

AGENDA

**TEHACHAPI CITY COUNCIL REGULAR MEETING,
TEHACHAPI REDEVELOPMENT SUCCESSOR AGENCY REGULAR MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING
Tuesday, February 19, 2013 - 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.

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TUESDAY, FEBRUARY 19, 2013 - 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. 05-13
Tehachapi City Council Unassigned Ord. No. 13-01-711
Tehachapi Redevelopment Successor Agency Unassigned Res. No. 01-13
Tehachapi Public Financing Authority Unassigned Res. No. 01-13

- *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 Successor Agency, Tehachapi Public Financing Authority, and the Tehachapi City Financing Corporation regular meeting on February 4, 2013 - **APPROVE AND FILE**

FINANCE DIRECTOR REPORTS

- *4. Disbursements, bills, and claims for January 31, 2013 through February 13, 2013 – **AUTHORIZE PAYMENTS**
- *5. City of Tehachapi Treasurer’s Report through January 2013 – **RECEIVE REPORT**
6. **PUBLIC HEARING** – As part of the annual Public Transit Claim for Transportation Development Act funding, it is necessary to conduct a public hearing to receive public testimony concerning the transit needs within the City. Currently, the City of Tehachapi provides a transit service named Dial-A-Ride, through Kern Regional Transit. The average cost per rider from July 2011 to June 2012 is \$23.61 and the subsidized cost per rider during the same period is \$22.82 – **OPEN HEARING; NOTICE OF PUBLIC HEARING AND CORRESPONDENCE; STAFF REPORT; RECEIVE PUBLIC COMMENT; CLOSE HEARING; ADOPT A RESOLUTION FINDING THAT THERE ARE NO UNMET TRANSIT NEEDS THAT ARE REASONABLE TO MEET WITHIN THE CITY**
7. The Board of Directors must adopt a resolution to approve a Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency to the Tehachapi Redevelopment Agency. The Cooperative Agreement provides for the Successor Agency to use the City’s staff, facilities, and other resources for the administration and operations of the Successor Agency, for the City to make loans pursuant to Health and Safety Code Section 34173(h), and for the Successor Agency to reimburse the City for such loans and advances, including the advance for \$953,475.59. – **ADOPT A RESOLUTION APPROVING THE COOPERATIVE AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY**

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TUESDAY, FEBRUARY 19, 2013 - 6:00 P.M. - PG. 3**

8. The City Council must adopt a resolution to approve a Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency to the Tehachapi Redevelopment Agency. The Cooperative Agreement provides for the Successor Agency to use the City's staff, facilities, and other resources for the administration and operations of the Successor Agency, for the City to make loans pursuant to Health and Safety Code Section 34173(h), and for the Successor Agency to reimburse the City for such loans and advances, including the advance for \$953,475.59. – **ADOPT A RESOLUTION APPROVING THE COOPERATIVE AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY**

9. Annual financial report for the year ended June 30, 2012 - **RECEIVE REPORT**

COMMUNITY DEVELOPMENT DIRECTOR REPORTS

10. **PUBLIC HEARING** - Appeal of a Planning Commission decision approving Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 to construct a 72 room, three (3) story non-franchise hotel measuring 25,319 sq. ft. on a 1.06 acre site, located in the Capital Hills Business Park; north and adjacent to Capital Hills Parkway, east of Magellan Drive and west of Challenger Drive. – **OPEN HEARING; NOTICE OF PUBLIC HEARING AND CORRESPONDENCE; STAFF REPORT; RECEIVE PUBLIC COMMENT; CLOSE HEARING; ADOPT A RESOLUTION DENYING THE APPEAL FILED BY KENNETH R. HETGE OF THE PLANNING COMMISSION DECISION TO APPROVE ARCHITECTURAL DESIGN AND SITE PLAN REVIEW NO 2012-02 REVISION NO 1 AND TO UPHOLD THE PLANNING COMMISSIONS DECISION TO APPROVE THE ARCHITECTURAL DESIGN AND SITE PLAN REVIEW NO 2012-02 REVISION NO 1 SUBJECT TO THE CONDITIONS OF APPROVAL**

CITY ENGINEER REPORTS

11. As part of the City's continuing efforts to maintain the Municipal Airport as a safe and viable asset, City Staff is regularly engaged in capital project planning. For this coming year, we have a project that consists of the relocation and reconstruction of the main parallel taxiway to meet current FAA standards. The procedure going forward is to submit a placeholder application to the FAA for grant funding – **AUTHORIZE STAFF TO FINALIZE AND SUBMIT THE PLACEHOLDER APPLICATION FOR THE PROPOSED TAXIWAY A RELOCATION PROJECT**

12. At a meeting held on February 4, 2013, the City Council approved staff to begin work on a grant application to the Department of Water Resources under the Integrated Regional Water Management Plan designed to connect the City's Snyder Well with the Tehachapi Cummings County Water District non-potable water system. The Council authorized \$20,000 for that purpose and additionally, staff indicated that a City/TCCWD cost sharing agreement was in the works to split the expense on a 50/50 basis – **APPROVE THE AGREEMENT TO SHARE PRELIMINARY COSTS OF THE SNYDER WELL PROJECT**

- *13. As the Council will recall, the City of Tehachapi entered into a contract with Kern Pacific Construction, for the Tehachapi Boulevard Improvements Project, Phase IV. Following a walk-through by City Staff, and completion of all "punch list" items by the contractor, it has been determined that all contract items have been completed – **APPROVE THE NOTICE OF COMPLETION FOR THE TEHACHAPI BOULEVARD IMPROVEMENTS PROJECT PHASE IV AND DIRECT STAFF TO RECORD SAME**

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CITY MANAGER REPORTS

14. City participation in the Employment Risk Management Authority – City Staff has determined that it is in the best interest of the City to become a member of the Employment Risk Management Authority (ERMA) for the purpose of obtaining Employment Practices Liability Coverage - **ADOPT A RESOLUTION AUTHORIZING PARTICIPATION IN THE EMPLOYMENT RISK MANAGEMENT AUTHORITY**

15. After review of the Adopt-A-Landscape program fee schedule, staff would recommend to Council that a new fee schedule be approved dropping the current fees by 50%. This will allow for more businesses, organizations, families and individuals to participate in the program – **APPROVE THE UPDATED ADOPT-A-LANDSCAPE FEE SCHEDULE**

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

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. Conference with legal counsel regarding claims filed by Peter Graf and Rick Disney per Government Code Section 54956.9(b)

2. Conference with legal counsel re claim filed by the Broome Family Trust per Government Code Section 54956.9(b)

ADJOURNMENT

MINUTES

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

BeeKay Theatre
110 South Green Street

Monday, February 4, 2013 – 6:00 P.M.

NOTE: Sm, Gr, Wi, Ni and Va are abbreviations for Council Members Smith, Grimes, Wiggins, Nixon and Vachon, 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 Smith at 6:00 p.m.

ROLL CALL

Roll call by City Clerk Julie Drimakis

Present: Mayor Smith, Mayor Pro-Tem Wiggins, Councilmembers
Grimes, Nixon and Vachon

Absent: None

INVOCATION

By Pastor Ron Barker of the First Baptist Church

PLEDGE TO THE FLAG

Led by Councilmember Wiggins

CONSENT AGENDA

Approved consent agenda subject to change of motion on item *15 to state that as no agreement has been reached with Tehachapi Valley Healthcare District (TVHD) council approves the eventual agreement subject to approval of the City Manager and the City Attorney.

Approved Consent Agenda
Subject To Amended Motion
on item *15
Gr/Ni Ayes All

AUDIENCE ORAL COMMUNICATIONS

1. General public comments regarding matters not listed as an agenda item were received from:

- a. Cherril Cragg from Have A Heart Humane Society asked Council if County of Kern Animal Control services provided the quarterly report per the contract with the city. Mayor Smith asked staff to respond. Chief Kermode stated no report has been received.
- b. Chelley Kitzmiller, Have a Heart Humane Society and Tehachapi Humane Society, spoke regarding lack of spay and neuter services. Proposed that the City of Tehachapi to donate money to the County of Kern to provide spay and neuter services for Tehachapi's pets. Mayor Smith clarified no action can be taken at the meeting but directed staff to look into the proposal. City Manager Greg Garret clarified that he and the Chief of Police will be meeting with the Department Head and they will discuss the proposal and will bring it back to Council with a staff report and action. Marianne Hester also made comments regarding issue.
- c. BJ Hinds, Have a Heart Humane Society also spoke regarding spay and neuter services needed in Tehachapi.
- d. Socorro Schmidt, city resident, expressed concern regarding the railroad company damaging curbing on H Street. Mayor Smith directed staff to look into issue.
- e. Beatrice Sutter, city resident, spoke regarding ill-treatment by city employees, including the police department. Mayor Smith advised that she should make an appointment with the Chief of Police to discuss her concerns.
- f. Charles White, city resident, spoke on behalf of the Tourism Commission. Requested that Council think of tourism during the next budget cycle.

CITY CLERK REPORTS

- *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 Successor Agency, Tehachapi Public Financing Authority, and the Tehachapi City Financing Corporation regular meeting on Tuesday, January 22, 2013 - **APPROVED AND FILED.**
4. The City Council will appoint one member to the Tehachapi Valley Recreation and Parks District Board to fill the vacancy created by Board Member Paul Press' expiration of term. This appointment will fill a four year term which is to expire on February 3, 2017. The City Clerk's office received an application from Paul Press **–APPOINTED PAUL PRESS TO THE TEHACHAPI VALLEY RECREATION AND PARKS DISTRICT BOARD TO COMPLETE A TERM TO EXPIRE ON FEBRUARY 3, 2017**

All Ord. Read By Title Only
 Gr/Ni Ayes All

Approved & Filed
 Gr/Ni Ayes All

Appointed Paul Press to
 TVRPD Board to Complete a
 Term To Expire on February
 3, 2017
 Gr/Ni Ayes All

ACTION TAKEN

5. Electronic mail generates correspondence and other documentation which may be recognized as Official City Records in need of retention in accordance with the California Public Records Act. Typically, e-mails that contain substantive information concerning City policies, decision-making, proceedings, projects, contracts, or that may later be important or useful for carrying out City business should be retained in accordance with the Electronic Mail Management and Retention Policy – **APPROVED THE ELECTRONIC MAIL MANAGEMENT AND RETENTION POLICY**

Approved Electronic Mail Management and Retention Policy
 Wi/Ni Ayes All

FINANCE DIRECTOR REPORTS

*6. Disbursements, bills, and claims for January 17, 2013 through January 30, 2013 – **AUTHORIZED PAYMENTS.**

Authorized Payments
 Gr/Ni Ayes All

*7. There are three check signers in place to sign checks and transfer funds to and from the Local Agency Investment Fund. Due to the election of a new City Treasurer, Laura Jenkins, it is necessary for the City to update its banking authorization – **ADOPTED RESOLUTION 03-13 AUTHORIZING DESIGNATED OFFICERS TO DEPOSIT AND/OR WITHDRAW FUNDS INTO AND OUT OF THE LOCAL AGENCY INVESTMENT FUND**

Adopted Resolution 03-13 Authorizing Designated Officers to Deposit and/or Withdraw Funds Into and Out of the Local Agency Investment Fund
 Gr/Ni Ayes All

*8. The State of California reimburses local agencies for costs incurred in complying with certain state-mandated programs. The City has been working with Andy Nichols for SB90 Mandated Cost Claims filing since 2001/02 – **APPROVED THE CONTRACT WITH NICHOLS CONSULTING FOR THE SB90 FILING SERVICE**

Approved Contract with Nichols Consulting for SB90 Filing Service
 Gr/Ni Ayes All

*9. California Government Code Section 53646(a) requires council members to review and approve the Investment Policy each year. Staff has reviewed the current policy and feels that no change is necessary – **APPROVED THE EXISTING INVESTMENT POLICY WITHOUT ANY CHANGES AND ADOPTED THE RESOLUTION 04-13**

Approved Investment Policy & Adopted Resolution 04-13
 Gr/Ni Ayes All

AIRPORT MANAGER REPORTS

*10. The Sandy Family Living Trust, George T. Sandy, Trustee, recently purchased hangar 10E located at the Tehachapi Municipal Airport. Mr. Sandy is requesting a new commercial hangar ground lease – **APPROVED THE COMMERCIAL HANGAR GROUND LEASE AGREEMENT WITH THE SANDY FAMILY LIVING TRUST, GEORGE T. SANDY, TRUSTEE**

Approved Commercial Hangar Ground Lease Agreement with the Sandy Family Living Trust, George T. Sandy, Trustee
 Gr/Ni Ayes All

UTILITY MANAGER REPORTS

11. Consideration of the annual agreement with Golden Hills Community Services District for 450 acre-feet of ground water. This will allow the City to pump an additional 300 acre-feet of ground water in the calendar year 2013 – **APPROVED THE ANNUAL WATER RIGHTS LEASE AGREEMENT WITH THE GOLDEN HILLS COMMUNITY SERVICES DISTRICT**

Approved Annual Water Rights Lease Agreement with Golden Hills Community Services District
 Wi/Va Ayes All

12. With the recently completed Waste Water Treatment Plant Improvements Project, the need has risen for alarm system installation and continuous monitoring for the various structures. Staff received a quotation from Kern Security and Fire Systems for installation and monitoring. Due to the layout and conduit issues, Staff received the quotation for the work in two separate quotations. Quotations total \$7,278 for installation, plus \$108 per month for monitoring – **ACCEPTED QUOTATION AND APPROVED CONTRACT WITH KERN SECURITY AND FIRE SYSTEMS SUBJECT TO REVIEW AND APPROVAL BY CITY ATTORNEY**

Accepted Quotation and Approved Contract with Kern Security & Fire Systems Subject to Review & Approval by City Attorney
 Gr/Ni Ayes All

CITY ENGINEER REPORTS

13. A call for grant applications has been made by the State Department of Water Resources. At this time, Staff wishes to prepare the necessary project application for a joint City of Tehachapi/Tehachapi-Cummings County Water District (TCCWD) project. The goal of the project is to connect the City's Snyder Well to the TCCWD non-potable waterline located near the intersection of Dennison Road and Valley Blvd. – **AUTHORIZED CITY STAFF TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT, SUBJECT TO THE CITY ATTORNEY'S APPROVAL, WITH PROVOST & PRITCHARD CONSULTING GROUP FOR THE PURPOSE OF PREPARING A GRANT APPLICATION TO THE DEPARTMENT OF WATER RESOURCES**

Authorized Staff to Enter into a Professional Services Agreement, Subject to the City Attorney's Approval, with Provost & Pritchard Consulting Group for the Purpose of Preparing a Grant Application to the Department of Water Resources
 Wi/Ni Ayes All

14. A little less than a year ago, the City embarked on a selection process to identify a consultant engineering/architectural firm to lead the development of a new police headquarters to be located at 220 W. C Street. The design for this project is 95% complete at this point and we are expecting contract documents ready for plan check by Kern County Fire within the week. Presuming all goes as planned; City Staff will be ready to begin the bidding process for construction by the end of February 2013. – **PUBLIC COMMENTS RECEIVED FROM CHERRILL GRAGG WHO REQUESTED CLARIFICATION AND EXPRESSED CONCERN REGARDING CURRENT DISPATCH SERVICES. APPROVED THE PROPOSED CONTRACT DOCUMENTS FOR THE PROPOSED**

Approved Proposed Contract Documents for the Proposed Replacement Police Headquarters Project & Authorized Staff to Begin the Construction Proposal Solicitation Process
 Gr/Wi Ayes All

REPLACEMENT POLICE HEADQUARTERS PROJECT AND AUTHORIZED CITY STAFF TO BEGIN THE CONSTRUCTION PROPOSAL SOLICITATION PROCESS

CITY ATTORNEY REPORTS

*15. The city and Tehachapi Valley Healthcare District (TVHD) have been negotiating the terms of transfer of the TVHD water rights to the city and expect to reach agreement before your meeting – **CITY ATTORNEY TOM SCHROETER ADVISED COUNCIL THAT BECAUSE NO AGREEMENT WAS REACHED PRIOR TO THE MEETING, COUNCIL WOULD BE APPROVING THE AGREEMENT THAT STAFF STILL HAVE TO NEGOTIATE. APPROVED AGREEMENT FOR TRANSFER OF WATER RIGHTS FROM TVHD TO CITY SUBJECT TO REVIEW AND APPROVAL BY CITY ATTORNEY**

Approved Agreement for Transfer of Water Rights From TVHD to City Subject to Review and Approval by City Attorney
Gr/Ni Ayes All

CITY MANAGER REPORTS

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

Received Report

COUNCIL MEMBER ANNOUNCEMENTS OR REPORTS

1. Grimes spoke regarding meetings in Sacramento with legislators regarding prisoner realignment program and issues about inequality of reimbursement from the state. Northern counties receive more funding for inmates than southern counties due to funding based on population in county and he stated that Kern County is not getting fair share. He further spoke about ACCAP's efforts in correcting this issue.
2. Wiggins spoke regarding spending time with the Chief of Police and school representatives as well as other police agencies inspecting the schools. Identified issues and toured campuses. Fruitful experience and stated that efforts are towards making campuses as safe as they can be.

CLOSED SESSION

1. Approval of closed session minutes of January 22, 2013.

Approved Minutes
Gr/Ni Ayes All

ADJOURNMENT

The City Council/Boards adjourned at 7:24 p.m. to a Tehachapi City Council, Tehachapi Redevelopment Successor Agency, Tehachapi Public Financing Authority and Tehachapi City Financing Corporation Regular Meeting to be held on Tuesday, February 19, 2013, at 6:00p.m.

Ni/Wi

Julie Drimakis
City Clerk, City of Tehachapi

Approved this 19th day
Of February, 2013.

PHILIP SMITH
Mayor, City of Tehachapi

Accounts Payable

Checks by Date - Detail By Check Date

User: delphina
 Printed: 2/13/2013 - 10:59 AM



		Check Amount
Check No:	0	Check Date:
Vendor:	0017	American Business Machines
164475		GG\Freight
164509		GG\Contract for 10-4-12 to 10-03-13
		8.00
		1,431.50
		<u>1,439.50</u>
Check No:	0	Check Date:
Vendor:	0061	BSK Associates
0065714		Swr\Reclamation area sampling
		8,739.00
		<u>8,739.00</u>
Check No:	0	Check Date:
Vendor:	0182	P&J Electric
4423		Wtr\Svc call-changed dripper soleniod ck voltag
		200.00
		<u>200.00</u>
Check No:	0	Check Date:
Vendor:	0214	J&H Automotive Unlimited
6046209		Const\replace fuel tank
		384.04
		<u>384.04</u>
Check No:	0	Check Date:
Vendor:	0218	Jim's Supply Company, Inc.
550483		TR 6216\ 1/2" H.R. round 14' pipe
		16.13
		<u>16.13</u>
Check No:	0	Check Date:
Vendor:	0241	Kern Bros. Trucking, Inc.
62442		TR 6216\plaster sand
		596.63
		<u>596.63</u>
Check No:	0	Check Date:
Vendor:	0260	Liebert Cassidy Whitmore
160297		PD\Legal svcs through 12-31-2012
		150.00
		<u>150.00</u>
Check No:	0	Check Date:
Vendor:	0300	Mission Linen & Uniform Service
140146602		PW\Linen Maintenance
		84.12
		<u>84.12</u>
Check No:	0	Check Date:
Vendor:	0347	Quinn Company
PC080304765		Swr\m seal stk
		69.09
		<u>69.09</u>
Check No:	0	Check Date:

Vendor:	0431 Tehachapi News	
13047165	GG\Dial-a-Ride	28.75
13049004	GG\retail preprint Jan 2013	230.00
13049026	GG\retail reprint Jan 2013	336.00
13049372	GG\City Board Opening	53.50
13049372-1	GG\City Board Opening	53.50
13049372-2	GG\City Board Opening	53.50
13049372-3	GG\City Board Opening	53.50
13057333	GG\year-in-review insert fee	50.00
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		858.75
Check No:	0	Check Date:
Vendor:	0441 Vulcan Materials Company	
261258	Wtr\rmc plt aggr	46.23
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		46.23
Check No:	0	Check Date:
Vendor:	0476 WITTS Everything for the Office	
125047-0	Air\color print large format	32.18
125991-1	GG\multipurpose paper	34.39
126073-0	GG\whiteboard marker 6x9 envelopes	22.50
126073-1	GG\card reel lanyards	11.28
126078-0	PW\planner	45.14
126088-0	GG\soap	9.85
126093-0	GG\rubberbands	4.29
126102-0	GG\frames	22.83
126105-0	GG\Ryan's desk	138.60
126130-0	GG\pens & air sanitizer	55.86
126191-0	GG\multipurpose paper labels ink cartridge	136.13
126208-0	CityClrk\Mouse Crd	27.41
600572-0	PW\pens & ink cartridges	44.68
C 125588-0	PD\files	-109.37
C 125838-0	GG\bulldog clips	-10.68
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Vendor:	0478 Zee Medical Service	
619145	GG\safety supplies	70.90
619146	PD\safety supplies	78.91
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Vendor:	0525 All American Tire & Service Center LLC.	
35099	Swr\flat repair	20.00
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		20.00
Check No:	0	Check Date:
Vendor:	0620 Mountain Gardens Nursery	
42172	GG\4 Trees & soil	1,416.79
42180	GG\Tree & soil	360.10
		<hr/>
		1,776.89
Check No:	0	Check Date:
Vendor:	1032 Jack Davenport Sweeping Services, Inc.	
95144	Strts\Jan broom sweeping service	8,640.00
		<hr/>
		8,640.00

Check No:	0	Check Date:		
Vendor:	1055	Mercury Graphics		
4282		PD\custom vinyl cut roof #'s door logos		1,812.45
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				1,812.45
Check No:	0	Check Date:		
Vendor:	1286	M&M's Sports Uniforms & Embroidery		
27878		GG\brass plate PSmith		14.58
27883		GG\adj hats w/City logo		729.11
				<hr/>
				743.69
Check No:	0	Check Date:		
Vendor:	1321	Culligan Water Conditioning		
02012013		PD\ACD rental		29.00
				<hr/>
				29.00
Check No:	0	Check Date:		
Vendor:	1681	OfficeMax Incorporated		
176167		PD\toner & ink		386.94
				<hr/>
				386.94
Check No:	0	Check Date:		
Vendor:	1729	Alpha Landscape Maintenance		
11470		City Offices		45.38
11470-1		Mkt Pl-Union Pac		201.79
11470-10		Heritage Oak		787.98
11470-11		KB-Dennison		3,293.96
11470-12		Street Trees		113.10
11470-13		Dennison St		658.10
11470-14		Clearview		294.12
11470-15		Pioneer Park		506.04
11470-16		Old Town Planters		71.32
11470-17		Mill St Cottages		22.49
11470-18		Pinon House		109.63
11470-19		Robinson Park		461.02
11470-2		Mill St Islands		392.38
11470-20		Taco Samich & Wall		25.68
11470-21		Sr Center		95.95
11470-22		Railroad Park		116.44
11470-23		Robinson Parking Lot		22.85
11470-24		Red Barn		80.59
11470-25		New Police Bldg		457.08
11470-3		Cap Hill (So Island)		246.63
11470-4		Manzanita Park		693.93
11470-5		KB-Highland LMD		468.03
11470-6		Alta Tract-Warrior Park		4,082.07
11470-7		Alta Parkway Lawns		160.38
11470-8		Planters-Highline & perimeters		1,433.48
11470-9		South Curry		207.93
11473		Mkt Pl - Union Pac		1.17
11473-1		Mill St Island		3.53
11473-10		KB-Dennison		32.88
11473-11		Dennison St		3.52
11473-12		Clearview		1.17
11473-13		Pioneer Park		3.53
11473-14		Old Town Planter		1.17
11473-15		Mill St Cottages		0.59
11473-16		Pinon House		1.17

11473-17	Robinson Park	1.18
11473-18	Taco Samich	1.17
11473-19	Sr Center	1.17
11473-2	Capitol Hills	2.35
11473-20	RR Depot	2.35
11473-21	Robinson pkg lot	0.59
11473-3	Manzanita Park	3.52
11473-4	KB Tract-Highland	1.17
11473-5	Alta Tract-Warrior Park	27.01
11473-6	Alta Parkway Lawns	2.35
11473-7	Alta Planters-Highline & Tr	11.74
11473-8	South Curry	2.35
11473-9	Heritage Oaks	11.75

15,165.78

Check No:	0	Check Date:		
Vendor:	1801	HD Supply Waterworks, LTD		
5715137		Wtr\rips bevel tool		49.88
5785355		Wtr\12" hyd ext w/kit		674.31
6053998		Wtr\wrench set w/plastic carrying case		164.48

888.67

Check No:	0	Check Date:		
Vendor:	1804	City of Wasco		
5980		KCAC mtg-Grimes Garrett Vachon Smith Wiggi		125.00

125.00

Check No:	0	Check Date:		
Vendor:	1822	Ed Grimes		
01312013		Mileage reimb-Solid Waste Comm & State of Ct		101.70

101.70

Check No:	0	Check Date:		
Vendor:	1866	Bear Valley CSD		
012013		PD/5 % increase/January 2012/Dispatch Service:	Dispatch service 5% increase	1,684.85
022013		PD/5 % increase/February 2012/Dispatch Service	Dispatch service 5% increase	1,684.85
072012		PD/5 % increase/July 2012/Dispatch Services	Dispatch service 5% increase	1,684.85
082012		PD/5 % increase/August 2012/Dispatch Services	Dispatch service 5% increase	1,684.85
092012		PD/5 % increase/September 2012/Dispatch Servi	Dispatch service 5% increase	1,684.85
102012		PD/5 % increase/October 2012/Dispatch Service	Dispatch service 5% increase	1,684.85
112012		PD/5 % increase/November 2012/Dispatch Servi	Dispatch service 5% increase	1,684.85
122012		PD/5 % increase/December 2012/Dispatch Servi	Dispatch service 5% increase	1,684.85

13,478.80

Check No:	0	Check Date:		
Vendor:	1945	RST Cranes, Inc.		
6659		Air\Fuel pump repair		706.20

706.20

Check No:	0	Check Date:		
Vendor:	1982	SSD Systems		
916000-S		Wtr\Svc security sys-wires shorted on mtn dect		129.10

129.10

Check No:	0	Check Date:		
Vendor:	2111	Swift Napa Auto Parts		
765234		PW\Core Deposit Credit		-29.56

766629	Wtr\Diesel exst fld	30.08
766976	PW\cat-backhoe ag lamp	109.62
766977	PW\T-Connector V-3	33.85
767011	PW\bulb	16.02
767054	PW\Transfer Pump	187.05
		<hr/>
		347.06
Check No:	0 Check Date:	
Vendor:	2147 Coffee Break Service, Inc.	
FEB3607	GG\monthly water cooler rental	26.95
		<hr/>
		26.95
Check No:	0 Check Date:	
Vendor:	2178 The Daily Independent	
02052013	GG\annual subscription renewal	162.72
		<hr/>
		162.72
Check No:	0 Check Date:	
Vendor:	2243 The Bank of New York Mellon	
252-1683872	RDA 2007 Admin Fee 12-1-12 to 11-30-13	1,600.00
252-1683876	RDA 2005 Admin Fee 12-21-12 to 12-20-13	1,600.00
		<hr/>
		3,200.00
Check No:	0 Check Date:	
Vendor:	2492 Golden Hills CSD	
WCF 01282013	Leased water rights	21,528.00
		<hr/>
		21,528.00
Check No:	0 Check Date:	
Vendor:	2676 USPS-Hasler	
02112013	GG\Postage	1,000.00
		<hr/>
		1,000.00
Check No:	0 Check Date:	
Vendor:	2752 Fastenal Company	
CATEH1017	Wtr\ 1/2 x 3/4 strip 1/2 sac	6.61
CATEH1026	Wtr\o-rings	2.69
		<hr/>
		9.30
Check No:	0 Check Date:	
Vendor:	2776 Consolidated Electrical Dist.	
786091	Cent Plaza\Bronze light	322.50
		<hr/>
		322.50
Check No:	0 Check Date:	
Vendor:	2837 Tartaglia Engineering	
01	Air\Rehab & Relocate Taxiway A	34,450.00
		<hr/>
		34,450.00
Check No:	0 Check Date:	
Vendor:	2892 Mountain Maintenance Group, Inc.	
4539	GG\cleaning 1/28-31 2/4-7	480.00
4539-1	PD\cleaning 1/27-31 2/4-7	540.00
4539-2	Depot\cleaning 1/24-28 1/31-2/4	500.00
4539-3	Air\cleaning 1/31 2/7	100.00
4539-4	WWTP\cleaning 1/29 31 2/5 7	170.00
4539-5	Wtr\cleaning 1/29 31 2/5 7	170.00

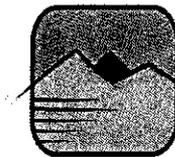
Check No:	0	Check Date:		1,960.00
Vendor:	2893	Cardmember Service		
111312		Wtr\Vehicle Maintenance		255.53
				255.53
Check No:	0	Check Date:		
Vendor:	2978	Andy Gump, Inc		
INV142926		TR 6216\chain link fence rental		89.01
				89.01
Check No:	0	Check Date:		
Vendor:	3045	Precision Supply		
34994		PW2 doz blast		454.48
				454.48
Check No:	0	Check Date:		
Vendor:	3051	Tehachapi Transmissions, Inc.		
4159		PD\intake manifold gaskets		189.63
				189.63
Check No:	0	Check Date:		
Vendor:	3066	AECOM Technical Services, Inc.		
37311023		Challenger Dr NEPA Support project		8,223.00
37311075		TR 6216 Imp project		512.30
37311097		East Tehachapi Lift Station Study		570.94
37311122		WWTP Imp project		300.49
37311179		Teh Blvd Imp proj Phase IV		4,944.55
37313931		New Police Building		30,654.35
				45,205.63
Check No:	0	Check Date:		
Vendor:	3156	Lone Pine Automation		
326		Wtr\Booster control @ Curry site		400.00
				400.00
Check No:	0	Check Date:		
Vendor:	3217	Office Depot		
640894996001		PD\ext-cap maint kit lysol wipes		227.31
640895033001		PD\copy paper ink cartridge steno pad		234.97
				462.28
Check No:	0	Check Date:		
Vendor:	3244	KERO-TV		
184747-1		Weather Cam Project 2013		8,000.00
				8,000.00
Check No:	0	Check Date:		
Vendor:	3270	EcoTierra Consulting		
001		CD\Walmart Supplemental EIR		6,178.65
				6,178.65
Check No:	0	Check Date:		
Vendor:	3278	Hub Construction Specialties, Inc.		
X11010036		Const\beam level & smart tool level		221.07
X11012787		Const\returned smart tool level		-167.70

