

AGENDA

TEHACHAPI CITY COUNCIL REGULAR MEETING, TEHACHAPI REDEVELOPMENT AGENCY REGULAR MEETING, TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING

**Beekay Theatre
110 South Green Street
Monday, December 5, 2011 - 6:00 P.M.**

Persons desiring disability-related accommodations should contact the City Clerk no later than ten days prior to the need for the accommodation. A copy of any writing that is a public record relating to an open session of this meeting is available at City Hall, 115 South Robinson Street, Tehachapi, California.

CALL TO ORDER

ROLL CALL

INVOCATION

Participation in the invocation is strictly voluntary. Each City Councilmember, city employee, and each person in attendance may participate or not participate as he or she chooses.

PLEDGE TO FLAG

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT

All items listed with an asterisk (*) are considered to be routine and non-controversial by city staff. Consent items will be considered first and may be approved by one motion if no member of the council or audience wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the consent agenda and will be considered in listed sequence with an opportunity for any member of the public to address the city council concerning the item before action is taken. Staff recommendations are shown in caps. Please turn all cellular phones off during the meeting.

AUDIENCE ORAL AND WRITTEN COMMUNICATIONS

The City Council welcomes public comments on any items within the subject matter jurisdiction of the Council. We respectfully request that this public forum be utilized in a positive and constructive manner. Persons addressing the Council should first state their name and area of residence, the matter of City business to be discussed, and the organization or persons represented, if any. To ensure accuracy in the minutes, please fill out a speaker's card at the podium. Comments directed to an item on the agenda should be made at the time the item is called for discussion by the Mayor. Questions on non-agenda items directed to the Council or staff should be first submitted to the City Clerk in written form no later than 12:00 p.m. on the Wednesday preceding the Council meeting; otherwise response to the question may be carried over to the next City Council meeting. No action can be taken by the Council on matters not listed on the agenda except in certain specified circumstances. The Council reserves the right to limit the speaking time of individual speakers and the time allotted for public presentations.

**TEHACHAPI CITY COUNCIL REGULAR MEETING,
TEHACHAPI REDEVELOPMENT AGENCY REGULAR MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING
MONDAY, DECEMBER 5, 2011 - 6:00 P.M. - PG. 2**

1. General public comments regarding matters not listed as an agenda item.

CITY CLERK REPORTS

Tehachapi City Council Unassigned Res. No. 35-11
Tehachapi City Council Unassigned Ord. No. 11-03-709
Tehachapi Redevelopment Agency Unassigned Res. No. 11-05
Tehachapi Public Financing Authority Unassigned Res. No. 11-01

- *2. **ALL ORDINANCES SCHEDULED FOR INTRODUCTION OR ADOPTION AT THIS MEETING SHALL BE READ BY TITLE ONLY**
- *3. Minutes for the Tehachapi City Council, Tehachapi Redevelopment Agency, Tehachapi Public Financing Authority, and the Tehachapi City Financing Corporation regular meeting on November 21, 2011 - **APPROVE AND FILE**

FINANCE DIRECTOR REPORTS

- *4. Disbursements, bills, and claims for November 17, 2011 through November 29, 2011 – **AUTHORIZE PAYMENTS**
- *5. California Government Code Section 53646(a) requires council members to review and approve the Investment Policy each year – **ADOPT RESOLUTION ADOPTING AN INVESTMENT POLICY AND REPEALING RESOLUTION NO. 04-11**

AIRPORT MANAGER REPORTS

- *6. Consideration of a Tehachapi Municipal Airport Ground Lease Agreement for Equipment Trailer Storage with ICON Aircraft, Inc. - **APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE MONTH TO MONTH GROUND LEASE AGREEMENT BETWEEN THE CITY OF TEHACHAPI AND ICON AIRCRAFT, INC**
- *7. Consideration of a Tehachapi Municipal Airport Hangar Lease Agreement (50W) for Production/Manufacturing Equipment storage with ICON Aircraft, Inc. - **APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE MONTH TO MONTH HANGAR LEASE AGREEMENT BETWEEN THE CITY OF TEHACHAPI AND ICON AIRCRAFT, INC.**

GENERAL SERVICES MANAGER REPORTS

8. On April 13, 2011, the Council approved the Strategic Brand Platform and authorized Staff to begin the creative development process with a small creative team made up of local leaders. Since that time, this team has worked with Northstar Destination Strategies to create a comprehensive brand program to help our community attract new visitors, businesses and to increase our overall quality of life. - **PRESENTATION**

CITY MANAGER REPORTS

- *9. Report to Council regarding current activities and programs – **VERBAL REPORT**

**TEHACHAPI CITY COUNCIL REGULAR MEETING,
TEHACHAPI REDEVELOPMENT AGENCY REGULAR MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING
MONDAY, DECEMBER 5, 2011 - 6:00 P.M. - PG. 3**

COUNCILMEMBER ANNOUNCEMENTS OR REPORTS

On their own initiative, a Councilmember may ask a question for clarification, make a brief announcement, provide a reference to staff or other resources for factual information, take action to have staff place a matter of business on a future agenda, request staff to report back at a subsequent meeting concerning any matter, or make a brief report on his or her own activities. (Per Gov't. Code §54954.2(a))

CLOSED SESSION

1. Approval of closed session minutes of November 21, 2011.

ADJOURNMENT

MINUTES

TEHACHAPI CITY COUNCIL REGULAR MEETING, TEHACHAPI REDEVELOPMENT AGENCY REGULAR MEETING, TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING

BeeKay Theatre
110 South Green Street
Monday, November 21, 2011 – 6:00 P.M.

NOTE: Sm, Ve, Gr, Wi and Ni are abbreviations for Council Members Smith, Vernon, Grimes, Wiggins and Nixon, respectively. For example, Gr/Sm denotes Council Member Grimes made the motion and Council Member Smith seconded it. The abbreviation Ab means absent, Abd abstained, Ns noes, and NAT no action taken.

ACTION TAKEN

CALL TO ORDER

Meeting called to order by Mayor Grimes at 6:00 p.m.

ROLL CALL

Roll call by City Clerk Denise Jones.

Present: Mayor Grimes, Mayor Pro-Tem Smith, Councilmembers
Vernon, Wiggins & Nixon

Absent: None

PLEDGE TO THE FLAG

Led by Director of General Services Chris Kirk

CONSENT AGENDA

Approved consent agenda.

Approved Consent Agenda
Ve/Sm Ayes All

AUDIENCE ORAL COMMUNICATIONS

1. Mayor Grimes presented a certificate of recognition to the Tehachapi Youth Football Team.
2. General public comments regarding matters not listed as an agenda item were received from:
 - a. William Nelson, city resident, spoke regarding Tehachapi Valley Health Care District's new hospital project.
 - b. Charles White, Tehachapi Heritage League, spoke regarding an award they received for the Kawaiisu Project at the 26th Annual Governor's Historic Preservation Society Award event.

