Approved Property" shall apply only to Assessors' Parcels and/or Lots, which have been subdivided for the purpose of residential development, excluding any Assessor's Parcel that is designated as a remainder parcel determined by final documents and/or maps available to the District Administrator, or Non-Residential Property which has an approved Parcel Map.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by assessor's parcel number.

"Authorized Services" means those services as described in the "Special Tax Report Community Facilities District No. 11-1, Annexation No. 1 (Improvement Area No. 2) Town of Yucca Valley.

**"Base Year"** means Fiscal Year ending June 30, 2014.

**"District Administrator"** means the Town Manager, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"District"** means Community Facilities District No. 11-1 (Services) of the Town of Yucca Valley.

**"Developed Property"** means all Taxable Property for which a building permit has been issued prior to May 1st preceding the Fiscal Year in which the Special Tax is being levied.

**" Dwelling Unit "** means an individual single family unit or an individual residential unit within a duplex, tri-plex, four-plex, condominium or apartment structure.

**"Exempt Property"** means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, and (iii) property designated by the Town's District Administrator as Tax-Exempt Property

**"Final Map"** means an Assessor's Parcel Map, a final subdivision map, other parcel map, other final map, other condominium plan, or functionally equivalent map that has been recorded in the Office of the County Recorder.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Land Use Class"** means any of the classes listed in Table 1.

**"Lot"** means property within a recorded Final Map identified by a lot number for which a building permit has been issued or may be issued.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C below that can be levied within Annexation Area No. 1 (Improvement Area No. 2) in the District in any Fiscal Year on any Assessor's Parcel.

**"Property Owner Association Property"** means any property within the boundaries of the District that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to a property owner association, including any master or sub-association.

**"Proportionately"** means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

**"Public Property"** means any property within the boundaries of the District that is, at the time of the District formation or at the time of an annexation, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State, the County, or any other public agency.

**"Residential Property"** means any parcel on which an individual single family residence or, a duplex, tri-plex, four-plex, condominium or apartment structure may be constructed.

**"Special Tax"** means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for the District to: (i) pay for providing the authorized services including the actual costs of maintenance, repair, monitoring, replacement of facilities, and reporting as required under all applicable permits; (ii) pay reasonable Administrative Expenses; (iii) pay any amounts required to establish or replenish any reserve funds; and (iv) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less any surplus of funds available from the previous Fiscal Year's Special Tax levy.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of the District and any future annexation to Annexation Area No. 1 (Improvement Area No. 2) of the District that is not exempt from the Special Tax pursuant to law or as defined herein.

**"Town"** means the Town of Yucca Valley, California

**"Undeveloped Property"** means, for each Fiscal Year, all Assessors' Parcels of Taxable Property not classified as Developed Property or Approved Property, including an Assessor's Parcel that is designated as a remainder parcel and is not identified as potential Public Property by any final documents and/or maps available to the District Administrator.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year using the definitions above, all Taxable Property within Annexation Area No. 1 (Improvement Area No. 2) of the District shall be classified as Developed Property, Approved Property, Undeveloped Property or Exempt Property. Commencing with the Base Year and for each subsequent Fiscal Year, all Taxable Property shall be subject to Special Taxes pursuant to Sections C and D below.

**C. MAXIMUM SPECIAL TAX RATE**

The Maximum Annual Special Tax rates for Assessor's Parcels are shown in the following tables:

**TABLE 1**  
**Equivalent Dwelling Unit Factors**  
**Community Facilities District No. 11-1**  
**Annexation Area No. 1 (Improvement Area 2)**

Property Classification	Improvement Area 2
<b>Developed Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Approved Property</b> Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
<b>Undeveloped Property</b> Residential Non-Residential	4.5 EDU per acre 4.5 EDU per acre
<b>Exempt Property</b>	N/A

**TABLE 2**  
**Maximum Special Tax for Approved Property**  
**Community Facilities District No. 11-1**  
**Annexation Area No. 1 (Improvement Area 2)**

Property Classification	Maximum annual Special Tax
<b>Developed Property</b> Residential Non-Residential	\$315.79 per EDU \$1,421.08 per acre
<b>Approved Property</b> Residential Non-Residential	\$315.79 per EDU \$1,421.08 per acre
<b>Undeveloped Property</b> Residential Non-Residential	\$1,421.08 per acre \$1,421.08 per acre

On each July 1 following the Base Year, the Maximum Special Tax Rates in Table 2 shall be increased in accordance with the Annual Escalation Factor.

**4. Tax-Exempt Property**

No Special Tax shall be levied on Tax-Exempt Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2013-14, and for each subsequent Fiscal Year, the District Administrator shall calculate the Special Tax Requirement based on the definitions in Section A and levy the Special Tax as follows until the amount of the Special Tax levied equals the Special Tax Requirement. First, the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax for Developed Property. Second, if the Special Tax Requirement

has not been satisfied by the first step, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Approved Property up to 100% of the applicable Maximum Special Tax for Approved Property. Third, if the Special Tax Requirement has not been satisfied by the first two steps, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax for Undeveloped Property.

**E. APPEALS**

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the District Administrator appealing the levy of the Special Tax. This notice is required to be filed with the District Administrator during the Fiscal Year the error is believed to have occurred. The District Administrator or designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the District Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

**F. MANNER OF COLLECTION**

Special Tax as levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the District Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the District or as otherwise determined appropriate by the District Administrator. The Special Taxes when levied shall be the lien imposed pursuant to Section 3115.5 of the Streets and Highways Code. This lien shall be a continuing lien and shall secure each levy of Special Taxes. The lien of the Special Taxes shall continue in force and effect until the Special Tax ceases to be levied in the manner provided by Section 53330.5 of the Government Code.

**G. TERM OF SPECIAL TAX**

The Special Tax shall be levied in perpetuity.



# Exhibit C

PROPOSED BOUNDARY MAP

## TOWN OF YUCCA VALLEY

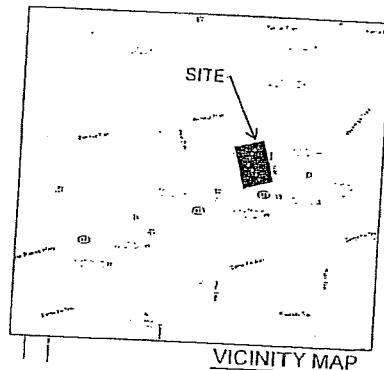
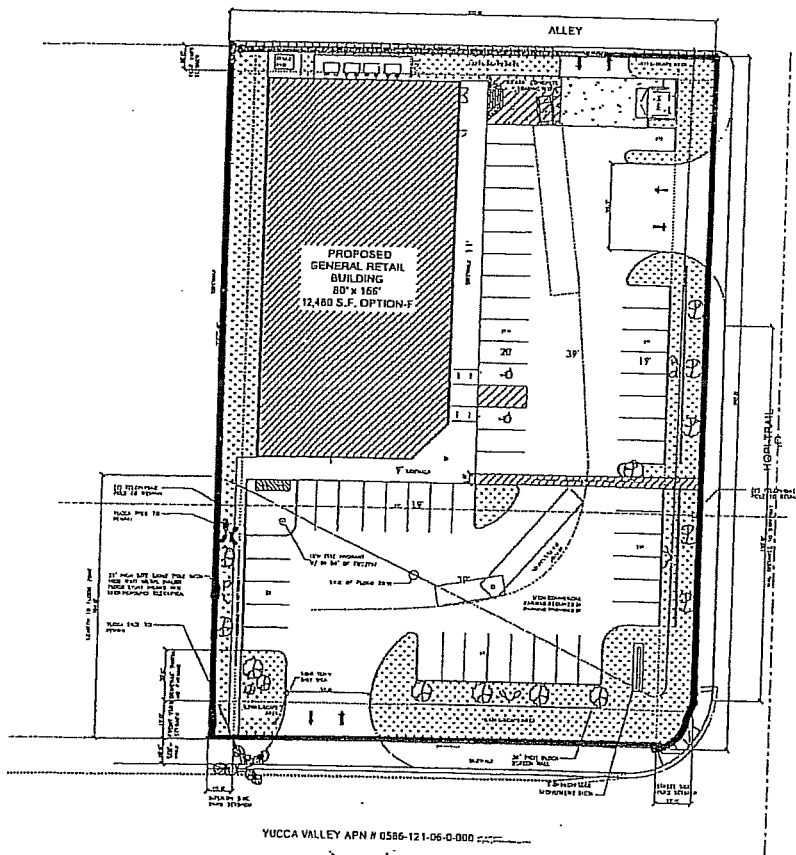
IN THE COUNTY OF SAN BERNARDINO

STATE OF CALIFORNIA

COMMUNITY FACILITIES DISTRICT NO.11-1

ANNEXATION AREA No.1 (IMPROVEMENT AREA NO. 2)

LOT 13 AND 14, A PORTION OF YUCCA VALLEY UNIT NO. 3, OF TRACT NO. 3081, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 42, PAGES 57 TO 58 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.



LEGEND  
INDICATES FACILITIES DISTRICT BOUNDARY

FILED IN THE OFFICE OF THE TOWN CLERK THIS \_\_\_\_\_ DAY  
OF \_\_\_\_\_, 2012.

TOWN CLERK  
TOWN OF YUCCA VALLEY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT 11-1, ANNEXATION AREA NO.1 (IMPROVEMENT AREA NO.2) OF THE TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA WAS APPROVED BY THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY AT A REGULAR MEETING THEREFOR, HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2012 BY ITS RESOLUTION NO. \_\_\_\_\_

TOWN CLERK  
TOWN OF YUCCA VALLEY

HELD THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2012 AT THE HOUR OF \_\_\_\_\_ O'CLOCK  
IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES  
DISTRICT AT PAGE \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER IN THE  
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA

COUNTY RECORDER  
COUNTY OF SAN BERNARDINO

TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council
From: Duane Gasaway, Consulting Project Manager
Date: July 27, 2011
For Council Meeting: August 2, 2011

Subject: Formation of Community Facilities District No. 11-1
Warren Vista Shopping Center; CUP-01-08/Parcel Map 19103
Resolution(s) No.
Ordinance No.