Check No:	0	Check Date:		53.37
Vendor:	3317	HPS Mechanical, Inc.		
12312012		"C" St Waterline Replacement-Pay #1		166,799.10
				166,799.10
Check No:	0	Check Date:		
Vendor:	3437	Tehachapi Lifestyle Magazine		
1895		GG\inside front cover display ad		1,550.00
				1,550.00
Check No:	0	Check Date:		
Vendor:	3553	D Bethany, Notary Public		
02052013		GG\Notary Services		40.00
02052013-1		CD\Notary Services		20.00
				60.00
Check No:	0	Check Date:		
Vendor:	3554	Double Barrel Environmental Services		
16776		Teh Blvd Phase IV-remove underground tanks		40,564.70
				40,564.70
			Date Totals:	390,471.52
			Report Total:	390,471.52

Accounts Payable

Checks by Date - Detail By Check Date

User: annamarie
 Printed: 1/31/2013 - 1:14 PM



CITY OF
TEHACHAPI
 CALIFORNIA

			Check Amount
Check No:	37420	Check Date: 01/31/2013	
Vendor:	2963	AT&T	
4022770		PD\Subscriber Access Line	179.30
			179.30
Check No:	37421	Check Date: 01/31/2013	
Vendor:	3528	Grace Benedict	
01282013		GG\Emergency Escape Route Frames	10.76
01282013-1		GG\Reimbursement for Hannah's Celebration	36.10
			46.86
Check No:	37422	Check Date: 01/31/2013	
Vendor:	0498	Interstate Battery System	
22239515		PW\battery	109.34
			109.34
Check No:	37423	Check Date: 01/31/2013	
Vendor:	0300	Mission Linen & Uniform Service	
140137081		Swr\dust mop & mats	31.90
140138312		Swr\dust mop & mats	31.90
140139498		Swr\dust mop & mats	31.90
140140686		PW\linen maintenance	88.92
140140687		Swr\dust mop & mats	35.09
			219.71
Check No:	37424	Check Date: 01/31/2013	
Vendor:	0372	Southern California Edison	
01192013		Air\314 N Hayes St	182.24
01192013-1		Air\9999 1/2 Hayes	93.86
01192013-10		Air\314 N Hayes St	159.17
01192013-11		Air\late payment charge	8.98
01192013-2		Air\316 S Mojave St	40.33
01192013-3		Air\314 N Hayes St PAPI	68.30
01192013-4		Air\409 Bryan Ct	234.48
01192013-5		Air\West end Teh Airport	66.47
01192013-6		Air\314 N Hayes St #B	276.66
01192013-7		Air\NE cor Teh Airport	27.11
01192013-8		Air\314 N Hayes St #G3	30.20
01192013-9		Air\Dennison s/o Hwy 58	164.57
01232013		GG\311 E D St	83.48
01232013-1		City Parks\114 S Green St	164.63
01232013-2		Strts\113 S Mojave St	172.35
01232013-3		LLD\318 E E St	83.07
01242013		GG\200 W Teh Blvd	47.77
01242013-1		PD\220 W C St	26.88
01242013-2		Strts\213 S Curry St A	21.78
01242013-3		LLD\329 1/2 D St	83.12

01252013	GG\1125 Capital Hills	24.73
01252013-1	GG\109 E Teh Blvd	89.83
01252013-2	GG\111 W I St	60.46
01252013-3	Strts\209 1/2 E Teh Blvd	25.14
01252013-4	Strts\333 1/2 E Teh Blvd	153.35
01262013	Swr\800 Enterprise	4,302.01
01262013-1	Swr\880 Enterprise	1,505.11
01262013-2	Swr\801 Mtn View Ave	51.40
01292013	Strts\Teh Bl w/o Green	18.18
01292013-1	Strts\103 Teh Bl	93.12
01292013-2	Strts\101 E Teh Bl #B	217.51
01292013-3	Strts\110 S Mill St	152.69
01292013-4	Strts\Curry & D St	18.18
01292013-5	Wtr\358 E D St	1,340.33

10,087.49

Check No: 37425 Check Date: 01/31/2013

Vendor: 3011 Verizon Wireless

1155118725	Fin\Mobile Broadband	29.65
1155118725-1	GG\Mobile Broadband	29.65
1155118725-2	Wtr\Mobile Broadband	15.01
1155118725-3	Swr\Mobile Broadband	15.01
1156454092	Air\Mobile Broadband	29.65
1156454092-1	PW\Mobile Broadband	29.65
1156454092-2	GG\Mobile Broadband	29.65
1156454092-3	CD\Mobile Broadband	29.65
1156454092-4	Wtr\Mobile Broadband	15.01
1156454092-5	Swr\Mobile Broadband	15.01
1157319206	Wtr\Mobile Broadband	15.01
1157319206-1	Swr\Mobile Broadband	15.01

267.96

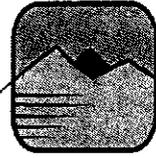
Date Totals: 10,910.66

Report Total: 10,910.66

Accounts Payable

Checks by Date - Detail By Check Date

User: annamarie
 Printed: 2/6/2013 - 1:15 PM



CITY OF
TEHACHAPI
 CALIFORNIA

Check Amount

Check No:	Check Date:	Check Amount
37481	02/06/2013	
2940	U.S. Bank Corporate Payment System	
007018	GG\mtg w/CSO mgrs	50.90
01072013	City Clerk Membership-JDrimakis	145.00
01082013	PD\parking	42.00
01152013	PD\Membership renewal fees	90.00
01162013	PW\tool kit ratchets	1,118.43
01262013	PD\Seminar-mounted volunteers	236.00
015467	Air\radio repair	84.73
02132013	PD\Webinar registration	50.00
077564	GG\State of the County	500.00
1042244237	GG\ASCE Natl Membership dues	270.00
120431	GG/Index Maker Dividers	93.31
12272012	CALED Annual Memb Renewal-DJames	465.00
262276	PD\450-470MHz UHF Gain Antenna	878.48
2683419	WWTP Grade III Textbooks	51.97
28536150	WWTP Grade III Textbooks	197.93
287217	PD\K-9 supplies	425.30
2947404	WWTP Grade III Textbooks	120.50
3252229	CD\desktop stapler	27.38
3256	PW\shop tools	813.95
414881	City Council\ACCAPS Legislative Conf	771.14
45893	Air\computer maint	995.00
504113144	Air\.com domain renewal	27.99
5529044	WWTP Grade III Textbooks	6.40
5529044-1	WWTP Grade III Textbooks	371.99
5565000	CD\25' ext cord	32.22
5739241	PD\CPCA Annual Training Symposium	500.00
639069276-001	Air\printer toner	528.84
639070052-001	Air\printer imaging drum	173.02
63984	PD\Airfare-Ketcham	218.80
63985	PD\Airfare-Howells	218.80
63986	PD\Airfare-Marchiano	218.80
63987	PD\Airfare-Rosenberg	218.80
63988	PD\Airfare-Kelly	218.80
63989	PD\Airfare-Escobedo	218.80
63990	PD\Airfare-Jones	218.80
63991	PD\Airfare-Buffham	218.80
63992	PD\Airfare-Hackleman	218.80
64902	PD\Airfare-Christian	218.80
64903	PD\Airfare-Cryer	218.80
64904	PD\Airfare-Luckhardt	218.80
64905	PD\Airfare-Heavener	218.80
64906	PD\Airfare-Orozco	218.80
64907	PD\Airfare-Caudillo	218.80
64908	PD\Airfare-Bejar	218.80
64909	PD\Airfare-Haskell	218.80
6571029	GG\100mm glide	21.48

8001	PD\LAPE	50.00
8041856	PW\breaker	16.02
869276	PD\lodging	926.18
S020058872	GG\City of Teh Live Up Main St US CA flags	1,259.70
		<hr/>
		15,060.46
		<hr/>
	Date Totals:	15,060.46
		<hr/>
		<hr/>
	Report Total:	15,060.46
		<hr/>
		<hr/>

Accounts Payable

Checks by Date - Detail By Check Date

User: delphina
 Printed: 2/7/2013 - 4:48 PM



			Check Amount
Check No:	37483	Check Date: 02/07/2013	
Vendor:	0372	Southern California Edison	
02022013		Strts\Hwy 202	66.29
02022013-1		Strts\Hwy 202 - controls to traffic lights	32.51
02022013-2		Strts\303 E Ave D	15.72
02022013-3		Strts\326 E D St	20.35
02022013-4		LLD\Teh Blvd & Bailey Ave	79.61
			214.48
Check No:	37484	Check Date: 02/07/2013	
Vendor:	3135	Juan A. Acuna	
535127		TR 6216\pumped 15 yards	300.00
			300.00
Check No:	37485	Check Date: 02/07/2013	
Vendor:	3516	Kern Pacific Construction Company	
12312012		Teh Blvd Imp Phase IV Pay #5	91,506.34
			91,506.34
Date Totals:			92,020.82
Report Total:			92,020.82

CITY OF TEHACHAPI
 TREASURER'S REPORT
 FY 2012-13

MONTH END BANK STATEMENT BALANCE

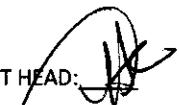
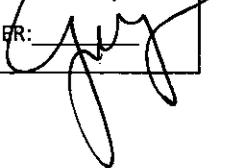
BANK ACCOUNTS

	8/31/2012	9/30/2012	10/31/2012	11/30/2012	12/31/2012	1/31/2013
General Checking	2,995,705.11	2,758,308.49	2,832,822.74	1,712,578.83	1,415,275.63	4,509,675.50
Water Deposit Trust	101,904.00	104,544.00	98,644.00	102,854.00	97,400.00	99,573.85
AD 83-1/87-1, Tucker	87,556.13	87,567.81	87,567.81	87,573.65	87,579.49	87,585.33
AD 89-3	828.82	828.82	828.82	828.82	828.82	828.82
RDA Checking	22,079.41	22,079.41	22,079.41	22,079.41	22,079.41	22,079.41
Payroll	48,583.21	48,405.44	48,241.04	48,068.69	47,915.71	47,724.26
AFLAC Flex Spending	13,338.87	14,381.19	14,976.34	15,277.67	14,331.51	13,307.73
Airport Key Deposit/Cr Card Purch	82,886.41	125,124.28	175,011.72	34,210.64	67,906.08	68,908.84
Ashtown Water Escrow	107,434.61	107,434.61	107,434.61	107,434.61	107,434.61	107,434.61
1994/2004 Refunding Bond	0.00	0.00	0.00	0.00	0.00	0.00
CFD 90-1	0.00	0.00	0.00	0.00	0.00	0.00
RDA 2007	615,401.65	615,401.65	615,401.65	1,008,692.90	615,401.65	615,401.65
RDA 2005	577,854.28	577,854.28	577,854.28	958,829.28	577,854.28	577,854.28
LAIF	9,408,725.08	9,408,725.08	9,417,862.68	9,417,862.68	9,417,862.68	9,425,502.71
Total Funds in Banks	14,062,297.58	13,870,649.22	13,998,725.10	13,516,291.18	12,471,869.87	15,575,876.99

INVESTMENTS

CSJVRMA Investment Pool	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
Various Money Market Funds	530.81	1,061.43	185,923.75	186,264.78	186,594.83	1.64
Govt. Securities-Fed Farm Cr Bk	0.00	0.00	0.00	0.00	0.00	0.00
Govt. Securities-Fed Home Ln Bk	0.00	0.00	0.00	0.00	0.00	0.00
Various Certificates of Deposit	564,005.10	564,005.10	384,005.10	384,005.10	384,005.10	384,005.10
Federal Hm Ln Bank/Fannie Mae	1,042,500.00	1,042,500.00	1,042,500.00	1,053,125.00	1,053,125.00	0.00
* Loaned to Wtr/Swr to pay-off COP2000	977,048.42	977,048.42	977,048.42	977,048.42	843,626.42	843,626.42
Total Investments	4,584,084.33	4,584,614.95	4,589,477.27	4,600,443.30	4,467,951.35	3,227,633.16
TOTAL PORTFOLIO	18,646,381.91	18,455,264.17	18,588,202.37	18,116,734.48	16,939,221.22	18,803,510.15



APPROVED
DEPARTMENT HEAD: 
CITY MANAGER: 

COUNCIL REPORTS

MEETING DATE: FEBRUARY 19, 2013 AGENDA SECTION: FINANCE

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: HANNAH CHUNG, FINANCE DIRECTOR

DATE: FEBRUARY 12, 2013

SUBJECT: PUBLIC HEARING AND PROPOSED RESOLUTION DEALING WITH TRANSIT NEEDS WITHIN THE CITY

BACKGROUND

As part of the annual Public Transit Claim for Transportation Development Act (TDA) funds, it is necessary to conduct a public hearing to receive public testimony concerning the transit needs within the City.

City of Tehachapi provides transit service, Dial-A-Ride, through Kern Regional Transit. Utilizing two buses, transit services are provided from 5:30am to 7:00pm, Monday through Friday within the City limits of Tehachapi and between the City and certain areas of the County. One bus runs from 5:30am to 8:30am and 10:30am to 3:30pm. The other bus runs from 7:30am to 11:15am and 12:45pm to 7:00pm. The current one-way fares are as listed below:

General Public	\$1.00	Seniors (62 and over)	\$0.75
Disabled	\$0.75	Youth (5 ~ 15)	\$0.75
Children 4 and under	Free		

The average cost per rider per ride from July, 2011 through June, 2012 is \$23.61 and the subsidized cost for the same is \$22.82.

The City is required to adopt a resolution annually proving that "there are no areas within the City with unmet public transit needs which could be reasonably met by expansion of the existing system or establishment of a new system." This resolution also authorizes the City Manager to execute and file claims for TDA apportionment and allocations for FY 2013-14. The public hearing notice was published on the Tehachapi News on January 15, 2013.

FISCAL IMPACT

This resolution allows the City to file for TDA funds that are used both for transit needs and our public roads. The TDA apportionment for the fiscal year 2012/13 for the City was \$644,420. The apportionment for the fiscal year 2013/14 is not available yet.

RECOMMENDATION

Adopt the Resolution finding that there are no unmet transit needs that are reasonable to meet within the City.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF TEHACHAPI FINDING THAT THERE ARE
NO UNMET TRANSIT NEEDS THAT ARE
REASONABLE TO MEET WITHIN THE CITY.**

WHEREAS, the City of Tehachapi City Council conducted a public hearing on Tuesday, February 19, 2013, to consider possible unmet transit needs within the City, and;

WHEREAS, the City of Tehachapi currently provides public transportation service within the City of Tehachapi, and;

WHEREAS, the objectives of providing the public transportation system are to meet the public need for limited cost transportation, to serve the mobility limited population, and to provide an alternative to private vehicle transportation.

NOW, THEREFORE, BE IT RESOLVED by the City of Tehachapi City Council that, after holding a duly advertised public hearing and receiving public testimony, it finds there are no areas within the City with unmet public transit needs which could be reasonably met by expansion of the existing system or establishment of a new system.

BE IT FURTHER RESOLVED, that a copy of this resolution be transmitted to the Kern County Council of Governments in conjunction with the filing of claims for Transportation Development Act Funds for Fiscal Year 2013-14 and that the City Manager is authorized to execute said claims.

PASSED AND ADOPTED by the City Council of the City of Tehachapi this 19th day
of February, 2013.

AYES: COUNCIL MEMBERS: _____

NOES: COUNCIL MEMBERS: _____

ABSENT: COUNCIL MEMBERS: _____

ABSTAIN: COUNCIL MEMBERS: _____

PHILIP SMITH, Mayor
of the City of Tehachapi,
California

ATTEST:

JULIE DRIMAKIS, CMC
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 February 19, 2013.

JULIE DRIMAKIS, CMC
City Clerk of the City of Tehachapi, California



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

BOARD REPORTS

MEETING DATE: FEBRUARY 19, 2013 AGENDA SECTION: FINANCE

TO: HONORABLE CHAIRMAN SMITH AND BOARD MEMBERS

FROM: HANNAH CHUNG, FINANCE DIRECTOR

DATE: FEBRUARY 13, 2013

SUBJECT: COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENCES BETWEEN THE CITY AND THE SUCCESSOR AGENCY

BACKGROUND

Upon dissolution of the Tehachapi Redevelopment Agency on February 1, 2012 pursuant to Part 1.85 of the Community Redevelopment Law ("Part 1.85"), the Successor Agency to the Tehachapi Redevelopment Agency was constituted and is governed by a board of directors consisting of the members of the City Council. The Successor Agency is required to undertake a number of actions pursuant to Part 1.85, including winding down the affairs of the former Tehachapi Redevelopment Agency ("Agency") pursuant to Health and Safety Code Section 34177(h).

The Legislature adopted AB 1484 on June 27, 2012, significantly amending Part 1.85, including Health and Safety Code Section 34173(h) to authorize the City to loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans. Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), with the approval of the oversight board, the Successor Agency may enter into agreements with the City.

As was typical in past years, the Agency had negative cash balance after making its bond debt service payments on November 30, 2011. Prior to the adoption of Part 1.85, this negative cash balance would have been temporary, existing only until the next receipt of tax increment. Part 1.85 significantly changed the distribution of tax revenues. The Agency did not receive funds sufficient to either remedy the negative cash balance or pay for obligations outlined in Recognized Obligation Payment Schedule (ROPS) I and ROPS II by the California State Department of Finance. As a result, the City advanced to the Agency funds in the amount of \$953,475.59 to eliminate the negative cash balance.

The attached Resolution approves a Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency attached as Exhibit A to the attached Resolution. The Cooperative Agreement provides for the Successor Agency to use the City's staff, facilities, and other resources for the administration and operations of the Successor Agency, for the City to make loans pursuant to Health and Safety Code Section 34173(h), and for the Successor Agency to reimburse the City for such loans and advances, including the advance for \$953,475.59. The Agreement must be approved by the Oversight Board.

RECOMMENDATION

Staff recommends that the Successor Agency to the Tehachapi Redevelopment Agency adopt the proposed resolution approving the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead, and Other Expenses between the City and the Successor Agency, and taking certain other actions.

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY APPROVING THE EXECUTION OF A COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES BY AND BETWEEN THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY AND THE CITY OF TEHACHAPI AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, Pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170), the Successor Agency to the Tehachapi Redevelopment Agency ("Successor Agency") is required to undertake a number of actions, including winding down the affairs of the former Redevelopment Agency pursuant to Health and Safety Code Section 34177(h); and

WHEREAS, In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City. The City Manager of the City serves as Executive Director of the Successor Agency, the Finance Director of the City serves as Finance Officer of the Successor Agency, and City staff serves as Secretary to the Successor Agency. Planning, finance, engineering, public works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the former Redevelopment Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with administration and operations of the Successor Agency; and

WHEREAS, By providing and making available to the Successor Agency the staff, facilities, services, and other resources of the City, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency, the City has advanced and will continue to advance the cost of the foregoing to the Successor Agency. The City and the Successor Agency desire to enter into an agreement to provide for an appropriate method of reimbursement of such advances by the Successor Agency to the City; and

WHEREAS, Pursuant to Health and Safety Code Section 34171(d)(1)(F), contracts or agreements necessary for the administration or operation of the Successor Agency are enforceable obligations; and

WHEREAS, Pursuant to Health and Safety Code Section 34173(h), the City may loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans; and

WHEREAS, Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), the Oversight Board for the Successor Agency (the "Oversight Board") adopted its Resolution No. OB 03-13 approving the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and other Expenses by and between the Successor Agency and the City attached hereto as Exhibit A and incorporated herein by reference (the "Agreement").

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Successor Agency to the Tehachapi Redevelopment Agency as follows:

1. The above recitals are true and correct and are a substantive part of this Resolution; and
2. The Board hereby approves the Agreement and the Chair is hereby authorized and directed to execute the Agreement; and
3. The officers and staff of the Successor Agency to the Tehachapi Redevelopment Agency are hereby authorized and directed, jointly and severally, to do any and all things which they deem necessary or advisable to effectuate this Resolution, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

PASSED AND ADOPTED at a regular meeting of the Successor Agency to the Tehachapi Redevelopment Agency this 19th day of February, 2013 by the following vote:

AYES: BOARD MEMBERS: _____
NOES: BOARD MEMBERS: _____
ABSENT: BOARD MEMBERS: _____
ABSTAIN: BOARD MEMBERS: _____

PHILIP SMITH, Chair
of the Successor Agency to the
Tehachapi Redevelopment Agency

ATTEST:

JULIE DRIMAKIS, CMC
Secretary of the Successor Agency to the
Tehachapi Redevelopment Agency

I hereby certify that the foregoing resolution was duly and regularly adopted by the Successor Agency to the Tehachapi Redevelopment Agency at a regular meeting thereof held on February 19, 2013.

JULIE DRIMAKIS, CMC
Secretary of the Successor Agency to the
Tehachapi Redevelopment Agency

**COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF
ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES**

This COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES (this "Agreement") is entered into as of February 1, 2013, by and between the City of Tehachapi (the "City") and the Successor Agency to the Tehachapi Redevelopment Agency (the "Successor Agency").

RECITALS:

- A. The Successor Agency is required to undertake a number of actions pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170) ("Part 1.85"), including winding down the affairs of the former Tehachapi Redevelopment Agency ("Agency") pursuant to Health and Safety Code Section 34177(h).
- B. The Legislature adopted AB 1484 on June 27, 2012, significantly amending Part 1.85, including Health and Safety Code Section 34173(h) to authorize the City to loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans.
- C. Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), with the approval of the oversight board, the Successor Agency may enter into agreements with the City.
- D. In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City.

- E. The City Manager of the City serves as Executive Director of the Successor Agency, the Finance Director of the City serves as Finance Officer of the Successor Agency, and City staff serves as Secretary to the Successor Agency. Planning, finance, engineering, public works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with winding down the affairs of the Agency.
- F. By providing and making available to the Successor Agency the staff, facilities, services, and other resources of the City, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency, the City has advanced and will continue to advance the cost of the foregoing to the Successor Agency.
- G. As was typical in past years, the Agency had a negative cash balance on account of making its bond debt service payments on November 30, 2011. Prior to the adoption of Part 1.85, this negative cash balance would have been temporary, existing only until the next receipt of tax increment. Part 1.85 significantly changed the distribution of tax revenues. The Agency did not receive funds sufficient to either remedy the negative cash balance or pay for obligations outlined in Recognized Obligation Payment Schedule (ROPS) I and ROPS II as approved by the California State Department of Finance. As a result, the City loaned to the Successor Agency funds in the amount of \$953,475.59 (the "City Loan") to pay for enforceable obligations of the Successor Agency.

H. The City and the Successor Agency desire to enter into this Agreement to acknowledge the foregoing recitals and to provide for an appropriate method of reimbursement of such advances by the Successor Agency to the City.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

Section 1. The City shall make available to the Successor Agency: (a) its staff, facilities, services, and other resources, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency and the Successor Agency shall have access to the foregoing staff, facilities, services, and other resources of the City, and (b) funds for administrative costs, enforceable obligations, or project-related expenses.

Section 2. The value of the City staff, including all employee retirement and other benefits, facilities, services, and other resources of the City, including, without limitation, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency made, and to be made, available to the Successor Agency for each six-month fiscal period beginning with the fiscal period commencing on January 1, 2013 and ending on June 30, 2013, determined in accordance with Section 3 hereof, shall constitute an advance to the Successor Agency by the City for each six-month fiscal period, to be repaid in accordance with Section 4 of this Agreement.

Section 3. Following the end of each six-month fiscal period, beginning with the fiscal period commencing on January 1, 2013 and ending on June 30, 2013, the Finance Director shall prepare and present to the Successor Agency: (i) an invoice for immediately preceding six-month fiscal period for (A) the value of City staff, including all employee retirement and other benefits, based on time records prepared by City staff, which shall describe

the time devoted exclusively to matters directly related to the administration and operations of the Successor Agency, (B) the value of consultants and legal counsel based on invoices for services devoted exclusively to matters directly related to the administration and operations of the Successor Agency, (C) the fair rental value of office space and equipment made available to the Successor Agency, and (D) the value of supplies, insurance and other services and facilities provided by the City to the Successor Agency; and (ii) an invoice for any outstanding loans or advances, including any loan to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses, and the City Loan, pursuant to Health and Safety Code Section 34173(h), or any outstanding advances described in clause (i) above.

Section 4. Within a reasonable time after the City submits an invoice to the Successor Agency pursuant to Section 3, the Successor Agency shall pay to the City the amount of the invoice from available funds of the Successor Agency. In the event that insufficient funds are available to the Successor Agency, any unpaid amounts shall be carried over to the next six-month fiscal period and shall be included on the invoice presented to the Successor Agency pursuant to clause (ii) of Section 3 of this Agreement.

Section 5. The parties hereto agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement.

Section 6. Each party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other party at all reasonable times.

Section 7. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

Section 8. This Agreement will be become effective upon approval of the Oversight Board to the Successor Agency.

Section 9. This Agreement may be amended at any time, and from time to time, by an agreement executed by both parties to this Agreement and approved by the Oversight Board to the Successor Agency.

SUCCESSOR AGENCY TO THE TEHACHAPI
REDEVELOPMENT

By _____
Chair

ATTEST:

Secretary

CITY OF TEHACHAPI

By _____
Mayor

ATTEST:

City Clerk

APPROVED:

Date

Oversight Board to the Successor

Agency to the Tehachapi

Redevelopment Agency



115 South Robinson Street
 Tehachapi, California 93561-1722
 (661) 822-2200
 Fax: (661) 822-8559
 www.tehachapicityhall.com

DATE	INVOICE NO
2/13/2013	0265901

BILL TO
Successor Agency to TRDA 115 So Robinson St. Tehachapi, CA 93561

DUE DATE
2/28/2013

DESCRIPTION	QUANTITY	EFFECTIVE RATE	AMOUNT	DISCOUNT	CREDIT	BALANCE
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PREVIOUS ACCOUNT BALANCE 0.00

Loan to Successor Agency to Tehachapi RDA:

ROPS I-Debt Service & Approved Expenditures NOT funded	1.00	544,548.43	544,548.43	0.00	0.00	544,548.43
ROPS II-Debt Service & Approved expenditures NOT funded	1.00	209,361.76	209,361.76	0.00	0.00	209,361.76
ROPS II-LMIHF, expenses incurred but not included in DDR	1.00	180,553.25	180,553.25	0.00	0.00	180,553.25 *
Negative Fund Bal @ 12/31/11 due to debt service payments	1.00	19,012.15	19,012.15	0.00	0.00	19,012.15

INVOICE TOTAL: 953,475.59 0.00 0.00 953,475.59

* Subject to deletion if DOF approves the correction request (2/13/13)

PLEASE DETACH BOTTOM PORTION & REMIT WITH YOUR PAYMENT

For questions please contact us at (661) 822-2200

DUE DATE	INVOICE NO
2/28/2013	0265901

Customer Name: Successor Agency to TRDA
 Customer No: 019497
 Account No: 6604408

Please remit payment by the due date to:

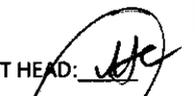
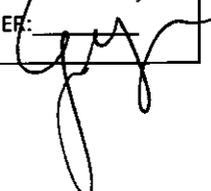
City of Tehachapi
 115 South Robinson Street
 Tehachapi, CA 93561-1722

Invoice Total: 953,475.59
 Discounts: 0.00
 Credit Applied: 0.00
 Ending Balance: 953,475.59

INVOICE BALANCE: \$953,475.59
AMOUNT PAID: _____



COUNCIL REPORTS

APPROVED
DEPARTMENT HEAD: 
CITY MANAGER: 

MEETING DATE: FEBRUARY 19, 2013 AGENDA SECTION: FINANCE

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: HANNAH CHUNG, FINANCE DIRECTOR

DATE: FEBRUARY 13, 2013

SUBJECT: COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENCES BETWEEN THE CITY AND THE RDA SUCCESSOR AGENCY

BACKGROUND

Upon dissolution of the Tehachapi Redevelopment Agency on February 1, 2012 pursuant to Part 1.85 of the Community Redevelopment Law ("Part 1.85"), the Successor Agency to the Tehachapi Redevelopment Agency was constituted and is governed by a board of directors consisting of the members of the City Council. The Successor Agency is required to undertake a number of actions pursuant to Part 1.85, including winding down the affairs of the former Tehachapi Redevelopment Agency ("Agency") pursuant to Health and Safety Code Section 34177(h).

The Legislature adopted AB 1484 on June 27, 2012, significantly amending Part 1.85, including Health and Safety Code Section 34173(h) to authorize the City to loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans. Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), with the approval of the oversight board, the Successor Agency may enter into agreements with the City.

As was typical in past years, the Agency had negative cash balance after making its bond debt service payments on November 30, 2011. Prior to the adoption of Part 1.85, this negative cash balance would have been temporary, existing only until the next receipt of tax increment. Part 1.85 significantly changed the distribution of tax revenues. The Agency did not receive funds sufficient to either remedy the negative cash balance or pay for obligations outlined in Recognized Obligation Payment Schedule (ROPS) I and ROPS II by the California State Department of Finance. As a result, the City advanced to the Agency funds in the amount of \$953,475.59 to eliminate the negative cash balance.

The attached Resolution approves a Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency attached as Exhibit A to the attached Resolution. The Cooperative Agreement provides for the Successor Agency to use the City's staff, facilities, and other resources for the administration and operations of the Successor Agency, for the City to make loans pursuant to Health and Safety Code Section 34173(h), and for the Successor Agency to reimburse the City for such loans and advances, including the advance for \$953,475.59. The Agreement must be approved by the Oversight Board.

RECOMMENDATION

Staff recommends that the City Council adopt the proposed resolution approving the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead, and Other Expenses between the City and the Successor Agency, and taking certain other actions.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI APPROVING THE EXECUTION OF A COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES BY AND BETWEEN THE CITY AND THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, Pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170), the Successor Agency to the Tehachapi Redevelopment Agency ("Successor Agency") is required to undertake a number of actions, including winding down the affairs of the former Redevelopment Agency pursuant to Health and Safety Code Section 34177(h); and

WHEREAS, In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City. The City Manager of the City serves as Executive Director of the Successor Agency, the Finance Director of the City serves as Finance Officer of the Successor Agency, and City staff serves as Secretary to the Successor Agency. Planning, finance, engineering, public works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the former Redevelopment Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with administration and operations of the Successor Agency; and

WHEREAS, By providing and making available to the Successor Agency the staff, facilities, services, and other resources of the City, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency, the City has advanced and will continue to advance the cost of the foregoing to the Successor Agency. The City and the Successor Agency desire to enter into an agreement to provide for an appropriate method of reimbursement of such advances by the Successor Agency to the City; and

WHEREAS, Pursuant to Health and Safety Code Section 34171(d)(1)(F), contracts or agreements necessary for the administration or operation of the Successor Agency are enforceable obligations; and

WHEREAS, Pursuant to Health and Safety Code Section 34173(h), the City may loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans; and

WHEREAS, Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), the Oversight Board for the Successor Agency (the "Oversight Board") adopted its Resolution No. OB 03-13 approving the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and other Expenses by and between the Successor Agency and the City attached hereto as Exhibit A and incorporated herein by reference (the "Agreement").