- c. Mary Lou Vachon, Main Street, thanked city for recognizing youth of Tehachapi, and gave update on Main Street activities.
- d. Craig Britton, city resident, asked about Christmas tree at Depot.
- e. Ken Hetge, city business owner, asked for cost-saving break down for City by going to a four-day work week and commented about additional stop signs in the downtown area.
- f. Michelle Vance, community resident, spoke in favor of new stop sign at Curry Street and F Street.
- g. Debbie Szydowski, city business owner, commented on stopping at stop signs.

CITY CLERK REPORTS

- *3. **ALL ORDINANCES SCHEDULED FOR INTRODUCTION OR ADOPTION AT THIS MEETING SHALL BE READ BY TITLE ONLY.**
- *4. Minutes for the Tehachapi City Council, Tehachapi Redevelopment Agency, Tehachapi Public Financing Authority, and the Tehachapi City Financing Corporation regular meeting on November 7, 2011 - **APPROVED AND FILED.**

All Ord. Read By Title Only
 Ve/Sm Ayes All

Approved & Filed
 Ve/Sm Ayes All

FINANCE DIRECTOR REPORTS

- *5. Disbursements, bills, and claims for November 7, 2011 through November 15, 2011 –**AUTHORIZED PAYMENTS.**
- *6. City of Tehachapi Treasurer’s Report through October 2011 – **RECEIVED REPORT.**

Authorized Payments
 Ve/Sm Ayes All

Received Report
 Ve/Sm Ayes All

UTILITY MANAGER REPORTS

- 7. The Utility Department has budgeted \$70,000 in the 2011/2012 budget for the purchase of a new service truck for use in the City’s maintenance and operations activities. Staff has solicited quotations for the purchase of this vehicle – **UTILITY MANAGER JON CURRY GAVE REPORT; COUNCILMEMBER SMITH ASKED WHAT THE DELIVERY TIME IS FROM KEIFFE AND SONS FORD AND COMMENTED ON COST OF BUYING USED VEHICLES; COUNCILMEMBER WIGGINS ASKED IF CITY HAS A VEHICLE LIKE THIS ALREADY AND ABOUT LIFESPAN OF NEW TRUCK; KEN HETGE, BUSINESS OWNER, SUGGESTED BUYING A USED VEHICLE; WILLIAM NELSON ASKED ABOUT VEHICLE’S FUEL SOURCE; COUNCILMEMBER VERNON ASKED IF CITY LOOKED AT ANY USED VEHICLES AND ABOUT WARRANTY ON NEW TRUCK; APPROVED PURCHASE OF NEW SERVICE VEHICLE FROM HADDAD DODGE IN THE AMOUNT OF \$65,693.84.**

Approved Purchase Of New Service Vehicle From Haddad Dodge In The Amount Of \$65,693.84
 Wi/Sm Ayes All

CAPITAL PROJECTS REPORTS

8. The creation of a bicycle master plan will allow the City to apply for grant funding through the Bicycle Transportation Account (BTA). Staff believes that to have effective documents for both the County and the City, it is appropriate to conduct a master plan at the same time, and with the same firm, as the County – **CAPITAL PROJECTS MANAGER CHRIS KIRK GAVE REPORT; CRAIG BRITTON, ASKED HOW MUCH OF THE MONEY WILL THE CITY RECOVER THROUGH GRANT MONEY; WILLIAM NELSON, CITY RESIDENT MADE COMMENTS REGARDING ALTERNATIVE TRANSPORTATION; SOCORRO SCHMIDT, CITY RESIDENT, COMMENTED ON CITY ENCOURAGING OUR YOUTH REGARDING PHYSICAL EDUCATION; CHARLES WHITE, CITY RESIDENT, SPOKE ABOUT THE IMPORTANCE OF THIS PLANNING DOCUMENT; COUNCILMEMBER VERNON COMMENTED ON CITY'S SUCCESS ON OBTAINING GRANT MONEY; COUNCILMEMBER WIGGINS COMMENTED ON GRANT WRITING PROCESS; COUNCILMEMBER NIXON APPLAUDED CITY FOR GETTING GRANTS AND FOR COMMUNITY INVOLVEMENT IN PLANNING; AUTHORIZED THE CITY MANAGER TO NEGOTIATE AND SIGN AN AGREEMENT UP TO \$25,000 BETWEEN ALTA PLANNING AND DESIGN AND THE CITY OF TEHACHAPI, TO BE DRAFTED AND APPROVED BY THE CITY ATTORNEY.**

Authorized The City Manager To Negotiate & Sign An Agreement Up To \$25,000 Between Alta Planning & Design & C.O.T., To Be Drafted & Approved By The City Attorney
Ve/Ni Ayes All

CITY MANAGER REPORTS

9. The Tehachapi Valley Recreation and Parks District (TVRPD) has been considering the development of a master plan for park and program development. The TVRPD Board approved the development of a Master Plan by MIG utilizing a combination of County and City funds – **CITY MANAGER GREG GARRETT GAVE REPORT; WILLIAM NELSON, CITY RESIDENT, COMMENTED ON SCOPE OF DEVELOPING A MASTER PLAN; CRAIG BRITTON, CITY RESIDENT, ASKED FOR CLARIFICATION OF RELATIONSHIP BETWEEN CITY AND TVRPD; COUNCILMEMBER VERNON ASKED HOW MUCH MONEY IS IN FUND; AUTHORIZED THE CONTRIBUTION OF CITY PARK MITIGATION FUNDS TO THE DEVELOPMENT OF A TVRPD MASTER PLAN, IN AN AMOUNT NOT TO EXCEED \$35,000.00.**

Authorized The Contribution Of City Park Mitigation Funds To The Development Of A TVRPD Master Plan, In An Amount Not To Exceed \$35,000.00
Ve/Wi Ayes All

10. Report to Council regarding current activities and programs – **VERBAL REPORT.**

Gave Report

COUNCIL MEMBER ANNOUNCEMENTS OR REPORTS

1. Councilmember Nixon invited everyone to the Depot to see the train display.
2. Councilmember Smith reported on the KernCOG meeting he attended last week.
3. Councilmember Wiggins wished everyone a happy and blessed Thanksgiving.
4. Councilmember Grimes let everyone know about the upcoming Christmas parade, Christmas tree lighting ceremony and Tehachapi High School Warrior football game.

CLOSED SESSION

1. Approval of closed session minutes of November 7, 2011.
2. Conference with legal counsel regarding City of Tehachapi v. Bond Safeguard per Government Code Section 54956.9(a).
3. Conference with legal counsel regarding claim filed by Colleen Machynia per Government Code Section 54956.9(b).
4. Conference with legal counsel regarding claim filed by Moose Lodge per Government Code Section 54956.9(b)

Approved Minutes
Wi/Ni Ayes All

Rejected Claim
Ve/Wi Ayes All

Rejected Claim
Ni/Ve Ayes All

ADJOURNMENT

The City Council/Boards adjourned at 7:50 p.m. to a Tehachapi City Council, Tehachapi Redevelopment Agency, Tehachapi Public Financing Authority and Tehachapi City Financing Corporation Regular Meeting to be held on Monday, December 5, 2011, at 6:00 p.m.