Prior Council Review: On June 7, 2011, the Town Council adopted a Resolution approving the goals and policies for the formation of Community Facilities Districts Pursuant to the Mello-Roos Community Facilities Act of 1982. On June 7, 2011 the Town Council also approved a Resolution declaring the intent to establish Community Facilities District No. 11-1. The formation of a district for the future maintenance landscape, lighting, streets, drainage facilities and other infrastructure is a condition of approval for CUP-01-08 and tentative parcel map 19103.

Recommendation: That the Town Council adopts the Resolutions for Community Facilities District No. 11-1 as follows, and introduces the Ordinance:

- 1. Resolution for the formation of the District, authorizing levy of special tax within the District, preliminarily establishing an appropriation limit for the District, and submitting the levy of the special tax to the qualified electors within the District.
2. Resolution setting a date for election approving the levy of the special tax within the District and setting an appropriation limit.
3. Resolution declaring the results of the election and directing the recording of the notice of special tax lien.
4. An ordinance of the Town Council of the Town of Yucca Valley, California, authorizing the levy of a special tax within community facilities district no. 11-1

Executive Summary: The Town has formed Landscape and Lighting Maintenance Districts and Street and Drainage (Benefit) Assessment Districts as a condition of subdivision development projects to pay the costs of infrastructure maintenance created by new development. The formation of a Community Facilities District (CFD) is an alternative method of creating a district which provides for the future maintenance of public infrastructure.

Reviewed By: [Signatures]
Town-Manager, Town Attorney, Mgmt Services, SRS Dept Head

Department Report, Consent, Ordinance Action, Minute Action, Resolution Action, Receive and File, Public Hearing, Study Session
P. 573

The previous nine (9) districts formed by the Town for maintenance of lighting/landscaping and street/drainage utilized the assessment district approach.

However, the assessment district approach requires that the portion of traffic and storm drainage waters directly attributable to the development project be identified. The nature of CUP-01-08/Parcel Map 19103 is such that traffic and storm drainage waters directly attributable to the project cannot be sufficiently identified to meet the legal requirements of an assessment district.

The CFD is a more flexible approach that allows the Town to recover 100% of the maintenance costs created by the new infrastructure constructed as part of the development project.

**Order of Procedure:** Request Staff Report

Open Public Hearing

Request Public Comment

Close Public Hearing

Council Discussion/ Council Questions of Staff

Motion/Second

Discussion on Motion

Call the Question (Roll Call Vote)

**Discussion:** Subdivision development projects are approved subject to conditions of approval that require the formation of maintenance districts. These districts apply an annual fee upon properties within the District which provides the revenue to offset the cost of maintenance of the public improvements necessary to serve the development.

The public facilities and services proposed to be financed by the District include the following:

1. Maintenance of storm drainage, storm water management, and drainage system facilities;
2. Maintenance of all public pedestrian or bicycle pathways;
3. Maintenance of landscaping, including median landscaping, irrigation and appurtenant facilities;
4. Public lighting and appurtenant facilities, including street lights and traffic signals;
5. Maintenance of public streets, including pavement, traffic control devices, landscaping and other public improvements installed within the public right-of-way;
6. Town and County costs associated with the setting, levying and collection of the special tax, and in the administration of the District including the contract administration.

The CFD is formed pursuant to the provisions of California Government Code Section

53311 et seq., which provides the authority for the levy of a special tax upon property within the District for purposes of maintenance of public improvements. In order to form the District, the Town must adopt a series of five (5) statutorily required Resolutions which are summarized below with an anticipated schedule. The first two Resolutions were adopted by the Town Council at their meeting of June 7, 2011.

The three remaining Resolutions recommended for Town Council consideration are as follows.

- Resolution for the formation of the District, authorizing levy of special tax within the District, preliminarily establishing an appropriation limit for the District, and submitting the levy of the special tax to the qualified electors within the District;
- Resolution setting a date for election approving the levy of the special tax within the District and setting an appropriation limit;
- Resolution declaring the results of the election and directing the recording of the notice of special tax lien.

The maximum annual special tax per parcel for the parcels that comprise TM 19103 and the Warren Vista Shopping Center are listed below:

Parcel 1:	1.74 acres x \$873.81 =	\$1,520.429
Parcel 2:	0.83 acres x \$873.81 =	725.262
Parcel 3:	1.11 acres x \$873.81 =	969.929
Parcel 4:	1.99 acres x \$873.81 =	1,738.881
Parcel 5:	2.13 acres x \$873.81 =	<u>\$1,861.215</u>
		\$6,815.72

If the Maximum Allowable Annual Fee were levied, the revenues would be allocated to areas of maintenance as follow:

\$1,826.00	Maintenance of public streets, including pavement and related improvements within the public right of way.
2,291.00	Maintenance of storm drainage, storm water management, and drainage system facilities.
<u>2,698.00</u>	Maintenance of landscaping, including median landscaping and appurtenant facilities.
\$6,815.00	

**Alternatives:** No alternatives are recommended.

**Fiscal impact:** The Community Facilities District will generate the revenue to offset the cost of maintenance of public improvements to serve the development project.

**Attachments:** Resolution Nos.  
Ordinance No.

RESOLUTION NO. 11-

**A RESOLUTION OF THE TOWN COUNCIL OF THE  
TOWN OF YUCCA VALLEY FOR THE FORMATION OF  
COMMUNITY FACILITIES DISTRICT NO. 11-1,  
AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN  
THE DISTRICT, PRELIMINARILY ESTABLISHING AN  
APPROPRIATION LIMIT FOR THE DISTRICT, AND  
SUBMITTING THE LEVY OF THE SPECIAL TAX TO THE  
QUALIFIED ELECTORS OF THE DISTRICT**

WHEREAS, on June 7, 2011 the Town Council adopted Resolution No. 11-23, entitled "Resolution of the Town Council of the Town of Yucca Valley Declaring Its Intention to Establish Community Facilities District No. 11-1" stating its intent to form a community facilities district under the Mello-Roos Act and to levy a special tax on all property within the district for legally-permitted facilities and services, and directed staff to implement the Act's requirements for formation of said district;

WHEREAS, the Resolution of Intention included a map of the proposed boundaries of the District, stated the services to be financed, and the rate and method of apportionment of the special tax to be levied within the District to pay the costs, is on file with the Town Clerk, and the provisions thereof are incorporated herein by the reference as if fully set forth, and

WHEREAS, on August 2, 2011, the Town Council held a public hearing on the regarding the formation of Community Facilities District No. 11-1, and accepted written and documentary testimony and evidence relating thereto; and

WHEREAS, the Town Council now wishes to establish the community facilities district as provided herein, and all protests against formation of the proposed district are insufficient to prevent formation.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Yucca Valley as follows:

**SECTION 1.** The Town Council hereby affirms the accuracy of the foregoing recitals.

**SECTION 2.** Pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311, *et seq.*), the Town Council has declared its intent to establish a community facilities district. Pursuant to Section 53321 of the California Government Code, the Town Council hereby determines the following:

- A. The proposed district shall be formed pursuant to the Mello-Roos Community Facilities Act of 1982 set forth in California Government Code Title 5, Division 2, Part 1, Chapter 2.5;
- B. The Town Council accepts the "Special Tax Report for the Town of Yucca Valley Community Facilities District No. 11-1".

- C. The proposed special tax to be levied within CFD No. 11-1 has not been precluded by majority protest pursuant to Section 53324 of the Act.
- D. The community facilities district designated "Town of Yucca Valley Community Facilities District No. 11-1" is hereby established pursuant to the Act.
- E. The boundaries of the District, as set forth in the map of CFD No. 11-1 shall correspond with the boundaries indicated on the map attached hereto as "Exhibit A" as recorded in the San Bernardino County Recorder's Office in Book \_\_\_ and Page \_\_\_ of Map of Assessment and Community Facilities Districts.
- F. The name for the proposed district is "Community Facilities District No. 11-1";
- G. The public services to be financed by the District shall consist of those items described in the Resolution of Intention and by this reference incorporated herein.
- H. Except where funds are otherwise available, a special tax sufficient to pay for all services, secured by recordation of a continuing lien against all nonexempt real property in the District, will be levied annually within CFD No. 11-1, and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as the town Council shall direct. The proposed rate and method of apportionment of the special tax among parcels of real property within the District in sufficient detail to allow each landowner within the proposed District to estimate the probable maximum amount such owner will have to pay, are described in Exhibit B attached to the Resolution of Intention and by reference are incorporated herein.
- I. It is hereby found and determined that the Services are necessary to meet the increased demands as the result of development occurring in the District
- J. The Administrative Services Director or his/her designee shall be responsible for preparing annually a current roll of the special tax levy obligation by assessor's parcel number and which will be responsible for estimating future special tax levies pursuant to Government Code Section 53340.2
- K. Upon recordation of the Notice of Special Tax Lien pursuant to Section 3114.5 of the Street and Highways Code, a continuing lien to secure levy of the special tax shall attach to all nonexempt real property in the District and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien is canceled in accordance with law or until collection of the tax by the Town Council ceases.
- L. In accordance with section 53325.7 of the Act, the annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the District is hereby preliminarily established at \$5,000,000 and said appropriation limits shall be submitted to the voters of the District as hereafter approved. The proposition establishing the annual appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in

accordance with the applicable provisions of Section 53325.7 of the Act.

- M. Pursuant to the provisions of the Act, the proposition of the levy of the special tax and the proposition of the establishment of the appropriation limit specified above shall be submitted to the qualified electors of the District and an election, the time, place and condition of which shall be as specified by a separate resolution of the Town Council.

APPROVED AND ADOPTED on this 2<sup>nd</sup> day of August, 2011.