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

1. The above recitals are true and correct and are a substantive part of this Resolution; and
2. The City Council hereby approves the Agreement and the Mayor is hereby authorized and directed to execute the Agreement; and
3. The officers and staff of the City are hereby authorized and directed, jointly and severally, to do any and all things which they deem necessary or advisable to effectuate this Resolution, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi this 19th day of February, 2013 by the following vote:

AYES: COUNCIL MEMBERS: _____

NOES: COUNCIL MEMBERS: _____

ABSENT: COUNCIL MEMBERS: _____

ABSTAIN: COUNCIL MEMBERS: _____

PHIL SMITH, Mayor
of the City of Tehachapi, California

ATTEST:

JULIE DRIMAKIS, CMC
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 February 19, 2013.

JULIE DRIMAKIS, CMC
City Clerk of the City of Tehachapi, California

**COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF
ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES**

This COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES (this “Agreement”) is entered into as of February 1, 2013, by and between the City of Tehachapi (the “City”) and the Successor Agency to the Tehachapi Redevelopment Agency (the “Successor Agency”).

RECITALS:

- A. The Successor Agency is required to undertake a number of actions pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170) (“Part 1.85”), including winding down the affairs of the former Tehachapi Redevelopment Agency (“Agency”) pursuant to Health and Safety Code Section 34177(h).
- B. The Legislature adopted AB 1484 on June 27, 2012, significantly amending Part 1.85, including Health and Safety Code Section 34173(h) to authorize the City to loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City’s discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans.
- C. Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), with the approval of the oversight board, the Successor Agency may enter into agreements with the City.
- D. In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City.

- E. The City Manager of the City serves as Executive Director of the Successor Agency, the Finance Director of the City serves as Finance Officer of the Successor Agency, and City staff serves as Secretary to the Successor Agency. Planning, finance, engineering, public works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with winding down the affairs of the Agency.
- F. By providing and making available to the Successor Agency the staff, facilities, services, and other resources of the City, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency, the City has advanced and will continue to advance the cost of the foregoing to the Successor Agency.
- G. As was typical in past years, the Agency had a negative cash balance on account of making its bond debt service payments on November 30, 2011. Prior to the adoption of Part 1.85, this negative cash balance would have been temporary, existing only until the next receipt of tax increment. Part 1.85 significantly changed the distribution of tax revenues. The Agency did not receive funds sufficient to either remedy the negative cash balance or pay for obligations outlined in Recognized Obligation Payment Schedule (ROPS) I and ROPS II as approved by the California State Department of Finance. As a result, the City loaned to the Successor Agency funds in the amount of \$953,475.59 (the "City Loan") to pay for enforceable obligations of the Successor Agency.

H. The City and the Successor Agency desire to enter into this Agreement to acknowledge the foregoing recitals and to provide for an appropriate method of reimbursement of such advances by the Successor Agency to the City.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

Section 1. The City shall make available to the Successor Agency: (a) its staff, facilities, services, and other resources, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency and the Successor Agency shall have access to the foregoing staff, facilities, services, and other resources of the City, and (b) funds for administrative costs, enforceable obligations, or project-related expenses.

Section 2. The value of the City staff, including all employee retirement and other benefits, facilities, services, and other resources of the City, including, without limitation, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency made, and to be made, available to the Successor Agency for each six-month fiscal period beginning with the fiscal period commencing on January 1, 2013 and ending on June 30, 2013, determined in accordance with Section 3 hereof, shall constitute an advance to the Successor Agency by the City for each six-month fiscal period, to be repaid in accordance with Section 4 of this Agreement.

Section 3. Following the end of each six-month fiscal period, beginning with the fiscal period commencing on January 1, 2013 and ending on June 30, 2013, the Finance Director shall prepare and present to the Successor Agency: (i) an invoice for immediately preceding six-month fiscal period for (A) the value of City staff, including all employee retirement and other benefits, based on time records prepared by City staff, which shall describe

the time devoted exclusively to matters directly related to the administration and operations of the Successor Agency, (B) the value of consultants and legal counsel based on invoices for services devoted exclusively to matters directly related to the administration and operations of the Successor Agency, (C) the fair rental value of office space and equipment made available to the Successor Agency, and (D) the value of supplies, insurance and other services and facilities provided by the City to the Successor Agency; and (ii) an invoice for any outstanding loans or advances, including any loan to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses, and the City Loan, pursuant to Health and Safety Code Section 34173(h), or any outstanding advances described in clause (i) above.

Section 4. Within a reasonable time after the City submits an invoice to the Successor Agency pursuant to Section 3, the Successor Agency shall pay to the City the amount of the invoice from available funds of the Successor Agency. In the event that insufficient funds are available to the Successor Agency, any unpaid amounts shall be carried over to the next six-month fiscal period and shall be included on the invoice presented to the Successor Agency pursuant to clause (ii) of Section 3 of this Agreement.

Section 5. The parties hereto agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement.

Section 6. Each party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other party at all reasonable times.

Section 7. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

Section 8. This Agreement will be become effective upon approval of the Oversight Board to the Successor Agency.

Section 9. This Agreement may be amended at any time, and from time to time, by an agreement executed by both parties to this Agreement and approved by the Oversight Board to the Successor Agency.

SUCCESSOR AGENCY TO THE TEHACHAPI
REDEVELOPMENT

By _____

Chair

ATTEST:

Secretary

CITY OF TEHACHAPI

By _____

Mayor

ATTEST:

City Clerk

APPROVED:

Date

Oversight Board to the Successor

Agency to the Tehachapi

Redevelopment Agency



115 South Robinson Street
 Tehachapi, California 93561-1722
 (661) 822-2200
 Fax: (661) 822-8559
 www.tehachapicityhall.com

DATE	INVOICE NO
2/13/2013	0265901

BILL TO
Successor Agency to TRDA 115 So Robinson St. Tehachapi, CA 93561

DUE DATE
2/28/2013

DESCRIPTION	QUANTITY	EFFECTIVE RATE	AMOUNT	DISCOUNT	CREDIT	BALANCE
PREVIOUS ACCOUNT BALANCE						0.00
Loan to Successor Agency to Tehachapi RDA:						
ROPS I-Debt Service & Approved Expenditures NOT funded	1.00	544,548.43	544,548.43	0.00	0.00	544,548.43
ROPS II-Debt Service & Approved expenditures NOT funded	1.00	209,361.76	209,361.76	0.00	0.00	209,361.76
ROPS II-LMIHF, expenses incurred but not included in DDR	1.00	180,553.25	180,553.25	0.00	0.00	180,553.25 *
Negative Fund Bal @ 12/31/11 due to debt service payments	1.00	19,012.15	19,012.15	0.00	0.00	19,012.15
INVOICE TOTAL:			953,475.59	0.00	0.00	953,475.59

* Subject to deletion if DOF approves the correction request (2/13/13)

PLEASE DETACH BOTTOM PORTION & REMIT WITH YOUR PAYMENT

For questions please contact us at (661) 822-2200

Customer Name: Successor Agency to TRDA
 Customer No: 019497
 Account No: 6604408

DUE DATE	INVOICE NO
2/28/2013	0265901

Please remit payment by the due date to:

City of Tehachapi
 115 South Robinson Street
 Tehachapi, CA 93561-1722

Invoice Total: 953,475.59
 Discounts: 0.00
 Credit Applied: 0.00
 Ending Balance: 953,475.59

INVOICE BALANCE: \$953,475.59
AMOUNT PAID: _____

CITY OF TEHACHAPI
ANNUAL FINANCIAL REPORT
Year Ended June 30, 2012

City of Tehachapi
Year Ended June 30, 2012

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FINANCIAL SECTION

Independent Auditors' Report

The Honorable City Council
City of Tehachapi, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tehachapi (the "City"), California, as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Tehachapi's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tehachapi, California, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to the financial statements, there have been recent changes in legislation affecting redevelopment agencies in the State of California which required the dissolution of redevelopment agencies as of February 1, 2012, including the Tehachapi Redevelopment Agency.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and budgetary comparison information on pages 58 and 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and

other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Tehachapi's financial statements as a whole. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Teaman Ramirez & Smith, Inc.

February 5, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Tehachapi ("City") provides a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2012. The City encourages readers to consider the information presented here in conjunction with the financial statements and notes to the financial statements which are included with this report.

Financial Highlights

- The City's net assets increased 39% to \$51,709,487 as a result of this year's operations.
- Total City revenues, including program and general revenues, were \$16,393,652 which is \$133,222 more than the prior year.
- Net assets in governmental funds increased \$14,031,120, and net assets in business activities increased \$381,764.
- Governmental revenue was increased by \$1,028,046 to \$9,979,568.
- Governmental expense was decreased by \$741,996 to \$7,986,183.
- Revenues from business-type activities decreased by \$894,824 to \$6,414,084.
- Expenses from business-type activities increased by \$918,393 to \$6,032,320.
- General fund revenue was increased by \$753,306 to \$6,016,200.
- General fund balance as of June 30, 2012 is \$6,885,968 an increase of \$1,071,288 from the prior year.
- There are no longer Tehachapi Redevelopment Agency (RDA) and Low and Moderate Income Housing Fund (LMIHF) by the end of this fiscal year. The City of Tehachapi elected to be Successor Agency for both Tehachapi RDA and LMIHF. Effective February 1, 2012, the Successor Agency took over the operations of both RDA and LMIHF.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of:

1. The Basic Financial Statements, which include the Government-wide Financial Statements, Fund Financial Statements, and Notes to Financial Statements
2. Required Supplementary Information
3. Supplementary Information.

The Government-wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the government as a whole. These financial statements are constructed around the concept of a primary government. The primary government is then broken down into two different activities, governmental activities and business-type activities.

The governmental activities include the following:

- General Government: administration, finance and accounting, human resources, legal, city clerk, etc.
- Public Works: road maintenance, city engineer and building maintenance
- Public Safety: Police and fire services
- Community Development: Planning, building inspections and community development
- Pass-through: Redevelopment Agency (RDA) payment to pass-through taxing agencies
- Interest: RDA interest payments on two bonds issued in 2005 and 2007

On December 29, 2011, The California Supreme Court largely upheld AB 1X 26 (which provides for the winding up and dissolution of redevelopment agencies) and invalidated AB 1X 27 (which provided for an alternative voluntary redevelopment program). As a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were considered dissolved, consequently the cities do not have the option of making remittance payments to enable the continued operation of redevelopment agencies. On January 10, 2012, The City of Tehachapi opted to become the successor agency for the Tehachapi Redevelopment Agency effective February 1, 2012. Therefore, RDA financial activities through January 31, 2012 are included in the government-wide financial statements then RDA fund balance was transferred to Successor Agency which is presented under the Fiduciary Funds Section.

The services under governmental activities are supported by taxes and by specific program revenue.

The business-type activities include Refuse, Water, Sewer, Transit and Airport funds. Unlike governmental services, these services are supported by charges paid by users based on the amount of the service they use.

The basic financial statements are comprised of the following:

- Statement of Net Assets

The Statement of Net Assets is prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net assets is to attempt to report all assets held and liabilities owed by the City. The difference between the City's total assets and total liabilities is labeled as *net assets* and this difference is similar to the total owners' equity presented by a commercial enterprise. Although the purpose of the City is not to accumulate net assets, in general, increases or decreases of net assets may serve as an indicator of the financial position of the City.

- Statement of Activities

The purpose of the statement of activities is to present the revenues and expenses of the City. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned and expenses are recognized when incurred. The difference between revenue and expense is called *net income* in commercial enterprise whereas it is called *change in net assets* in the City's financial report.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. All of the City's funds are composed of three categories: governmental funds, proprietary funds and fiduciary funds.

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. The concept of major fund, and the determination of which funds are major, was established by Governmental Accounting Standard Boards (GASB) 34 and replaces the concept of combining like funds and presenting them in total. Instead, each major fund is presented individually, while all non-major funds are summarized and presented in a single column.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

The City of Tehachapi maintains 26 active individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditure and Changes in Fund Balances for the General Fund, RDA Low and Moderate Housing Fund, RDA Fund, and Green Street Lighting and Tract 6216 Settlement capital project funds which are considered to be major funds. Data from the other 20 governmental funds are combined into a single, aggregated presentation.

Proprietary Funds

The only type of Proprietary funds the City of Tehachapi maintains is enterprise funds. The Refuse, Water, Sewer, Transit and Airport funds are presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City considers Water, Sewer, Refuse and Airport funds to be major funds. The Transit fund is categorized as a non-major proprietary fund.

Fiduciary Funds

The City's fiduciary fund activities are reported in a separate section of this report under Statement of Fiduciary Net Assets. These activities are excluded from the City's other financial statements because they don't pertain to the City and it cannot use assets belonging to fiduciary fund to finance its operations. Financial activities, such as, from the Successor Agency to the former Tehachapi RDA (Successor Agency) are included in the fiduciary statement.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The required supplementary information includes budgetary comparison schedules for major governmental funds and illustration of conditions and activities for all non-major funds.

Overview of the City's Financial Position and Operations

The City's overall financial position and operations for the past two years are summarized based on the information included in the government-wide financial statements. Net assets may serve over time as an indicator of a government's financial position. For the City of Tehachapi, assets exceeded liabilities by \$51,709,487 at June 30, 2012.

The largest portion of the City's net assets is in investments in capital assets. The Investments in Capital Assets (e.g. land, infrastructures, buildings, machineries and equipment) Net of Related Debt was increased to \$40,379,938 (78% of total net assets) from \$20,728,668. The increase was contributed by:

- Transfer of outstanding bonds payable of former RDA from governmental funds to fiduciary Funds (\$16,220,077)
- Capitalized construction in progress for the new sewer plant (\$3,566,423)

The City uses these capital assets to provide services to residents; accordingly, these assets are not available for future spending. Although the City's investments in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted fund balance was decreased from the prior year by \$7,809,954. The above mentioned reclassification of RDA (including Low and Moderate Housing Funds) is the main reason for the restricted fund decrease. In addition, the financing of capital projects such as a

new police building and road maintenance projects by using special revenue funds contributed to the decrease in the restricted fund balance.

The unrestricted fund balance was increased to \$8,415,971 from \$5,844,403. This increase was attributed to the fund balance increase in the General Fund and payment from the bond insurance company as a result of settlement to complete the infrastructure on Tract 6216.

Summary of Statement of Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and Other Assets	11,128,853	14,898,206	3,292,774	4,548,831	14,421,627	19,447,037
Capital Assets	25,912,258	25,201,144	19,028,487	15,899,380	44,940,745	41,100,524
Total Assets	<u>37,041,111</u>	<u>40,099,350</u>	<u>22,321,261</u>	<u>20,448,211</u>	<u>59,362,372</u>	<u>60,547,561</u>
Current Liabilities	536,820	1,336,429	2,562,982	848,695	3,099,802	2,185,124
Long-term Liabilities	718,033	17,007,783	3,835,050	4,058,051	4,553,083	21,065,834
Total Liabilities	<u>1,254,853</u>	<u>18,344,212</u>	<u>6,398,032</u>	<u>4,906,746</u>	<u>7,652,885</u>	<u>23,250,958</u>
Investments in Capital, Net of related debt	25,196,028	8,469,619	15,183,910	12,259,049	40,379,938	20,728,668
Restricted	1,062,353	6,825,505	1,851,225	3,898,027	2,913,578	10,723,532
Unrestricted	9,527,877	6,460,014	(1,111,906)	(615,611)	8,415,971	5,844,403
Total Net Assets	<u>35,786,258</u>	<u>21,755,138</u>	<u>15,923,229</u>	<u>15,541,465</u>	<u>51,709,487</u>	<u>37,296,603</u>

The City started capturing its capital assets in governmental funds beginning fiscal year 2002/2003. In accordance with GASB 34, the City was not required to retroactively capture the capital assets because the City fell under the Implementation Phase III due to the size of its revenue in fiscal year 1999/2000.

Governmental Activities

Governmental activities increased the City's net assets by \$14,031,120 thereby accounting for 64% of the total growth in the City's net assets. This increase is mainly due to reclassification of outstanding RDA bonds payable and receipt of the insurance settlement on Tract 6216 as mentioned previously.

Business-Type Activities

The City operates five business-type activities. These activities are captured in Refuse, Water, Sewer, Transit and Airport funds. Of the total \$14,412,884 City wide net assets increase, \$381,764 (3% of total increase) was attributed to the business-type activities. The increase is mainly from the grant received from the Water Resources Control Board for the new sewer plant project.

Statement of Activities

	Governmental Activities		Business Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenue						
Program Revenues:						
Charges for Services	712,266	821,079	5,401,190	5,692,378	6,113,456	6,513,457
Operating contribution & Grant	426,773	592,393	268,865	158,105	695,638	750,498
Capital Grants & Contribution	887,355	1,742,770	1,950,554	-	2,837,909	1,742,770
General Revenues:						
Property taxes	2,155,857	3,199,699			2,155,857	3,199,699
Sales Taxes	1,814,353	1,421,347			1,814,353	1,421,347
Other Taxes	1,493,251	2,354,582			1,493,251	2,354,582
License and permits	1,073,177				1,073,177	-
Other sources of funds					-	-
Miscellaneous	22,586	30,582	64,717	105,946	87,303	136,528
Interest	85,362	109,028	37,346	32,521	122,708	141,549
Transfers	1,308,588	(1,319,958)	(1,308,588)	1,319,958	-	-
	9,979,568	8,951,522	6,414,084	7,308,908	16,393,652	16,260,430
Expenses						
Primary Government						
General Government	2,237,365	2,679,826			2,237,365	2,679,826
Administration					-	-
Public Works & Planning	2,406,248	2,233,054			2,406,248	2,233,054
Police	2,631,886	2,524,093			2,631,886	2,524,093
Fire Department					-	-
Council					-	-
City Clerk					-	-
Treasurer					-	-
Parks					-	-
Pass-throughs	188,475	396,866			188,475	396,866
Interest	522,209	894,340			522,209	894,340
Business-type Activities						
Refuse			1,000,826	971,974	1,000,826	971,974
Water			1,809,932	1,828,318	1,809,932	1,828,318
Sewer			2,052,393	1,465,372	2,052,393	1,465,372
Transit			161,590	146,448	161,590	146,448
Airport			1,007,579	701,815	1,007,579	701,815
Total Expense	7,986,183	8,728,179	6,032,320	5,113,927	14,018,503	13,842,106
Extraordinary Items	12,037,735				12,037,735	
Change in Net Assets	1,993,385	223,343	381,764	2,194,981	2,375,149	2,418,324
Net Assets at beginning of yr	21,755,138	21,285,081	15,541,465	13,346,484	37,296,603	34,631,565
Prior Period Adj		246,714	-	-	-	246,714
Net Assets at end of year	35,786,258	21,755,138	15,923,229	15,541,465	51,709,487	37,296,603

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Please note that unlike the Government-wide financial statements discussed previously, the fund statements are reflected on a modified accrual basis.

Governmental Funds

As of June 30, 2012, the City's governmental funds reported a combined ending fund balance of \$10,262,923. This number shows approximately 24% (\$3,189,525) fund balance decrease from the prior year. Again, the reclassification of the RDA and Low and Moderate Income Housing Fund from the governmental funds category to fiduciary funds is the main cause of the governmental funds balance decrease. This fund balance is available for spending on the government's ongoing obligations to citizens and creditors; although, 33% (or \$3,376,955) of the total governmental funds balance is dedicated for specific purposes such as street and road maintenance, various capital projects associated with special fees collected and other capital projects paid by specific grants.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance in the General Fund was \$6,885,968 which includes \$1,281,175 of non-spendable fund balance. The non-spendable funds are made up of advances made to other funds such as Airport, special district funds and various capital project funds. Although the amount is labeled as advances, there is a possibility that the General Fund may end up writing off some of the advances in a manner of an operating transfer as happened in past years. The General Fund wrote off an outstanding loan balance of \$359,533 in fiscal year 2000/01 for the Airport fund expecting the Airport fund would self sustain from that time on. However, the Airport Fund still has not generated enough revenues to support its expenses.

The fund balance, after the deduction of outstanding advances made to other funds and committed fund balance, will be used to pay for various City services such as police, contracted fire, public works and the City's general operations.

The negative fund balance in the Green Street Lighting Capital Projects Fund will be remedied during the next fiscal year once payment is received from a federal grant. The \$2,184,674 fund balance in Tract 6216 project fund was due to an insurance settlement received from the developer's bond company. The settlement is intended to be used to complete the infrastructure which was left incomplete by the developer.

Special revenue funds, street maintenance funds and miscellaneous capital project funds are included in Other Governmental Funds. The majority of special revenue funds are various development fee funds with a specific purpose for the use of funds.

Proprietary Fund

The Net Assets of major proprietary funds such as, Water, Sewer, Airport and Refuse funds are \$5,916,197, \$8,526,682, \$1,198,323 and \$288,852 respectively. The unrestricted net assets of the Water and Sewer funds at the end of the year are negative \$565,601 and positive \$101,622 respectively. The negative balance in unrestricted net assets of the Water fund was caused by the construction of two water tanks (T & T tanks) back in 2008. This project was constructed using internal borrowing instead of outside financing sources in the form of bonds. In return, the Water Fund is to pay back the loan principal over time utilizing future connection fees. This decision resulted in over a half-million dollar cost savings to the Water Fund since the internal funding eliminates the need to pay issuance costs as well as interest payments associated with issuing bonds. In addition, by not having additional bonds outstanding, the water fund will have more leverage when issuing bonds in the future to pay for bigger capital projects.

During this fiscal year, the Water and Sewer funds have returned \$685,000 and 626,688 respectively to Successor Agency Fund due to a negative bond proceed balance in the Successor Agency Fund. The monies were originally transferred from the RDA fund to Water and Sewer funds in March, 2011 to help pay for projects which benefit the RDA project area. The fund returned has caused the Water fund a \$527,295 reduction in the net asset from the prior year whereas the Sewer fund showed \$1,128,070 increase in net asset balance in spite of the fund transfer because of the \$1,950,554 grant received from the Water Resources Control Board for the construction of the new sewer plant. The restricted net assets in Sewer fund, \$1,623,886, will be used for continuation of the construction and expansion of a new sewer plant over the next year.

As of June 30, 2012, the Airport Fund owes \$969,796 to the General Fund and this loan was a result of continuous deficits in Airport Fund operations.

GENERAL FUND BUDGETARY HIGHLIGHTS

A detailed budgetary comparison schedule for the year ended June 30, 2012 is presented as required supplementary information following the notes to the financial statements. The final budget amounts are different from those presented in the 2011/12 – 2015/16 original five-year budget documents. It is due to changes that occurred between the original budget and the mid-year budget adjustments.

General Fund

	Original Budget	Final Budget	2011/12 Actual	Variance Actual vs. Finanl Budget (Negative)
Revenues incl. Other Sources	4,901,984	5,441,839	6,016,200	574,361
Expenditures incl. Other Uses	4,861,962	5,433,905	4,944,914	488,991
Net changes in fund balances	40,022	7,934	1,071,286	1,063,352
Fund Balance Beginning (Adjusted)	5,814,682	5,814,682	5,814,682	0
Fund Balance - Ending	5,854,704	5,822,616	6,885,968	1,063,352

Overall, the General Fund actual ending fund balance is \$1,063,352 more than what was budgeted in the final budget. The major contributions to positive revenue variance are from sales tax, \$476,734, transient occupancy tax, \$137,461, and landscape, construction and miscellaneous staff charges, \$96,568.

During fiscal year 2011/12, the status of the general economy has improved from the recession of the last few years. It seemed that the sales tax increase was affected by the growth of economy and high gasoline prices during the year. Another substantial General Fund revenue increase was from the transient occupancy tax which is also known as lodging tax. This is due to additional payments received from one of the hotels for their prior year's delinquent accounts and higher room occupancy rate.

The departments in General Fund which contributed a major positive variance to the total expenditure are General Government, \$325,041; Public Works, \$80,197; and the Police department, \$24,921.

CAPITAL & DEBT ADMINISTRATION

Capital Assets

	Governmental Activities	Business-type Activities	Totals
Non-Depreciable Assets:			
Land	4,612,950	7,707,099	12,320,049
Total non-depreciable assets	4,612,950	7,707,099	12,320,049
Depreciable Assets (net of accumulated depreciation)			
Buildings	21,299,308	11,321,388	32,620,696
Improvements other than building	0	0	0
Machinery and equipment	0	0	0
Parks	0	0	0
Construction in progress	0	0	0
Total depreciable assets-net	21,299,308	11,321,388	32,620,696
Total Capital Assets	25,912,258	19,028,487	44,940,745

The City of Tehachapi's investment in capital assets for its governmental and business-type activities as of June 30, 2012, amounts to \$44,940,745 (net of accumulated depreciation) which is a \$3,840,221 increase from fiscal year 2010/11. This investment in capital assets includes land, buildings, improvements, machineries and equipment, roads, sidewalks, airport runways, water and sewer systems.

Additional information on the City of Tehachapi's capital assets can be found in Note 2-C.

Long-Term Debt

	Governmental Activities	Business-type Activities	Totals
Bonds	0	3,497,967	3,497,967
Loans		449,697	449,697
Capital Leases	716,230	146,697	862,927
Compensated absences	155,243	108,981	264,224
Total Long-Term Liabilities	871,473	4,203,342	5,074,815

The City of Tehachapi's total long term debt was decreased by \$16,924,042 compared to the last fiscal year. This decrease was mainly from the reclassification of outstanding RDA bonds from the governmental funds to fiduciary funds as stated several times in this report.

State statutes limit the amount of general obligation debt a governmental entity may issue to fifteen percent of its total assessed valuation. The RDA Revenue Allocation Bonds are not general obligation debt.

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

In June, 2012, the Council adopted the 2012/13 through 2016/17 five-year budget, with total appropriations of \$17,030,667 in fiscal year 2012/13. The following factors were taken into consideration for the next fiscal year budget:

- 3% cost of living increase was granted for all employees.
- The 2012/13 General Fund revenue budget (\$5,332,649) was projected at \$683,551 less than the actual revenue received in 2011/12. A \$100,000 COPS grant is not included in this budget since there is no certainty that the State will continue with its funding. A \$250,000 Successor Agency administration fee is included in the General Fund revenue budget although the same fee for the fiscal year 2011/12 was not received due to fund shortage in the Successor Agency fund.
- The 2012/13 General Fund expenditure budget (\$5,296,873) was projected at \$305,708 more than the actual expenditure in 2011/12.
- Average of nineteen equivalent dwelling units (EDU) connections were considered for any development related fees such as water and sewer connections, facilities impact, traffic mitigation, and park and recreation capital improvement.
- Various capital projects were included in this budget and they are:
 - Four city vehicle replacements \$126,270
 - Airport taxiway, apron rehabilitation and drainage improvement \$1,300,000
 - Water Radio Meters Replacement, \$30,000
 - Water Banking Program, \$130,000
 - "C" Street water main replacement \$260,000
 - Purchase of a welder and a generator for the Utility Department \$35,000
 - New sewer plant \$1,000,000
 - Tehachapi Blvd. improvement Ph. IV \$543,178
 - Tract 6216 infrastructure improvement \$2,064,542
 - New police building design \$250,000

As always, this budget was put together in a very conservative manner. Although our City was fortunate enough to generate a positive overall fund balance, the City is not putting its guard down in securing its financial stability.

The economy has improved slowly during the last few years; however, the general consensus of economists is that this has been the weakest rebound since World War II. The economic outlook is not that bright for the year 2013. The majority of economists are forecasting less than a 2% growth rate in 2013 whereas a 3% or more growth rate is anticipated in the year 2014. The good news is that the economy is going forward toward renewed prosperity although it is not the rate that most of us desire.

BASIC FINANCIAL STATEMENTS

City of Tehachapi
Statement of Net Assets
June 30, 2012

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 7,529,671	\$ 2,314,793	\$ 9,844,464
Receivables (Net of Allowance)	1,237,273	2,342,735	3,580,008
Loans Receivable	195,344	-	195,344
Due from Agency Funds	111,238	-	111,238
Internal Balances	1,946,626	(1,946,626)	-
Restricted Cash and Investments	-	96,566	96,566
Prepays	108,701	522	109,223
Deferred Charges	-	249,784	249,784
Capital Assets, Not Being Depreciated	4,612,950	7,707,099	12,320,049
Capital Assets, Depreciated, Net	21,299,308	11,321,388	32,620,696
Other	-	235,000	235,000
	<u>37,041,111</u>	<u>22,321,261</u>	<u>59,362,372</u>
Total Assets			
LIABILITIES			
Current Liabilities:			
Accounts Payable	329,523	2,041,215	2,370,738
Accrued Liabilities	5,137	21,711	26,848
Accrued Interest Payable	-	35,198	35,198
Deposits Payable	48,720	96,566	145,286
Noncurrent Liabilities:			
Due within One Year	153,440	368,292	521,732
Due in More Than One Year	718,033	3,835,050	4,553,083
	<u>1,254,853</u>	<u>6,398,032</u>	<u>7,652,885</u>
Total Liabilities			
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	25,196,028	15,183,910	40,379,938
Restricted for:			
Maintenance of Water Lines	-	106,331	106,331
Construction and Expansion of Facilities	-	1,744,894	1,744,894
Highways and Streets	1,047,108	-	1,047,108
Public Safety	15,245	-	15,245
Unrestricted	9,527,877	(1,111,906)	8,415,971
	<u>\$ 35,786,258</u>	<u>\$ 15,923,229</u>	<u>\$ 51,709,487</u>
Total Net Assets			

The accompanying notes are an integral part of this statement.