DENISE JONES
City Clerk, City of Tehachapi

ACTION TAKEN

Approved this 5th day
Of December, 2011.

ED GRIMES
Mayor, City of Tehachapi

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<u>Invoice No</u>	<u>Description</u>	<u>Reference</u>	<u>Invoice Date</u>	<u>Check Amount</u>
Check No: 0 139024	Check Date: ? GG/Contract 10-04-11 to 10-03-12	Vendor: 0017	American Business Machines 11/14/2011	1,430.45
			Check Total:	1,430.45
Check No: 0 B110498 B110645 1 B110363 1 B110966 B110499 B110521 B110645 2 B110363 2 B110624 B110085	Check Date: ? Wtr/samples/Dennison Wellq Wtr/samples/Mojave Well/Oakwood/Tang Wtr/samples/Curry Well/Resv#1 &2 Wtr/samples/Curry Resv Wtr/samples/Curry Resv Wtr/samples/Curry Resv Wtr/samples/Mojave Well/Oakwood/Tang Wtr/samples/Curry Well/Resv#1 &2 Swr/samples/WWTP headworks Swr/samples/WWTP headworks	Vendor: 0035	BC Laboratories, Inc. 11/02/2011 11/09/2011 11/09/2011 11/15/2011 11/02/2011 11/08/2011 11/09/2011 11/09/2011 11/08/2011 10/31/2011	15.00 50.00 75.00 15.00 15.00 15.00 24.00 24.00 210.00 210.00
			Check Total:	653.00
Check No: 0 0062564 0062566 0062565 0062438	Check Date: ? CD/testing/Teh Medical Clinic CD/testing/Teh Village CD/testing/SCE expansion Swr/soil sampling/Teh reclamation ar	Vendor: 0061	BSK Associates 10/31/2011 10/31/2011 10/31/2011 10/31/2011	70.00 150.00 242.00 2,068.00
			Check Total:	2,530.00
Check No: 0 RMA-2012-0167 DIC Premium-Earthquake Ins RMA-2012-0167 DIC Premium-Earthquake Ins RMA-2012-0167 DIC Premium-Earthquake Ins RMA-2012-0167 DIC Premium-Earthquake Ins	Check Date: ?	Vendor: 0101	Central San Joaquin Valley RMA 11/18/2011 11/18/2011 11/18/2011 11/18/2011	16,250.08 880.60 880.60 2,467.72
			Check Total:	20,479.00
Check No: 0 797690078346 795391603030 863052347776	Check Date: ? GG/postage CD/postage PD/postage	Vendor: 0155	FedEx 11/02/2011 11/14/2011 10/26/2011	24.39 24.28 25.02
			Check Total:	73.69
Check No: 0 2578	Check Date: ? Parking Citation Revenue/Oct. 2011	Vendor: 0216	Judicial Data Systems Corporat 11/18/2011	100.00
			Check Total:	100.00
Check No: 0 102011	Check Date: ? Parking Citation Revenue Oct. 2011	Vendor: 0223	Kern County Auditors Office 10/31/2011	44.00
			Check Total:	44.00
Check No: 0 132194	Check Date: ? GG/pwr outlt	Vendor: 0430	Tehachapi Lumber Company 11/28/2011	12.86
			Check Total:	12.86
Check No: 0 122011	Check Date: ? Senior Nutrition Program/Dec. 2011	Vendor: 0445	Tehachapi Senior Center, Inc. 12/01/2011	100.00
			Check Total:	100.00
Check No: 0 493444	Check Date: ? Wtr/chart pens	Vendor: 0450	USA Bluebook 09/20/2011	33.24
			Check Total:	33.24
Check No: 0 119747-0	Check Date: ? GG/wrbnd book/calendar/calculator	Vendor: 0476	WITTS Everything for the Offic 11/17/2011	104.91

<u>Invoice No</u>	<u>Description</u>	<u>Reference</u>	<u>Invoice Date</u>	<u>Check Amount</u>
119705-0	GG/bndrs		11/15/2011	74.05
119704-0 2	PD/file disk		11/15/2011	42.13
119704-0 1	PD/trach bags		11/15/2011	62.18
			Check Total:	283.27
Check No: 0	Check Date: ?	Vendor: 0503	Coastline Equipment	
48096	Wtr/wheel		10/05/2011	300.18
			Check Total:	300.18
Check No: 0	Check Date: ?	Vendor: 0620	Mountain Gardens Nursery	
32789	GG/Annual Christmas tree		11/17/2011	260.60
			Check Total:	260.60
Check No: 0	Check Date: ?	Vendor: 1055	Mercury Graphics	
4077	PD/banner		11/14/2011	134.06
4078	PD/vinyl cut & applied/Ford Explorer		11/15/2011	815.10
			Check Total:	949.16
Check No: 0	Check Date: ?	Vendor: 1286	M&M's Sports Uniforms & Embroi	
25006	GG/name plates		11/22/2011	55.77
24947	GG/set up fee/design/Teh Ca logo		11/16/2011	393.09
			Check Total:	448.86
Check No: 0	Check Date: ?	Vendor: 1442	FLEX ONE AFLAC	
027581ER	GG/admin fees		12/01/2011	50.00
			Check Total:	50.00
Check No: 0	Check Date: ?	Vendor: 1801	HD Supply Waterworks, LTD	
3808249	Wtr/hyd 3'0" b/acc set/12" hyd ext		11/08/2011	8,853.04
4012785	Wtr/4x5.5 quantumcplg epoxy		11/08/2011	265.49
3613128	Wtr/1-1/2" fnstx2" mnpt		11/08/2011	211.74
3981522	Wtr/upr stm/cplg bid/safety stem cpl		11/10/2011	167.85
			Check Total:	9,498.12
Check No: 0	Check Date: ?	Vendor: 1866	Bear Valley CSD	
122011	PD/dispaatch service Dec. 2011		12/01/2011	33,697.09
			Check Total:	33,697.09
Check No: 0	Check Date: ?	Vendor: 2592	SWRCB Fees	
WD-0067252	Swr/annual permit fee		11/08/2011	1,521.00
WD-0065443	Swr/annual permit fee		11/08/2011	18,087.00
			Check Total:	19,608.00
Check No: 0	Check Date: ?	Vendor: 2874	Department of Justice, Account	
879918	PD/fingerprint apps/index ck		11/03/2011	257.00
			Check Total:	257.00
Check No: 0	Check Date: ?	Vendor: 2892	Mountain Maintenance Group, In	
4260 1	GG/cleaning/115 S Robinson		11/22/2011	240.00
4256 1	GG/cleaning/115 S Robinson		11/15/2011	240.00
4260 2	GG/carpet cleaning/115 S Robinson		11/22/2011	100.00
4256 2	PD/cleaning/129 E F st		11/15/2011	300.00
4260 3	PD/cleaning/129 E F st		11/22/2011	300.00
4258	Depot/cleaing/101 W Teh blv		11/15/2011	500.00
4262	Depot/cleaning/101 W Teh blv		11/22/2011	250.00
4261	A/cleaning/314 N Hayes		11/22/2011	50.00
4257	A/cleaning/314 N Hayes		11/15/2011	50.00
			Check Total:	2,030.00