\_\_\_\_\_  
MAYOR

ATTEST:

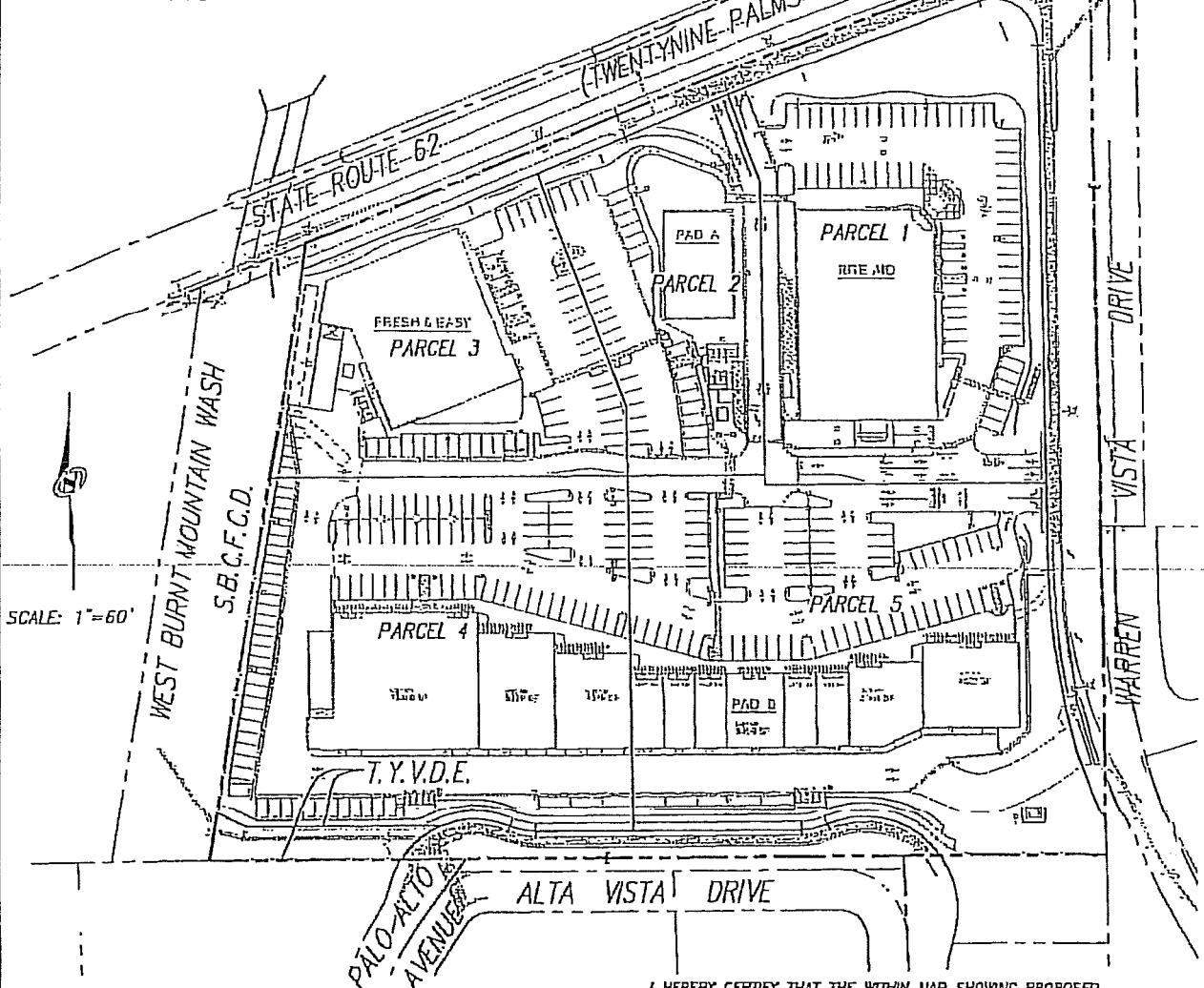
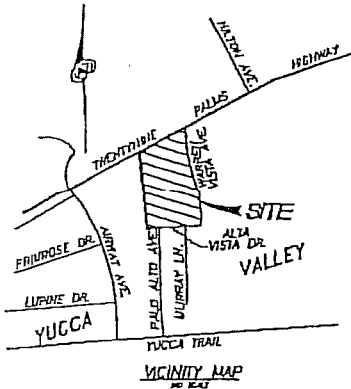
\_\_\_\_\_  
TOWN CLERK



# EXHIBIT A

## PROPOSED BOUNDARY MAP TOWN OF YUCCA VALLEY IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA

COMMUNITY FACILITY DISTRICT NO. 11-1  
PARCEL MAP NO. 19103 RECORDED IN  
BOOK \_\_\_\_\_ PAGES \_\_\_\_\_ OF PARCEL MAPS  
IN THE OFFICE OF THE COUNTY RECORDER



- LEGEND**
- INDICATES FACILITIES DISTRICT BOUNDARY
  - ..... S.B.C.F.C.D. INDICATES SAN BERNARDINO COUNTY FLOOD CONTROL
  - T.Y.V.D.E. INDICATES TOWN OF YUCCA VALLEY DRAINAGE EASEMENT

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 11-1 OF THE TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, WAS APPROVED BY THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY AT A REGULAR MEETING THEREOF, HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_ BY ITS RESOLUTION NO. \_\_\_\_\_.

JANET M. ANDERSON  
TOWN CLERK  
TOWN OF YUCCA VALLEY  
COUNTY OF SAN BERNARDINO

FILED IN THE OFFICE OF THE TOWN CLERK THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_.

JANET M. ANDERSON  
TOWN CLERK  
TOWN OF YUCCA VALLEY  
COUNTY OF SAN BERNARDINO

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_, AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA.

P. 580 COUNTY RECORDER  
F. 04 COUNTY OF SAN BERNARDINO

**FINAL CONDITIONS OF APPROVAL**  
**Conditional Use Permit 01-08, Tentative Parcel Map 19103**

1. This approval is for Conditional Use Permit 01-08 and Tentative Parcel Map 19103, an application to allow the construction of a 75,846 square feet of commercial space on a 8.81 acre site, in two phases. Phase I will include the Rite Aid drug store, the Fresh and Easy grocery store, and the western portion of Building B, containing approximately 53,381 square feet. Phase II will include Building A, the restaurant, and the eastern portion of Building B, containing a total of approximately 22,465 square feet. The property is identified as Assessor Parcel Number 595-271-26.
2. The Applicant/owner shall agree to defend at his sole expense any action brought against the Town, its agents, officers, or employees, because of the issuance of such approval, or in the alternative, to relinquish such approval, in compliance with the Town of Yucca Valley Development Code. The Applicant shall reimburse the Town, its agents, officers, or employees for any court costs, and attorney's fees which the Town, its agents, officers or employees may be required by a court to pay as a result of such action. The Town may, at its sole discretion, participate at its own expense in the defense of any such action but such participation shall not relieve Applicant of his obligations under this condition.
3. This Conditional Use Permit and Tentative Parcel Map shall become null and void if substantially construction has not been completed, or the map has been recorded, respectively, within two (2) years of the Town of Yucca Valley date of approval. Extensions of time may be granted by the Planning Commission and/or Town Council, in conformance with the Town of Yucca Valley Development Code regulations. The Applicant is responsible for the initiation of an extension request.

Approval date: January 6, 2009

Expiration date: January 6, 2011

4. The Applicant/owner shall ascertain and comply with requirements of all State, County, Town and local agencies as are applicable to the project area. These include, but are not limited to, Environmental Health Services, Transportation/Flood Control, Fire Department, Building and Safety, State Fire Marshal, Caltrans, High Desert Water District, Airport Land Use Commission, California Regional Water Quality Control Board, the Federal Emergency Management Agency, MDAQMD-Mojave Desert Air Quality Management District, Community Development, Engineering, and all other Town Departments.

5. All conditions are continuing conditions. Failure of the Applicant to comply with any or all of said conditions at any time shall result in the revocation of the approval on the property.
6. After final plan check by the Town, original mylars (4 mil) shall be submitted to the Town for signature by the Town Engineer. All original mylars submitted for Town Engineer's signature must contain the design engineer's wet signature and stamp and all other required signatures.
7. The Applicant shall pay all fees charged by the Town as required for processing, plan checking, construction and/or electrical inspection. The fee amounts shall be those which are applicable and in effect at the time the work is undertaken and accomplished. Fees for entitlement prior to construction permits are based on estimated costs for similar projects. Additional fees may be incurred, depending upon the specific project. If additional fees for services are incurred, they must be paid prior to any further processing, consideration, or approval(s).
8. The developer shall reimburse the Town for the Town's costs incurred in monitoring the developer's compliance with the Conditions of Approval including, but not limited to, inspections and review of developer's operations and activities for compliance with all applicable dust and noise operations. This condition of approval is supplemental and in addition to normal building permit and public improvement permits that may be required pursuant to the Yucca Valley Municipal Code.
9. All improvements shall be inspected by the Town's Building and Safety Division, as appropriate. Any work completed without proper inspection may be subject to removal and replacement under proper inspection.
10. Site shall be kept clean at all times. Scrap materials shall be consolidated, and a container must be provided to contain trash that can be carried away by wind during construction.
11. At the time of permit issuance the Applicant shall be responsible for the payment of fees associated with electronic file storage of documents.
12. The Applicant shall pay Development Impact Fees in place at the time of issuance of Building Permits prior to pre-final inspection.
13. A plan identifying all protected plants as well as a Joshua Tree Relocation Plan with any area proposed to be disturbed in accordance with the Town's Native Plant Protection Ordinance shall be submitted for approval prior to issuance of grading permits for the project. A minimum 60 day adoption period before land disturbance in accordance with the grading plan may commence.

14. Prior to the delivery of combustible materials, the following items shall be accepted as complete:
- a) The water system is functional from the source of water past the lots on which permits are being requested (i.e. All services are installed, valves are functional and accessible, etc.); and
  - b) Fire hydrants are accepted by the Fire Marshal and the Department of Public Works.