City of Tehachapi
Statement of Activities
Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 2,237,365	\$ 279,444	\$ 13,444	\$ -
Public Works	1,087,338	386,568	-	536,403
Public Safety	2,631,886	46,254	382,364	-
Community Development	1,318,910	-	30,965	350,952
Pass-throughs	188,475	-	-	-
Interest	522,209	-	-	-
Total Governmental Activities	7,986,183	712,266	426,773	887,355
Business-type Activities:				
Refuse	1,000,826	993,607	-	-
Water	1,809,932	1,931,096	-	-
Sewer	2,052,393	1,805,210	-	1,950,554
Transit	161,590	4,272	133,376	-
Airport	1,007,579	667,005	135,489	-
Total Business-type Activities	6,032,320	5,401,190	268,865	1,950,554
Total Primary Government	\$ 14,018,503	\$ 6,113,456	\$ 695,638	\$ 2,837,909

General Revenues:

- Property Taxes
- Sales and Use Taxes
- Property Tax in Lieu
- Transient Occupancy Tax
- Licenses and Permits
- Franchise Tax
- Other Taxes
- Miscellaneous Revenues
- Investment Earnings
- Transfers In (Out)

Total General Revenues and Transfers

Extraordinary Items

Change in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (1,944,477)	\$ -	\$ (1,944,477)
(164,367)	-	(164,367)
(2,203,268)	-	(2,203,268)
(936,993)	-	(936,993)
(188,475)	-	(188,475)
(522,209)	-	(522,209)
<u>(5,959,789)</u>	<u>-</u>	<u>(5,959,789)</u>
-	(7,219)	(7,219)
-	121,164	121,164
-	1,703,371	1,703,371
-	(23,942)	(23,942)
-	(205,085)	(205,085)
<u>-</u>	<u>1,588,289</u>	<u>1,588,289</u>
<u>(5,959,789)</u>	<u>1,588,289</u>	<u>(4,371,500)</u>
2,155,857	-	2,155,857
1,814,353	-	1,814,353
550,529	-	550,529
567,461	-	567,461
1,073,177	-	1,073,177
183,638	-	183,638
191,623	-	191,623
22,586	64,717	87,303
85,362	37,346	122,708
1,308,588	(1,308,588)	-
<u>7,953,174</u>	<u>(1,206,525)</u>	<u>6,746,649</u>
12,037,735	-	12,037,735
14,031,120	381,764	14,412,884
<u>21,755,138</u>	<u>15,541,465</u>	<u>37,296,603</u>
<u>\$ 35,786,258</u>	<u>\$ 15,923,229</u>	<u>\$ 51,709,487</u>

The accompanying notes are an integral part of this statement.

**City of Tehachapi
Balance Sheet
Governmental Funds
June 30, 2012**

	General Fund	RDA Low and Moderate Housing	RDA Debt Service Fund	Green Street Lighting Capital Projects Fund
ASSETS				
Cash and Investments	\$ 3,005,931	\$ -	\$ -	\$ -
Cash with Fiscal Agent	-	-	-	-
Receivables	682,877	-	-	468,916
Loans Receivable	195,344	-	-	-
Due from Agency Funds	111,238	-	-	-
Due from Other Funds	2,040,047	-	-	-
Prepays	108,701	-	-	-
Advances to Other Funds	977,130	-	-	-
	<u>\$ 7,121,268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 468,916</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 181,443	\$ -	\$ -	\$ 856
Accrued Liabilities	5,137	-	-	-
Due to Other Funds	-	-	-	446,939
Deferred Revenue	-	-	-	468,916
Deposits Payable	48,720	-	-	-
	<u>235,300</u>	<u>-</u>	<u>-</u>	<u>916,711</u>
Fund Balances:				
Nonspendable	1,281,175	-	-	-
Restricted	-	-	-	-
Committed	757,662	-	-	-
Assigned	-	-	-	-
Unassigned	4,847,131	-	-	(447,795)
	<u>6,885,968</u>	<u>-</u>	<u>-</u>	<u>(447,795)</u>
Total Fund Balances	<u>6,885,968</u>	<u>-</u>	<u>-</u>	<u>(447,795)</u>
Total Liabilities and Fund Balances	<u>\$ 7,121,268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 468,916</u>

The accompanying notes are an integral part of this statement.

Tract 6216 Settlement Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ 2,235,259	\$ 2,288,481	\$ 7,529,671
-	-	-
-	85,480	1,237,273
-	-	195,344
-	-	111,238
-	-	2,040,047
-	-	108,701
-	-	977,130
<u>\$ 2,235,259</u>	<u>\$ 2,373,961</u>	<u>\$ 12,199,404</u>
\$ 50,585	\$ 96,639	\$ 329,523
-	-	5,137
-	623,612	1,070,551
-	13,634	482,550
-	-	48,720
<u>50,585</u>	<u>733,885</u>	<u>1,936,481</u>
-	-	1,281,175
-	1,695,074	1,695,074
2,184,674	-	2,942,336
-	454,242	454,242
-	(509,240)	3,890,096
<u>2,184,674</u>	<u>1,640,076</u>	<u>10,262,923</u>
<u>\$ 2,235,259</u>	<u>\$ 2,373,961</u>	<u>\$ 12,199,404</u>

The accompanying notes are an integral part of this statement.

City of Tehachapi
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2012

Fund Balances of Governmental Funds	\$	10,262,923
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:

Capital Assets		33,712,829
Accumulated Depreciation		(7,800,571)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:

Capital Leases Payable		(716,230)
Compensated Absences		(155,243)

Long-term assets are not available for current use. Amounts are recorded as deferred revenue under the modified accrual basis of accounting.

		<u>482,550</u>
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Net Assets of Governmental Activities	\$	<u><u>35,786,258</u></u>
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City of Tehachapi
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2012

	General Fund	RDA Low and Moderate Housing	RDA Debt Service Fund	Green Street Lighting Capital Projects Fund
REVENUES				
Taxes	\$ 5,177,692	\$ 188,475	\$ 753,899	\$ -
Licenses, Permits, and Fines	50,646	-	-	-
Intergovernmental	175,386	-	-	350,952
Charges for Services	454,973	-	-	-
Investment Earnings	46,774	14,094	766	-
Miscellaneous Revenues	110,729	-	-	-
Total Revenues	<u>6,016,200</u>	<u>202,569</u>	<u>754,665</u>	<u>350,952</u>
EXPENDITURES				
Current:				
General Government	922,633	45,229	194,847	-
Public Works	509,970	-	-	-
Public Safety	2,631,886	-	-	-
Community Development	784,039	-	-	-
Pass-throughs	-	-	188,475	-
Capital Outlay	-	-	-	681,181
Debt Service:				
Interest Expense	-	83,317	333,269	-
Principal	-	70,000	280,000	-
Total Expenditures	<u>4,848,528</u>	<u>198,546</u>	<u>996,591</u>	<u>681,181</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,167,672</u>	<u>4,023</u>	<u>(241,926)</u>	<u>(330,229)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	46,252	-	1,311,688	-
Transfers Out	(142,638)	-	(52,000)	-
Total Other Financing Sources (Uses)	<u>(96,386)</u>	<u>-</u>	<u>1,259,688</u>	<u>-</u>
EXTRAORDINARY ITEMS				
RDA Dissolution	-	(4,125,007)	(2,074,487)	-
Developer Settlement	-	-	-	-
Total Extraordinary Items	<u>-</u>	<u>(4,125,007)</u>	<u>(2,074,487)</u>	<u>-</u>
Net Change in Fund Balances	1,071,286	(4,120,984)	(1,056,725)	(330,229)
Fund Balances, Beginning of Year	5,814,682	4,120,984	1,056,725	(117,566)
Fund Balances, End of Year	<u>\$ 6,885,968</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (447,795)</u>

The accompanying notes are an integral part of this statement.

Tract 6216 Settlement Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 758,035	\$ 6,878,101
-	-	50,646
-	250,436	776,774
-	-	454,973
8,296	15,434	85,364
-	-	110,729
<u>8,296</u>	<u>1,023,905</u>	<u>8,356,587</u>
-	22,301	1,185,010
-	964,982	1,474,952
-	-	2,631,886
203,005	331,866	1,318,910
-	-	188,475
-	785,166	1,466,347
-	23,396	439,982
-	25,279	375,279
<u>203,005</u>	<u>2,152,990</u>	<u>9,080,841</u>
<u>(194,709)</u>	<u>(1,129,085)</u>	<u>(724,254)</u>
-	1,751,137	3,109,077
<u>(46,252)</u>	<u>(1,559,599)</u>	<u>(1,800,489)</u>
<u>(46,252)</u>	<u>191,538</u>	<u>1,308,588</u>
-	-	(6,199,494)
<u>2,425,635</u>	<u>-</u>	<u>2,425,635</u>
<u>2,425,635</u>	<u>-</u>	<u>(3,773,859)</u>
2,184,674	(937,547)	(3,189,525)
-	2,577,623	13,452,448
<u>\$ 2,184,674</u>	<u>\$ 1,640,076</u>	<u>\$ 10,262,923</u>

The accompanying notes are an integral part of this statement.

City of Tehachapi
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2012

Net Changes in Fund Balances - Total Governmental Funds \$ (3,189,525)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense.

Capital Outlay	1,853,961
Depreciation Expense	(1,142,847)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premium discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Principal Repayments	
Tax Allocation Bonds	350,000
Capital Leases	25,279
Amortization of Issuance Costs	(22,962)
Amortization of Bond Discounts	(10,968)

Accrued interest payable is not reported in the governmental funds. (48,297)

Some revenues reported in the Statement of Activities are not considered available to finance current expenditures and therefore are not reported as revenues in the governmental funds. 314,393

Governmental funds do not report certain long-term assets and long-term liabilities that are reflected in the Statement of Net Assets. This amount represents the difference in the extraordinary loss in the governmental funds and the extraordinary gain in the Statement of Activities, due to the dissolution of the Redevelopment Agency. 15,811,594

To record the net change in compensated absences in the Statement of Activities. 90,492

Change in Net Assets of Governmental Activities \$ 14,031,120

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City of Tehachapi
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Water Fund	Sewer Fund	Airport Fund
ASSETS			
Current Assets:			
Cash and Investments	\$ 109,822	\$ 2,067,157	\$ -
Receivables (Net of Allowance)	304,700	1,789,512	100,354
Restricted Cash and Investments	96,566	-	-
Prepays	98	424	-
Total Current Assets	<u>511,186</u>	<u>3,857,093</u>	<u>100,354</u>
Noncurrent Assets:			
Deferred Charges	34,970	214,814	-
Other Assets	-	-	-
Capital Assets, Not Being Depreciated	<u>1,788,791</u>	<u>5,728,061</u>	<u>190,247</u>
Capital Assets, Net of Accumulated Depreciation	<u>5,031,467</u>	<u>4,290,741</u>	<u>1,999,180</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>6,820,258</u>	<u>10,018,802</u>	<u>2,189,427</u>
Total Noncurrent Assets	<u>6,855,228</u>	<u>10,233,616</u>	<u>2,189,427</u>
Total Assets	<u>7,366,414</u>	<u>14,090,709</u>	<u>2,289,781</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	94,183	1,669,763	47,038
Accrued Liabilities	9,123	8,880	2,708
Accrued Interest Payable	6,260	27,394	1,544
Due to Other Funds	-	-	969,496
Customer Deposits Payable	96,566	-	-
Compensated Absences - Current	17,682	14,789	3,256
Capital Leases Payable - Current	1,288	4,056	-
Notes and Bonds Payable - Current	<u>20,725</u>	<u>294,013</u>	<u>9,924</u>
Total Current Liabilities	<u>245,827</u>	<u>2,018,895</u>	<u>1,033,966</u>
Noncurrent Liabilities:			
Advances Payable	596,081	381,049	-
Compensated Absences	29,553	29,710	6,266
Capital Leases Payable	41,858	99,495	-
Notes and Bonds Payable	<u>536,898</u>	<u>3,034,878</u>	<u>51,226</u>
Total Noncurrent Liabilities	<u>1,204,390</u>	<u>3,545,132</u>	<u>57,492</u>
Total Liabilities	<u>1,450,217</u>	<u>5,564,027</u>	<u>1,091,458</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	6,254,459	6,801,174	2,128,277
Restricted:			
Maintenance of Water Lines	106,331	-	-
Construction and Expansion of Facilities	121,008	1,623,886	-
Debt Service	-	-	-
Unrestricted	<u>(565,601)</u>	<u>101,622</u>	<u>(929,954)</u>
Total Net Assets	<u>\$ 5,916,197</u>	<u>\$ 8,526,682</u>	<u>\$ 1,198,323</u>

The accompanying notes are an integral part of this statement.

Refuse Fund	Nonmajor Transit Fund	Total
\$ 101,270	\$ 36,544	\$ 2,314,793
148,169	-	2,342,735
-	-	96,566
-	-	522
<u>249,439</u>	<u>36,544</u>	<u>4,754,616</u>
-	-	249,784
<u>235,000</u>	-	<u>235,000</u>
-	-	7,707,099
-	-	11,321,388
-	-	19,028,487
<u>235,000</u>	-	<u>19,513,271</u>
<u>484,439</u>	<u>36,544</u>	<u>24,267,887</u>
190,616	39,615	2,041,215
663	337	21,711
-	-	35,198
-	-	969,496
-	-	96,566
1,384	1,175	38,286
-	-	5,344
-	-	324,662
<u>192,663</u>	<u>41,127</u>	<u>3,532,478</u>
-	-	977,130
2,924	2,242	70,695
-	-	141,353
-	-	3,623,002
<u>2,924</u>	<u>2,242</u>	<u>4,812,180</u>
<u>195,587</u>	<u>43,369</u>	<u>8,344,658</u>
-	-	15,183,910
-	-	106,331
-	-	1,744,894
-	-	-
<u>288,852</u>	<u>(6,825)</u>	<u>(1,111,906)</u>
<u>\$ 288,852</u>	<u>\$ (6,825)</u>	<u>\$ 15,923,229</u>

The accompanying notes are an integral part of this statement.

City of Tehachapi
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Funds
Year Ended June 30, 2012

	Water Fund	Sewer Fund	Airport Fund
OPERATING REVENUES			
Charges for Services	\$ 1,931,096	\$ 1,805,210	\$ 667,005
Miscellaneous	25,593	25,954	1,953
Total Operating Revenues	<u>1,956,689</u>	<u>1,831,164</u>	<u>668,958</u>
OPERATING EXPENSES			
Personnel Services	782,920	635,804	204,970
Maintenance and Operations	606,145	717,838	643,925
Depreciation	246,605	360,430	155,358
Total Operating Expenses	<u>1,635,670</u>	<u>1,714,072</u>	<u>1,004,253</u>
Operating Income (Loss)	<u>321,019</u>	<u>117,092</u>	<u>(335,295)</u>
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental	-	-	135,489
Investment Earnings	10,948	25,433	-
Interest Expense	(174,262)	(338,321)	(3,326)
Total Nonoperating Revenues (Expenses)	<u>(163,314)</u>	<u>(312,888)</u>	<u>132,163</u>
Income (Loss) Before Capital Contributions and Operating Transfers	157,705	(195,796)	(203,132)
Capital Contributions	-	1,950,554	-
Transfers In	-	-	3,100
Transfers Out	(685,000)	(626,688)	-
Change in Net Assets	(527,295)	1,128,070	(200,032)
Net Assets - Beginning of Year	<u>6,443,492</u>	<u>7,398,612</u>	<u>1,398,355</u>
Net Assets - End of Year	<u>\$ 5,916,197</u>	<u>\$ 8,526,682</u>	<u>\$ 1,198,323</u>

The accompanying notes are an integral part of this statement.

Refuse Fund	Nonmajor Transit Fund	Total
\$ 993,607	\$ 4,272	\$ 5,401,190
11,217	-	64,717
<u>1,004,824</u>	<u>4,272</u>	<u>5,465,907</u>
53,907	27,337	1,704,938
946,919	134,253	3,049,080
-	-	762,393
<u>1,000,826</u>	<u>161,590</u>	<u>5,516,411</u>
<u>3,998</u>	<u>(157,318)</u>	<u>(50,504)</u>
-	133,376	268,865
678	287	37,346
-	-	(515,909)
<u>678</u>	<u>133,663</u>	<u>(209,698)</u>
4,676	(23,655)	(260,202)
-	-	1,950,554
-	-	3,100
<u>-</u>	<u>-</u>	<u>(1,311,688)</u>
4,676	(23,655)	381,764
<u>284,176</u>	<u>16,830</u>	<u>15,541,465</u>
<u>\$ 288,852</u>	<u>\$ (6,825)</u>	<u>\$ 15,923,229</u>

The accompanying notes are an integral part of this statement.

City of Tehachapi
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2012

	Water Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 1,910,056
Payments to Employees for Services	(782,920)
Payments to Suppliers for Goods and Services	(534,612)
	592,524
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES	
Cash Received from Other Funds	-
Cash Paid to Other Funds	(685,000)
Intergovernmental Revenue	-
	(685,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and Construction of Capital Assets	(147,758)
Interest Paid	(46,410)
Capital Grants	-
Proceeds from Loans	-
Payments on Interfund Advance	(159,103)
Payments on Capital Lease Obligations	(1,523)
Payments on Long-term Debt	(20,600)
	(375,394)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	10,948
	10,948
Net Increase (Decrease) in Cash and Cash Equivalents	(456,922)
Cash and Cash Equivalents, Beginning of the Year	663,310
Cash and Cash Equivalents, End of the Year	\$ 206,388

The accompanying notes are an integral part of this statement.

Sewer Fund	Airport Fund	Refuse Fund	Nonmajor Transit Fund	Total
\$ 1,774,113	\$ 573,436	\$ 989,385	\$ 4,272	\$ 5,251,262
(635,804)	(204,970)	(53,907)	(27,337)	(1,704,938)
(713,784)	(391,647)	(932,324)	(114,736)	(2,687,103)
424,525	(23,181)	3,154	(137,801)	859,221
-	3,100	-	-	3,100
(626,688)	-	-	-	(1,311,688)
-	135,489	-	133,376	268,865
(626,688)	138,589	-	133,376	(1,039,723)
(1,955,612)	(132,704)	-	-	(2,236,074)
(148,134)	(3,565)	-	-	(198,109)
428,333	-	-	-	428,333
388,547	-	-	-	388,547
(101,773)	-	-	-	(260,876)
(187,805)	(9,439)	-	-	(198,767)
(288,557)	-	-	-	(309,157)
(1,865,001)	(145,708)	-	-	(2,386,103)
25,433	-	678	287	37,346
25,433	-	678	287	37,346
(2,041,731)	(30,300)	3,832	(4,138)	(2,529,259)
4,108,888	30,300	97,438	40,682	4,940,618
\$ 2,067,157	\$ -	\$ 101,270	\$ 36,544	\$ 2,411,359

(Continued)

City of Tehachapi
Statement of Cash Flows
Proprietary Funds - Continued
Year Ended June 30, 2012

	Water Fund
Reconciliation of Operating Income (Loss) to	
Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ 321,019
Adjustments to Reconcile Operating Income (Loss) to	
Net Cash Provided (Used) by Operating Activities:	
Depreciation	246,605
Changes in Operating Assets and Liabilities:	
Decrease (Increase) in Receivables	(52,924)
Decrease (Increase) in Prepaid Expenses	(98)
Increase (Decrease) in Accounts Payable	50,218
Increase (Decrease) in Accrued Liabilities	9,123
Increase (Decrease) in Compensated Absences	12,192
Increase (Decrease) in Due to Other Funds	-
Increase (Decrease) in Deposits Payable	6,389
	<u>6,389</u>
TOTAL CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 592,524</u>
 NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	
 Amortization Related to Long-term Debt	\$ 128,756

The accompanying notes are an integral part of this statement.

<u>Sewer Fund</u>	<u>Airport Fund</u>	<u>Refuse Fund</u>	<u>Nonmajor Transit Fund</u>	<u>Total</u>
\$ 117,092	\$ (335,295)	\$ 3,998	\$ (157,318)	\$ (50,504)
360,430	155,358	-	-	762,393
(57,039)	(95,522)	(15,439)	-	(220,924)
(12)	-	-	-	(110)
(19,527)	822	12,913	18,344	62,770
8,880	2,683	663	337	21,686
14,701	3,799	1,019	836	32,547
-	244,974	-	-	244,974
-	-	-	-	6,389
<u>\$ 424,525</u>	<u>\$ (23,181)</u>	<u>\$ 3,154</u>	<u>\$ (137,801)</u>	<u>\$ 859,221</u>
\$ 194,869	\$ -	\$ -	\$ -	\$ 323,625

The accompanying notes are an integral part of this statement.

City of Tehachapi
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	<u>Total Agency Funds</u>	<u>Successor Agency Private-purpose Trust Fund</u>
ASSETS		
Cash and Investments	\$ 1,307,714	\$ 5,072,258
Cash with Fiscal Agent	-	1,180,155
Receivables	-	-
Advances to Other Funds	98,233	-
Due from Other Funds	-	-
Deferred Charges	-	546,131
Other Assets	<u>323,778</u>	<u>-</u>
Total Assets	<u>\$ 1,729,725</u>	<u>6,798,544</u>
Accounts Payable	\$ 117,758	-
Advances from Other Funds	98,233	-
Interest Payable	-	68,211
Due to City	111,238	-
Due to Bond Holders	1,402,496	-
Long-term Debt	<u>-</u>	<u>16,220,077</u>
Total Liabilities	<u>\$ 1,729,725</u>	<u>16,288,288</u>
NET ASSETS		
Net Assets (Deficit) Held in Trust for Successor Agency		<u>\$ (9,489,744)</u>

The accompanying notes are an integral part of this statement.

City of Tehachapi
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended June 30, 2012

	Successor Agency Private-purpose Trust Fund
ADDITIONS	
Property Taxes	\$ 512,851
Interest Income	12,490
Total Additions	525,341
 DEDUCTIONS	
Administrative Costs	63,156
Interest on Bonds	339,829
Total Deductions	402,985
Change in Net Assets before Extraordinary Items	122,356
Extraordinary Loss	(9,612,100)
Change in Net Assets	(9,489,744)
Net Assets - Beginning of Year	-
Net Assets - End of Year	\$ (9,489,744)

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The City of Tehachapi was incorporated August 13, 1909 under the general laws of the State of California. The City operates under a Council/City Manager form of government and provides the following services: public safety (police and fire); community services; public works; general administrative services; and capital improvements.

As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government.

The following is a brief overview of the component units included in the accompanying financial statements of the City.

Tehachapi Redevelopment Agency - The Tehachapi Redevelopment Agency was established pursuant to the State of California Health and Safety Code, Section 33000. The Agency is responsible for rehabilitation and economic revitalization of certain areas within the City. As described in Note 3E to the financial statements, the Tehachapi Redevelopment Agency was dissolved as of January 31, 2012 in accordance with AB X126.

Tehachapi City Financing Corporation (TCFC) - The Tehachapi City Financing Corporation was formed on September 26, 1990, as a Nonprofit Public Benefit Corporation to render financial assistance to the City by issuing debt instruments.

The TCFC does not issue separate financial statements.

B) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The Agency funds also use the accrual basis of accounting. The Agency funds are custodial in nature and therefore do not involve measurement of results of operations.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *RDA Low and Moderate Housing Fund* is used to account for the portion of Agency tax increment revenue legally restricted to expenditures for low and moderate income housing purposes.

The *RDA Debt Service Fund* is used to account for the interest and principal payments on the Agency's long-term debt issuance and to fund redevelopment projects.

The *Green Street Lighting Project Fund* is used to account for the Downtown Improvement Project Phase II.

The *Tract 6216 Settlement Capital Projects Fund* is used to account for the expenditures related to the completion of the Alta Estates Infrastructure.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The City reports the following major proprietary funds:

The *Water Utility, Sewer Utility, Airport and Refuse Funds* are used to account for those operations that are financed and operated in a manner similar to a private business enterprise where the intent of the City Council is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Additionally, the City reports the following fund types:

The *Agency Funds* are used to account for funds that are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City accounts for transactions of its special assessment districts and community facilities districts as agency funds.

The *Successor Agency Private-purpose Trust Fund* is issued to account for the dissolution of the former Tehachapi Redevelopment Agency.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

C) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

Governmental Accounting Standards Board Statement No. 63

In June of 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. The City has elected not to early implement GASB No. 63 and has not determined its effect on the City's financial statements.

Governmental Accounting Standards Board Statement No. 65

In March of 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in the financial statements. Statement No. 65 is effective for periods beginning after December 15, 2012. The City has elected not to early implement GASB No. 65 and has not determined its effect on the City's financial statements.

Governmental Accounting Standards Board Statement No. 68

In June of 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*. This statement was issued to improve the financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trust or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this statement. Statement No. 68 is effective for periods beginning after June 15, 2014. The City has elected not to early implement GASB No. 68 and has not determined its effect on the City's financial statements.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Assets, Liabilities, and Net Assets or Equity

Deposits and Investments

For purposes of the Statement of Cash Flows, the City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

In accordance with the California Government Code, and as further restricted by the City's adopted investment policy, the City may invest in the following types of investments:

- U.S. Treasury Bills, Notes and Bonds.
- Local Agency Investment Fund administered by the California State Treasurer.
- Obligations issued by agencies or instrumentality of the U.S. Government.
- Negotiable Certificates of Deposit issued by federally or state chartered banks or associations.
- Money Market Mutual Funds investing in the securities and obligations authorized by CGC Section 53601.
- Guaranteed Investment Contract.

Investments held by bond trustees and/or fiscal agents are invested in accordance with separate trust agreements.

For all investments at June 30, 2012, amortized cost approximates fair market value.

The City follows the practice of pooling cash and investments of all funds except for funds held in separate trust agreements.

Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on the average of the beginning and ending cash balances. Interest income from cash and investments of funds excluded from pooled cash is credited directly to the related fund.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of the interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of the interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of allowance for uncollectibles.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Assets, Liabilities, and Net Assets or Equity - Continued

Receivables and Payables - Continued

Taxes are levied on July 1 and are payable in two installments on December 10 and April 10. The County bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized when levied to the extent that they result in current receivables.

The County is permitted by State Law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the property tax rate no more than 2% per year. The City receives a share of this basic levy.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

Amounts shown as restricted assets have been restricted by either bond indenture, by law, or contractual obligations to be used for specified purposes, such as servicing bonded debt and construction of capital assets.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the proprietary funds during the current fiscal year was \$515,509. Of this amount, \$0 was included as part of the cost of capital assets under construction.

Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Buildings	30 years
Machinery and Equipment	5 - 30 years
Structures and Other Improvements	10 - 40 years

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Assets, Liabilities, and Net Assets or Equity - Continued

Capital Assets - Continued

Capital lease obligations of the Proprietary Funds are accounted for in the year of inception as a liability of the fund. The related asset is recorded as an asset of the fund.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Assets and Fund Balances

GASB Statement No. 34 adds the concept of Net Assets, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

1) Net Assets

Net assets are the excess of all the City's assets over all its liabilities, regardless of fund. Net assets are divided into three captions under GASB Statement No. 34. These captions apply only to net assets, which is determined only at the government-wide level and for proprietary funds and are described below:

Invested in capital assets, net of related debt describes the portion of net assets which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Assets, Liabilities, and Net Assets or Equity - Continued

Net Assets and Fund Balances - Continued

1) Net Assets - Continued

Restricted describes the portion of net assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulation, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes.

Unrestricted describes the portion of net assets which is not restricted to use.

2) Fund Balances

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* as of June 30, 2011. Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.

Restricted Fund Balance - Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance - Amounts constrained for a specific purpose by City Council action. It would require the same action by City Council to remove the constraint. The City's committed fund balance includes:

General Fund Emergency Contingency - The City's General Fund balance committed for emergency contingencies has been set by resolution and is for specific uses listed as the declaration of a state or federal state of emergency or a local emergency.

Assigned Fund Balance - Amounts that are constrained by the City Council's intent to use specified financial resources for specific purposes, but are neither restricted nor committed. The City's fund balance policy delegates the authority to assign amounts to be used for specific purposes to the Finance Director for the purpose of reporting these amounts in the annual financial statements.

Unassigned Fund Balance - These are either residual positive net resources of fund balance in excess of what can properly be classified in one of the other four categories, or negative balances.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Assets, Liabilities, and Net Assets or Equity - Continued

Deficit Fund Equity

The following non-major funds had material deficit fund balances at June 30, 2012:

Nonmajor Special Revenue Funds:	
Streets and Roads	(221,765)
Event Center and Rode Grounds	(279,327)

The City expects to abate these deficits by operating transfers from the general fund and future revenue.

E) Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary gain recognized in the government-wide financial statements is reconciled as follows:

Deferred charges reported in government-wide financial statements	\$ (546,131)
Accrued bond interest reported in the government-wide financial statements	137,648
Long-term debt reported in the government-wide financial statements	<u>16,220,077</u>
Net increase to net assets of the government-wide financial statements	<u>\$ 15,811,594</u>

2) DETAILED NOTES ON ALL FUNDS

A) Cash and Investments

The City's cash and investments consisted of the following at June 30, 2012:

Deposits	\$ 1,093,302
Investments	<u>16,407,855</u>
Total Cash and Investments	<u>\$ 17,501,157</u>

The City's deposits and investments are reflected in the accompanying basic financial statements as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and Investments	\$ 7,601,262	\$ 2,314,793	\$ 7,488,536	\$ 17,404,591
Restricted Cash	<u>-</u>	<u>96,566</u>	<u>-</u>	<u>96,566</u>
	<u>\$ 7,601,262</u>	<u>\$ 2,411,359</u>	<u>\$ 7,488,536</u>	<u>\$ 17,501,157</u>

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

A) Cash and Investments - Continued

Deposits

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy requires deposits to be covered by the federal depository insurance and collateral having a market value of 110% of the uninsured deposit. As of June 30, 2012, none of the City's deposits were exposed to custodial credit risk.

Investments

As of June 30, 2012, the City had the following investments:

Investment Type	Total	Maturities in Years	
		Less than 1	1 to 5
Local Agency Investment Funds	\$ 11,408,725	\$ 11,408,725	\$ -
Government Securities	1,000,000	-	1,000,000
Negotiable Certificates of Deposit	682,271	287,481	394,790
Money Market Mutual Funds	133,841	133,841	-
CSJVRMA Investment Pool	2,002,863	2,002,863	-
Held by Bond Trustee:			
Money Market Mutual Funds	1,180,155	1,180,155	-
Total	\$ 16,407,855	\$ 15,013,065	\$ 1,394,790

Authorized Investments

The investments listed above are managed by the City Treasurer and Fiscal Agents (bond trustees acting in accordance with bond covenants). Investments managed by the City Treasurer are invested in accordance with the City's investment policy. Investments managed by bond trustees are invested in accordance with provisions of the respective bond agreements, rather than the general provisions of the California Government Code or the City's investment policy.