<u>Invoice No</u>	<u>Description</u>	<u>Reference</u>	<u>Invoice Date</u>	<u>Check Amount</u>
Check No: 0 93938	Check Date: ? GG/monthly fee/hosting & support	Vendor: 2914	CivicPlus 01/01/2012	546.25
			Check Total:	546.25
Check No: 0 0013239	Check Date: ? Clrk/sales-plant shredding	Vendor: 3165	Barc Mobile Shredding 11/18/2011	300.00
			Check Total:	300.00
Check No: 0 1170 1151	Check Date: ? Wtr/custom development work Wtr/custom development/programming	Vendor: 3167	SEMS Technologies, LLC 11/02/2011 10/05/2011	150.00 600.00
			Check Total:	750.00
Check No: 0 0439CA	Check Date: ? PD/annual membership renew/MPalmatee	Vendor: 3182	NASRO 11/08/2011	40.00
			Check Total:	40.00
Check No: 0 585999752001 585999861001	Check Date: ? PD/pp plates/frks/spoons/cups/note p PD/binder insert strips	Vendor: 3217	Office Depot 11/09/2011 11/09/2011	339.62 7.85
			Check Total:	347.47
Check No: 0 451967	Check Date: ? Wtr/sport safety glasses	Vendor: 3312	Detroit Industrial Tool 10/28/2011	126.66
			Check Total:	126.66
Check No: 0 2236 2237	Check Date: ? PD/CJIS access-license fees PD/CJIS access-license fees	Vendor: 3370	Information Technology Service 11/11/2011 11/11/2011	210.00 210.00
			Check Total:	420.00
Check No: 0 6060	Check Date: ? Wtr/6" quick valve complete	Vendor: 3374	Wells Tapping Service, Inc. 10/26/2011	9,000.00
			Check Total:	9,000.00
Check No: 0 09102010	Check Date: ? Depot/bathrooms/material & labor	Vendor: 3398	Victor Villalvazo Plumbing 09/10/2010	8,500.00
			Check Total:	8,500.00
Check No: 0 17586	Check Date: ? G	Vendor: 3424	Impact Sciences 11/11/2011	2,120.00
			Check Total:	2,120.00
Check No: 0 112111	Check Date: ? Clrk/membership dues/DJones & AWhitm	Vendor: 3425	CCAC c/o Nanci C.O. Lima 11/21/2011	110.00
			Check Total:	110.00
			Report Total:	115,098.90

<u>Invoice No</u>	<u>Description</u>	<u>Reference</u>	<u>Invoice Date</u>	<u>Check Amount</u>
Check No: 34816	Check Date: 11/17/2011	Vendor: 2963	AT&T	
2786754	GG/City Hall		11/06/2011	499.39
2786756	Swr/lift station		11/06/2011	15.67
2786755	Swr/WWTP office		11/06/2011	68.10
2786763	Swr/scada		11/06/2011	75.61
			Check Total:	658.77
Check No: 34817	Check Date: 11/17/2011	Vendor: 3381	California Public Employees' R	
111711	PD/Admin Fee/Valuation		11/17/2011	300.00
			Check Total:	300.00
Check No: 34818	Check Date: 11/17/2011	Vendor: 3411	Feed My Sheep	
091411 RI	Special Event Insurance-Deposit Refu		09/14/2011	200.00
			Check Total:	200.00
Check No: 34819	Check Date: 11/17/2011	Vendor: 3011	Verizon Wireless	
1026459820	PD/mobile broadband		11/26/2011	480.76
			Check Total:	480.76
			Report Total:	1,639.53

<u>Invoice No</u>	<u>Description</u>	<u>Reference</u>	<u>Invoice Date</u>	<u>Check Amount</u>
Check No: 34904 112811	Check Date: 11/22/2011 PD/registration/Denise Brown	Vendor: 3338	Allan Hancock College 11/28/2011	140.50
			Check Total:	140.50
Check No: 34905 2796747	Check Date: 11/22/2011 PD/T1 line	Vendor: 2963	AT&T 11/11/2011	303.31
			Check Total:	303.31
Check No: 34906 112711 1 112711 2	Check Date: 11/22/2011 PD/meals allowance PD/mileage advance	Vendor: 3337	Richard A. Disney 11/27/2011 11/27/2011	125.00 248.13
			Check Total:	373.13
Check No: 34907 120711	Check Date: 11/22/2011 GG/heating/108 Pinon st	Vendor: 0395	The Gas Company 12/07/2011	43.93
			Check Total:	43.93
Check No: 34908 112811	Check Date: 11/22/2011 PD/meals allowance	Vendor: 2807	Denise Gutierrez-Brown 11/28/2011	250.00
			Check Total:	250.00
Check No: 34909 112711	Check Date: 11/22/2011 PD/lodging/R.Disney	Vendor: 3423	Palace Station Hotel & Casino 11/27/2011	29.72
			Check Total:	29.72
Check No: 34910 112811	Check Date: 11/22/2011 PD/registration/R.Disney	Vendor: 3422	Public Agency Training Council 11/28/2011	295.00
			Check Total:	295.00
Check No: 34911 112111	Check Date: 11/22/2011 Swr/Certification Grd I/A.Gamble	Vendor: 1759	SWRCB 11/21/2011	95.00
			Check Total:	95.00
Check No: 34912 112011	Check Date: 11/22/2011 PW/tree trimming/Dwntwn	Vendor: 1490	Albert J. Thibodeau 11/21/2011	1,762.00
			Check Total:	1,762.00
			Report Total:	3,292.59