15. In conjunction with the preparation of improvement plans, the Applicant shall cause to be formed or shall not protest the formation of a maintenance district(s) for landscape, lighting, streets, drainage facilities or other infrastructure as required by the Town. The Applicant shall initiate the maintenance and benefit assessment district(s) formation by submitting a landowner petition and consent form (provided by the Town of Yucca Valley) and deposit necessary fees concurrent with application for street and grading plan review and approval and said maintenance and benefit assessment district(s) shall be established concurrent with the approval of the final map in the case of subdivision of land, or prior to issuance of any certificate of occupancy where there is no subdivision of land.

16. The Applicant shall form a public safety assessment district on the properties subject to Town Council adoption of a fiscal impact model.
17. Utility undergrounding shall be required for all new service and distribution lines that provide direct service to the property being developed; existing service and distribution lines that are located within the boundaries being developed that provide direct service to the property being developed; existing service and distribution lines between the street frontage property line and the centerline of the adjacent streets of the property that provide direct service to the property being developed; existing Service and Distribution lines located along or within 10 feet of the lot lines of the property that provide direct service to the property being developed; or existing service and distribution lines being relocated as a result of a project.
18. All Mitigation Measures included in Environmental Assessment 06-08 are incorporated into these conditions by reference.
19. In conjunction with the submittal of building plans, a final landscaping and irrigation plan shall be submitted for review and approval. All landscaping shall be on an automated landscaping irrigation system.
20. Landscaping shall be maintained in perpetuity. Any dead plant(s) shall be replaced within 30 days.

21. All roof mounted equipment shall be screened from view from all surrounding streets and property.
22. Reciprocal access and parking easements shall be recorded on all lots within the Parcel Map.
23. A cart corral shall be provided for the Rite Aid parking area, and two cart corrals shall be provided for the Fresh and Easy parking area.
24. The inside westbound lane at the Warren Vista project access, parallel to the RiteAid drive through lanes, shall be converted to a left turn lane into the southern parking lot, if approved by a qualified traffic engineer.
25. The striping of Warren Vista shall include a left turn pocket for northbound traffic at the project entry.
26. The architecture of the Rite Aid building shall be modified to be consistent with the architecture of the Rite Aid recently completed in the City of Banning - it shall include stone veneer, arches and contrasting trim, and similar features on all four sides of the structure.
27. All signage shall comply with the Towns Sign Code, Ordinance 156.
28. All the perimeter landscaping, all retaining walls, and all parking areas and driveways shall be completed prior to the issuance of the first certificate of occupancy.
29. Any area which remains un-built shall be stabilized with either a chemical stabilization agent or a desert wildflower mix. These areas shall also be blocked from vehicular access by bollards or similar decorative means. Chain link fencing shall not be permitted.
30. All retaining walls shall be constructed of decorative block, or similar aesthetically pleasing material. The lower southern boundary wall may be colored concrete block. The southerly two thirds of the western wall, along the Wash, may be colored concrete and wrought iron fencing.
31. Dedicate, or show there exists, sufficient right of way for the "proposed State Route 62 realignment section" per Town standards. This standard requires 67 feet of dedication from centerline of the highway to the right of way. Dedicate, or show there exists, sufficient right of way for a Major Collector street on Warren Vista Avenue per Town of Yucca Valley standard 103. Dedicate, or

show there exists, sufficient right of way for a Rural Local Road per Town Standards on Alta Vista Drive including required knuckles on the street.

32. Construct curb and gutter and sidewalk 30 feet from centerline on Warren Vista Avenue per Town of Yucca Valley Standard Drawing 103 and 220. Any existing pavement on Warren Vista Avenue shall be removed and replaced to centerline.
33. Construct curb and gutter and sidewalk on State Route 62 per the Town of Yucca Valley "proposed State Route 62 realignment section". Construct a median curb on State Route 62 per Caltrans standards along the project frontage as required by Caltrans in their letter dated February 13, 2008.
34. Construct curb and gutter 20 feet from centerline per Town of Yucca Valley Standard Drawing No. 101 on Alta Vista Drive as well as any improvements required for the knuckles. Any existing pavement on Alta Vista Drive shall be removed and replaced to centerline.
35. Relocate the existing traffic signal at the intersection of State Route 62 and Warren Vista Drive to accommodate the widened highway section.
36. The project proponent shall contribute his/her fair share to improvements at SR62/SR247, prior to the issuance of a Certificate of Occupancy for the first building of the proposed project.
37. The Fresh and Easy pad elevation is approximately eight feet above the adjacent highway elevation. If possible this pad should be lowered two to three feet.
38. A note on the grading plan indicates a 100 foot setback from the Flood Control District east right of way may be required. Prior to submittal of a final grading plan approvals for the site plan from San Bernardino County Flood Control District shall be submitted to the Town.
39. The applicant shall pay their fair share for all improvements related to the West Burnt Mountain wash as approved by future Town Council Policy or by the Town Manager.
40. Extend the existing box culvert where West Burnt Mountain Wash crosses under SR 62 such that the ultimate street section for SR 62 can be accommodated. Extend the existing box culvert where West Burnt Mountain Wash crosses under SR 62 to the ultimate southerly side of sidewalk.
41. Install street lights along the project frontage with SR 62 per Town of Yucca Valley Standard Drawing No. 300.

42. Install street lights at the project entrances on Warren Vista Drive per Town of Yucca Valley Standard Drawing No. 302.
43. The applicant shall pay their fair share for the installation of a traffic sign at Warren Vista and Yucca Trail. The amount shall be determined by a fair share analysis completed by the projects engineer and approved by the Town Engineer.
44. During construction, the Contractor shall be responsible to sweep public paved roads adjacent to the project as necessary and as requested by the Town staff to eliminate any site related dirt and debris within the roadways. During his business activities, the Applicant shall keep the public right-of-way adjacent to his property in a clean and sanitary condition.
45. No staging of construction equipment or parking of worker's vehicles shall be allowed within the public right-of-way.
46. Prior to the issuance of a Grading Permit for the onsite paved areas, a Grading Plan prepared by a recognized professional Civil Engineer shall be submitted, and the corresponding fees shall be paid to the Town prior to any grading activity. The final Grading Plan shall be reviewed and approved by the Engineering Division prior to issuance of grading permits. The applicant/owner is responsible for all fees incurred by the Town. Prior to Certificate of Occupancy, the Engineer-of-Record shall survey and certify that the site grading was completed in substantial conformance with the approved Grading Plans.
47. Prior to the issuance of Permits, the Applicant shall comply with the recommendations of a site-specific Geotechnical and Soils Report which shall be reviewed and subject to Town approval. The report shall include recommendations for any onsite and offsite grading, foundations, compaction, structures, drainage, and existence of fault zones. It shall include recommendations for retention basins, slope stability and erosion control.
48. All recommended approved measures identified in the Soils Report shall be incorporated into the project design.
49. Developer shall comply with NPDES requirements as applicable. The Applicant shall install devices on his property to keep erodible material, rocks, and gravel on the site. To eliminate any site related dirt and debris within the roadways, the Applicant shall be responsible to sweep public paved roads adjacent to the project as necessary and as requested by the Town Staff.
50. The development of the property shall be in conformance with FEMA and the Town's Floodplain Management Ordinance requirements. Adequate provision shall

be made to intercept and conduct the existing tributary drainage flows around or through the site in a manner that will not adversely affect adjacent or downstream properties at the time the site is developed.

51. A retention basin and/or underground storage system shall be constructed and functional prior to the issuance of certificate of occupancy for the any lot within the project. The applicant shall provide on-site retention for the incrementally larger flows caused by development of the site.

A drainage report, prepared by a registered Civil Engineer, shall be prepared to determine the flows exiting the site under current undeveloped conditions compared to the incrementally larger flows due to the development of the site. The retention basin size will be determined, per County of San Bernardino Flood Control methodology such that the post development 100 year peak flow exiting the site shall be 10% less than the current 25 year peak flow from the site.

Basin(s) shall be designed to fully dissipate storm waters within a 72 hour period.

A pre-filtration system shall be installed for all drain lines connected to an underground storage system to collect sediment and hydrocarbon material prior to discharge into the underground system.

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The inlets into the existing San Bernardino County Flood Control District facility to the west of the site shall be submitted to the County for approval.

52. Any grading or drainage onto private off-site or adjacent property shall require a written permission to grade and/or a permission to drain letter from the affected property owner.
53. No on-site or off-site work shall commence without obtaining the appropriate permits for the work involved from the Town. The approved permits shall be readily available on the job-site for inspection by the Town personnel.
54. All grading activities shall minimize dust through compliance with AQMD Rule 403.
55. Prior to issuance of a grading permit, a Fugitive Dust and Erosion Control Plan shall be submitted and approved by the Building Official.
56. A Notice of Intent to comply with Statewide General Construction Stormwater Permit (Water Quality Order 99-08-DWQ as modified December 2, 2002) is required for the proposed development via the California Regional Water Quality Control Board (phone no. 760-346-7491). A copy of the executed letter issuing a Waste Discharge Identification number shall be provided to the Town prior to issuance of a grading permit.



57. Prior to any work being performed in the public right-of-way, fees shall be paid and an encroachment permit shall be obtained from the Town. The Applicant shall apply for an encroachment permit from the Town for utility trenching, utility connection, or any other encroachment onto public right-of-way. The Applicant shall be responsible for the associated costs and arrangements with each public utility.
58. All existing street and property monuments within or abutting this project site shall be preserved consistent with AB 1414. If during construction of onsite or offsite improvements monuments are damaged or destroyed, the Applicant/ Developer shall retain a qualified licensed land surveyor or civil Engineer to reset those monuments per Town Standards and file the necessary information with the County Surveyor's office as required by law (AB 1414).
59. All improvement plans shall be designed by a Registered Civil Engineer.
60. Any and all graffiti shall be removed within twenty-four (24) hours of discovery or notification by the Town.
61. All refuse shall be removed from the premises in conformance with Yucca Valley Town Code 33.083.
62. Handicapped site access improvements shall be in conformance with the requirement of Title 24 of the California Building Code.