The City's investments by the investments manager are as follows:

City Treasurer	\$ 15,227,700
Fiscal Agents (Bond trustees for the City and its component units)	<u>1,180,155</u>
	<u>\$ 16,407,855</u>

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

A) Cash and Investments - Continued

Authorized Investments - Continued

The City Treasurer has direct oversight over the City's pooled investment fund which covers cash and investments of the City's governmental funds, proprietary funds, and agency funds which are invested in accordance with the City's investment policy. The investment policy generally complies with California Government Code Section 53601 and its primary detail is as follows:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer	Minimum Ratings
U.S. Agencies	5 years	100%	100%	None
U.S. Treasury Bills, Notes and Bonds	5 years	100%	100%	None
Local Agency Investment Fund (LAIF)	N/A	None	None	None
Guaranteed Investment Contract	N/A	None	None	AA
Certificates of Deposit (CDs)	5 years	30%	100%	A
Money Market Mutual Funds	N/A	15%	None	None
Commercial Paper	5 years	15%	None	
Trust Indenture	N/A	None	None	

Investments with fiscal agents are investments held by the bond trustee. The City and its investment advisor selects the investment under the terms of the applicable trust agreement, directs the bond trustee to acquire the investment, and the bond trustee then holds the investment on behalf of the City and/or its component units. Proceeds of bonds administered by bond trustees are also generally covered under the City Treasurer's investment policy; however, specific provisions of each issuance are usually used in managing such investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the City's and its component units' investments to market rate fluctuations is provided in the table above that shows the distribution by maturity.

The City's investment policy generally complies with the State Government Code with respect to allowable investment instruments as a means of managing its fair value losses arising from changing interest rates. Guaranteed investment contracts are investments held by fiscal agents (bond trustees) and are restricted for construction projects and debt service.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

A) Cash and Investments - Continued

Credit Risk - Continued

Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the Standard and Poor's rating as of year end for each investment type.

Investment Type	Total as of June 30, 2012	Minimum Legal Rating	AAA	AA	Unrated	Not Required to be Rated
LAIF	\$ 11,408,725	None	\$ -	\$ -	\$ 11,408,725	\$ -
Government Securities	1,000,000	None	-	1,000,000	-	-
Negotiable Certificates or Deposit	682,271	None	-	-	682,271	-
Money Market Mutual Funds	133,841	A	133,841	-	-	-
CSJVRMA Investment Pool	2,002,863	None	-	-	2,002,863	-
Held by Bond Trustee:						
Money Market Mutual Funds	1,180,155	A	1,180,155	-	-	-
Total	\$ 16,407,855		\$ 1,313,996	\$ 1,000,000	\$ 14,093,859	\$ -

Concentration of Credit Risk

Concentration of credit risk is the increased risk of loss if the City has a significant amount of investments with a single issuer. In accordance with the Investment Policy of the City, none of the investments categories listed exceeded the maximum allowable percentage of its portfolio. The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer that represent 5% or more of the total of the City's investments are as follows:

Issuer	Type of Investment	Amount
Federal National Mortgage Association	Government Security	\$ 1,000,000

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Custodial credit risk for LAIF is not determinable.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

A) Cash and Investments - Continued

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Included in cash and investments are restricted cash assets of \$1,180,155 held by the various bond trustees and fiscal agents, and \$96,566 of customer deposits in the Water Utility Fund.

B) Receivables

Receivables as of year-end for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Green Street Lighting Project	Other Governmental Funds	Total	
Governmental Activities					
Taxes	\$ 492,777	\$ -	\$ 41,846	\$	534,623
Others	291,867	468,916	43,634		804,417
Net Total Receivables	<u>\$ 784,644</u>	<u>\$ 468,916</u>	<u>\$ 85,480</u>	<u>\$</u>	<u>1,339,040</u>
	Water Fund	Sewer Fund	Airport Fund	Refuse Fund	Total
Business-Type Activities					
Others	\$ 310,191	\$ 1,794,581	\$ 100,354	\$ 151,216	\$ 2,356,342
Gross Receivables	310,191	1,794,581	100,354	151,216	2,356,342
Less: Allowance for Uncollectibles	(5,491)	(5,069)	-	(3,047)	(13,607)
Net Total Receivables	<u>\$ 304,700</u>	<u>\$ 1,789,512</u>	<u>\$ 100,354</u>	<u>\$ 148,169</u>	<u>\$ 2,342,735</u>

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

C) Capital Assets

Capital assets activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land	\$ 941,007	\$ -	\$ -	\$ 941,007
Construction in Progress	1,924,826	1,747,117	-	3,671,943
Total Capital Assets, Not Depreciated	2,865,833	1,747,117	-	4,612,950
Capital Assets Being Depreciated:				
Buildings and Improvements	4,042,159	-	-	4,042,159
Machinery and Equipment	3,007,500	106,137	(130,249)	2,983,388
Improvements other than Buildings	21,795,763	707	-	21,796,470
Parks	277,862	-	-	277,862
Total Capital Assets Being Depreciated	29,123,284	106,844	(130,249)	29,099,879
Less Accumulated Depreciation:				
Buildings and Improvements	(1,267,426)	(153,482)	-	(1,420,908)
Machinery and Equipment	(2,507,476)	(199,292)	130,249	(2,576,519)
Improvements other than Buildings	(2,992,211)	(783,126)	-	(3,775,337)
Parks	(20,860)	(6,947)	-	(27,807)
Total Accumulated Depreciation	(6,787,973)	(1,142,847)	130,249	(7,800,571)
Total Capital Assets Being Depreciated, Net	22,335,311	(1,036,003)	-	21,299,308
Governmental Activities Capital Assets, Net of Depreciation	\$ 25,201,144	\$ 711,114	\$ -	\$ 25,912,258

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

C) Capital Assets - Continued

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital Assets, Not Depreciated:				
Land	\$ 684,609	\$ -	\$ -	\$ 684,609
Water Rights	1,648,563	97,000	-	1,658,263
Construction in Progress	1,559,891	3,717,036	-	5,276,927
Total Capital Assets, Not Depreciated	3,893,063	3,814,036	-	7,707,099
Capital Assets Being Depreciated:				
Buildings	11,125,195	-	-	11,125,195
Machinery and Equipment	1,645,908	77,464	-	1,723,372
Improvements other than Building	10,748,463	-	-	10,748,463
Total Capital Assets Being Depreciated	23,519,566	77,464	-	23,597,030
Less Accumulated Depreciation:				
Building and Improvements	(7,257,997)	(324,358)	-	(7,582,355)
Machinery and Equipment	(965,770)	(70,216)	-	(1,035,986)
Improvements other than Building	(3,289,482)	(367,819)	-	(3,657,301)
Total Accumulated Depreciation	(11,513,249)	(762,393)	-	(12,275,642)
Total Capital Assets Being Depreciated, Net	12,006,317	(684,929)	-	11,321,388
Business-type Activities Capital Assets, Net of Depreciation	\$ 15,899,380	\$ 3,129,107	\$ -	\$ 19,028,487

Depreciation was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 1,147,847
Total Depreciation Expense - Governmental Activities	\$ 1,147,847
Business-type Activities:	
Water	\$ 246,606
Sewer	360,429
Airport	155,358
Total Depreciation Expense - Business-type Activities	\$ 762,393

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

D) Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2012 is as follows:

	<u>Receivable Fund</u>	<u>Payable Fund</u>
General Fund	\$ 2,040,047	\$ -
Green Street Lighting Project		446,939
Non-major Governmental Funds	-	623,612
Enterprise Funds:		
Airport Fund	-	969,496
	<u> </u>	<u> </u>
Total	<u>\$ 2,040,047</u>	<u>\$ 2,040,047</u>

The General Fund has loaned monies to the Non-major Governmental Funds, the Airport Fund, and the Green Street Lighting Project Funds to cover operating cash deficits. These amounts are expected to be paid back in the following fiscal year.

Advances to/from consist of the following at June 30, 2012:

	<u>Receivable Fund</u>	<u>Payable Fund</u>
General Fund	\$ 977,130	\$ -
Proprietary Funds:		
Water Fund	-	596,081
Sewer Fund	-	381,049
	<u> </u>	<u> </u>
Total	<u>\$ 977,130</u>	<u>\$ 977,130</u>

The General Fund advanced the Water and Sewer Funds \$596,081 and \$381,049 respectively, in order for the Water and Sewer funds to pay off bonds early.

Interfund transfers for the year ended June 30, 2012 are as follows:

		<u>TRANSFERS IN</u>				
		<u>General Fund</u>	<u>RDA Debt Service Fund</u>	<u>Non-major Governmental Funds</u>	<u>Airport Fund</u>	<u>Total</u>
TRANSFERS OUT	General Fund	\$ -	\$ -	\$ 139,538	\$ 3,100	\$ 142,638
	RDA Fund	-	-	52,000	-	52,000
	Trust 6216 Settlement Project	46,252	-	-	-	46,252
	Non-Major Governmental Funds	-	-	1,559,599	-	1,559,599
	Water Fund	-	685,000	-	-	685,000
	Sewer Fund	-	626,688	-	-	626,688
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Total	<u>\$ 46,252</u>	<u>\$ 1,311,688</u>	<u>\$ 1,751,137</u>	<u>\$ 3,100</u>	<u>\$ 3,112,177</u>

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

D) Interfund Receivables, Payables and Transfers - Continued

The RDA Fund transferred \$52,000 to Non-major Governmental Funds for various capital projects. The transfers from the Non-major Governmental Funds to the Non-major Governmental Funds were for capital projects. The transfers from the General Fund to the Non-major Governmental Funds were for capital projects. The transfers from the Water and Sewer Funds of \$685,000 and \$626,688 to the RDA Fund is to reimburse the RDA fund for transfers made in prior years.

E) Other Assets

Other assets at June 30, 2012 consist of the following:

	Agency Funds	Total
Foreclosure Receivables	\$ 323,778	\$ 323,778

Foreclosure Receivables

The City has provided infrastructure improvements to various property owners in exchange for special taxes on those properties. Non-payment of these taxes has occurred on selected properties and the City has taken steps toward foreclosure. Funds have been expended during the foreclosure process that are expected to be received at completion of the foreclosure action. Due to the uncertainty as to the date upon which the City will receive reimbursement for the funds expended, those receivables have been reclassified as Other Assets within the Fiduciary Funds.

Joint Venture in Recycling Project

During the year ended June 30, 1991, the City invested \$235,000 in a joint venture recycling plant with Benz Sanitation, a local sanitation company. The investment does not result in title to the plant. The City does, however, have a profit sharing interest of 5% of the gross profits and is held free from responsibility for any debts and obligations of the recycling project. The City did not receive a profit sharing payment for the year ending June 30, 2012.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

F) Long-term Debt

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2012, was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance	Due Within One Year
Governmental Activities:						
Tax Allocation Bonds	\$ 16,835,000	\$ -	\$ 350,000	\$(16,485,000)	\$ -	\$ -
Less Deferred Amounts:						
For Issuance Discounts	<u>(275,891)</u>	<u>-</u>	<u>(10,968)</u>	<u>264,923</u>	<u>-</u>	<u>-</u>
Total Bonds Payable	16,559,109	-	339,032	(16,220,077)	-	-
Capital Leases	741,509	-	25,279	-	716,230	26,090
Compensated Absences	<u>245,735</u>	<u>72,799</u>	<u>163,291</u>	<u>-</u>	<u>155,243</u>	<u>127,350</u>
Governmental Activity						
Long-term Liabilities	<u>\$ 17,546,353</u>	<u>\$ 72,799</u>	<u>\$ 527,602</u>	<u>(16,220,077)</u>	<u>\$ 871,473</u>	<u>\$ 153,440</u>
Business-type Activities:						
2004 Revenue Refunding Bonds	\$ 3,045,000	\$ -	\$ 125,000	-	\$ 2,920,000	\$ 125,000
1993 State Revolving Loan	554,375	-	179,357	-	375,018	184,738
1998 Sewer and Water COP	243,300	-	4,800	-	238,500	5,000
Less Deferred Amounts:						
For Issuance Discounts	(110,568)	-	(75,017)	-	(35,551)	-
On Refunding	<u>237,349</u>	<u>-</u>	<u>237,349</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Bonds Payable	3,969,456	-	417,489	-	3,497,967	314,738
Department of Transportation						
Loan	70,589	-	9,439	-	61,150	9,924
Water Resources Control Board						
Loan	-	388,547	-	-	388,547	-
Capital Leases	336,025	-	189,328	-	146,697	5,344
Compensated Absences	<u>76,434</u>	<u>86,212</u>	<u>53,665</u>	<u>-</u>	<u>108,981</u>	<u>38,286</u>
Business-type Activity						
Long-term Liabilities	<u>\$ 4,452,504</u>	<u>\$ 474,759</u>	<u>\$ 723,921</u>	<u>\$ -</u>	<u>\$ 4,203,342</u>	<u>\$ 368,292</u>

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

F) Long-term Debt - Continued

Capital Leases

The City, at various occasions, enters into lease agreements that qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities
Asset:		
Goodrick Drive	\$ 955,570	\$ 195,719
Less Accumulated Depreciation	(414,338)	(84,864)
Total	\$ 541,232	\$ 110,855

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2012, were as follows:

Year Ending June 30,	Governmental Activities	Business-type Activities
2013	\$ 48,663	\$ 9,967
2014	48,649	9,964
2015	48,635	9,961
2016	48,622	9,958
2017	48,607	9,955
2018-2022	242,792	49,729
2023-2027	242,345	49,637
2028-2032	241,987	49,564
Total	970,300	198,735
Less amount representing interest	(254,070)	(52,038)
Present value of net minimum lease payments	\$ 716,230	\$ 146,697

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

F) Long-term Debt - Continued

2004 Revenue Refunding Bonds

On November 1, 2004, the City issued Water and Sewer Revenue Refunding Bonds in the amount of \$3,770,000. These 2004 bonds were issued for the purpose of prepaying and defeasing the outstanding 1994 Water and Sewer Revenue Refunding Bond with an aggregated principal amount of \$2,970,000 and to pay the cost of issuance of the Bonds. The acquisition price exceeded the net carrying value of the old debt by \$261,937 which is being amortized over the life of the new debt, which is equal to the remaining life of the refunded debt. The bonds were issued with an interest rate ranging from 2% to 4.125% over the life of the bonds, with a debt service requirement of \$5,436,606 to be paid over the next 15 years.

The annual debt service requirements to maturity for the 2004 Water and Sewer Revenue Refunding Bonds are as follows:

Year Ending June 30,	Principal	Interest
2013	\$ 125,000	\$ 113,737
2014	135,000	109,344
2015	140,000	104,444
2016	145,000	99,187
2017	150,000	93,469
2018	495,000	80,569
2019	555,000	59,569
2020	570,000	36,712
2021	605,000	12,478
Total	<u>\$ 2,920,000</u>	<u>\$ 709,509</u>

1993 State Revolving Loan

During fiscal year 1994-1995, the City obtained financing from the State of California for the construction of sewer facilities. The State established a line of credit upon which the City received \$2,882,112 in eleven disbursements from January 1993 to January 1994. The interest rate is 3.0% and repayment is scheduled in annual installments over 20 years commencing November 1, 1994.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest
2013	\$ 184,738	\$ 11,251
2014	190,280	5,708
Total	<u>\$ 375,018</u>	<u>\$ 16,959</u>

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

F) Long-term Debt - Continued

1998 Sewer & Water COPs

In July 1998, the City obtained loans from the USDA Rural Development totaling \$289,900. The Sewer Fund received \$103,000 and Water Fund received \$186,900. The loans were made by purchase of Certificates of Participation (COP), which were issued by the Tehachapi City Financing Corp. (Financing Corp.) with an interest rate of 4.5%. The proceeds from the sale of the COPs were used to finance the building of a new sewer line to connect to the recently annexed Ashe tract. The COPs are secured by installments payments due from the City based on an Installment Sale Agreement between the Financing Corporation and the City.

The annual debt service requirements to maturity for the 1998 Sewer and Water COPs are as follows:

Year Ending June 30,	Principal	Interest
2013	\$ 5,000	\$ 10,732
2014	5,300	10,508
2015	5,400	10,269
2016	5,700	10,026
2017	6,000	9,770
2018-2022	34,000	44,573
2023-2027	42,800	36,176
2028-2032	53,000	25,659
2033-2037	66,200	12,591
2038	15,100	680
Total	<u>\$ 238,500</u>	<u>\$ 170,984</u>

Department of Transportation Loan

In October 1998, the City obtained financing from the Department of Transportation Aeronautics Program for the purchase of a fuel tank for the airport. The cost of the fuel tank was \$139,900. The interest rate is 5.0% and repayment is scheduled in annual installments over 17 years commencing January 1, 2002.

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest
2013	\$ 9,924	\$ 3,088
2014	10,408	2,587
2015	10,891	2,061
2016	11,376	1,511
2017	11,860	937
2018	6,691	338
Total	<u>\$ 61,150</u>	<u>10,522</u>

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

F) Long-term Debt - Continued

Water Resources Control Board Loan

In September 2011, the City received a loan from the California State Water Resources Control Board for up to \$2,121,030 to be used for the Wastewater Treatment Plant Expansion Project. The amount of the loan will be based on eligible project costs and is issued on a reimbursement basis. The loan matures over 20 years with an interest rate of 2.6%. As of June 30, 2012 the City has been issued \$388,547 in loan proceeds and will be repaid from the Sewer Fund. A debt service schedule will be determined when the City has been issued the full amount eligible on the loan.

Long-term Liabilities - Fiduciary Funds

In December 2005, the Tehachapi Redevelopment Agency issued Tax Allocation Bonds in the amount of \$8,780,000. These bonds were issued for the purpose of refunding the Agency's \$1,555,000 2004 Subordinate Tax Allocation Notes and the Agency's \$2,500,000 2002 Tax Allocation Notes. A portion of the net proceeds of the Bonds will also be used to fund certain redevelopment activities of benefit to the Tehachapi Redevelopment Agency ("the Project Area"), including amounts which will be deposited into a special escrow fund for future release. The Bonds will mature on December 1, 2035 and the interest rate ranges between 3.25% and 5.25% over the life of the Bonds. Interest is payable semiannually on June 1st and December 1st of each year, commencing June 1, 2006. The Bonds are subject to redemption at the option of the Agency on or after June 1, 2006.

The annual debt service requirements to maturity of the 2005 Tax Allocation Bonds are as follows:

2005 Bonds		
Year Ending June 30,	Principal	Interest
2013	\$ 190,000	\$ 378,109
2014	195,000	370,256
2015	205,000	362,064
2016	210,000	353,525
2017	220,000	344,379
2018-2022	1,265,000	1,560,749
2023-2027	1,590,000	1,230,034
2028-2032	2,010,000	784,114
2033-2036	2,015,000	212,849
Total	\$ 7,900,000	\$ 5,596,121

In December 2007, the Tehachapi Redevelopment Agency issued Tax Allocation Bonds in the amount of \$9,120,000. These Bonds were issued for the purpose of financing additional redevelopment activities for the Tehachapi Redevelopment Agency (the "Project Area"), including amounts which will be deposited into a special escrow fund for future release. Proceeds of the 2007 Bonds will also be used to fund capitalized interest for the 2007 Bonds which fund the special escrow fund, to provide money to meet the parity reserve fund requirement for

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

F) Long-term Debt - Continued

Long-term Liabilities - Fiduciary Funds - Continued

the 2007 Bonds and the 2005 Bonds. The Bonds are secured by a pledge of tax revenues. The Bonds will mature on December 1, 2037 and the interest rate ranges between 3.4% and 5.313% over the life of the Bonds. Interest is payable semiannually, on June 1st and December 1st of each year, commencing June 1, 2009. The Bonds are subject to redemption at the option of the Agency on or after December 1, 2018.

The annual debt service requirements to maturity of the 2007 Tax Allocation Bonds are as follows:

2007 Bonds		
Year Ending June 30,	Principal	Interest
2013	\$ 175,000	\$ 432,650
2014	175,000	424,785
2015	185,000	416,686
2016	195,000	407,933
2017	200,000	398,582
2018-2022	1,185,000	1,830,288
2023-2027	1,495,000	1,499,407
2028-2032	1,920,000	1,065,440
2033-2037	2,480,000	495,396
2038	575,000	15,279
Total	\$ 8,585,000	\$ 6,986,446

The following is a schedule of changes in long-term debt of the Successor Agency for the fiscal year ended June 30, 2012.

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance	Due Within One Year
Bonds Payable:						
Tax Allocation Bonds	\$ -	\$ -	\$ -	\$ 16,485,000	\$ 16,485,000	\$ 365,000
Unamortized Bond Discount	-	-	-	(264,923)	(264,923)	-
Total	\$ -	\$ -	\$ -	\$ 16,220,077	16,220,077	\$ 365,000

No-Commitment Debt

The City issued limited obligation bonds to finance the construction of infrastructure improvements within the City through the use of Special Assessment Districts and Community Facilities Districts. The repayment of the bonds are payable from special assessments and special taxes levied each year, or from foreclosure proceeds. The bonds do not

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

2) DETAILED NOTES ON ALL FUNDS - Continued

F) Long-term Debt - Continued

No-Commitment Debt

constitute indebtedness of the City, and the City is in no way obligated for their repayment and is only acting on behalf of bondholders and initiating foreclosure proceedings, if necessary. Accordingly, these special assessments and special tax bonds payable have been excluded from the accompanying primary government financial statements.

Limited obligation assessment district and community facilities district bonds outstanding amounted to \$0 at June 30, 2012.

Due to delinquent annual assessments, limited obligation bonds amounting to \$2,425,000 (principal only) are in default at June 30, 2012.

G) Fund Balances

The details of the fund balances as of June 30, 2012 are presented below:

	General Fund	RDA Low and Moderate Housing	RDA Debt Service Fund	Green St. Lighting Fund	Tract 6216 Settlement	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepays	\$ 108,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108,701
Loans Receivable	195,344	-	-	-	-	-	195,344
Advances to Other Funds	1,075,363	-	-	-	-	-	1,075,363
Restricted for:							
Lighting District	-	-	-	-	-	185,968	185,968
Transportation	-	-	-	-	-	975,799	975,799
Development	-	-	-	-	-	533,307	533,307
Committed to:							
Emergency Contingency	757,662	-	-	-	-	-	757,662
Assigned to:							
Capital Projects Equipment Replacement	-	-	-	-	-	211,036	211,036
Police Building	-	-	-	-	-	120,985	120,985
Tract 6216 Settlement	-	-	-	-	2,184,674	-	2,184,674
Unassigned:	4,748,898	-	-	(447,795)	-	(509,240)	3,791,863
Total Fund Balance	\$ 6,885,968	\$ -	\$ -	\$ (447,795)	\$ 2,184,674	\$ 1,640,076	\$ 10,262,923

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

3) OTHER INFORMATION

A) Risk Management

The City participates with other public entities in a joint venture under a joint powers agreement which establishes the Central San Joaquin Valley Risk Management Authority (CSJVRMA).

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each workers' compensation claim through the CSJVRMA. The city has the right to receive dividends or the obligation to pay assessments based on a formula which, among other expenses, charges the City's account for liability and workers' compensation losses under \$10,000. The City's share of estimated claims payable at June 30, 2012 and 2011 amounted to \$0. The CSJVRMA participates in an excess pool which provides general liability coverage from \$1,000,000 to \$25,000,000. The CSJVRMA participates in an excess pool which provides workers' compensation coverage from \$500,000 to \$4,500,000 and purchases excess reinsurance above the \$5,000,000 to the statutory limit.

The CSJVRMA is a consortium of fifty-five (55) cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et seq. The CSJVRMA is governed by a Board of Directors, which meets 3-4 times per year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA. At termination of the joint powers agreement and after all claims have been settled, any excess or deficit will be divided among the cities in accordance with its governing documents.

B) City Employee Retirement Plans

Miscellaneous Plan and Safety Plan:

Plan Description

The City of Tehachapi contributes to the California Public Employees Retirement System (CalPERS), a cost-sharing multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The contract offers a "2% at 55" plan for Miscellaneous Plan members and "3% at 50" plan for Safety Police Plan Members. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of CalPERS' annual financial report may be obtained from their executive office: 400 P Street, Sacramento, California 95814.

Funding Policy

Active plan members are required to contribute a percentage of their annual covered salary. The City of Tehachapi pays the member contributions for both the Miscellaneous Plan and the Safety Plan: 7% and 9% respectively. The City is also required to make additional contributions at an actuarially determined rate. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rates for fiscal year 2011-2012 were 10.530% for the Miscellaneous Plan and 24.112% for the Safety Police Plan. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

3) OTHER INFORMATION - Continued

B) City Employee Retirement Plans - Continued

Miscellaneous Plan and Safety Plan: - Continued

Funding Policy - Continued

Three Year Trend Information for the City of Tehachapi Miscellaneous Employees' Retirement Plan

Fiscal Year	Required Contributions	Percent Contributed
6/30/10	\$ 172,012	100%
6/30/11	\$ 233,113	100%
6/30/12	\$ 220,242	100%

Three Year Trend Information for the City of Tehachapi Safety Police Employees' Retirement Plan

Fiscal Year	Required Contributions	Percent Contributed
6/30/10	\$ 206,660	100%
6/30/11	\$ 171,299	100%
6/30/12	\$ 205,618	100%

Safety Fire Plan

During the fiscal year ended June 30, 2008, the Safety Fire Plan of the City became inactive. As such the City paid the side fund in the amount of \$35,087 for the fiscal year June 30, 2008 and there will be no additional required contributions. The plan is now part of an inactive pool subject to future gains and losses. At any point in the future, the City may be required to make a contribution on the pools gain and losses. Currently the pool has a surplus and no additional contribution is required.

C) Commitments and Contingencies

Construction Commitments

The City has active construction projects as of June 30, 2012. At year-end the City's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
New Sewer Plant	\$ 2,872,330	\$ 726,049
Total	\$ 2,872,330	\$ 726,049

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

3) OTHER INFORMATION - Continued

C) Commitments and Contingencies - Continued

Construction Commitments - Continued

The City has entered into a new debt agreement (Sewer Loan) as of May 2011. As of June 30, 2011, there was no activity by the City for this debt.

D) Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Tehachapi that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City Resolution No. 02-12.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

City of Tehachapi
Notes to Financial Statements
Year Ended June 30, 2012

3) OTHER INFORMATION - Continued

D) Successor Agency Trust for Assets of Former Redevelopment Agency - Continued

Prior to that date, the final several months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Because of the different measurement focus of the governmental funds (*current financial resources measurement focus*) and the measurement focus of the trust funds (*economic resources measurement focus*), the extraordinary loss (gain) recognized in the governmental funds was not the same amount as the extraordinary gain (loss) that was recognized in the fiduciary fund financial statements.

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary gain recognized in the fiduciary fund financial statements is reconciled as follows:

Total extraordinary loss reported in governmental funds - increase to net assets of the Successor Agency Trust Fund.	\$ 6,199,494
Accrued bond interest reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund.	(137,648)
Unamortized bond issuance cost reported in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund.	546,131
Long-term debt reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund.	<u>(16,220,077)</u>
Net decrease to net assets of the Successor Agency Trust Fund as a result of initial transfers	<u>\$ (9,612,100)</u>

Extraordinary Items

The Extraordinary item in the Tract 6216 Settlement Capital Projects Fund in the Statement of Revenues, Expenditures and Changes in Fund Balances of \$2,425,635 is the result of an insurance settlement from a developer that did not complete the required infrastructure improvements in the tract. This amount is also included in the Extraordinary Item in the Statement of Activities. The extraordinary loss in the Successor Agency Private-purpose Trust Fund as stated in Note 3 D above is an extraordinary gain in the government-wide statement of activities. The two extraordinary items resulted in a total extraordinary gain of \$12,037,735.

REQUIRED SUPPLEMENTARY INFORMATION

City of Tehachapi
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 4,483,098	\$ 4,526,549	\$ 5,177,692	\$ 651,143
Licenses, Permits, and Fines	66,700	53,200	50,646	(2,554)
Intergovernmental	15,000	167,385	175,386	8,001
Charges for Services	251,000	556,400	454,973	(101,427)
Investment Earnings	55,000	35,000	46,774	11,774
Miscellaneous Revenues	31,186	103,305	110,729	7,424
	<u>4,901,984</u>	<u>5,441,839</u>	<u>6,016,200</u>	<u>574,361</u>
EXPENDITURES				
Current:				
General Government	903,447	1,244,097	922,633	321,464
Public Works	587,015	590,167	509,970	80,197
Public Safety	2,618,944	2,656,807	2,631,886	24,921
Community Development	740,763	797,098	784,039	13,059
Capital Outlay:				
General Government	-	-	-	-
	<u>4,850,169</u>	<u>5,288,169</u>	<u>4,848,528</u>	<u>439,641</u>
Excess (Deficiency) of Revenues over Expenditures	<u>51,815</u>	<u>153,670</u>	<u>1,167,672</u>	<u>1,014,002</u>
OTHER FINANCING SOURCES (USES)				
Transfers	-	-	46,252	46,252
Transfers Out	(11,794)	(145,736)	(142,638)	3,098
	<u>(11,794)</u>	<u>(145,736)</u>	<u>(96,386)</u>	<u>49,350</u>
Net Change in Fund Balances	40,021	7,934	1,071,286	1,063,352
Fund Balance, Beginning of Year	<u>5,814,682</u>	<u>5,814,682</u>	<u>5,814,682</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 5,854,703</u>	<u>\$ 5,822,616</u>	<u>\$ 6,885,968</u>	<u>\$ 1,063,352</u>

City of Tehachapi
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - RDA Low and Moderate Housing Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 538,079	\$ 538,079	\$ 188,475	\$ (349,604)
Investment Earnings	10,000	10,000	14,094	4,094
Total Revenues	<u>548,079</u>	<u>548,079</u>	<u>202,569</u>	<u>(345,510)</u>
EXPENDITURES				
Current:				
General Government	96,646	96,646	45,229	51,417
Debt Service				
Interest Expense	165,170	165,170	83,317	81,853
Principal	70,000	70,000	70,000	-
Total Expenditures	<u>331,816</u>	<u>331,816</u>	<u>198,546</u>	<u>133,270</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>216,263</u>	<u>216,263</u>	<u>4,023</u>	<u>(212,240)</u>
Extraordinary Loss	<u>-</u>	<u>-</u>	<u>(4,125,007)</u>	<u>(4,125,007)</u>
Net Change in Fund Balance	216,263	216,263	(4,120,984)	(4,337,247)
Fund Balance, Beginning of Year	<u>4,120,984</u>	<u>4,120,984</u>	<u>4,120,984</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 4,337,247</u></u>	<u><u>\$ 4,337,247</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (4,337,247)</u></u>

City of Tehachapi
Notes to Required Supplementary Information
Year Ended June 30, 2012

Budgetary Accounting

Budgetary comparison schedules are presented as part of the Required Supplementary Information for major Special Revenue Funds as provided for by GASB Statement No. 34. The City budget is adopted on a basis consistent with accounting principles generally accepted in United States of America. The City Manager is required to prepare and submit to the City Council the annual budget of the City and administer it after the adoption. City Council approval is required for budget revisions that affect the total appropriations of the City.