<u>Invoice No</u>	<u>Description</u>	<u>Reference</u>	<u>Invoice Date</u>	<u>Check Amount</u>
Check No: 34916	Check Date: 11/30/2011	Vendor: 2963	AT&T	
2806884	PD/subscriber access line		11/13/2011	177.75
			Check Total:	177.75
Check No: 34917	Check Date: 11/30/2011	Vendor: 2113	Fuel Controls, Inc.	
72453	A/100 Octane wholesale/av fuel		11/10/2011	21,479.13
72606	A/Jet A wholesale fuel		11/22/2011	17,690.30
			Check Total:	39,169.43
Check No: 34918	Check Date: 11/30/2011	Vendor: 1694	Granite Construction Company	
10312011	Dwn Twn BeautificationPh2/Pay#6 Oct		10/31/2011	50,643.01
			Check Total:	50,643.01
Check No: 34919	Check Date: 11/30/2011	Vendor: 0372	Southern California Edison	
1122111	GG/311 E D st		11/22/2011	89.78
1126112	GG/1125 Capital Hills		11/26/2011	21.99
1126113	GG/109 E Teh blv		11/26/2011	55.65
1126114	GG/111 W I st		11/26/2011	54.06
1119115	GG/115 S Robinson st		11/19/2011	1,001.88
1119117	GG/303 E D st		11/19/2011	26.48
1119118	GG/108 Pinon st		11/19/2011	27.07
11191111	PW/800 Enterprise-Misc charges		11/19/2011	85.04
11191112	PW/800 Enterprise shop		11/19/2011	170.11
1119116	PD/129 E F st		11/19/2011	1,096.38
11221114	City Park/114 S Green		11/22/2011	170.17
11171115	Strts/800 S Curry st #A		11/17/2011	43.61
1119119	Wtr/100 CommWay		11/19/2011	206.39
11191110	Wtr/101 CommWay		11/19/2011	147.41
11191113	Swr/800 Enterprise maintenance		11/19/2011	463.71
11191116	A/314 N Hayes st		11/19/2011	47.76
11191117	A/9999 1/2 Hayes		11/19/2011	77.63
11191118	A/316 S Mojave st		11/19/2011	44.51
11191119	A/NE cor Teh airport		11/19/2011	303.40
11191120	A/Teh airport 4		11/19/2011	15.19
11221121	LLD/318 E E st		11/22/2011	83.05
11231122	LLD/329 1/2 D st		11/23/2011	85.69
			Check Total:	4,316.96
Check No: 34920	Check Date: 11/30/2011	Vendor: 3011	Verizon Wireless	
1030338409 4	GG/monthly access charge		11/13/2011	50.24
1030338409 3	GG/equipment		11/13/2011	717.90
1030338409 1	Finance/equipment		11/13/2011	717.90
1030338409 2	Finance/monthly access charge		11/13/2011	50.24
1030338409 5	Wtr/monthly access charge		11/13/2011	15.01
1031650643 1	Wtr/monthly access charge		11/18/2011	51.69
1030338409 6	Wtr/monthly access charge		11/13/2011	15.01
1031650643 2	Swr/monthly access charge		11/18/2011	51.69
			Check Total:	1,669.68
			Report Total:	95,976.83

<u>Invoice No</u>	<u>Description</u>	<u>Reference</u>	<u>Invoice Date</u>	<u>Check Amount</u>
Check No: 0	Check Date: ?	Vendor: 0373	Thomas F. Schroeter, Attorney @ Law	
112811 1	Legal Srvc/Oct.16 thru Nov.15, 2011		11/28/2011	3,432.00
112811 2	A/Legal Srvc/Oct.16 thru Nov.15, 201		11/28/2011	288.00
			Check Total:	3,720.00
			Report Total:	3,720.00



COUNCIL REPORTS

AGENDA SECTION: FINANCE DIRECTOR

MEETING DATE: DECEMBER 5, 2011

APPROVED
DEPARTMENT HEAD: <i>[Signature]</i>
CITY MANAGER: <i>[Signature]</i>

TO: HONORABLE MAYOR GRIMES AND COUNCIL MEMBERS

FROM: Hannah Chung, Finance Director

DATE: December 5, 2011

SUBJECT: Investment Policy

BACKGROUND

California Government Code Section 53646(a) requires council members to review and approve the Investment Policy each year. One change made to the existing policy is to transfer the investment and reporting responsibilities from the City Treasurer to Finance Director.

OPTIONS

1. Approve the Investment Policy with recommended changes.
2. Approve the existing Investment Policy without any changes.

RECOMMENDATION

Approve the Investment Policy with recommended changes and adopt the resolution.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF TEHACHAPI ADOPTING AN
INVESTMENT POLICY AND REPEALING
RESOLUTION NO. 04-11**

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code Sections 53600.6 and 53630.1; and

WHEREAS, the legislative body of a local agency may invest surplus monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5921, 16249.1 and 53600 et seq.;
and

WHEREAS, the Finance Director of the City of Tehachapi shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the City Council at a public meeting in accordance with the provisions of California Government Code Section 53646(a).

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Tehachapi as follows:

1. That the Investment Policy, as contained in Exhibit "A" attached hereto and made a part hereof, is adopted.
2. That Resolution No. 04-11 is hereby repealed.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi this 5th day of December, 2011 by the following vote:

AYES: COUNCIL MEMBERS: _____

NOES: COUNCIL MEMBERS: _____

ABSENT: COUNCIL MEMBERS: _____

ABSTAIN: COUNCIL MEMBERS: _____

ED GRIMES, Mayor
of the City of Tehachapi, California

ATTEST:

DENISE JONES
City Clerk of the City of Tehachapi, California

I hereby certify that the foregoing resolution was duly and regularly adopted by the City Council of the City of Tehachapi at a regular meeting thereof held on December 5, 2011.

DENISE JONES
City Clerk of the City of Tehachapi, California

EXHIBIT A

CITY OF TEHACHAPI INVESTMENT POLICY

1. **POLICY:**

It shall be the policy of the City of Tehachapi to invest funds in the manner which will:

- (a) Provide the maximum security while meeting the daily cash flow demands of the City and achieve a return on investment; and
- (b) Conform to all statutes governing the investment of City of Tehachapi funds.

2. **SCOPE:**

This investment policy applies to all financial assets of the City of Tehachapi as identified in the City's audited Annual Financial Report, with the exception of those financial assets governed by bond indentures or bond resolutions. The following is a list of funds included:

- (a) General Fund
- (b) Special Revenue Funds
- (c) Capital Projects Funds
- (d) Enterprise Funds
- (e) Redevelopment Agency Fund
- (f) Low and Moderate Income Housing Fund
- (g) Special District Funds

3. **PRUDENCE:**

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (CGC S53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. **OBJECTIVES:**

As specified in CGC S53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities will be:

1. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the City of Tehachapi shall be undertaken in a manner that seeks to ensure the preservation of principal.
2. **Liquidity:** The investment portfolio shall remain sufficiently liquid to enable the City of Tehachapi to meet all operating requirements which might be reasonably anticipated.
3. **Return on Investments:** The investment portfolio shall be designed to attain a return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

5. **DELEGATION OF AUTHORITY:**

Authority to manage the investment program is derived from California Government Code Sections 53600, et seq. Management responsibility for the investment program is hereby delegated to the Finance Director (CGC S53607), who shall establish procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of the California Government Code Section 53600.3, the persons authorized to make investment decisions on behalf of the City of Tehachapi are trustees and fiduciaries subject to the prudent investor standard.

6. **ETHICS AND CONFLICTS OF INTEREST:**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict or appear to conflict with the proper execution of the investment policy, or which could impair their ability to make impartial investment decisions.

7. **AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS:**

The Finance Director will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In

addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the Finance Director shall select only brokers/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commissions, the National Association of Securities Dealers or other applicable self-regulatory organizations. Before engaging in investment transaction with a broker/dealer, the Finance Director shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the City of Tehachapi's account with that firm has reviewed the City of Tehachapi's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the City of Tehachapi that are appropriate under the terms and conditions of the Investment Policy.