#### PRIOR TO ISSUANCE OF A CERTIFICATE OF OCCUPANCY


63. The Applicant shall restore any pavement cuts required for installation or extension of utilities for his project within the public right-of-way. In all cases where cuts are allowed, the Applicant is required to patch the cuts to Town standards and the approval of the Town Engineer. The patching shall include a grinding of the pavement to a width 4 feet beyond the edge of the trench on each side, or as determined by the Town Engineer, and replacement with a full-depth asphalt concrete recommended by the Soils Engineer.
64. Prior to the issuance of a certificate of occupancy street plans prepared by a recognized professional Civil Engineer shall be submitted, and the corresponding fees shall be paid to the Town. The final street plans shall be reviewed and approved by the Engineering Division. The applicant/owner is responsible for all fees incurred by the Town. Prior to Certificate of Occupancy, the Engineer-of-Record shall survey and certify that the site grading was completed in substantial conformance with the approved Grading Plans.

65. Street improvements shall be completed prior to issuance of a certificate of occupancy.
66. The retention basin and/or underground storage system shall be constructed and functional prior to the issuance of certificate of occupancy for the project.
67. The traffic signal at the intersection of SR 62 and Warren Vista Drive shall be relocated prior to the issuance of the first certificate of occupancy.
68. The Applicant shall submit written proof to the Building Official that the Applicant has complied with all conditions of approval or comments, as required, from the High Desert Water District, and Colorado Regional Water Quality Control Board. Applicant shall comply with applicable requirements of NPDES (Non-Point Pollution Discharge Elimination System).
69. The Applicant shall construct the replacement of any identified damaged curb and gutter, sidewalk, drive approach, asphalt concrete pavement, meter boxes, and other infrastructure that may be required by the Town Engineer or another Agency.
70. The Applicant shall install all water and sewer systems required to serve the project. The location of the proposed septic system(s) shall be shown on the project grading plan(s).
71. Prior to the issuance of a Certificate of Occupancy all improvements shall be constructed, final inspection performed, punch-list items completed, and all installations approved by the appropriate agency.
72. All existing street and property monuments within or abutting this project site shall be preserved consistent with AB 1414. If during construction of onsite or offsite improvements monuments are damaged or destroyed, the Applicant/ Developer shall retain a qualified licensed land surveyor or civil Engineer to reset those monuments per Town Standards and file the necessary information with the County Recorder's office as required by law (AB 1414).
73. The Developer and his Contractor(s) shall observe the construction of this project to make certain that no damage or potential for damage occurs to adjacent roadway, existing improvements, adjacent property and other infrastructure. The Developer shall be responsible for the repair of any damage occurring to offsite infrastructure and/or property damage as determined by the Town Engineer. The Developer shall repair any such damage prior to certificate of occupancy. If the damage is such that it is not repairable within a reasonable amount of time as determined by the Town Engineer, the Developer may petition the Town Engineer for additional conditions that may allow him the time, amount of surety and other requirements to repair the damage.

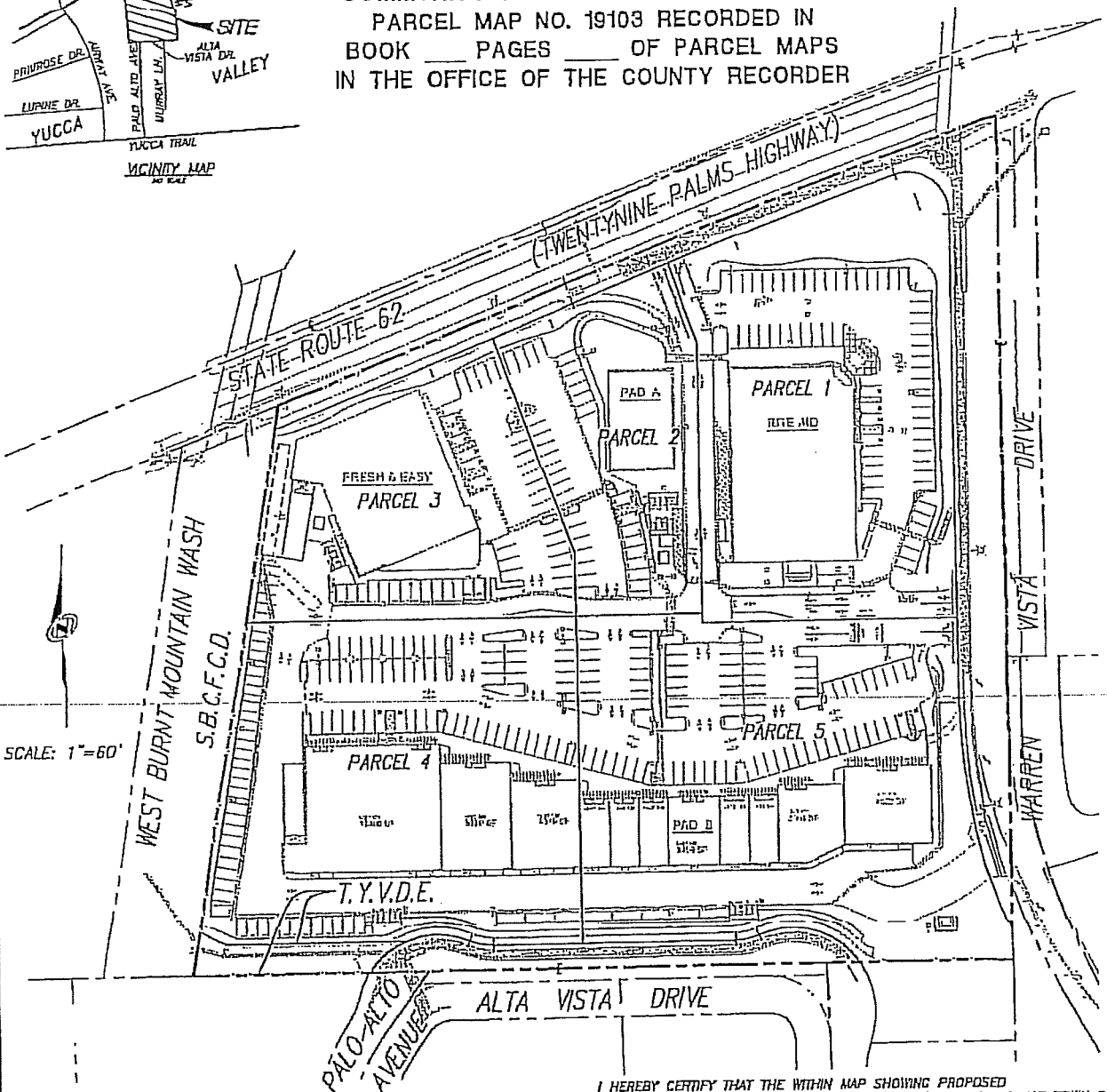
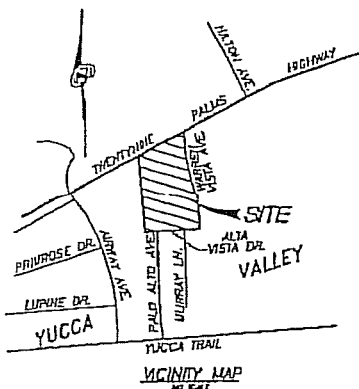
74. The Developer and his Contractor(s) shall be responsible for all improvements that he has constructed within the public right-of-way as required by the conditions of approval. The improvements shall be constructed to the standards and requirements as determined and approved by the Town Engineer. Any improvements not considered to be to the required standards shall be replaced by the Developer. The Developer shall be required to maintain and repair those improvements prior to and after acceptance by the Town Council for the length of time required by the applicable conditions, standards and ordinances.
75. The septic system shall be maintained so as not to create a public nuisance and shall be serviced by a DEHS permitted pumper. Soil testing for the subsurface disposal system shall meet the requirements of the Department of Environmental Health Services. Applicant shall submit a minimum of three (3) copies of percolation reports for the project site and an appropriate fee to DEHS for review and approval, a copy of the cover sheet with an approval stamp to Building and Safety Division at the time of building permit application, and two (2) copies of the approved percolation report to the Building and Safety Division at the time of construction plan check. The location of the septic system shall be shown on the project grading plans.
76. All exterior lighting shall comply with the Outdoor Lighting Ordinance and shall be illustrated on all construction plans.
77. The applicant shall pay in-lieu fees for the project's fair share costs of the Bike Lane within Warren Vista.

I HEREDY CERTIFY THAT THE APPROVED CONDITIONS OF APPROVAL WILL BE SATISFIED PRIOR TO OR AT THE TIMEFRAMES SPECIFIED AS SHOWN ABOVE. I UNDERSTAND THAT FAILURE TO SATISFY ANY ONE OF THESE CONDITIONS WILL PROHIBIT THE ISSUANCE OF ANY PERMIT OR ANY FINAL MAP APPROVAL.

Applicant's Signature  Date 2-10-09

Page 10 of 10  
Applicant's Initials: 

PROPOSED BOUNDARY MAP  
**TOWN OF YUCCA VALLEY**  
 IN THE COUNTY OF SAN BERNARDINO,  
 STATE OF CALIFORNIA  
 COMMUNITY FACILITY DISTRICT NO. 11-1  
 PARCEL MAP NO. 19103 RECORDED IN  
 BOOK \_\_\_\_\_ PAGES \_\_\_\_\_ OF PARCEL MAPS  
 IN THE OFFICE OF THE COUNTY RECORDER



SCALE: 1"=60'

**LEGEND**

- INDICATES FACILITIES DISTRICT BOUNDARY
- S.B.C.F.C.D. INDICATES SAN BERNARDINO COUNTY FLOOD CONTROL
- T.Y.V.D.E. INDICATES TOWN OF YUCCA VALLEY DRAINAGE EASEMENT

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 11-1 OF THE TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, WAS APPROVED BY THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY AT A REGULAR MEETING THEREOF, HELD ON THE \_\_\_\_ DAY OF \_\_\_\_, 20\_\_ BY ITS RESOLUTION NO. \_\_\_\_.