SUPPLEMENTARY INFORMATION

City of Tehachapi
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - RDA Fund
Year Ended June 30, 2012

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 1,156,824	\$ 753,899	\$ (402,925)
Investment Earnings	10,000	766	(9,234)
Total Revenues	<u>1,166,824</u>	<u>754,665</u>	<u>(412,159)</u>
EXPENDITURES			
Current:			
General Government	483,066	194,847	288,219
Pass-throughs	-	188,475	(188,475)
Debt Service:			
Interest Expense	660,682	333,269	327,413
Principal	280,000	280,000	-
Total Expenditures	<u>1,423,748</u>	<u>996,591</u>	<u>427,157</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(256,924)</u>	<u>(241,926)</u>	<u>14,998</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	1,311,688	1,311,688
Transfers Out	-	(52,000)	(52,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,259,688</u>	<u>1,259,688</u>
Extraordinary Loss	<u>-</u>	<u>(2,074,487)</u>	<u>(2,074,487)</u>
Net Change in Fund Balance	(256,924)	(1,056,725)	1,274,686
Fund Balance, Beginning of Year	<u>1,056,725</u>	<u>1,056,725</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 799,801</u>	<u>\$ -</u>	<u>\$ 1,274,686</u>

City of Tehachapi
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Tract 6216 Settlement Project
Year Ended June 30, 2012

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment Earnings		8,296	
	<u>-</u>	<u>8,296</u>	<u>8,296</u>
Total Revenues	<u>-</u>	<u>8,296</u>	<u>8,296</u>
EXPENDITURES			
Community Development	-	203,005	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>8,296</u>	<u>8,296</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out		(46,252)	(46,252)
	<u>-</u>	<u>(37,956)</u>	<u>(37,956)</u>
Net Change in Fund Balance	<u>-</u>	<u>(37,956)</u>	<u>(37,956)</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ (37,956)</u>	<u>\$ (37,956)</u>

City of Tehachapi
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2012

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and Investments	\$ 1,353,962	\$ 934,519	\$ 2,288,481
Receivables	41,846	43,634	85,480
Total Assets	\$ 1,395,808	\$ 978,153	\$ 2,373,961
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 88,136	\$ 8,503	\$ 96,639
Due to Other Funds	585,565	38,047	623,612
Deferred Revenue	-	13,634	13,634
Total Liabilities	673,701	60,184	733,885
Fund Balances:			
Restricted	1,223,249	471,825	1,695,074
Assigned	-	454,242	454,242
Unassigned	(501,142)	(8,098)	(509,240)
Total Fund Balances	722,107	917,969	1,640,076
Total Liabilities and Fund Balances	\$ 1,395,808	\$ 978,153	\$ 2,373,961

City of Tehachapi
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
Year Ended June 30, 2012

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes	\$ 758,035	\$ -	\$ 758,035
Licenses and Permits	-	-	-
Intergovernmental	220,436	30,000	250,436
Investment Earnings	10,292	5,142	15,434
Miscellaneous Revenue	-	-	-
	<u>988,763</u>	<u>35,142</u>	<u>1,023,905</u>
Total Revenues			
EXPENDITURES			
Current:			
General Government	22,301	-	22,301
Public Works	958,482	6,500	964,982
Community Development	147,517	184,349	331,866
Capital Outlay	328,199	456,967	785,166
Debt Service:			
Interest Expense	23,396	-	23,396
Principal	25,279	-	25,279
	<u>1,505,174</u>	<u>647,816</u>	<u>2,152,990</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures	<u>(516,411)</u>	<u>(612,674)</u>	<u>(1,129,085)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	995,595	755,542	1,751,137
Transfers Out	<u>(1,018,595)</u>	<u>(541,004)</u>	<u>(1,559,599)</u>
	<u>(23,000)</u>	<u>214,538</u>	<u>191,538</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(539,411)	(398,136)	(937,547)
Fund Balances, Beginning of Year	<u>1,261,518</u>	<u>1,316,105</u>	<u>2,577,623</u>
Fund Balances, End of Year	<u>\$ 722,107</u>	<u>\$ 917,969</u>	<u>\$ 1,640,076</u>

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City of Tehachapi
Combining Balance Sheet
Non-major Special Revenue Funds
June 30, 2012

	<u>Streets and Roads</u>	<u>Traffic Signals</u>	<u>TDA 3 Bike Safety</u>	<u>Oil Recycling Grant Fund</u>
ASSETS				
Cash and Investments	\$ -	\$ 745,188	\$ -	\$ 264
Receivables	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 745,188</u>	<u>\$ -</u>	<u>\$ 264</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ 1,210	\$ -	\$ -
Due to Other Funds	221,765	-	50	-
Deferred Revenue	-	-	-	-
Total Liabilities	<u>221,765</u>	<u>1,210</u>	<u>50</u>	<u>-</u>
Fund Balances:				
Restricted	-	743,978	-	264
Assigned	-	-	-	-
Unassigned	<u>(221,765)</u>	<u>-</u>	<u>(50)</u>	<u>-</u>
Total Fund Balances	<u>(221,765)</u>	<u>743,978</u>	<u>(50)</u>	<u>264</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 745,188</u>	<u>\$ -</u>	<u>\$ 264</u>

<u>Beverage Container Recycling</u>	<u>Lighting District</u>	<u>Event Center & Rodeo Grounds</u>	<u>Gas Tax</u>	<u>Facility Impact Fee Fund</u>	<u>Total Non-Major Funds</u>
\$ 15,295	\$ 307,105	\$ -	\$ 177,596	\$ 108,514	\$ 1,353,962
-	1,446	-	40,400	-	41,846
<u>\$ 15,295</u>	<u>\$ 308,551</u>	<u>\$ -</u>	<u>\$ 217,996</u>	<u>\$ 108,514</u>	<u>\$ 1,395,808</u>
\$ -	\$ 30,248	\$ 7,912	\$ 48,766	\$ -	\$ 88,136
-	92,335	271,415	-	-	585,565
-	-	-	-	-	-
-	122,583	279,327	48,766	-	673,701
15,295	185,968	-	169,230	108,514	1,223,249
-	-	-	-	-	-
-	-	(279,327)	-	-	(501,142)
<u>15,295</u>	<u>185,968</u>	<u>(279,327)</u>	<u>169,230</u>	<u>108,514</u>	<u>722,107</u>
<u>\$ 15,295</u>	<u>\$ 308,551</u>	<u>\$ -</u>	<u>\$ 217,996</u>	<u>\$ 108,514</u>	<u>\$ 1,395,808</u>

City of Tehachapi
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
Year Ended June 30, 2012

	Streets and Roads	Traffic Signals	TDA 3 Bike Safety	Oil Recycling Grant Fund
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	192,010	23,426	-	-
Investment Earnings	168	5,240	-	4
Total Revenues	192,178	28,666	-	4
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Works	2,225	-	-	384
Community Development	-	-	-	-
Capital Outlay	-	48,872	-	-
Debt Service:				
Interest Expense	23,396	-	-	-
Principal	25,279	-	-	-
Total Expenditures	50,900	48,872	-	384
Excess (Deficiency) of Revenues Over Expenditures	141,278	(20,206)	-	(380)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(477,591)	-	-	-
Total Other Financing Sources (Uses)	(477,591)	-	-	-
Net Change in Fund Balances	(336,313)	(20,206)	-	(380)
Fund Balances, Beginning of Year	114,548	764,184	(50)	644
Fund Balances, End of Year	<u>\$ (221,765)</u>	<u>\$ 743,978</u>	<u>\$ (50)</u>	<u>\$ 264</u>

<u>Beverage Container Recycling</u>	<u>Lighting District</u>	<u>Event Center & Rodeo Grounds</u>	<u>Gas Tax</u>	<u>Facility Impact Fee Fund</u>	<u>Total Non-Major Funds</u>
\$ -	\$ 329,263	\$ -	\$ 389,421	\$ 39,351	\$ 758,035
-	-	-	-	-	-
5,000	-	-	-	-	220,436
69	1,996	-	-	2,815	10,292
<u>5,069</u>	<u>331,259</u>	<u>-</u>	<u>389,421</u>	<u>42,166</u>	<u>988,763</u>
-	22,301	-	-	-	22,301
-	265,986	-	689,887	-	958,482
-	14,889	-	-	132,628	147,517
-	-	279,327	-	-	328,199
-	-	-	-	-	23,396
-	-	-	-	-	25,279
<u>-</u>	<u>303,176</u>	<u>279,327</u>	<u>689,887</u>	<u>132,628</u>	<u>1,505,174</u>
<u>5,069</u>	<u>28,083</u>	<u>(279,327)</u>	<u>(300,466)</u>	<u>(90,462)</u>	<u>(516,411)</u>
-	-	-	454,591	541,004	995,595
-	-	-	-	(541,004)	(1,018,595)
-	-	-	454,591	-	(23,000)
5,069	28,083	(279,327)	154,125	(90,462)	(539,411)
<u>10,226</u>	<u>157,885</u>	<u>-</u>	<u>15,105</u>	<u>198,976</u>	<u>1,261,518</u>
<u>\$ 15,295</u>	<u>\$ 185,968</u>	<u>\$ (279,327)</u>	<u>\$ 169,230</u>	<u>\$ 108,514</u>	<u>\$ 722,107</u>

City of Tehachapi
Combining Balance Sheet
Non-major Capital Project Funds
June 30, 2012

	<u>Tucker Road / Valley Blvd. Exchange</u>	<u>Energy Efficiency Conservation Project</u>	<u>Capital Equipment Replacement</u>
ASSETS			
Cash and Investments	\$ 47,215	\$ -	\$ 120,985
Receivables	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 47,215</u>	<u>\$ -</u>	<u>\$ 120,985</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Due to Other Funds	-	2,590	-
Deferred Revenue	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>2,590</u>	<u>-</u>
Fund Balances:			
Restricted	47,215	-	-
Assigned	-	-	120,985
Unassigned	-	(2,590)	-
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>47,215</u>	<u>(2,590)</u>	<u>120,985</u>
Total Liabilities and Fund Balances	<u>\$ 47,215</u>	<u>\$ -</u>	<u>\$ 120,985</u>

<u>Public Safety Capital Project Fee</u>	<u>General Plan Update</u>	<u>Valley Shoulder Ext - HSIP</u>	<u>Downtown Master Plan</u>	<u>Parks & Rec. Capital Project</u>	<u>Challenger Drive Exit</u>
\$ -	\$ -	\$ 20,086	\$ -	\$ 409,234	\$ 170,903
-	30,000	13,634	-	-	-
<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 33,720</u>	<u>\$ -</u>	<u>\$ 409,234</u>	<u>\$ 170,903</u>
\$ -	\$ 51	\$ 4,710	\$ -	\$ -	\$ -
-	35,457	-	-	-	-
-	-	13,634	-	-	-
-	35,508	18,344	-	-	-
-	-	15,376	-	409,234	-
-	-	-	-	-	170,903
-	(5,508)	-	-	-	-
-	(5,508)	15,376	-	409,234	170,903
<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 33,720</u>	<u>\$ -</u>	<u>\$ 409,234</u>	<u>\$ 170,903</u>

Continued

City of Tehachapi
Combining Balance Sheet
Non-major Capital Project Funds - Continued
Year Ended June 30, 2012

	<u>Tehachapi Centennial Plaza</u>	<u>Tehachapi Blvd Imprv - Phase IV</u>	<u>New Police Building</u>	<u>Total Non-Major Funds</u>
ASSETS				
Cash and Investments	\$ -	\$ 43,875	\$ 122,221	\$ 934,519
Receivables	-	-	-	43,634
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ -</u>	<u>\$ 43,875</u>	<u>\$ 122,221</u>	<u>\$ 978,153</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ 3,742	\$ -	\$ 8,503
Due to Other Funds	-	-	-	38,047
Deferred Revenue	-	-	-	13,634
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>3,742</u>	<u>-</u>	<u>60,184</u>
Fund Balances:				
Restricted	-	-	-	471,825
Assigned	-	40,133	122,221	454,242
Unassigned	-	-	-	(8,098)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>-</u>	<u>40,133</u>	<u>122,221</u>	<u>917,969</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 43,875</u>	<u>\$ 122,221</u>	<u>\$ 978,153</u>

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City of Tehachapi
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Project Funds
Year Ended June 30, 2012

	<u>Tucker Road / Valley Blvd. Exchange</u>	<u>Energy Efficiency Conservation Project</u>	<u>Capital Equipment Replacement</u>
REVENUES			
Licenses, Permits, and Fines	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Miscellaneous Revenue	-	-	-
Investment Earnings	324	-	-
	<u>324</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>324</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Community Development	-	85	-
Capital Outlay	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>85</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>324</u>	<u>(85)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	324	(85)	-
Fund Balances, Beginning of Year	<u>46,891</u>	<u>(2,505)</u>	<u>120,985</u>
Fund Balances, End of Year	<u><u>\$ 47,215</u></u>	<u><u>\$ (2,590)</u></u>	<u><u>\$ 120,985</u></u>

<u>Public Safety Capital Project Fee</u>	<u>General Plan Update</u>	<u>Valley Shoulder Ext - HSIP</u>	<u>Downtown Master Plan</u>	<u>Parks & Rec. Capital Project</u>	<u>Challenger Drive Exit</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	30,000	-	-	-	-
-	-	-	-	-	-
<u>1,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,851</u>	<u>-</u>
<u>1,967</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>2,851</u>	<u>-</u>
-	-	-	-	6,500	-
-	184,264	-	-	-	-
-	-	7,624	15,526	5,989	-
<u>-</u>	<u>184,264</u>	<u>7,624</u>	<u>15,526</u>	<u>12,489</u>	<u>-</u>
<u>1,967</u>	<u>(154,264)</u>	<u>(7,624)</u>	<u>(15,526)</u>	<u>(9,638)</u>	<u>-</u>
-	126,406	23,000	12,427	-	-
<u>(541,004)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(541,004)</u>	<u>126,406</u>	<u>23,000</u>	<u>12,427</u>	<u>-</u>	<u>-</u>
(539,037)	(27,858)	15,376	(3,099)	(9,638)	-
<u>539,037</u>	<u>22,350</u>	<u>-</u>	<u>3,099</u>	<u>418,872</u>	<u>170,903</u>
<u>\$ -</u>	<u>\$ (5,508)</u>	<u>\$ 15,376</u>	<u>\$ -</u>	<u>\$ 409,234</u>	<u>\$ 170,903</u>

Continued

City of Tehachapi
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Continued
Non-Major Capital Project Funds
Year Ended June 30, 2012

	Tehachapi Centennial Plaza	Tehachapi Blvd Imprv - Phase IV	New Police Building	Total Non-Major Funds
REVENUES				
Licenses, Permits, and Fines	\$ -	\$ -	\$ -	\$ -
Intergovernmental		-	-	30,000
Miscellaneous Revenue	-	-	-	-
Investment Earnings	-	-	-	5,142
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,142</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,142</u>
EXPENDITURES				
Current:				
Public Works	-	-	-	6,500
Community Development	-	-	-	184,349
Capital Outlay		9,045	418,783	456,967
	<u>-</u>	<u>9,045</u>	<u>418,783</u>	<u>456,967</u>
Total Expenditures	<u>-</u>	<u>9,045</u>	<u>418,783</u>	<u>647,816</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(9,045)</u>	<u>(418,783)</u>	<u>(612,674)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	705	52,000	541,004	755,542
Transfers Out	-	-	-	(541,004)
	<u>705</u>	<u>52,000</u>	<u>541,004</u>	<u>214,538</u>
Total Other Financing Sources (Uses)	<u>705</u>	<u>52,000</u>	<u>541,004</u>	<u>214,538</u>
Net Change in Fund Balances	705	42,955	122,221	(398,136)
Fund Balances, Beginning of Year	(705)	(2,822)	-	1,316,105
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 40,133</u>	<u>\$ 122,221</u>	<u>\$ 917,969</u>

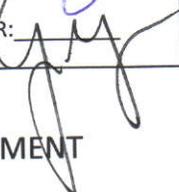
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City of Tehachapi
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2012

	Capital Hills 89-1	Tucker Road 87-1	East Tehachapi Blvd. Project 89-3	Summit 89-2
ASSETS				
Cash and Investments	\$ 1,184,319	\$ 87,544	\$ -	\$ -
Cash with Fiscal Agent	-	-	-	-
Receivables	-	-	-	-
Advances to Other Funds	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	25,911	297,867
	<u>-</u>	<u>-</u>	<u>25,911</u>	<u>297,867</u>
Total Assets	<u>\$ 1,184,319</u>	<u>\$ 87,544</u>	<u>\$ 25,911</u>	<u>\$ 297,867</u>
LIABILITIES AND FUND BALANCES				
Accounts Payable	\$ 7,271	\$ -	\$ 980	\$ 11,274
Advances From Other Funds	-	-	-	98,233
Due to Other Funds	-	-	6,109	105,129
Due to Bond Holders	1,177,048	87,544	18,822	83,231
	<u>1,177,048</u>	<u>87,544</u>	<u>18,822</u>	<u>83,231</u>
Total Liabilities	<u>\$ 1,184,319</u>	<u>\$ 87,544</u>	<u>\$ 25,911</u>	<u>\$ 297,867</u>

Tehachapi Meadows 90-1	Special Districts Revolving Fund	Total Agency Funds
\$ 35,851	\$ -	\$ 1,307,714
-	-	-
-	-	-
-	98,233	98,233
-	-	-
-	-	323,778
<u>\$ 35,851</u>	<u>\$ 98,233</u>	<u>\$ 1,729,725</u>
\$ -	\$ 98,233	\$ 117,758
-	-	98,233
-	-	111,238
35,851	-	1,402,496
<u>\$ 35,851</u>	<u>\$ 98,233</u>	<u>\$ 1,729,725</u>



APPROVED
DEPARTMENT HEAD: 
CITY MANAGER: 

COUNCIL REPORTS

MEETING DATE: FEBRUARY 19, 2013 AGENDA SECTION: COMMUNITY DEVELOPMENT

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: DAVID A. JAMES, COMMUNITY DEVELOPMENT DIRECTOR

DATE: FEBRUARY 11, 2013

SUBJECT: APPEAL TO THE CITY COUNCIL OF THE CITY OF TEHACHAPI PLANNING COMMISSION APPROVAL OF ARCHITECTURAL DESIGN AND SITE PLAN REVIEW NO. 2012-02 REVISION NO. 1 (TEHACHAPI INN)

BACKGROUND

On January 14, 2013 the Planning Commission approved Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 for a three story, 72 room non-franchise hotel measuring 25,314 square feet on a 1.06 acre site. The subject site is located in the Capital Hills Business Park, north and adjacent to Capital Hills Parkway, east of Magellan Drive and west of Challenger Drive. Please see Exhibit A (Planning Commission Staff Report) for details.

APPEAL

On January 28, 2013 Mr. Kenneth R. Hetge on behalf of himself and 25 additional and unnamed hanger owners filed an appeal of the Planning Commission approval of Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 (Tehachapi Inn). Please see Exhibit B for details.

The appeal is based in part on a claim by the appellant that the proposed Tehachapi Inn (Project) is non compliant with the Tehachapi Airport Land Use Compatibility Plan (ALUCP). As the City Council is aware in 1996, the Kern County Planning and Community Development Department in conjunction with the aviation consulting firm of Hodgest and Shutt and based on the California Department of Transportation Division of Aeronautic guidelines for the preparation of an ALUCP prepared Airport Land Use Compatibility Plans for all public access airports in Kern County including the City of Tehachapi Municipal Airport. On June 15, 1998 the City of Tehachapi adopted the ALUCP for the component of the County document having to do with the City of Tehachapi Municipal Airport ALUCP pursuant to Resolution No. 32-98. Please see Exhibit C-1 for details. On January 3, 2005 the City of Tehachapi amended the Tehachapi ALUCP pursuant to Resolution No. 15-04. The amendment to the Tehachapi ALUCP removed a stipulation in the original ALUCP that identified and declared the Capital Hills Business Park area as a pre-existing land use and therefore not subject to the ALUCP. Please see Exhibit C-2 for details.

The ALUCP consists of a group of compatibility zones with a corresponding map overlay used to identify which compatibility zone a given property is located in. Additionally, the ALUCP provides compatibility criteria and indicates what types of land uses are prohibited, uses normally acceptable and uses not normally acceptable.

Compatibility zones range from the most restrictive (Compatibility Zone A) to the least restrictive (Compatibility Zone D). Please see Exhibit D.

As the City Council will have observed from the Planning Commission materials the subject site is bifurcated by two (2) compatibility zones with a portion of the site located within Compatibility Zone B-1 and the majority of the site located in Compatibility Zone D. While the subject site is encumbered by two (2) compatibility zones the hotel structure itself is located entirely within Compatibility Zone D which as identified is the least restrictive from a land use perspective and which does not prohibit hotels. Therefore based upon the above and in addition to other considerations Planning Staff and the Planning Commission found the proposed hotel to be an acceptable and compatible use within the context of the Tehachapi ALUCP.

The appellant maintains that the Tehachapi ALUCP is out of date relative to guidelines set forth by the State of California Department of Transportation Division of Aeronautics. As previously indicated, the California Department of Transportation Division of Aeronautics was involved in the preparation of the Kern County ALUCP in general and more specifically the Tehachapi ALUCP.

With respect to the ALUCP document being out of date, staff has discussed this topic with Caltrans, the County and the FAA and they have indicated that there could be circumstances that trigger an ALUCP update such as the following examples.

- Update of Airport Master Plan.
- Extension/lengthen of the runway.
- Change in airport emphasis, for example general aviation to move commercial and cargo orientated aviation.
- Change in capacity.

With respect to the Airport Master Plan Update the Tehachapi Municipal Airport is scheduled for a Master Plan and ALUCP update in 2018. In the interim, the current Tehachapi ALUCP can be relied upon to perform an airport compatibility analysis.

Additionally, it should be noted that staff has compared airport activity at the time the ALUCP was prepared and current conditions and found that overall airport activity in terms of operations and the mix of aircraft utilizing the facility has not changed appreciably since the ALUCP was adopted.

Further, it should also be noted that the Tehachapi Municipal Airport is a medium sized general aviation runway. However, the ALUCP was prepared utilizing the long general aviation runway model (6,000 feet or more). Staff questioned Caltrans as to why a higher intensity airport classification was utilized in the preparation of the ALUCP.

Caltrans explanation was that it anticipated a school site would be designated within the residential component of the Capital Hills Specific Plan at some point in the future. Additionally, airport elevation was considered in the more intensive zoning. In this regard an argument can be made that the Airport Compatibility Plan zone overlay represents a conservative scenario in terms of protecting the airport from encroachment.

The appellant maintains that the proposed hotel is located within an airport safety zone and suffers from complicated terrain and other environmental issues and factors. As previously indicated the Tehachapi ALUCP is comprised of airport compatibility zones in association with airport compatibility criteria. Additionally, the hotel site is not located underneath or adjacent to any published, charted or indicated flight paths.

With respect to the issue of complicated terrain and other environmental issues and factors; when compatibility plans are developed they are not a one size fits all proposition and as such ALUCP compatibility overlay maps vary significantly from one airport to another. Conditions such as topographic features, land use patterns, physical obstructions, etc., are taken into account when the compatibility zone overlays are established. As such it is staff's opinion that the appellant's assertion that the areas "complicated terrain" was not factored into the compatibility analysis and determination is unwarranted and not substantiated by the facts.

Further, in addition to airport compatibility there are several additional factors that go into a project review such as the subject sites zoning designation, general plan designation, policies and general plan consistency, etc. These are the criteria by which a project is evaluated against and recommendations are made to the Planning Commission. The City of Tehachapi has an airport compatibility plan by which projects are evaluated against. Staff cannot arbitrarily and capriciously establish the rules of the game on a project by project basis. There has to be some consistent basis by which projects are evaluated and recommendations are made to the Planning Commission.

The appellant also maintains that the Airport Commission has provided no input on the project. This statement is current as it relates to the applicants original request and approval to construct a Motel 6 on the subject site. However, the revised request to construct a non-franchise motel (The Tehachapi Inn) was in fact presented to the Tehachapi Airport Commission on January 8, 2013. Please see Airport Commission Agenda and associated minutes and collateral materials in the Planning Commission packet. As the City Council will observe the Airport Commission minutes indicated that no opinion or approval by the Airport Commission was asked for with regards to the proposed hotel, which appears to technically be in compliance with the ALUCP, but that the discussion should be reflected on the minutes and be available to the City Planning Commission the City Council with regards to this proposal and any others which will occur in the future. Please see Exhibit E for details.

RECOMMENDATION

Therefore, staff recommends adoption of Resolution No. A-2013 of the City Council of the City of Tehachapi denying the appeal filed by Kenneth R. Hetge of the Planning Commission decision to approve Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 and to uphold the Planning Commission's decision to approve the Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 subject to the conditions of approval.

RESOLUTION NO. A-2013

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF TEHACHAPI DENYING THE
APPEAL AND UPHOLDING THE PLANNING
COMMISSION'S DECISION APPROVING
ARCHITECTURAL DESIGN AND SITE PLAN
REVIEW NO. 2012-02 REVISION NO. 1**

WHEREAS, on December 10, 2012, the applicant Terry Delamater, filed an application with the City of Tehachapi (the City) for a revision to Architectural Design and Site Plan Review No. 2012-02 to revise the proposal from a Motel 6 design to a non-franchise hotel (The Tehachapi Inn); and

WHEREAS, the applicant is proposing pursuant to the revised site plan to construct a 72 room three (3) story non-franchise hotel measuring 25,319 sq. ft. on a 1.06 acre site; and

WHEREAS, on January 14, 2013, the Planning Commission held a duly noticed public hearing on the Project considered all public testimony as well as all materials in the staff report for Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 which hereby was publicly noticed by a publication in the newspaper of general circulation, a public hearing notice posted on the subject site, property owners notifications within a 300 foot radius of the Project boundaries and to persons requesting public notice; and an agenda posting; and

WHEREAS, an appeal to the City Council of the City of Tehachapi Planning Commission decision of January 14, 2013 approving Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 was filed by Kenneth R. Hetge on January 28, 2013; and

WHEREAS, on February 19, 2013, the City Council held a duly noticed public hearing to consider the appeal of the Planning Commission's decision of January 14,

2013 to approve Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 (The Tehachapi Inn), which hearing was publicly noticed by a publication in the newspaper of general circulation, a public hearing notice posted on the subject site, property owner notification within a 300 foot radius of the project boundary, and to persons requesting public notice; and

WHEREAS, the City Council considered all documenting evidence filed prior to and during the hearing and all oral testimony at the hearing, the staff report and supporting documents and other materials presented for the record.

WHEREAS, the City Council makes the following findings (the "Findings");

- A. The proposed use on consistent with the goals and policies of the City's General Plan.
- B. The proposed use in consistent with the underlying Capital Hills Specific Plan.
- C. The proposed use is consistent with the underlying zone designation.
- D. The proposed use is compatible with the Tehachapi Airport Land Use Compatibility Plan.
- E. The proposed use meets the minimum requirements of this title applicable to the use and comply with all other applicable laws, ordinances, and regulations of the City and the State of California.
- F. The proposed use at this location as conditioned and as proposed will not be materially detrimental to the Tehachapi Municipal Airport the health, safety and welfare of the public or to the property in the vicinity of the subject site.
- G. The proposed use will not be detrimental to the project area and will promote the growth of Tehachapi.
- H. The applicable provisions of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines, and the Tehachapi rules to implement CEQA have been duly observed in conjunction with the subject application pursuant to the preparation and approval of a Mitigated Negative Declaration.

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

1. That the foregoing recitals and Findings are true and correct.

2. Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 for a three (3) story non-franchise 72 room hotel measuring 25,319 square feet on a 1.06 acre site is approved subject to the following conditions of approval.

CONDITIONS OF APPROVAL:

1. The approval is conditional and shall be valid for a period of two (2) years only unless substantial progress has been made as determined by the Community Development Director.
2. Final colors and materials must be submitted and approved by the Community Development Director prior to the issuance of building permits.
3. If access to sewer and/or water distribution mains/lines requires encroachment into Capital Hills Parkway, Magellan Drive and/or Challenger Drive an encroachment permit must be obtained from the City of Tehachapi.
4. A detailed grading plan shall be submitted and shall be approved by the City Engineer. The grading plan shall include a soils report and hydrology analysis (as deemed necessary) to demonstrate the method by which storm water runoff will be conveyed into an existing storm drain system. (City Engineer comments included herein as Attachment G)
5. The project site shall be watered during grading or the use of soil binders to prevent fugitive dust.
6. Grading shall be halted when winds reach 20 mph or greater in a two (2) or more hour time period.
7. The project proponent shall comply with the Kern County Fire Department requirements included herein as Attachment H.
8. The project proponent shall comply with all building code requirements.
9. The applicant shall comply with the East Kern Air Pollution Control District construction requirements included herein as Attachment I.
10. Plans are to be submitted and routed through the City of Tehachapi who will disseminate accordingly.
11. Kern County Fire Department and the City Engineer shall approve fire protection facilities in conjunction with issuance of building permits.
12. The City Engineer shall approve the plans for water and sewer service (potable irrigation and fire protection).
13. The applicant shall submit complete building plans for review and approval by the City Building Department (including mechanical, plumbing and electrical plans).
14. In conjunction with the building plans the applicant shall concurrently submit a geotechnical report which identifies any site specific soils condition and area specific seismic conditions that need to be addressed in the grading activity and

the construction details above and beyond the universally applicable building codes.

15. The applicant shall separately submit a site plan (showing grading, drainage, surface improvements and utility layout) for review and approval by the City Engineer.
16. Placement of trash enclosures shall be approved by Benz Sanitation. The enclosure design shall have architectural elements that are consistent with the main structure and designed to meet City standards. Trash enclosure shall provide a method to keep bins closed to prevent off-site litter problems and be in compliance with the City of Tehachapi trash enclosure detail (Attachment J).
17. Standard vehicle parking spaces shall be 9' by 20' or larger in size and shall be designated by white painted stripes. A maximum of 20% of the required parking spaces may be designated compact space and shall be 8' by 18' or larger in size. A minimum of three (3) handicap parking spaces shall be provided per the American Disabilities Act (ADA) requirements.
18. The project proponent is required to provide permanently anchored bicycle racks to accommodate 2 bicycles within 100 feet of the customer's entrance.
19. Five (5) fuel efficient off-street parking spaces are required and must be posted with appropriate signage.
20. All vehicle parking and maneuvering areas shall be surfaced with a minimum of two-inches of A.C. paving and 4" base or material of higher quality as may be required by the City Engineer.
21. All utilities shall be placed underground.
22. Outdoor storage of material is not permitted.
23. Prior to issuance of building permits a landscape and irrigation plan prepared by a landscape architect/landscape contractor having a C-27 license shall be submitted to the City for review and approval. The plan must comply with the City's landscape ordinance. Payment of the landscape application fee in place at such time shall apply. The plan must comply with City Standards in addition to the State Water Conservation in Landscaping Act AB 1881.
24. Prior to issuance of occupancy permits all landscaping shall be installed and shall be in a viable growth condition and in substantially conformance with the approved landscape plan.
25. A wall mounted internally illuminated address is required to assist public safety providers.
26. Prior to the installation of any signage, approval must be received and permits obtained from the Community Development Department through a Sign Application Permit. All signage shall comply with Section 18.84 of the City's Zoning Ordinance and is subject to Planning Commission review and approval prior to the installation of such signs.