8. AUTHORIZED AND SUITABLE INVESTMENTS:

The City of Tehachapi having money in a sinking fund or surplus money in its treasury not required for the immediate necessities of the City may invest any portion of the money that it deems wise or expedient in those investments set forth below as empowered by California Government Code Sections 16249.1, 53601 and 53635 (as further restricted by the City of Tehachapi):

- A. United States Treasury Bills, Notes and Bonds.
- B. Local Agency Investment Fund administered by the California State Treasurer (LAIF).
- C. Obligations issued by Agencies or Instrumentality of the US Government.
- D. Negotiable Certificates of Deposit issued by federally or state chartered banks or associations. Not more than 30% of surplus funds can be invested in certificates of deposit.
- E. Shares of beneficial interest issued by diversified management companies (Money Market Mutual Funds) investing in the securities and obligations authorized by CGC S53601 et seq. Such Funds must carry the highest rating of at least two of the three largest national rating agencies. Not more than 15% of surplus funds can be invested in Money Market Mutual Funds.
- F. Funds held under the terms of a Trust Indenture, or other contract, or agreement may be invested according to the provisions of those indentures or agreements.

Also, see CGC S53601 for a detailed summary of the limitations and special conditions that apply to each of the above listed investment securities. CGC S53601 is included by reference in this investment policy except as further restricted by the City of Tehachapi.

Prohibited Investments: Under the provisions of CGC S53601.6 and S53631.5, the City of Tehachapi shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips that are derived from a pool mortgages or any security that could result in zero interest accrual if held to maturity.

9. MAXIMUM TERM TO MATURITY:

No investment shall be made which, at the time of the investment, has a term remaining to maturity in excess of five years. The City Council may grant express authority to make an investment either specifically or as a part of an investment program that exceeds the five-year maximum, as long as that authority is granted no less than three months prior to the investment.

10. COLLATERALIZATION:

All certificates of deposits must be collateralized by U.S. Treasury Obligations. Collateral must be held by a third party trustee and valued on a monthly basis.

11. SAFEKEEPING AND CUSTODY:

All security transactions entered into by the City of Tehachapi shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the City of Tehachapi by book entry, physical delivery, or by third party custodial agreement as required by CGC S53601.

12. DIVERSIFICATION:

The City of Tehachapi will diversify its investments by security type and institution. Investments shall be diversified to eliminate the risk of loss resulting from over concentration of investments in a specific maturity, a specific issuer (except the U.S. Treasury) or a specific class of securities.

Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

(a) Investment maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.

(b) Maturities selected shall provide for stability of income and liquidity.

- (c) Disbursement and payroll dates shall be covered through investment maturities, marketable U.S. Treasury bills or other cash equivalent instruments such as money market mutual funds.

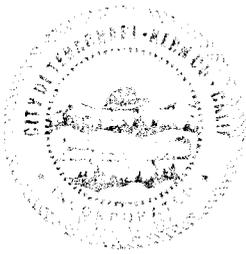
Note: Investments in LAIF shall be deemed as meeting the diversification requirement.

13. REPORTING:

In accordance with CGC S53646(b)(1), the Finance Director shall submit to each member of the City Council and the City Manager a quarterly investment report. The quarterly report shall be submitted within 30 days following the end of the quarter covered by the report. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for the City of Tehachapi by third party contracted managers. The report will also include the source of the portfolio valuation. As specified in CGC S53646(e), if all funds are placed in LAIF, FDIC-insured accounts, in a county investment pool or any combination of these, the foregoing report elements may be replaced by copies of the most recent statements from such institutions. The report must also include a statement that (1) all investments are in full compliance with the Investment Policy, with any exception disclosed and, (2) the City of Tehachapi will meet its expenditure obligations for the next six months, as required by CGC S53646 (b)(2) and (3) respectively. The Finance Director shall assure that a complete and timely record of all investment transactions is maintained.

14. INVESTMENT POLICY ADOPTION:

The Investment Policy shall be adopted by resolution of the City of Tehachapi. Moreover, the Policy shall be reviewed at a public meeting on an annual basis, and all modifications must be approved by the City Council.



COUNCIL REPORTS

AGENDA SECTION: AIRPORT MANAGER REPORTS

MEETING DATE: DECEMBER 5, 2011

APPROVED
DIRECTOR/DEPARTMENT HEAD: <u>TG</u>
AIRPORT MANAGER: <u>[Signature]</u>

TO: HONORABLE MAYOR GRIMES AND COUNCIL MEMBERS

FROM: TOM GLASGOW, AIRPORT MANAGER

DATE: NOVEMBER 3, 2011

SUBJECT: NEW ICON AIRCRAFT GROUND LEASE

Background:

A new month-to-month Ground Lease Agreement with ICON Aircraft, Inc. to store Equipment/Flight Test Trailers. The Manufacturing Plant/Test Facility needs additional space for storage.

Fiscal Impact:

The new lease agreement will generate **\$768** per year.

Recommendation:

APPROVE THE NEW GROUND LEASE AGREEMENT BETWEEN THE CITY OF TEHACHAPI/ICON AIRCRAFT, INC. FOR AIRPORT PROPERTY DESCRIBED.

RENTAL AGREEMENT

THIS RENTAL AGREEMENT made this _____ day of _____, 2011, by and between the CITY OF TEHACHAPI (the "City") and ICON AIRCRAFT, INC., a Delaware Corporation (the "Tenant"),

WITNESSETH:

WHEREAS, City is the owner of the real property described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Premises") which is unimproved; and

WHEREAS, Tenant wishes to rent the Premises and City is agreeable thereto under the terms and conditions described hereinafter.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth hereinafter, the parties agree as follows:

1. The parties incorporate the foregoing recitals as if fully set forth herein verbatim.
2. City hereby rents the Premises to Tenant month-to-month under the terms and conditions described hereinafter. Either party may terminate this Rental Agreement at any time upon thirty (30) days prior written notice to the other.
3. Tenant shall pay City monthly in advance on the first day of each month rental in the amount of \$64.00 per month. This is based on \$.01 per square foot for 6,400 square feet of rented Premises.
4. Tenant may use the Premises to store its equipment and trailers and for no other purpose.
5. No improvements shall be made on the Property nor shall it be fenced nor secured in any other way without City's prior written consent which may be given or denied in City's sole and absolute discretion.
6. Tenant shall use the Premises at its sole cost and expense.
7. This Rental Agreement is made upon the express condition that City is to be free from all liability and claims for damages by reason of any injury to any person or

persons, including Tenant, or damage to property of any kind whatsoever and to whomsoever belonging, including Tenant, while in, upon, or in any way connected with the Premises during the term of this Rental Agreement, or any occupancy hereunder except to the extent caused by the gross negligence or willful misconduct of City or City Agents (as defined below). Tenant hereby agrees to indemnify, defend, and save harmless City, its officers, Councilmembers, employees, contractors, and agents ("City's Agents") from all liability, loss, cost and obligations on or on account of or arising out of any injuries or losses however occurring except to the extent caused by the gross negligence or willful misconduct of City or City's Agents. The Tenant, at its sole expense, shall maintain throughout the term of this Rental Agreement, a comprehensive general liability insurance policy in the amount of \$1.0 million per occurrence protecting the Premises and the City and City's Agents, against all public liability whatsoever. Tenant shall provide to City a certificate and endorsement to the policy from the insurance carrier stating that the insurance is in full force and effect, that the premiums have been paid thereon, and that the insurance carrier will give City at least ten (10) days prior written notice of any termination, cancellation or modification of the terms of such insurance. City and City's Agents shall be named as additional insureds thereon and City's insurance shall be non-contributory. Notwithstanding the foregoing or anything to the contrary contained in this Rental Agreement, under no circumstance shall Tenant be liable for any losses, costs, claims, liabilities or damages (including attorneys' and consultants' fees) of any type or nature, directly or indirectly arising out of or in connection with any Hazardous Materials present at any time on, in, under or about the Premises, the Hangar, the airport or the real property on which any of the foregoing are located, or the violation of any environmental laws, except to the extent that any of the foregoing actually results from the storage, use, release or disposal of Hazardous Materials by Tenant, its agents or employees in violation of applicable environmental laws. As used herein, the term "Hazardous Material" means any material or substance that is now or hereafter prohibited or regulated by any law or that is now or hereafter designated by any governmental authority to be radioactive, toxic, hazardous or otherwise a danger to health, reproduction or the environment, including, without limitation, asbestos and petroleum products.