JANET M. ANDERSON  
 TOWN CLERK  
 TOWN OF YUCCA VALLEY  
 COUNTY OF SAN BERNARDINO

FILED IN THE OFFICE OF THE TOWN CLERK THIS \_\_\_\_ DAY OF \_\_\_\_, 20\_\_

JANET M. ANDERSON  
 TOWN CLERK  
 TOWN OF YUCCA VALLEY  
 COUNTY OF SAN BERNARDINO

FILED THIS \_\_\_\_ DAY OF \_\_\_\_, 20\_\_ AT THE HOUR OF \_\_\_\_ O'CLOCK  
 IN BOOK \_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE \_\_\_\_, IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA.

COUNTY RECORDER  
 COUNTY OF SAN BERNARDINO

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

TOWN OF YUCCA VALLEY  
COMMUNITY FACILITIES DISTRICT NO. 1  
(Maintenance Services)

A Special Tax of Community Facilities District No. 1 Maintenance Services of the Town of Yucca Valley (the "District") shall be levied on all Assessor's Parcels in the District and collected each Fiscal Year commencing in Fiscal Year 2011-12 in an amount determined by the Town through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the District, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California, as amended.

"Administrative Expenses" means the actual or estimated costs incurred by the Town as administrator of the District to determine, levy and collect the Special Taxes, including salaries and benefits of Town employees whose duties are directly related to administration of the District and the fees of consultants, legal counsel, the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports; and any other costs required to administer the District as determined by the Town.

"Annual Escalation Factor" means the greater of the increase in the annual percentage change of the All Urban Consumers Consumer Price Index (CPI) or four percent (4%). The annual CPI used shall be for the San Diego Area as determined by the Bureau of Labor Statistics.

"Approved Property" means an Assessor's Parcel and/or Lot in the District, which has a Final Map recorded prior to March 1st preceding the Fiscal Year in which the Special Tax is being levied, but for which no building permit has been issued prior to the May 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied. The term "Approved Property" shall apply only to Assessors' Parcels and/or Lots, which have been subdivided for the purpose of residential development, excluding any Assessor's Parcel that is designated as a remainder parcel determined by final documents and/or maps available to the District Administrator, or Non-Residential Property which has an approved Parcel Map.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by assessor's parcel number.

"Base Year" means Fiscal Year ending June 30, 2012.

**"District Administrator"** means the Town Manager, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"District"** means Community Facilities District No. 1 Maintenance Services of the Town of Yucca Valley.

**"Developed Property"** means all Taxable Property for which a building permit has been issued prior to May 1st preceding the Fiscal Year in which the Special Tax is being levied.

**"Dwelling Unit"** means an individual single family unit or an individual residential unit within a duplex, tri-plex, four-plex, condominium or apartment structure.

**"Exempt Property"** means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, and (iii) property designated by the Town's District Administrator as Tax-Exempt Property

**"Final Map"** means an Assessor's Parcel Map, a final subdivision map, other parcel map, other final map, other condominium plan, or functionally equivalent map that has been recorded in the Office of the County Recorder.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Land Use Class"** means any of the classes listed in Table 1.

**"Lot"** means property within a recorded Final Map identified by a lot number for which a building permit has been issued or may be issued.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C below that can be levied in the District in any Fiscal Year on any Assessor's Parcel.

**"Property Owner Association Property"** means any property within the boundaries of the District that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to a property owner association, including any master or sub-association.

**"Proportionately"** means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

**"Public Property"** means any property within the boundaries of the District that is, at the time of the District formation or at the time of an annexation, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State, the County, or any other public agency.

**"Residential Property"** means any parcel on which an individual single family residence or, a duplex, tri-plex, four-plex, condominium or apartment structure may be constructed.

**"Special Tax"** means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

"Special Tax Requirement" means that amount required in any Fiscal Year for the District to: (i) pay for providing the authorized services including the actual costs of maintenance, repair, monitoring, replacement of facilities, and reporting as required under all applicable permits; (ii) pay reasonable Administrative Expenses; (iii) pay any amounts required to establish or replenish any reserve funds; and (iv) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less any surplus of funds available from the previous Fiscal Year's Special Tax levy.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of the District and any future annexation to the District that is not exempt from the Special Tax pursuant to law or as defined herein.

"Town" means the Town of Yucca Valley, California

"Undeveloped Property" means, for each Fiscal Year, all Assessors' Parcels of Taxable Property not classified as Developed Property or Approved Property, including an Assessor's Parcel that is designated as a remainder parcel and is not identified as potential Public Property by any final documents and/or maps available to the District Administrator.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year using the definitions above, all Taxable Property within the District shall be classified as Developed Property, Approved Property, Undeveloped Property or Exempt Property. Commencing with the Base Year and for each subsequent Fiscal Year, all Taxable Property shall be subject to Special Taxes pursuant to Sections C and D below.

**C. MAXIMUM SPECIAL TAX RATE**

The Maximum Annual Special Tax rates for Assessor's Parcels are shown in the following tables:

**TABLE 1  
Equivalent Dwelling Unit Factors  
Community Facilities District No. 1  
(Improvement Area 1)**

Property Classification	Improvement Area 1
Developed Property Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
Approved Property Residential Non-Residential	1 EDU per dwelling unit 4.5 EDU per acre
Undeveloped Property Residential Non-Residential	4.5 EDU per acre 4.5 EDU per acre
Exempt Property	N/A

**TABLE 2**  
**Maximum Special Tax for Approved Property**  
**Community Facilities District No. 1**  
**(Improvement Area 1)**

Property Classification	Maximum annual Special Tax
Developed Property Residential Non-Residential	\$194.18 per EDU \$873.81 per acre
Approved Property Residential Non-Residential	\$194.18 per EDU \$873.81 per acre
Undeveloped Property Residential Non-Residential	\$194.18 per EDU \$873.81 per acre

On each July 1 following the Base Year, the Maximum Special Tax Rates in Table 1 and Table 2 shall be increased in accordance with the Annual Escalation Factor.

**4. Tax-Exempt Property**

No Special Tax shall be levied on Tax-Exempt Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2011-12, and for each subsequent Fiscal Year, the District Administrator shall calculate the Special Tax Requirement based on the definitions in Section A and levy the Special Tax as follows until the amount of the Special Tax levied equals the Special Tax Requirement. First, the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax. Second, if the Special Tax Requirement has not been satisfied by the first step, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Approved Property up to 100% of the applicable Maximum Special Tax for Approved Property. Third, if the Special Tax Requirement has not been satisfied by the first two steps, then the Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax for Approved Property.

**E. APPEALS**

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the District Administrator appealing the levy of the Special Tax. This notice is required to be filed with the District Administrator during the Fiscal Year the error is believed to have occurred. The District Administrator or designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the District Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.



F. MANNER OF COLLECTION

Special Tax as levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the District Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the District or as otherwise determined appropriate by the District Administrator.

G. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity.

RESOLUTION NO. 11-

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY SETTING A DATE FOR AN ELECTION ON THE COMMUNITY FACILITIES DISTRICT NO. 11-1 SPECIAL TAX LEVY FOR FY 2011/12 AND THE ESTABLISHMENT OF AN APPROPRIATIONS LIMIT FOR TOWN OF YUCCA VALLEY COMMUNITY FACILITIES DISTRICT NO. 11-1**

**WHEREAS**, the Town of Yucca Valley established the Community Facilities District No. 11-1 (the "District"), pursuant to the Mello-Roos Community Facilities Act of 1982 ("Mello-Roos Act"; Government Code § 53311, *et seq.*), by adopting Resolution No. 11-23 "Resolution of the Town Council of the Town of Yucca Valley Establishing Community Facilities District No. 11-1, Authorizing the Levy of a Special Tax Within the District, Preliminarily Establishing an Appropriations Limit for the District, and Submitting Levy of the Special Tax and the Establishment of the Appropriations Limit to the Qualified Electors of the District" (the "Resolution of Formation"), ordering the formation of the Town of Yucca Valley Community Facilities District No. 11-1, (the "District"); and

**WHEREAS**, in order to accomplish the Town's desired purpose for the District, the Town must conduct a special election; and

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the Town of Yucca Valley as follows:

**SECTION 1.** Pursuant to Sections 53326.53353.5 and 53325.7 of the Act, propositions of the levy of the special tax on property within the District, and the establishment of the appropriations limit for the District shall be submitted to the qualified electorate of the District at an election called thereof as provided below.

**SECTION 2.** As authorized by the Section 53353.5 of the Act, the two propositions described in Section 1 above shall be combined into a single ballot measure, the form of which is attached as Exhibit "A" and by this reference incorporated herein. Said form of ballot is hereby approved.

**SECTION 3.** The Town Council submits to the qualified voters of the District the question of levying a new special tax to finance public facilities and services within the District, as specified in the Resolution of Intent.

**SECTION 4.** The Town Council hereby calls for a special election to consider the measures described in Section 1 above, which election shall be held on August 2, 2011. Pursuant to Section 53327 of the Act, the election shall be conducted by the use of mailed ballots, or hand delivered ballot pursuant of Section 4000 of the California Election Code. All mail ballots shall be returned to the Town Clerk's office (by mail or personal delivery) no later than 5:00pm on

August 2, 2011, or shall be delivered personally to the Town Clerk no later than the close of the special election on such date.

**SECTION 5.** In the event that landowners owning all of the property within the District that is subject to the proposed special tax have waived election requirements and/or designated other entities to cast their votes on their behalf, such votes may be cast (verbally or otherwise) at the election by any person or body so designated, and all votes cast shall be counted by the Town Clerk in determining the final vote.

**SECTION 6.** The Town Clerk is hereby directed to publish in a newspaper of general circulation circulating within the area of CFD No. 11-1 a copy of this Resolution as soon as practicable after the date of adoption of this Resolution.

**SECTION 6.** In the event that two-thirds or more of the votes cast favor the levying of the special tax, the Town Council may, by ordinance, levy the special tax.