27. Prior to the issuance of a building permit the applicant shall have filed and processed the Form 7460 with the Federal Aviation Administration (FAA).
28. Prior to the issuance of a building permit the applicant shall grant and record an avigation easement over the subject parcel to the City of Tehachapi.
29. In conjunction with the construction staking process, the compatibility line of demarcation shall be surveyed and delineated in the field.
30. Prior to the issuance of a building permit the applicant shall pay their fare share towards the Mill Street overpass signalization unless said signal has been incorporated into the Tehachapi Regional Transportation Impact fee program.
31. All security lighting shall be shielded in such a manner as to preclude the effects of light and glare onto adjacent properties. The applicant shall be required to submit a photo-metrics analysis and the proposed light fixtures for all exterior lighting on the property shall utilize Dark Sky Technology fixtures and submitted to the Community Development Department for review and approval prior to installation.
32. Non-reflective paint and construction material shall be used for the project to prevent glare from impacting pilot safety.
33. All contractors and subcontractors shall procure a business license with the City of Tehachapi.
34. Prior to the issuance of a building permit, the applicant shall pay all applicable fees and in an amount that is in effect at the time the permit is issued.

25,319 Square Foot Hotel

Water Connection Fee:	\$ 141,566.40
Water Meter:	\$ 750.00
Trunkline Fee:	N/A
Sewer Connection Fee:	\$ 240,418.08
Traffic Mitigation Fee:	\$ 40,176.00
Public Facilities Fee:	\$ 53,878.83
Landscape Application Fee:	\$ 719.00
Sign Application Fee:	\$ 479.00
Fare Share Mill Street Signalization Fee:	TBD
Building Permit Fees/Inspection Fees:	\$ 6,066.89
Construction Observation Fees (T&M)	\$ 6,675.00
AECOM Plan Check Fee	\$ 13,008.04
School Fees:	As determined by the Tehachapi Unified School District.
KC Fire Department Plan Check:	As determined by the Kern County Fire and Inspection Fees Department.

35. The developer/applicant shall indemnify, protect, defend, and hold harmless, the City and any agency or instrumentality thereof, and/or any of its officers, employees and agents (collectively the "City ") from any and all claims, actions, demands, and liabilities arising or alleged to arise as the result of the applicant's performance or failure to perform under this Architectural Design & Site Plan Review No. 2012-02 or the City's approval thereof, or from any proceedings against or brought against the City, or any agency or instrumentality thereof, or any of their officers, employees and agents, to attack, set aside, void, annul, or seek monetary damages resulting from an action by the City or any agency or instrumentality thereof, advisory agency, appeal board or legislative body including actions approved by the voters of the City, concerning Architectural Design & Site Plan Review No. 2012-02 Revision No. 1.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of

Tehachapi this 19th day of February, 2013 by the following vote:

AYES: COUNCIL MEMBERS: _____

NOES: COUNCIL MEMBERS: _____

ABSENT: COUNCIL MEMBERS: _____

ABSTAIN: COUNCIL MEMBERS: _____

PHIL SMITH, Mayor
of the City of Tehachapi, California

ATTEST:

JULIE DRIMAKIS, CMC
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 February 19, 2013.

JULIE DRIMAKIS, CMC
City Clerk of the City of Tehachapi, California

CITY OF TEHACHAPI
RECEIVED

JAN 28 2013

CITY CLERK'S OFFICE
BY _____



TEHACHAPI

CALIFORNIA

Live Up.

DISCRETIONARY PERMIT APPEAL APPLICATION

ALL sections of this form must be completed and delivered to the Planning Department at City Hall, 115 South Robinson Street and the fee paid within fourteen days of the Planning Commission's decision, including the date of the decision, in order for this Appeal to be accepted.

I, Kenneth R. Hetge, hereby appeal the decision of the Planning Commission on (date of decision) January 14, 2013 regarding:

Project Application No. 2012-02 Rev.1 (72 room, 3 story hotel)

Applicant: Terry Delamater, 5437 Adolphus Ave., Bakersfield, CA 93308

Location/or Address: Capital Hills, E. of Magellan Dr. & W. of Challenger Dr., APN223-560-17

THE UNDERSIGNED HEREBY APPEALS THE DECISION OF THE PLANNING COMMISSION REGARDING THE ABOVE-REFERENCED MATTER.

Signature: *Kenneth R. Hetge*

Telephone: 661-822-2827

Print Name: Kenneth R. Hetge

Address: 20251 Woodford-Tehachapi Rd., Tehachapi, CA 93561

ON BEHALF OF MYSELF AND 25 OTHER HANGAR OWNERS AT THE MUNICIPAL AIRPORT, THE ABOVE PROJECT IS APPEALED FOR LACK OF COMPLIANCE TO THE ALLUCP DOCUMENT (OCT. 2011 REVISION) AND THE GUIDELINES SET FORTH BY THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION, DIVISION OF AERONAUTICS. THIS LOCATION IS NOT ONLY LOCATED IN AN AIRPORT SAFETY ZONE, BUT ALSO SUFFERS FROM COMPLICATED TERRAIN AND OTHER ENVIRONMENTAL ISSUES AND FACTORS. BOTH THE AOPA AND THE CALIFORNIA PILOTS ASSOCIATION ARE ACTIVELY INVOLVED IN THIS PARTICULAR SITUATION. TO DATE, NEITHER THE LOCAL PILOTS NOR HANGAR OWNERS HAVE BEEN REQUESTED TO PROVIDE INPUT REGARDING THIS PROJECT. THE TEHACHAPI AIRPORT AIRPORT COMMISSION HAS PROVIDED NO INPUT TO THE PLANNING COMMISSION REGARDING THIS PROJECT.

Kenneth R. Hetge



TEHACHAPI PLANNING COMMISSION

STAFF REPORT

Title: AD&SPR No. 2012-02 Revision No. 1

Date: January 7, 2013

I. **GENERAL INFORMATION:**

1. Applicant: Terry Delamater
5437 Adolphus Avenue
Bakersfield, CA 93308
2. Architect: Paul Dhanens
1200 Truxton Ave. Suite 160
Bakersfield, CA 93301
3. Specific Request: Construction of a 72 room three (3) story non-franchise hotel measuring 25,319 square feet on a 1.06-acre site.
4. Project Location: Located in the Capital Hills Business Park; north and adjacent to Capital Hills Parkway, east of Magellan Drive and west of Challenger Drive.
5. APN: 223-560-17
6. Existing Zoning: C-3
7. Present Land Use: Vacant
8. General Plan Designation: Community Commercial
9. Surrounding Land Use:
North: Vacant C-3 Property
South: Texaco Mini-Mart
East: Vacant C-3 Property
West: Holiday Inn Express
10. Correspondence in opposition: Yes No
Correspondence in favor: Yes No

II. BACKGROUND

The applicant submitted a request for approval to construct a franchise motel (Motel 6) measuring 26,061 square feet and consisting of 69 guest rooms in addition to a Manager's Quarters on the same subject site. Staff prepared and circulated a Neg Dec which was ultimately adopted in conjunction with the Architectural Design and Site Plan Review application approval on October 8, 2012. Given that the applicant and Motel 6 could not come to terms on the franchise agreement, Staff advised the applicant that any revision to the hotel plan would require Planning Commission approval through the revised site plan process.

The request before the Planning Commission is a revision to the architectural elements and site plan approved on October 8, 2012. The environmental document prepared for the Motel 6 consisted of a motel structure measuring 26,061 square feet having 69 guest rooms and a Managers' Quarters. The revised site plan does not exceed 26,061 square feet and although the number of guest rooms increased from 69 to 72, the Manager's Quarters which would have been occupied on a full-time basis has been removed and replaced with three (3) additional guest rooms. It is Staff's opinion the three (3) additional guest rooms will not likely be occupied on a daily basis and as such, the proposed project is not an intensification of the previously approved project. The revised hotel is in substantial conformance with the previously approved Motel 6 and given that, the CEQA document prepared and approved for the Motel 6 can be relied upon for the revised application.

III. PROPOSAL:

The applicant has submitted an application and request for approval to construct a 72 room, 25,319 square foot three (3) story non-franchise hotel on a 1.06-acre site. The subject site is located in the Capital Hills Business Park; north and adjacent to Capital Hills Parkway, east of Magellan Drive and west of Challenger Drive. (Please see the Vicinity Map as Attachment A and the Location map as Attachment B). The zoning designation for this site is C-3, General Commercial which permits hotels and motels and it's consistent with the newly adopted General Plan.

IV. AIRPORT COMPATIBILITY

As the Planning Commission may recall, there were several exhibits from various sources that illustrated the line of demarcation between the Compatibility Zone B-1 and Compatibility Zone D. As the Commission will also recall, three (3) story hotels are considered uses not normally acceptable pursuant to the Airport Compatibility Criteria within Compatibility Zone B-1 and no such restriction exists for uses within Compatibility Zone D. (Please refer to the Airport Compatibility Criteria as Attachment C) Given the various lines of demarcation scenarios available by which to evaluate the project, Staff elected to have the line professionally surveyed so that a definitive line could be established once and for all and there would be no question as to which line is correct and accurate. The surveyed line has been superimposed over the proposed Site Plan as reflected on Attachment D. As demonstrated by Attachment D the hotel structure is located entirely within Compatibility Zone D. A portion of the property is located within Compatibility Zone B-1. However, the critical issue in this regard is that the structure is located entirely within Compatibility Zone D.

V. CIRCULATION/PARKING:

The structure is orientated towards Capital Hills Parkway with parking dispersed on the west side and north side of the proposed hotel. (Please refer to the Site Plan as Attachment E). The site plan reflects two (2) proposed drive approaches; one (1) off Magellan Drive and one (1) off Challenger Drive. As illustrated, a vehicle "pocket" is proposed on Challenger Drive to provide guests a safe and convenient temporary parking spot outside of the flow of traffic during check-in. Approximately 200 feet of the mow strip adjacent to Challenger Drive will be eliminated to accommodate the "pocket" however, given the extensive street frontages of this parcel a more than an adequate amount of landscaping will be installed and maintained.

With regard to off-street parking, the City's Zoning Ordinance requires one (1) space per hotel room (72) in addition to one (1) space for each full time employee (one full time employee) totaling 73 off-street parking spaces required. With respect to handicapped parking requirements, the American Disabilities Act (ADA) requires three (3) handicapped spaces to be provided when the total number of conventional spaces falls within the 51-75 parking space range. The applicant is providing 74 off-street parking spaces, three (3) of which are handicapped designated meeting the requisite number. The final site plan will reflect the required number of fuel-efficient and carpool/van pool vehicle parking per the California Green Code.

VI. ARCHITECTURAL ELEMENTS:

In terms of architecture, the proposed earth tone colors, split faced rock, varied roof lines, articulated building plains, tower element with copula enhancement and the decorative wood beam element at the hotel entrance gives the structure character and a lodge look and feel complimenting the subject sites proximity to the Sierra Nevada mountain range. (Please refer to the Elevations as Attachment F).

The site is zoned C-3 which allows three (3) story units with a maximum height of thirty-five feet. The total height of a structure may exceed 35-feet to account for roof pitch and other architectural embellishments providing the cubage of the structure (habitable space) is not greater than that possible within the specified height limitation. The proposed structure measures 31-feet within the cubage of the structure and a total height of 49' as measured to the top of the decorative copula element.

VII. LANDSCAPING/LIGHTING:

The applicant is required to landscape a minimum of 5% of the site with a variety of street trees, shrubs and ground cover. Although conceptual, the applicant is proposing the requisite amount of landscaping. A detailed landscape and irrigation plan shall be submitted by a licensed landscape architect or landscape contractor with a type C-27 license for approval and installation prior to issuance of occupancy permits.

All exterior lighting is required to meet the Dark Skies Technology Criteria and approval is required by the Community Development Director prior to the installation of any exterior lighting on site.

VIII. SIGNAGE

Signage is not part of this proposal, however, the colored elevations exhibit wall signage displaying "Tehachapi Inn" and "Sleep Up". The applicant or project proponent has the opportunity to install a variety of signs that may consist of internally illuminated channel letter wall signs, monument signs, directional signs all of which will be reviewed through the Sign Permit application process.

IX. RECOMMENDATION:

Staff recommends approval of Architectural Design & Site Plan Review No. 2012-02 Revision No. 1 and adoption of Resolution No. 2013-01 subject to the following conditions of approval.

X. CONDITIONS OF APPROVAL:

1. The approval is conditional and shall be valid for a period of two (2) years only unless substantial progress has been made as determined by the Community Development Director.
2. Final colors and materials must be submitted and approved by the Community Development Director prior to the issuance of building permits.
3. If access to sewer and/or water distribution mains/lines requires encroachment into Capital Hills Parkway, Magellan Drive and/or Challenger Drive an encroachment permit must be obtained from the City of Tehachapi.
4. A detailed grading plan shall be submitted and shall be approved by the City Engineer. The grading plan shall include a soils report and hydrology analysis (as deemed necessary) to demonstrate the method by which storm water runoff will be conveyed into an existing storm drain system. (City Engineer comments included herein as Attachment G)
5. The project site shall be watered during grading or the use of soil binders to prevent fugitive dust.
6. Grading shall be halted when winds reach 20 mph or greater in a two (2) or more hour time period.
7. The project proponent shall comply with the Kern County Fire Department requirements included herein as Attachment H.
8. The project proponent shall comply with all building code requirements.
9. The applicant shall comply with the East Kern Air Pollution Control District construction requirements included herein as Attachment I.
10. Plans are to be submitted and routed through the City of Tehachapi who will disseminate accordingly.

11. Kern County Fire Department and the City Engineer shall approve fire protection facilities in conjunction with issuance of building permits.
12. The City Engineer shall approve the plans for water and sewer service (potable irrigation and fire protection).
13. The applicant shall submit complete building plans for review and approval by the City Building Department (including mechanical, plumbing and electrical plans).
14. In conjunction with the building plans the applicant shall concurrently submit a geotechnical report which identifies any site specific soils condition and area specific seismic conditions that need to be addressed in the grading activity and the construction details above and beyond the universally applicable building codes.
15. The applicant shall separately submit a site plan (showing grading, drainage, surface improvements and utility layout) for review and approval by the City Engineer.
16. Placement of trash enclosures shall be approved by Benz Sanitation. The enclosure design shall have architectural elements that are consistent with the main structure and designed to meet City standards. Trash enclosure shall provide a method to keep bins closed to prevent off-site litter problems and be in compliance with the City of Tehachapi trash enclosure detail (Attachment J).
17. Standard vehicle parking spaces shall be 9' by 20' or larger in size and shall be designated by white painted stripes. A maximum of 20% of the required parking spaces may be designated compact space and shall be 8' by 18' or larger in size. A minimum of three (3) handicap parking spaces shall be provided per the American Disabilities Act (ADA) requirements.
18. The project proponent is required to provide permanently anchored bicycle racks to accommodate 2 bicycles within 100 feet of the customer's entrance.
19. Five (5) fuel efficient off-street parking spaces are required and must be posted with appropriate signage.
20. All vehicle parking and maneuvering areas shall be surfaced with a minimum of two-inches of A.C. paving and 4" base or material of higher quality as may be required by the City Engineer.
21. All utilities shall be placed underground.
22. Outdoor storage of material is not permitted.
23. Prior to issuance of building permits a landscape and irrigation plan prepared by a landscape architect/landscape contractor having a C-27 license shall be submitted to the City for review and approval. The plan must comply with the City's landscape ordinance. Payment of the landscape application fee in place at such time shall apply. The plan must comply with City Standards in addition to the State Water Conservation in Landscaping Act AB 1881.

24. Prior to issuance of occupancy permits all landscaping shall be installed and shall be in a viable growth condition and in substantially conformance with the approved landscape plan.
25. A wall mounted internally illuminated address is required to assist public safety providers.
26. Prior to the installation of any signage, approval must be received and permits obtained from the Community Development Department through a Sign Application Permit. All signage shall comply with Section 18.84 of the City's Zoning Ordinance and is subject to Planning Commission review and approval prior to the installation of such signs.
27. Prior to the issuance of a building permit the applicant shall have filed and processed the Form 7460 with the Federal Aviation Administration (FAA).
28. Prior to the issuance of a building permit the applicant shall grant and record an aviation easement over the subject parcel to the City of Tehachapi.
29. In conjunction with the construction staking process, the compatibility line of demarcation shall be surveyed and delineated in the field.
30. Prior to the issuance of a building permit the applicant shall pay their fare share towards the Mill Street overpass signalization unless said signal has been incorporated into the Tehachapi Regional Transportation Impact fee program.
31. All security lighting shall be shielded in such a manner as to preclude the effects of light and glare onto adjacent properties. The applicant shall be required to submit a photo-metrics analysis and the proposed light fixtures for all exterior lighting on the property shall utilize Dark Sky Technology fixtures and submitted to the Community Development Department for review and approval prior to installation.
32. Non-reflective paint and construction material shall be used for the project to prevent glare from impacting pilot safety.
33. All contractors and subcontractors shall procure a business license with the City of Tehachapi.
34. Prior to the issuance of a building permit, the applicant shall pay all applicable fees and in an amount that is in effect at the time the permit is issued.

25,319 Square Foot Hotel

Water Connection Fee:	\$ 141,566.40
Water Meter:	\$ 750.00
Trunkline Fee:	N/A

Sewer Connection Fee:	\$ 240,418.08
Traffic Mitigation Fee:	\$ 40,176.00
Public Facilities Fee:	\$ 53,878.83
Landscape Application Fee:	\$ 719.00
Sign Application Fee:	\$ 479.00
Fare Share Mill Street Signalization Fee:	TBD
Building Permit Fees/Inspection Fees:	\$ 6,066.89
Construction Observation Fees (T&M)	\$ 6,675.00
AECOM Plan Check Fee	\$ 13,008.04
School Fees:	As determined by the Tehachapi Unified School District.
KC Fire Department Plan Check and Inspection Fees	As determined by the Kern County Fire Department.

35. The developer/applicant shall indemnify, protect, defend, and hold harmless, the City and any agency or instrumentality thereof, and/or any of its officers, employees and agents (collectively the "City ") from any and all claims, actions, demands, and liabilities arising or alleged to arise as the result of the applicant's performance or failure to perform under this Architectural Design & Site Plan Review No. 2012-02 or the City's approval thereof, or from any proceedings against or brought against the City, or any agency or instrumentality thereof, or any of their officers, employees and agents, to attack, set aside, void, annul, or seek monetary damages resulting from an action by the City or any agency or instrumentality thereof, advisory agency, appeal board or legislative body including actions approved by the voters of the City, concerning Architectural Design & Site Plan Review No. 2012-02 Revision No. 1.

X. RECOMMENDED FINDINGS:

1. The proposal will not be detrimental to the project area and will promote the goals of the City of Tehachapi.
2. The proposed building is architecturally compatible with surrounding development and established pattern of land use.
3. The safety and welfare of the community will not be compromised as a result of traffic impacts.
4. The applicable provisions of the California Environmental Quality Act, the State CEQA Guidelines, and the Tehachapi Guidelines have been duly observed in

conjunction with said hearing in the consideration of this matter and all of the previous proceedings relating thereto.

5. The proposed project is compatible within the Tehachapi Municipal Airport pursuant to the adopted Airport Compatibility Plan and Criteria.
6. The effects upon the environment of such project and the activities and improvements which may be carried out there under will not be substantial and will not interfere with maintenance of a high-quality environment now or in the future.

ATTACHMENTS

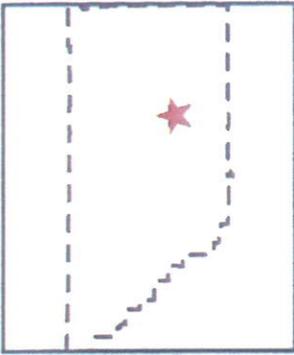
Attachment A	Vicinity Map
Attachment B	Location Map
Attachment C	Airport Compatibility Criteria
Attachment D	Airport Flight Zones
Attachment E	Site Plan
Attachment F	Elevations
Attachment G	City Engineer Comments
Attachment H	Kern County Fire Department Comments
Attachment I	East Kern Air Pollution Control District Requirements
Attachment J	Trash Enclosure Detail
Attachment K	Resolution

Vicinity Map

Kern County
Online Mapping System



This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.



Legend

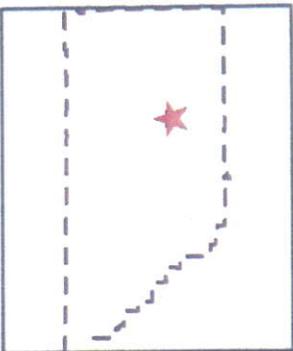
- Roads**
- Arterial
 - Collector
 - Highway
 - Local
 - Ramp
 - Unpaved
- County of Kern
- Assessment Parcels



Scale: 1:15,151

Motel 6 Location Map

Kern County
Online Mapping System



- Legend**
- Roads
 - Arterial
 - Collector
 - Highway
 - Local
 - Ramp
 - Unpaved
 - County of Kern
 - Assessment Parcels

Scale: 1:3,788

This map is a user generated static output from an internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

Table 2A
Compatibility Criteria
 Kern County Airport Land Use Compatibility Plan

Zone	Location ¹	Impact Elements	Maximum Densities		Required Open Land ²
			Residential ³ (du/ac)	Other Uses (people/ac) ⁴	
A	Runway Protection Zone or within Building Restriction Line	<ul style="list-style-type: none"> High risk High noise levels 	0	10	All Remaining
B1	Approach/Departure Zone and Adjacent to Runway	<ul style="list-style-type: none"> Substantial risk — aircraft commonly below 400 ft. AGL or within 1,000 ft. of runway Substantial noise 	0.1	60	30%
B2	Extended Approach/Departure Zone	<ul style="list-style-type: none"> Significant risk — aircraft commonly below 800 ft. AGL Significant noise 	0.5	60	30%
C	Common Traffic Pattern	<ul style="list-style-type: none"> Limited risk — aircraft at or below 1,000 ft. AGL Frequent noise intrusion 	15	150	15%
D	Other Airport Environs	<ul style="list-style-type: none"> Negligible risk Potential for annoyance from overflights 	No Limit	No Limit	No Requirement

Zone	Additional Criteria		Examples	
	Prohibited Uses ¹	Other Development Conditions ¹	Normally Acceptable Uses ²	Uses Not Normally Acceptable ³
A	<ul style="list-style-type: none"> All structures except ones with location set by aeronautical function Assemblages of people Objects exceeding FAR Part 77 height limits Hazards to flight⁶ 	<ul style="list-style-type: none"> Dedication of avigation easement 	<ul style="list-style-type: none"> Aircraft tiedown apron Pastures, field crops, vineyards Automobile parking 	<ul style="list-style-type: none"> Heavy poles, signs, large trees, etc.
B1 and B2	<ul style="list-style-type: none"> Schools, day care centers, libraries Hospitals, nursing homes Highly noise-sensitive uses (e.g. amphitheaters) Storage of highly flammable materials⁷ Hazards to flight⁶ 	<ul style="list-style-type: none"> Locate structures maximum distance from extended runway centerline Dedication of avigation easement 	<ul style="list-style-type: none"> Uses in Zone A Any agricultural use except ones attracting bird flocks Warehousing, truck terminals Two-story offices Single-family homes on an existing lot 	<ul style="list-style-type: none"> Residential subdivisions Intensive retail uses Intensive manufacturing or food processing uses Offices with more than two stories Hotels and motels
C	<ul style="list-style-type: none"> Schools Hospitals, nursing homes Hazards to flight⁶ 	<ul style="list-style-type: none"> Dedication of overflight easement for residential uses 	<ul style="list-style-type: none"> Uses in Zone B Parks, playgrounds Most retail uses Duplexes and medium-density apartments Two-story motels 	<ul style="list-style-type: none"> Large shopping malls Theaters, auditoriums Large sports stadiums Hi-rise office buildings with more than four stories
D	<ul style="list-style-type: none"> Hazards to flight⁶ 	<ul style="list-style-type: none"> Deed notice required for residential development 	<ul style="list-style-type: none"> All except ones hazardous to flight 	

Source: Comprehensive Airport Land Use Plan (1996)



DA
DESIGN ARCHITECTURE



CITY OF TEMPE
DESIGN ARCHITECTURE



INN
CHRYSLER
VEHICULAR, LLC

DATE	REVISION	BY	CHECKED	APPROVED

PROJECT INFORMATION
 OWNER: CHRYSLER
 LOCATION: 10000 N. HANOVER AVENUE, TEMPE, AZ 85288
 PROJECT DESCRIPTION: CHRYSLER VEHICLE GROUP HEADQUARTERS
 PROJECT NO.: 10000 N. HANOVER AVENUE, TEMPE, AZ 85288
 DATE: 08/11/08
 DRAWN BY: [REDACTED]
 CHECKED BY: [REDACTED]
 APPROVED BY: [REDACTED]

BUILDING ANALYSIS
 TYPE OF CONSTRUCTION: [REDACTED]
 FOUNDATION: [REDACTED]
 WALLS: [REDACTED]
 FLOORING: [REDACTED]
 ROOFING: [REDACTED]
 MECHANICAL: [REDACTED]
 ELECTRICAL: [REDACTED]
 PLUMBING: [REDACTED]
 FIRE PROTECTION: [REDACTED]

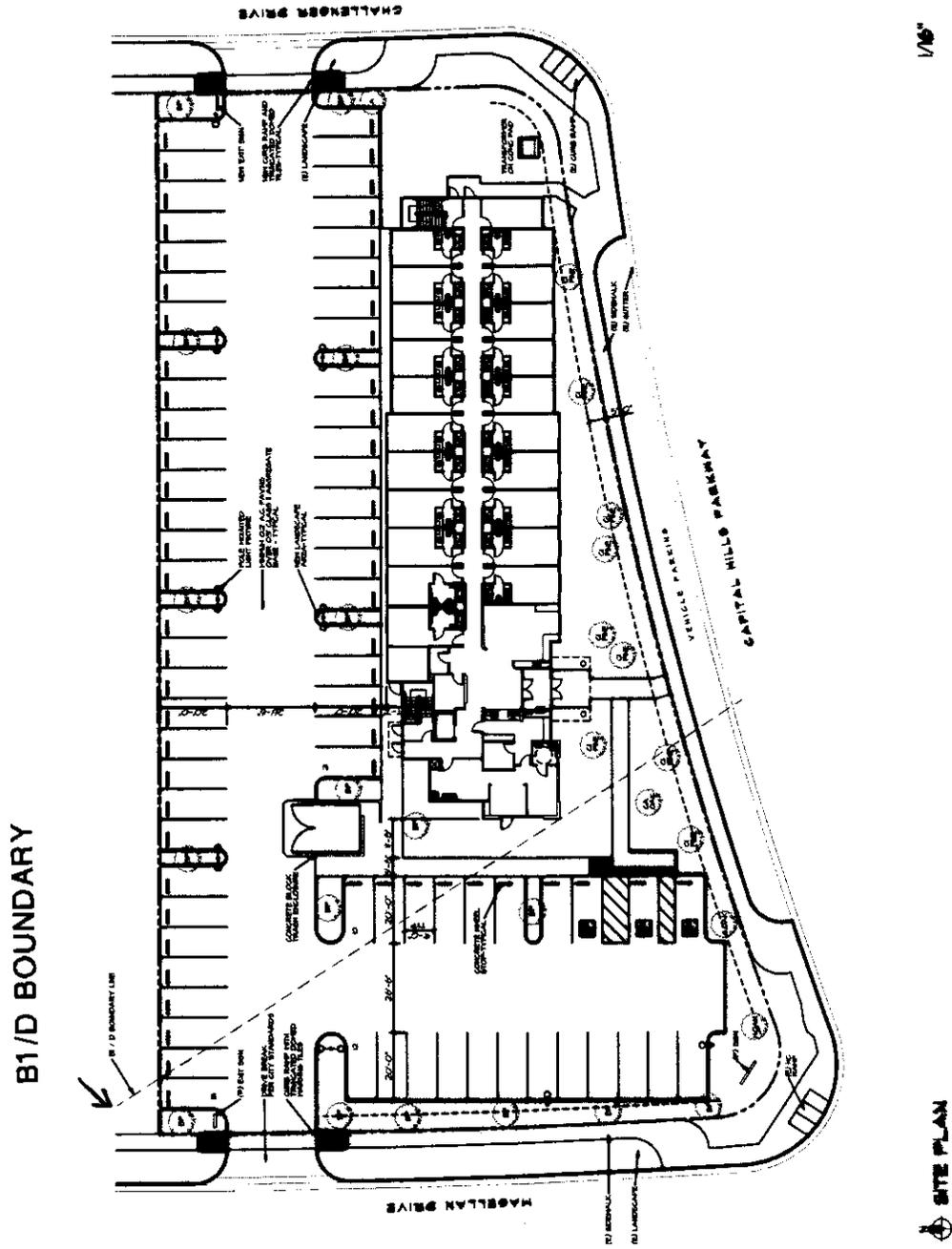
PARKING ANALYSIS
 TOTAL PARKING: [REDACTED]
 TYPE OF PARKING: [REDACTED]
 ACCESSIBILITY: [REDACTED]

LANDSCAPE ANALYSIS
 TYPE OF LANDSCAPE: [REDACTED]
 PLANTING: [REDACTED]
 IRRIGATION: [REDACTED]

UTILITIES
 WATER: [REDACTED]
 SEWER: [REDACTED]
 GAS: [REDACTED]
 ELECTRICITY: [REDACTED]

LEGEND

- 1. BUILT-UP ROOF
- 2. ASPHALT PAVEMENT
- 3. CONCRETE PAVEMENT
- 4. GRASS
- 5. SAND
- 6. GRAVEL
- 7. ASPHALT
- 8. CONCRETE
- 9. METAL ROOF
- 10. GLASS
- 11. BRICK
- 12. STUCCO
- 13. PLASTER
- 14. GYPSUM BOARD
- 15. INSULATION
- 16. MECHANICAL
- 17. ELECTRICAL
- 18. PLUMBING
- 19. FIRE PROTECTION
- 20. LANDSCAPE
- 21. UTILITIES





PLANNING DEPARTMENT



INNOVATION CENTER

TEMPERATURE, E.