8. If Tenant breaches this Rental Agreement, City shall have all remedies available to City hereunder, or at law or in equity.

9. Tenant shall comply with all requirements of all governmental authorities, in force either now or in the future, affecting the Premises, and shall faithfully observe in its use all laws, rules and regulations of those authorities, in force either now or in the future.

10. The covenants and agreements contained in this Rental Agreement shall be binding upon the parties hereto and upon their respective heirs, executors, administrators, successors and assigns. Time is of the essence of this Rental Agreement and of each and every one of the provisions herein contained.

11. City makes no representations or warranties under this Rental Agreement and Tenant hereby accepts the Premises, all improvements thereon, and all conditions affecting the Tenant's ability to use the Premises "AS IS, WHERE IS, AND WITH ALL FAULTS." This Rental Agreement is subject to (a) all existing easements, servitudes, licenses and rights-of-way for canals, ditches, levees, roads, highways, telephone, telegraph, and electric power lines, railroads, pipelines and other purposes, whether recorded or not; (b) deed restrictions; and (c) the rights of other lessees under any existing or future oil, gas and mineral Rental Agreement or Rental Agreements from City affecting the entire or any portion of the Premises, whether recorded or not.

12. This Rental Agreement represents the sole and only agreement between the parties regarding the matters addressed herein and the parties acknowledge and agree that no oral or other written agreements or representations exist between the parties affecting this Rental Agreement. This Rental Agreement supersedes and cancels any and all previous negotiations, arrangements, representations, agreements, and understandings, if any.

13. If either party institutes any action or proceeding arising out of or relating to the provisions of this Rental Agreement or any default hereunder, the prevailing party in such action or proceeding shall be entitled to the recovery of reasonable attorney's fees and all costs and disbursements incurred in the action or proceeding.

14. Whenever it shall be required or permitted in this Rental Agreement that notice be given by either party to the other, such notice shall be deemed served when personally delivered to the party to be served or when deposited in the United States mail, first class, postage prepaid, and addressed as follows or by confirmed facsimile to the following address: City – City Manager, 115 South Robinson Street, Tehachapi, California 93561, Fax - (661) 822-2197; and Tenant –ICON AIRCRAFT, INC., Attention: Matthew Gionta, Chief Technical Officer/Vice-President Engineering, 101 "A" Commercial Way, Tehachapi California 93561, Fax - (661) 822-0131. Either party may change its or their address by providing written notice to the other in the manner described herein.

15. If any provision of this Rental Agreement shall be determined to be void by any court of competent jurisdiction, such determination shall not affect any other provision of this Rental Agreement and all such other provisions shall remain in full force and effect.

16. The laws of the State of California shall govern the validity, performance and enforcement of this Rental Agreement.

17. This Rental Agreement may not be amended except by a writing executed by all parties.

18. Tenant shall not assign this Rental Agreement nor any rights under it and shall not sublet the entire or any part of the Premises or any right or privilege appurtenant to

the Premises nor permit any other person to occupy or use the entire or any portion of the Premises, without first obtaining City's written consent.

IN WITNESS WHEREOF, the parties have executed this Rental Agreement on the date first hereinabove written.

ED GRIMES, Mayor, City of
Tehachapi, California, "**Lessor**"

ICON AIRCRAFT, INC., a
Delaware Corporation, "**Tenant**"

By: _____
MATTHEW GIONTA, Chief
Technical Officer and Vice-
President Engineering

EXHIBIT "A"
[Description of Premises]

EXHIBIT A

80' X 80' = 6400 sq. ft.

ICON GROUND LEASE

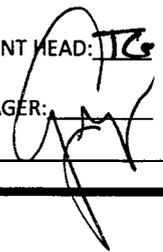




COUNCIL REPORTS

AGENDA SECTION: AIRPORT MANAGER REPORTS

MEETING DATE: DECEMBER 5, 2011

APPROVED
:PARTMENT HEAD: 
TY MANAGER: 

TO: HONORABLE MAYOR GRIMES AND COUNCIL MEMBERS

FROM: TOM GLASGOW, AIRPORT MANAGER

DATE: NOVEMBER 3, 2011

SUBJECT: NEW ICON AIRCRAFT HANGAR LEASE

Background:

A new month-to-month Hangar Lease Agreement with ICON Aircraft, Inc. to store manufacturing/production equipment. The Manufacturing Plant/Test Facility needs additional space for storage.

Fiscal Impact:

The new lease agreement will generate **\$4,286.40** per year.

Recommendation:

APPROVE THE NEW GROUND LEASE AGREEMENT BETWEEN THE CITY OF TEHACHAPI/ICON AIRCRAFT, INC. FOR AIRPORT PROPERTY DESCRIBED.

RENTAL AGREEMENT

THIS RENTAL AGREEMENT made this _____ day of _____, 2011, by and between the CITY OF TEHACHAPI (the "City") and ICON AIRCRAFT, INC., Delaware Corporation (the "Tenant"),

WITNESSETH:

WHEREAS, City is the owner of Airport Hangar No. 50W (the "Premises") located as described in Exhibit "A" attached hereto and by this reference made a part hereof; and

WHEREAS, Tenant wishes to rent the Premises and City is agreeable thereto under the terms and conditions described hereinafter.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth hereinafter, the parties agree as follows:

1. The parties incorporate the foregoing recitals as if fully set forth herein verbatim.
2. City hereby rents the Premises to Tenant month-to-month under the terms and conditions described hereinafter. The Premises only includes the Hangar and the footprint of the Hangar and no other real property around it or adjacent to it or adjoining it. Either party may terminate this Rental Agreement at any time upon thirty (30) days prior written notice to the other.
3. Tenant shall pay City monthly in advance on the first day of each month rental in the amount of \$357.20 per month. This is based on \$.20 per square foot for 1,786 square feet of rented Premises.
4. Tenant may utilize the Premises only for storing equipment, supplies, or vehicles in support of Tenant's aircraft manufacturing business and for no other purpose.
5. No improvements shall be made on the Property without City's prior written consent which may be given or denied in City's sole and absolute discretion.