**APPROVED AND ADOPTED** this 2nd day of August 2011.

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MAYOR

ATTEST:

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TOWN CLERK

# EXHIBIT A

OFFICIAL BALLOT  
SPECIAL TAX ELECTION  
TOWN OF YUCCA VALLEY  
FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 2011-1  
MAINTENANCE SERVICES  
(DATE)

Assessor Parcel Number: \_\_\_\_\_

Number of votes entitled to cast: 7.80

**INSTRUCTIONS TO VOTERS:** To vote on the measure, mark an (X) on the line after the word "YES" or after the word "NO." All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

## MEASURE SUBMITTED TO QUALIFIED ELECTORS

**Ballot Measure:** Shall the Town of Yucca Valley be authorized to levy a special tax at the rates and apportioned as described in Exhibit B to the Resolution Declaring its Intention to Form Community Facilities District No. 2011-1 (Maintenance Services) adopted by the City Council on June 7, 2011 (the "Resolution"), which is incorporated herein by this reference, within the territory identified on the map entitled "Boundary Map of Community Facilities District No. 2011-1 (Maintenance Services), Town of Yucca Valley, County of San Bernardino", to finance certain services as set forth in Exhibit B of the Resolution?

YES \_\_\_\_\_

NO \_\_\_\_\_

**NOTE:** This is a special landowner election. You must return this ballot to the Town Clerk of the Town of Yucca Valley either (i) to the Office of the Town Clerk at Town Hall, 57090 Twentynine Palms Highway, Yucca Valley, CA, by 4:00 p.m. on August 2, 2011 or (ii) thereafter, to the regular meeting place of the Town Council at Yucca Room, Community Center, Yucca 57090 Twentynine Palms Highway, Yucca Valley, CA on August 2, 2011, by five minutes following the adoption of the resolution calling the election (the Town Council meeting convenes at 6:00 p.m. on August 2, 2011).

**RESOLUTION NO. 11-**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, DECLARING RESULTS OF THE SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN**

**WHEREAS**, on June 7, 2011, the Town Council of the Town of Yucca Valley (the "City") adopted the "Resolution of the Town Council of the Town of Yucca Valley Adopting Local Goals and Policies Concerning Districts Formed Pursuant to the Mello-Roos Community Facilities Act of 1982" and the "Resolution of the Town Council of the Town of Yucca Valley Declaring Its Intent to Establish Community Facilities District No. 11-1" (referred to herein as the "Resolution of Intent") stating its intention to establish Community Facilities District No. 11-1 and to finance specified public facilities and services, pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code § 53311, *et seq.*; the "Mello-Roos Act");

**WHEREAS**, on August 2, 2011, the Town Council of the Town of Yucca Valley held a public hearing on the Resolution of Intent;

**WHEREAS**, on \_\_\_\_\_, 2011, after the public hearing, the Town Council adopted the "Resolution of the Town Council of the Town of Yucca Valley Establishing Community Facilities District No. 11-2" (Resolution No. \_\_\_\_\_; also referred to herein as the "Resolution of Formation"), forming "Community Facilities District No. 11-1" (hereafter, the "District"); and the Town Council also adopted the "Resolution of the Town Council of the Town of Yucca Valley Setting a Date for an Election on Community Facilities District No. 11-1 for August 2, 2011 (Resolution No. \_\_\_\_\_; also referred to herein as the "Resolution Calling for Special Election");

**WHEREAS**, on August 2, 2011, an election on the levy of special taxes on parcels within the District was held;

**WHEREAS**, this Resolution will only take effect if two-thirds of the votes cast in the special election are in favor of the levy, and such results were certified by the Town Council through adoption of the "Resolution of the Town Council of the Town of Yucca Valley Certifying the Results of the Election on the Levy of Special Taxes in Community Facilities District No. 11-1" (Resolution No. \_\_\_\_\_), whereby the levying of special taxes was authorized;

**WHEREAS**, pursuant to the Resolution of Intent, the Resolution of Formation, and the provisions of the Mello-Roos Act, the maximum rate of special taxes and the manner of apportionment has been determined, and within 15 days of an election resulting in two-thirds of the votes cast in favor of the levy of a special tax in the District, a Notice of Special Tax Lien will be recorded with the San Bernardino County Recorder's Office; and

**WHEREAS**, pursuant to Government Code Section 53340(a), the Town Council, as legislative body for the District, now wishes to levy the special taxes at the rate, apportionment, and in the manner specified in the above-referenced Resolutions.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Yucca Valley as follows:

**SECTION 1.** The Town Council hereby affirms the accuracy of the foregoing recitals.

**SECTION 2.** Pursuant to Government Code Sections 53328, 53340(a), and other provisions and requirements under the Mello-Roos Act, the Town Council hereby levies the special taxes as specified in said Resolutions, and hereby apportions the special taxes in such manner.

**SECTION 3.** The levy and apportionment of all special taxes hereby shall be consistent with the authorizations provided under the Mello-Roos Act, the Resolution of Intent, and the Resolution of Formation. No levy or apportionment of any special tax not otherwise consistent with said authorities is authorized by this Ordinance.

**SECTION 4.** The Town Council hereby authorizes the Town Manager or his/her designee to implement all necessary steps to cause the special taxes levied hereby to be placed on the San Bernardino County Tax Assessor's secured property tax rolls for the fiscal year commencing July 1, 2011, and continuing each subsequent fiscal year for so long as said special taxes are authorized under the Mello-Roos Act. Furthermore, the Town Council hereby authorizes the Town Manager or his/her designee to cause all such special taxes to be collected, deposited, expended, and otherwise used in a manner consistent with the provisions of the District.

**SECTION 5.** The Town Council hereby determines that all proceedings for the formation of the District and the levy and apportionment were valid and in conformity with the requirements of the Mello-Roos Community Facilities Act of 1982.

APPROVED AND ADOPTED this 2<sup>nd</sup> day of August, 2011.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK

ORDINANCE NO.

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF  
YUCCA VALLEY, CALIFORNIA, AUTHORIZING THE LEVY OF A  
SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO.  
11-1

WHEREAS, The Town Council of the Town of Yucca Valley has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors authorizing the levy of special taxes within 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 I, Division 2, Title 5 of the Government Code of the State of California (the "Act"). This Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 11-1 (the "District").

NOW, THEREFORE THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY DOES ORDAIN AS FOLLOWS:

Section 1. The Town Council does, by passage of this ordinance authorize the levy of special taxes within the District for the 2012-2013 tax year pursuant to the Rate and Method Apportionment of Special Taxes as set forth in Exhibit "A" attached hereto, referenced and so incorporated.

Section 2. The Town Council, is further authorized to annually determine, by Resolution, the special taxes to be levied within the District for the then current tax year or future tax years, except that the special tax to be levied within the District shall no exceed the maximum special tax calculated pursuant to the Rate and Method, but the special tax may be levied at a lower rate.

Section 3. The special taxes herein authorized, to the extent possible, shall be collected in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale, and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the District may utilize a direct billing procedure for any special taxes that cannot be collected on the County tax roll or my , by resolution, elect to collect the special taxes at a different time or in a different manner if necessary to meet its financial obligations.

Section 4. The special taxes shall be secured by the lien imposed pursuant to Sections 3114.5 and 3115.5 of the Streets and Highways Code of the State of California, which lien shall be a continuing lien and shall secure each levy of the special tax. The lien of the special tax shall continue in force an effect until the special tax obligation is permanently satisfied and canceled in accordance with Section 53344 of the Government Code of the State of California or until the special tax ceases to be levied by the Town Council in the manner provided in Section 53330.5 of said Government Code.

Section 5. NOTICE OF ADOPTION. Within fifteen (15) days after the adoption hereof, the Town Clerk shall certify to the adoption of this Ordinance and cause it to be published once in a newspaper of general circulation printed and published in the County and circulated in the Town pursuant to Section 36933 of the Government Code.

Section 6. EFFECTIVE DATE: This Ordinance shall be effective thirty (30) days after its adoption.

APPROVED AND ADOPTED by the Town Council and signed by the Mayor and attested by the Town Clerk this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
TOWN CLERK

\_\_\_\_\_  
TOWN ATTORNEY




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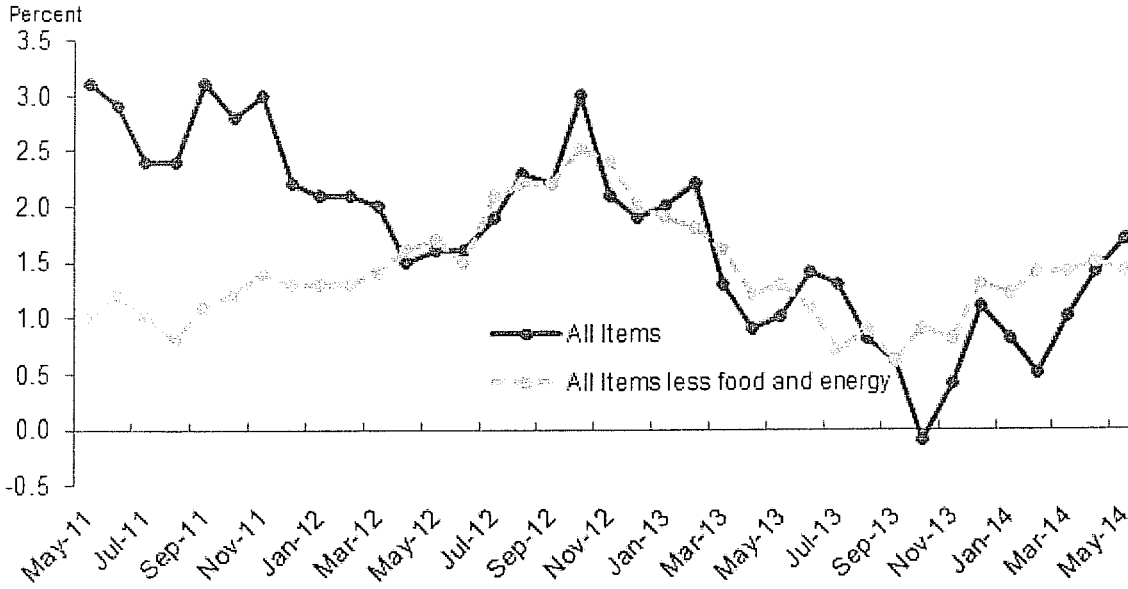
## Consumer Price Index, Los Angeles area – May 2014

### Area prices were up 0.4 percent over the past month, up 1.7 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 0.4 percent in May, the U.S. Bureau of Labor Statistics reported today. (See table A.) Regional Commissioner Richard J. Holden noted that the May increase was influenced by higher prices for electricity and to a lesser extent natural gas service. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 1.7 percent. (See chart 1.) Energy prices increased 3.2 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy rose 1.4 percent since May 2013.

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, May 2011–May 2014



Source: U.S. Bureau of Labor Statistics.

**Food**

Food prices rose 0.3 percent for the month of May. (See table 1.) Prices for food at home and prices for food away from home both advanced 0.3 percent for the month.

Over the year, food prices increased 2.5 percent. Prices for food away from home rose 2.6 percent, and prices for food at home advanced 2.3 percent since a year ago.

**Energy**

The energy index moved up 4.7 percent over the month. The increase was mainly due to higher prices for electricity (20.9 percent). Prices for natural gas service jumped 11.5 percent, but prices for gasoline declined 1.0 percent in May.

Energy prices increased 3.2 percent over the year, largely due to higher prices for gasoline (3.3 percent). Prices paid for natural gas service jumped 12.5 percent, but prices for electricity decreased 0.6 percent during the past year.

**All items less food and energy**

The index for all items less food and energy inched down 0.1 percent in May. Lower prices for apparel (-3.1 percent), other goods and services (-0.7 percent), and recreation (-0.4 percent) were partially offset by higher prices for medical care (0.7 percent), household furnishings and operations (0.2 percent), and shelter (0.1 percent).

Over the year, the index for all items less food and energy rose 1.4 percent. Components contributing to the increase included shelter (1.9 percent) and medical care (1.9 percent). Partly offsetting the increases was a price decline in household furnishings and operations (-1.2 percent).

Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2009		2010		2011		2012		2013		2014	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
January	0.5	-0.1	0.4	1.8	0.9	1.8	0.8	2.1	0.8	2.0	0.5	0.8
February	0.3	0.0	0.0	1.4	0.5	2.3	0.5	2.1	0.7	2.2	0.5	0.5
March	0.0	-1.0	0.4	1.9	1.1	3.0	1.0	2.0	0.1	1.3	0.6	1.0

<b>April</b>	0.1	-1.3	0.2	1.9	0.5	3.3	0.0	1.5	-0.4	0.9	0.0	1.4
<b>May</b>	0.4	-1.8	0.2	1.8	0.0	3.1	0.1	1.6	0.1	1.0	0.4	1.7
<b>June</b>	0.6	-2.2	-0.2	0.9	-0.4	2.9	-0.4	1.6	-0.1	1.4		
<b>July</b>	0.0	-2.6	0.1	0.9	-0.4	2.4	-0.1	1.9	-0.1	1.3		
<b>August</b>	0.2	-1.7	0.2	0.8	0.2	2.4	0.6	2.3	0.1	0.8		
<b>September</b>	0.3	-1.0	-0.1	0.4	0.5	3.1	0.4	2.2	0.2	0.6		
<b>October</b>	0.0	-0.4	0.3	0.7	0.0	2.8	0.8	3.0	0.1	-0.1		
<b>November</b>	-0.4	0.9	-0.4	0.7	-0.1	3.0	-1.0	2.1	-0.5	0.4		
<b>December</b>	-0.3	1.8	0.3	1.3	-0.5	2.2	-0.7	1.9	0.0	1.1		

## CPI-W

In May, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 236.647, up 0.4 percent from April. The CPI-W increased 1.8 percent over the year.

**The June 2014 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on July 22, 2014, at 10:00 a.m. (PDT).**

## Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 88 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the *BLS Handbook of Methods, Chapter 17, The Consumer Price Index*, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

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3766

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**TOWN COUNCIL STAFF REPORT**

**To:** Honorable Mayor & Town Council  
**From:** Lesley Copeland, Town Clerk  
**Date:** June 12, 2014  
**For Council** June 23, 2014  
**Meeting:**

**Subject:** Budget Amendment  
Recall Petition Summary

**Prior Council Review:** None.

**Recommendation:** That the Town Council amends the FY 2013-14 Budget and adopts the resolution, appropriating \$56,000 from the Undesignated Reserves for recall petition expenditures.

- Order of Procedure:**
- Request Staff Report
  - Request Public Comment
  - Council Discussion/Questions of Staff
  - Motion/Second
  - Discussion on Motion
  - Call the Question (Roll Call Vote)

**Discussion:** In April 2013, a petition to recall two councilmembers who were elected in November 2012 was initiated by a citizens group. The signatures that were submitted to the county were determined to be insufficient to hold a recall election.

The process, however, did create expenditures to the town in legal costs, direct expenses for signature verification from the San Bernardino County Registrar of Voters and other staff costs. Expenditures for the process are identified on the attached Exhibit A totaling \$56,000.

This was an unbudgeted expenditure and therefore \$56,000 from the undesignated reserves is required to cover the expenditures of the recall process.

**Alternatives:** Staff recommends no alternative action.

**Fiscal impact:** The Undesignated reserves balance is over \$4.3 million at the end of FY 13-14 and is anticipated to be \$4.8 million at the end of the current fiscal year.

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Reviewed By:  Town Manager                                       Town Attorney       Mgmt Services       Dept Head

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Department Report      \_\_\_ Ordinance Action       Resolution Action      \_\_\_ Public Hearing  
\_\_\_ Consent                      \_\_\_ Minute Action                      \_\_\_ Receive and File                      \_\_\_ Study Session

**Attachments:** Budget Resolution  
Exhibit A- Recall Election Cost Accounting Summary  
Registrar of Voters Correspondence

**RESOLUTION NO. 14-**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY,  
CALIFORNIA, AMENDING THE FY 2013-14 BUDGET**

WHEREAS, the Town adopts an annual operating and special revenue budget;  
and

WHEREAS, from time to time it is necessary to amend the budget based upon  
changing circumstances which materially affect the projected revenues, expenditures or  
transfers of the Town; and

WHEREAS, programs and projects are expanded or contracted as funding  
become available or as the needs of such programs or projects differ materially from  
that originally encompassed by the adopted budget plan.

NOW THEREFORE THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY  
RESOLVES AS FOLLOWS.

**Section 1.** Amend the Fiscal Year 2013-14 General Fund budget by appropriating  
\$56,000 of General Fund – Undesignated Reserves to the General Fund  
Town Clerk election line item 001 10 12 7860 – Election Expenses.

APPROVED AND ADOPTED THIS 23rd day of June, 2014.

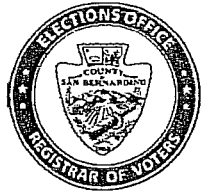
\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK

Town of Yucca Valley  
 Recall Petition Cost Summary  
 as of 6/10/14

Transaction Details	Direct Costs				Staff	Total Costs
	County	Legal	Copies	Travel		
<b>Expenditures</b>						
Town Clerk				76	3,471	3,547
Aleshire & Wynder LLP		32,263				32,263
Petition Copies			80			80
SB County-Registrar of Voters	20,120					20,120
<b>Total Expenditures</b>	<u>20,120</u>	<u>32,263</u>	<u>80</u>	<u>76</u>	<u>3,471</u>	<u>56,010</u>



County of San Bernardino  
Community Services Group

## Elections Office of the Registrar of Voters

777 East Rialto Avenue  
San Bernardino, CA 92415  
Phone (909) 387-8300  
Fax (909) 387-2022  
www.sbcountyelections.com

Michael J. Scarpello  
Registrar of Voters

November 14, 2013

Lesley Copeland  
Town Clerk of Yucca Valley  
57090 29 Palms Highway  
Yucca Valley, CA 92284

**RE: Petition to Recall George Huntington, Town of Yucca Valley Council Member, and Petition to Recall George Huntington, Town of Yucca Valley Council Member**

Dear Lesley Copeland,

On Wednesday, October 9, 2013, the San Bernardino County Elections Office reported on the validity of the signatures examined for the Petition to Recall George Huntington, Town of Yucca Valley Council Member and the Petition to Recall Robert Lombardo, Town of Yucca Valley Council Member. At that time, the Elections Office reported the following:

- Petition to Recall George Huntington:
  - Number of sections verified – 112
  - Number of signatures verified – 2,722
  - Number of signatures found valid – 2,264
  - Number of signatures found invalid – 458
- Petition to Recall Robert Lombardo:
  - Number of sections verified – 110
  - Number of signatures verified – 2,720
  - Number of signatures found valid – 2,272
  - Number of signatures found invalid – 448

After the examination was completed, the proponent for these petitions requested to review 100% of the invalid signatures contained in both petitions. Pursuant to Government Code §6253.5, the Elections Office conducted and completed the review process, and report the following amended results:

- Petition to Recall George Huntington:
  - Number of sections verified – 112
  - Number of signatures verified – 2,722
  - Number of signatures found valid – 2,294
  - Number of signatures found invalid – 428
- Petition to Recall Robert Lombardo:
  - Number of sections verified – 110
  - Number of signatures verified – 2,720
  - Number of signatures found valid – 2,310
  - Number of signatures found invalid – 410

Enclosed is the billing invoice for services provided by the Elections Office. The cost for the petition examination is \$12,269.73 and the cost for the petition review is \$7,850.39.

Please remit a total payment of \$20,120.12 to the San Bernardino County Elections Office, 777 E. Rialto Ave., San Bernardino, CA 92415.

If you have any questions, please contact me at

Sincerely,



Michael Scarpello  
Registrar of Voters