6. Tenant shall use the Premises at its sole cost and expense.

7. This Rental Agreement is made upon the express condition that City is to be free from all liability and claims for damages by reason of any injury to any person or persons, including Tenant, or damage to property of any kind whatsoever and to whomsoever belonging, including Tenant, while in, upon, or in any way connected with the Premises during the term of this Rental Agreement, or any occupancy hereunder except to the extent caused by the gross negligence or willful misconduct of City or City Agents (as defined below). Tenant hereby agrees to indemnify, defend, and save harmless City, its officers, Councilmembers, employees, contractors, and agents ("City's Agents") from all liability, loss, cost and obligations on or on account of or arising out of any injuries or losses however occurring except to the extent caused by the gross negligence or willful misconduct of City or City's Agents. The Tenant, at its sole expense, shall maintain throughout the term of this Rental Agreement, a comprehensive general liability insurance policy in the amount of \$1.0 million per occurrence protecting the Premises and the City and City's Agents, against all public liability whatsoever. Tenant shall provide to City a certificate and endorsement to the policy from the insurance carrier stating that the insurance is in full force and effect, that the premiums have been paid thereon, and that the insurance carrier will give City at least ten (10) days prior written notice of any termination, cancellation or modification of the terms of such insurance. City and City's Agents shall be named as additional insureds thereon and City's insurance shall be non-contributory. Notwithstanding the foregoing or anything to the contrary contained in this Rental Agreement, under no circumstance shall Tenant be liable for any losses, costs, claims, liabilities or damages (including attorneys' and consultants' fees) of any type or nature, directly or indirectly arising out of or in connection with any Hazardous Materials present at any time on, in, under or about the Premises, the Hangar, the airport or the real property on which any of the foregoing are located, or the violation of any environmental laws, except to the extent that any of the foregoing actually results from the storage, use, release or disposal of Hazardous Materials by Tenant, its agents or employees in violation of applicable environmental laws. As used herein, the term "Hazardous Material" means any material or substance that is now or hereafter prohibited or regulated by any law or that is now or hereafter designated by any governmental authority to be radioactive, toxic, hazardous or otherwise a danger to health, reproduction or the environment, including, without limitation, asbestos and petroleum products.

8. If Tenant breaches this Rental Agreement, City shall have all remedies available to City hereunder, or at law or in equity.

9. Tenant shall comply with all requirements of all governmental authorities, in force either now or in the future, affecting the Premises, and shall faithfully observe in its use all laws, rules and regulations of those authorities, in force either now or in the future.

10. The covenants and agreements contained in this Rental Agreement shall be binding upon the parties hereto and upon their respective heirs, executors, administrators,

successors and assigns. Time is of the essence of this Rental Agreement and of each and every one of the provisions herein contained.

11. City makes no representations or warranties under this Rental Agreement and Tenant hereby accepts the Premises, all improvements thereon, and all conditions affecting the Tenant's ability to use the Premises "AS IS, WHERE IS, AND WITH ALL FAULTS." This Rental Agreement is subject to (a) all existing easements, servitudes, licenses and rights-of-way for canals, ditches, levees, roads, highways, telephone, telegraph, and electric power lines, railroads, pipelines and other purposes, whether recorded or not; (b) deed restrictions; and (c) the rights of other lessees under any existing or future oil, gas and mineral Rental Agreement or Rental Agreements from City affecting the entire or any portion of the Premises, whether recorded or not.

12. This Rental Agreement represents the sole and only agreement between the parties regarding the matters addressed herein and the parties acknowledge and agree that no oral or other written agreements or representations exist between the parties affecting this Rental Agreement. This Rental Agreement supersedes and cancels any and all previous negotiations, arrangements, representations, agreements, and understandings, if any.

13. If either party institutes any action or proceeding arising out of or relating to the provisions of this Rental Agreement or any default hereunder, the prevailing party in such action or proceeding shall be entitled to the recovery of reasonable attorney's fees and all costs and disbursements incurred in the action or proceeding.

14. Whenever it shall be required or permitted in this Rental Agreement that notice be given by either party to the other, such notice shall be deemed served when personally delivered to the party to be served or when deposited in the United States mail, first class, postage prepaid, and addressed as follows or by confirmed facsimile to the following address: City – City Manager, 115 South Robinson Street, Tehachapi, California 93561, Fax - (661) 822-2197; and Tenant –ICON AIRCRAFT, INC., Attention: Matthew Gionta, Chief Technical Officer/Vice-President Engineering, 101 "A" Commercial Way, Tehachapi California 93561, Fax - (661) 822-0131. Either party may change its or their address by providing written notice to the other in the manner described herein.

15. If any provision of this Rental Agreement shall be determined to be void by any court of competent jurisdiction, such determination shall not affect any other provision of this Rental Agreement and all such other provisions shall remain in full force and effect.

16. The laws of the State of California shall govern the validity, performance and enforcement of this Rental Agreement.

17. This Rental Agreement may not be amended except by a writing executed by all parties.

18. Tenant shall not assign this Rental Agreement nor any rights under it and shall not sublet the entire or any part of the Premises or any right or privilege appurtenant to the Premises nor permit any other person to occupy or use the entire or any portion of the Premises, without first obtaining City's written consent.

IN WITNESS WHEREOF, the parties have executed this Rental Agreement on the date first hereinabove written.

ED GRIMES, Mayor, City of
Tehachapi, California, "**Lessor**"

ICON AIRCRAFT, INC., a
Delaware Corporation, "**Tenant**"

By: _____
MATTHEW GIONTA, Chief
Technical Officer and Vice-
President of Engineering

EXHIBIT "A"
[Description of Premises]

EXHIBIT A

ICON HANGAR 50W
47' X 38' = 1786 sq. ft.





COUNCIL REPORTS

AGENDA SECTION: GENERAL SERVICES REPORTS
MEETING DATE: DECEMBER 5, 2011

APPROVED
DEPARTMENT HEAD:
CITY MANAGER:

[Handwritten signatures in blue ink over the form]

TO: HONORABLE MAYOR GRIMES AND COUNCIL MEMBERS

FROM: CHRISTOPHER KIRK, GENERAL SERVICES DIRECTOR

DATE: DECEMBER 1, 2011

SUBJECT: TEHACHAPI BRANDPRINT PROJECT

BACKGROUND:

As the Council will recall, the City of Tehachapi, in partnership with the Chamber of Commerce, Main Street, the EDC and TUSD, began a community-branding project nearly two years ago. This project included research about the City's reputation with residents and visitors, economic research and a creative development phase for a new Tehachapi brand.

On April 13, 2011, the Council approved the Strategic Brand Platform and authorized Staff to begin the creative development process with a small creative team made up of local leaders. Since that time, this team has worked with Northstar Destination Strategies to create a comprehensive brand program to help our community attract new visitors, businesses and to increase our overall quality of life.

A presentation will be given regarding the results of the project and the outstanding initiatives planned for the next few years to make the original vision of a comprehensive brand identity for Tehachapi, a reality.

RECOMMENDATION:

FOR INFORMATION ONLY