DATE	10/15/10
BY	PLANNING DEPARTMENT
FOR	PLANNING DEPARTMENT
PROJECT	INNOVATION CENTER
SHEET	1 OF 1

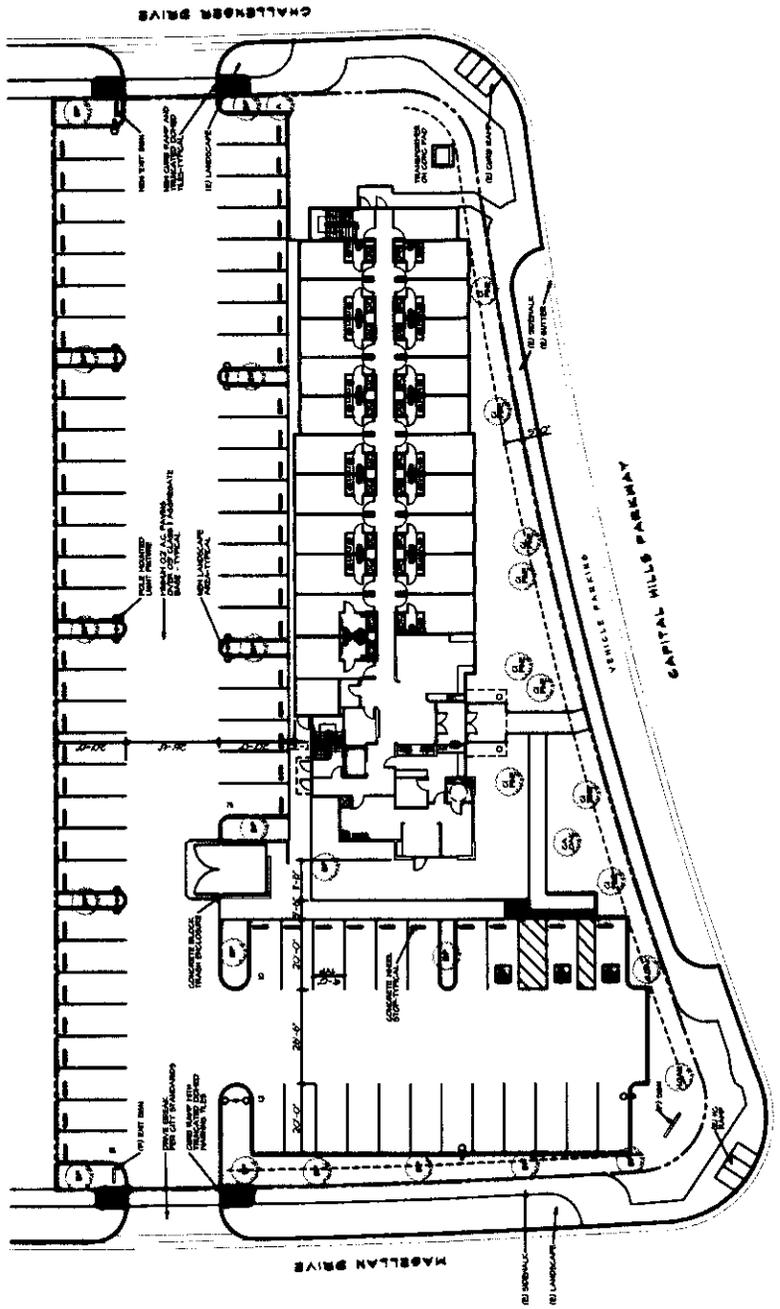
SITE PLAN

PROJECT INFORMATION
 NAME: INNOVATION CENTER
 LOCATION: CAPITAL HILLS PARKWAY, TEMPE, AZ
 LOCAL JURISDICTION: CITY OF TEMPE
 APN: 200-000-000-000
 ZONING: M-100 (MEDIUM DENSITY RESIDENTIAL)

BUILDING ANALYSIS
 TYPE OF CONSTRUCTION: NEW CONSTRUCTION
 TOTAL FLOOR AREA: 100,000 SQ. FT.
 NUMBER OF STORIES: 3
 TYPE OF USE: OFFICE/RETAIL

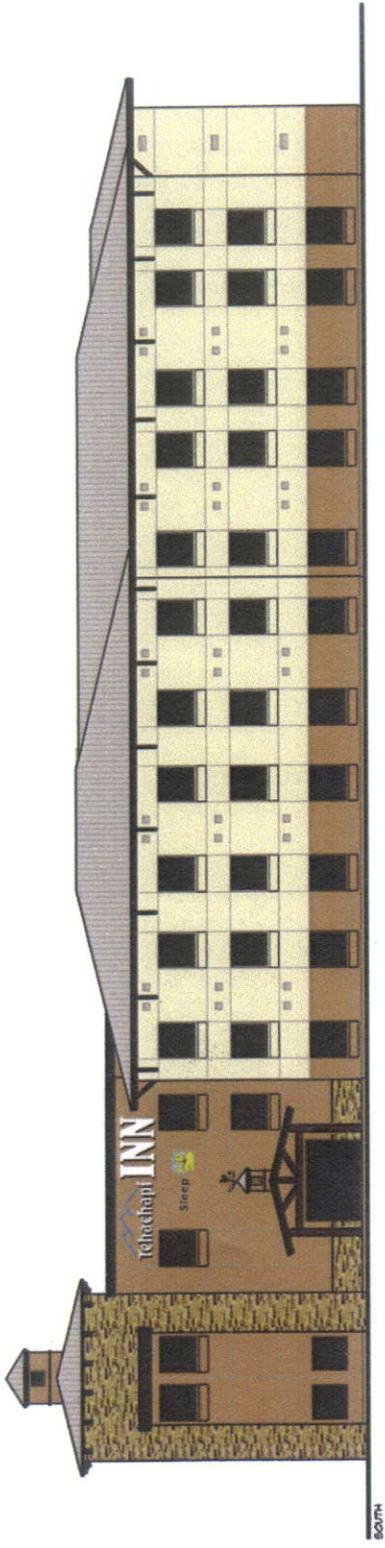
PARKING ANALYSIS
 REQUIRED PARKING: 100 STALLS
 PROVIDED PARKING: 100 STALLS
 TYPE OF PARKING: SURFACE PARKING

LANDSCAPE ANALYSIS
 TYPE OF LANDSCAPE: LANDSCAPED
 TYPE OF TREES: MATURE TREES

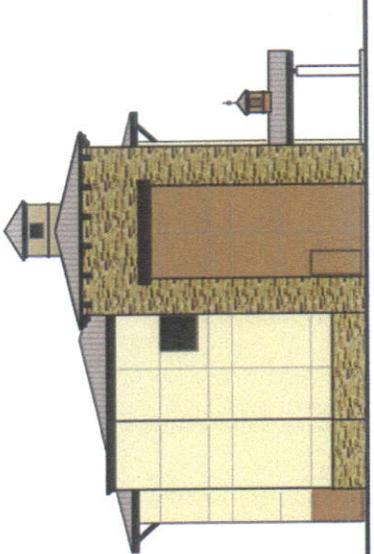


1/8"

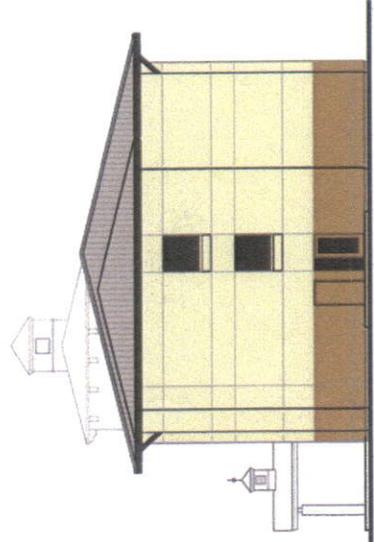
1/8" SITE PLAN



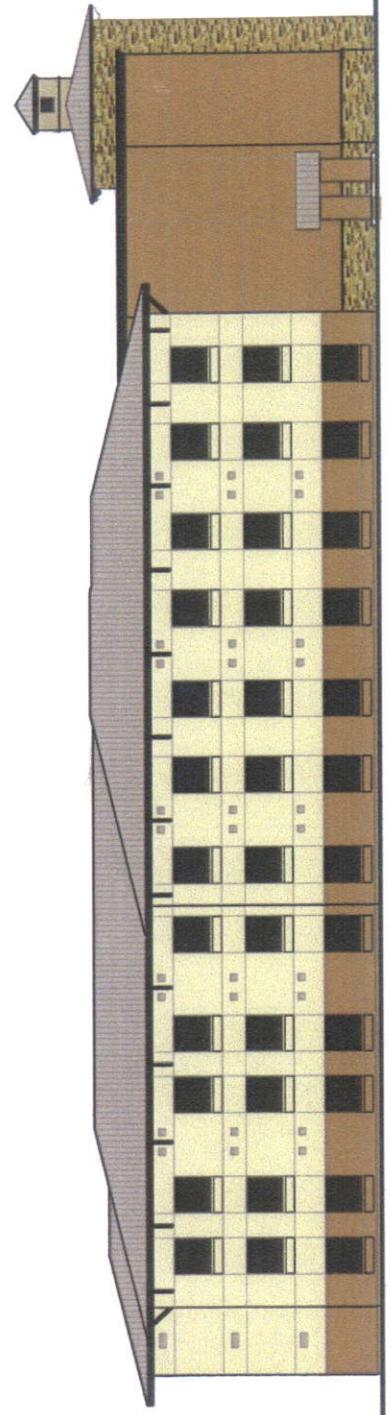
SOUTH



EAST



EAST



NORTH

ATTACHMENT F

MEMORANDUM

TO: Marcia Smith, Associate Planner

FROM: John (Jay) H. Schlosser, P.E.
City Engineer

SUBJECT: City of Tehachapi LDC 9/9/08
Microtel Hotel

September 8, 2008

Engineering has completed its review of the above-noted project and has the following recommended conditions of approval:

1. The handicap ramps at the corners of Magellan Drive/Capital Hills Parkway and Challenger Drive/Capital Hills Parkway shall be reconstructed to meet current City and ADA Standards. An associated ROW dedication may be necessary to comply with City Standards.
2. Engineering recommends that a traffic study be performed following application of the project to the City Planning Department. We would suggest that there may be a need to provide traffic control in one or many of the nearby intersections of the project. We also recommend that a pavement analysis be performed to ensure that this project will not disproportionately exacerbate the deterioration of the pavement adjacent to the development.

We also have the following general comments at this time:

1. We do not see the proposed on-street drop-off location as feasible for this use. Largely due to the likelihood that people, pets, and luggage would frequently be in the street once operational. While traffic is nearly non-existent in this area to date, it is likely to increase in the future.
2. The water system north of Highway 58 is limited by the single waterline that currently crosses the freeway. At some point (possibly in the near future), improvements to this region will be necessary to support growth in this region. As such, a brief water system analysis needs to be performed as this project moves forward in order to assess when improvements need to be scheduled for design and construction.

We expect the following plans and calculations to be submitted as part of the engineering department plan check process:

1. On-site plans covering grading, drainage, on-site utilities, walls, etc.
2. Off-site plans covering improvements within public ROW such as pavement, curb, gutter, sidewalk, wet utilities, etc.
3. Storm Water Pollution Prevention Plan with Monitoring Plan and Notice of Intent.
4. Wall and/or pavement calculations as appropriate.
5. Water & Sewer demand calculations estimating expected water consumption and sewage generation numbers.
6. Landscaping Plans including irrigation system (can be part of the On-site plans).
7. Corner cut-off Right-of-Way dedication documents
8. Street light plans for location approval by the City and for use by SCE when designing the lighting layout.

Dennis L. Thompson, MPA EFO
Fire Chief & Director of Emergency Services

Chief Deputy
Robert Klinoff

Emergency Services Manager
Georgianna Armstrong

Deputy Chiefs
Phil Castle
Nick Dunn
Michael W. Cody
Brian S. Marshall



Marcia Smith
Associate Planner
City of Tehachapi

Date: September 9, 2008

REVISED: #2 - Fire apparatus access changed to 30 feet from structure.

Subject: Microtel Hotel
Tehachapi, CA

This is a preliminary review of the proposed project. Requirements are based on the 2007 California Fire Code (CFC) and local ordinance.

1. FIRE PROTECTION:

- Fire protection water supply must be protected from freezing. Standpipes and risers are to be located inside a heated enclosure. Backflow prevention devices must be adequately heated and insulated.
- Automatic fire suppression is required in attic spaces.
- A Class 1 Standpipe is required in all stairwells.
- Submit plans for fire suppression and fire alarm systems to the Kern County Fire Department in Bakersfield, CA.
- Submit a separate water plan to the Kern County Fire Department indicating location of proposed and existing fire hydrants.
- Typical spacing between fire hydrants is 330 feet.
- Compute fire flow requirements using CFC Appendix B. Fire Flow may be reduced by 50% when building is fully sprinklered to NFPA 13 standards.
- All fire department connections (FDC) shall be located at an approved location to the front of the building and within 15 feet of the curb. An approved fire hydrant must be located within 25 feet of the FDC.

2. FIRE DEPARTMENT ACCESS:

- Fire apparatus access to within 30 feet of the building is required fully on at least three sides of the building.
- Access to the roof for firefighting operations is required in both stairwells.
- Knox Box key storage devices will be required at the main entrance and at any gates. The fire department will provide an application for purchase from the Knox Company.
- Fire lanes shall be a minimum of 20 feet wide and marked as approved by the fire department.

3. ADDITIONAL:

- Elevators shall be adequately separated from the corridor.
- Laundry chutes shall be protected as required by the fire code.

Sincerely,
DENNIS L. THOMPSON, Fire Chief

Tony Diffenbaugh, Fire Inspector
661-822-2200 ext. 117

Page 2 of 2

SUGGESTED AIR POLLUTANT MITIGATION MEASURES FOR CONSTRUCTION SITES FOR KERN COUNTY APCD

The following list of reduction measures should be used where they are applicable and feasible. This list should not be considered all-inclusive. Any other measures not listed are encouraged.

LAND PREPARATION, EXCAVATION and/or DEMOLITION - The following dust control measures should be implemented:

1. All soil excavated or graded should be sufficiently watered to prevent excessive dust. Watering should occur as needed with complete coverage of disturbed soil areas. Watering should be a minimum of twice daily on unpaved/untreated roads and on disturbed soil areas with active operations.
2. All clearing, grading, earth moving and excavation activities should cease
 - a. during periods of winds greater than 20 mph (averaged over one hour), if disturbed material is easily windblown, or
 - b. when dust plumes of 20% or greater opacity impact public roads, occupied structures or neighboring property.
3. All fine material transported offsite should be either sufficiently watered or securely covered to prevent excessive dust.
4. If more than 5,000 cubic yards of fill material will be imported or exported from the site, then all haul trucks should be required to exit the site via an access point where a gravel pad or grizzly has been installed.
5. Areas disturbed by clearing, earth moving or excavation activities should be minimized at all times.
6. Stockpiles of soil or other fine loose material shall be stabilized by watering or other appropriate method to prevent wind-blown fugitive dust.
7. Where acceptable to the fire department, weed control should be accomplished by mowing instead of discing, thereby, leaving the ground undisturbed and with a mulch covering.

BUILDING CONSTRUCTION - After clearing, grading, earth moving and/or excavating, the following dust control practices should be implemented:

8. Once initial leveling has ceased all inactive soil areas within the construction site should either be seeded and watered until plant growth is evident, treated with a dust palliative, or watered twice daily until soil has sufficiently crusted to prevent fugitive dust emission.
9. All active disturbed soil areas should be sufficiently watered to prevent excessive dust, but no less than twice per day.

VEHICULAR ACTIVITIES - During all phases of construction, the following vehicular control measures should be implemented:

DUST

10. Onsite vehicle speed should be limited to 15 mph.
11. All areas with vehicle traffic should be paved, treated with dust palliatives, or watered a minimum of twice daily.
12. Streets adjacent to the project site should be kept clean and accumulated silt removed.
13. Access to the site should be by means of an apron into the project from adjoining surfaced roadways. The apron should be surfaced or treated with dust palliatives. If operating on soils that cling to the wheels of the vehicles, a grizzly or other such device should be used on the road exiting the project, immediately prior to the pavement, in order to remove most of the soil material from the vehicle's tires.

TAILPIPE EMISSIONS

14. Properly maintain and tune all internal combustion engine powered equipment.
15. Require employees and subcontractors to comply with California's idling restrictions for compression ignition engines.
16. Use low sulfur (CARB) diesel fuel.

SUGGESTED AIR POLLUTANT MITIGATION MEASURES FOR RESIDENTIAL PROJECTS FOR KERN COUNTY APCD

The following list of reduction measures should be used where applicable and feasible. This list should not be considered all-inclusive. Other effective measures not listed are encouraged.

- * **ACCESSIBILITY** - Provide direct pedestrian and bicycle access to neighborhood amenities, shopping areas, existing bike paths and transit stops in any residential development with a density of four or more residences per acre. Low, medium, and high density developments should have curbs and sidewalks on both sides of the street.
- * **SURFACING ROADS** – Pave the access roadways and the project's interior streets where there are expected to be 50 vehicle trips per day on the road.
- * **BIKE PATHS** - For medium to high density developments provide designated bicycle paths and easy access to these paths.
- * **SCHOOLS** - Provide easy and safe pathways to existing schools.
- * **NEIGHBORHOOD PARKS** – Residential developments should provide easy and safe pathways to existing parks and planned parks.
- * **BUS TURNOUT (Where Transit Exists)** – For medium to high density residential development where transit services exist, construct bus turnouts and loading areas with shelters and locations acceptable to the local transit provider. This area will provide future easement for bus turnouts and shelters. If transit does not exist, but the project is within a transit district's sphere of influence, provide a site at a location and size acceptable to the transit provider
- * **FIREPLACES** - Install low-emitting, EPA-certified fireplace inserts and/or wood stoves or natural gas fireplaces. (Wood burning fireplaces are prohibited in developments of 10 or more residences by KCAPCD Rule 416.1)
- * **TREES AND SHRUBS** - Provide indigenous trees and shrubs around residences. This provides several air quality benefits by generating oxygen, anchoring soil and providing wind breaks and conserving energy by providing shade. Trees should be drought tolerant and planted in accordance with fire safe guidelines.
- * **NATURAL GAS LINES** - Provide natural lines or electrical outlets to backyards to encourage use of natural gas or electric barbecues.
- * **WATER HEATERS** - Provide low oxides of nitrogen (NO_x) emitting and high efficiency water heaters or solar water heaters. (Required by KCAPCD Rule 424)

RESOLUTION NO. 13-01

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF TEHACHAPI APPROVING ARCHITECTURAL DESIGN AND SITE PLAN REVIEW NO. 2012-02 REVISION NO. 1 SUBJECT TO CONDITIONS OF APPROVAL

WHEREAS, the applicant, Terry Delamater filed an application (the "Application") on December 12, 2012 with the City of Tehachapi (the "City") for an Architectural Design and Site Plan Review Revision No. 1, seeking approval to consider construction of a 72 room, three (3) story non-franchise hotel measuring 25,319 square feet on a 1.06-acre site; and

WHEREAS, on January 14, 2013, the Planning Commission held a noticed public hearing on the Project, considered all public testimony as well as all materials in the staff report and accompanying documents for Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 which hearing was publicly noticed by a publication in a newspaper of general circulation, an agenda posting, and notice to property owners within 300 feet of the Project boundaries, and to persons requesting public notice in addition to three (3) public hearing signs posted on the property on December 24, 2012; and

WHEREAS, the Planning Commission makes the following findings (the "Findings"):

- A. The proposed use is consistent with the goals and policies of the City's General Plan and meets the applicable district development standards.
- B. The proposed use meets the minimum requirements of this title applicable to the use and complies with all other applicable laws, ordinances, and regulations of the City and the State of California.
- C. The proposed use at this location with close monitoring and as proposed will not be materially detrimental to the health, safety, and welfare of the public or to property and residents in the vicinity.
- D. The applicable provisions of the California Environmental Quality Act, the State CEQA Guidelines, and the Tehachapi Guidelines have been duly observed in conjunction with said hearing in the consideration of this matter and all of the previous proceedings relating thereto.
- E. The California Environmental Quality Act (CEQA) requires consideration of the potential effects of this project on the environment. On October 8, 2012 the Planning Commission approved the applicant's request to construct a Motel 6 on the

subject site. The proposed project represents a revision of the original October 8, 2012 approval. The revised non-franchise hotel is in substantial conformance with the previously approved Motel 6 and as such does not represent an intensification of the original approval. Therefore the environmental/CEQA document prepared and approved for the previous Motel 6 can serve as the environmental review and clearance for the revised site plan/motel.

- F. The proposal will not be detrimental to the project area and will promote the goals of Tehachapi.
- G. The safety and welfare of the community will not be compromised as a result of traffic impacts.

NOW, THEREFORE, the Planning Commission of the City of Tehachapi resolves and orders as follows:

1. That the foregoing recitals and Findings are true and correct.
2. Architectural Design and Site Plan Review No. 2012-02 Revision No. 1 construction of a 72 room, three (3) story Motel 6 measuring 25,319 sq. ft. is approved subject to the following Conditions of Approval.

CONDITIONS OF APPROVAL:

1. The approval is conditional and shall be valid for a period of two (2) years only unless substantial progress has been made as determined by the Community Development Director.
2. Final colors and materials must be submitted and approved by the Community Development Director prior to the issuance of building permits.
3. If access to sewer and/or water distribution mains/lines requires encroachment into Capital Hills Parkway, Magellan Drive and/or Challenger Drive an encroachment permit must be obtained from the City of Tehachapi.
4. A detailed grading plan shall be submitted and shall be approved by the City Engineer. The grading plan shall include a soils report and hydrology analysis (as deemed necessary) to demonstrate the method by which storm water runoff will be conveyed into an existing storm drain system. (City Engineer comments included herein as Attachment G)
5. The project site shall be watered during grading or the use of soil binders to prevent fugitive dust.
6. Grading shall be halted when winds reach 20 mph or greater in a two (2) or more hour time period.
7. The project proponent shall comply with the Kern County Fire Department requirements included herein as Attachment H.
8. The project proponent shall comply with all building code requirements.

9. The applicant shall comply with the East Kern Air Pollution Control District construction requirements included herein as Attachment I.
10. Plans are to be submitted and routed through the City of Tehachapi who will disseminate accordingly.
11. Kern County Fire Department and the City Engineer shall approve fire protection facilities in conjunction with issuance of building permits.
12. The City Engineer shall approve the plans for water and sewer service (potable irrigation and fire protection).
13. The applicant shall submit complete building plans for review and approval by the City Building Department (including mechanical, plumbing and electrical plans).
14. In conjunction with the building plans the applicant shall concurrently submit a geotechnical report which identifies any site specific soils condition and area specific seismic conditions that need to be addressed in the grading activity and the construction details above and beyond the universally applicable building codes.
15. The applicant shall separately submit a site plan (showing grading, drainage, surface improvements and utility layout) for review and approval by the City Engineer.
16. Placement of trash enclosures shall be approved by Benz Sanitation. The enclosure design shall have architectural elements that are consistent with the main structure and designed to meet City standards. Trash enclosure shall provide a method to keep bins closed to prevent off-site litter problems and be in compliance with the City of Tehachapi trash enclosure detail (Attachment J).
17. Standard vehicle parking spaces shall be 9' by 20' or larger in size and shall be designated by white painted stripes. A maximum of 20% of the required parking spaces may be designated compact space and shall be 8' by 18' or larger in size. A minimum of three (3) handicap parking spaces shall be provided per the American Disabilities Act (ADA) requirements.
18. The project proponent is required to provide permanently anchored bicycle racks to accommodate 2 bicycles within 100 feet of the customer's entrance.
19. Five (5) fuel efficient off-street parking spaces are required and must be posted with appropriate signage.
20. All vehicle parking and maneuvering areas shall be surfaced with a minimum of two-inches of A.C. paving and 4" base or material of higher quality as may be required by the City Engineer.
21. All utilities shall be placed underground.
22. Outdoor storage of material is not permitted.

23. Prior to issuance of building permits a landscape and irrigation plan prepared by a landscape architect/landscape contractor having a C-27 license shall be submitted to the City for review and approval. The plan must comply with the City's landscape ordinance. Payment of the landscape application fee in place at such time shall apply. The plan must comply with City Standards in addition to the State Water Conservation in Landscaping Act AB 1881.
24. Prior to issuance of occupancy permits all landscaping shall be installed and shall be in a viable growth condition and in substantially conformance with the approved landscape plan.
25. A wall mounted internally illuminated address is required to assist public safety providers.
26. Prior to the installation of any signage, approval must be received and permits obtained from the Community Development Department through a Sign Application Permit. All signage shall comply with Section 18.84 of the City's Zoning Ordinance and is subject to Planning Commission review and approval prior to the installation of such signs.
27. Prior to the issuance of a building permit the applicant shall have filed and processed the Form 7460 with the Federal Aviation Administration (FAA).
28. Prior to the issuance of a building permit the applicant shall grant and record an avigation easement over the subject parcel to the City of Tehachapi.
29. In conjunction with the construction staking process, the compatibility line of demarcation shall be surveyed and delineated in the field.
30. Prior to the issuance of a building permit the applicant shall pay their fare share towards the Mill Street overpass signalization unless said signal has been incorporated into the Tehachapi Regional Transportation Impact fee program.
31. All security lighting shall be shielded in such a manner as to preclude the effects of light and glare onto adjacent properties. The applicant shall be required to submit a photo-metrics analysis and the proposed light fixtures for all exterior lighting on the property shall utilize Dark Sky Technology fixtures and submitted to the Community Development Department for review and approval prior to installation.
32. Non-reflective paint and construction material shall be used for the project to prevent glare from impacting pilot safety.
33. All contractors and subcontractors shall procure a business license with the City of Tehachapi.
34. Prior to the issuance of a building permit, the applicant shall pay all applicable fees and in an amount that is in effect at the time the permit is issued.

25,319 Square Foot Hotel

Water Connection Fee:	\$ 141,566.40
Water Meter:	\$ 750.00
Trunkline Fee:	N/A
Sewer Connection Fee:	\$ 240,418.08
Traffic Mitigation Fee:	\$ 40,176.00
Public Facilities Fee:	\$ 53,878.83
Landscape Application Fee:	\$ 719.00
Sign Application Fee:	\$ 479.00
Fare Share Mill Street Signalization Fee:	TBD
Building Permit Fees/Inspection Fees:	\$ 6,066.89
Construction Observation Fees (T&M)	\$ 6,675.00
AECOM Plan Check Fee	\$ 13,008.04
School Fees:	As determined by the Tehachapi Unified School District.
KC Fire Department Plan Check:	As determined by the Kern County Fire and Inspection Fees Department.

35. The developer/applicant shall indemnify, protect, defend, and hold harmless, the City and any agency or instrumentality thereof, and/or any of its officers, employees and agents (collectively the "City ") from any and all claims, actions, demands, and liabilities arising or alleged to arise as the result of the applicant's

performance or failure to perform under this Architectural Design & Site Plan Review No. 2012-02 or the City's approval thereof, or from any proceedings against or brought against the City, or any agency or instrumentality thereof, or any of their officers, employees and agents, to attack, set aside, void, annul, or seek monetary damages resulting from an action by the City or any agency or instrumentality thereof, advisory agency, appeal board or legislative body including actions approved by the voters of the City, concerning Architectural Design & Site Plan Review No. 2012-02 Revision No. 1.

PASSED AND ADOPTED by the Planning Commission of the City of Tehachapi at its regular meeting thereof held on the 14th day of January, 2013.

CHARLES WHITE, Chairperson
of the Planning Commission of the
City of Tehachapi

ATTEST:

ROXANNE DAVIS, CMC
Administrator of the Planning Commission
of the City of Tehachapi

RESOLUTION NO. 32-98

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TEHACHAPI ADOPTING THE TEHACHAPI MUNICIPAL
AIRPORT, AIRPORT LAND USE COMPATIBILITY PLAN
(ALUCP)

WHEREAS, the City Council of the City of Tehachapi, in accordance with provisions of Section 65355 of the Government Code, held a Public Hearing on June 15, 1998, respectively on the proposed adoption of the Tehachapi Municipal Airport, Airport Land Use Compatibility Plan, notice of the time and place of hearing having been given at least thirty (15) calendar days before said hearing by publication in the Tehachapi News, a local newspaper of general circulation; and

WHEREAS, an initial study was conducted and a Negative Declaration has been adopted by the City of Tehachapi on this project and it was determined that the proposed project would not have a significant effect on the environment; and

WHEREAS, the law and regulations relating to the preparation and adoption of a Negative Declaration as set forth in the California Environmental Quality Act (CEQA) having been duly followed; and

WHEREAS, the State Aeronautics Act (the "Act") requires a compatibility review for major public or private land use proposals within defined airport influence areas; and

WHEREAS, the same State legislation allows for adoption of an Airport Land Use Compatibility Plan (ALUCP) as an option for the City to comply with the airport compatibility review requirements of the Act; and

WHEREAS, the City Council of the City of Tehachapi finds as follows:

1. All required notices have been given.
2. The provisions of the CEQA have been followed.
3. The proposed project will not have a significant effect on the environment.
4. Adoption of the ALUCP provides for the City a logical and pragmatic method for compliance with the airport land use compatibility review requirements of the Act; and
5. The ALUCP adopted by the County of Kern on September 23, 1996 can be adopted as a stand alone document by reference by the City of Tehachapi.
6. Adoption by reference of the ALUCP and its subsequent implementation will protect the public health, safety and welfare by ensuring orderly expansion of airports within the City's jurisdiction and the adoption of the land use measures to minimize the public's exposure to excessive noise and safety hazards around public use airports, to the extent these areas are not already committed to incompatible uses.
7. The City of Tehachapi General Plan and all affected specific plans are deemed in compliance with the Airport Land Use Compatibility Plan in accordance with Government Code Section 65302.

8. Based on the absence of evidence in the record as required by Section 21082.2 of CEQA for the purpose of documenting significant effects, it is the conclusion of the Lead Agency that this project will result in impacts that fall below the threshold of significance with regard to wildlife resources and, therefore, must be granted a "de minimis" exemption in accordance with Section 711 of the State of California Fish and Game Code. Additionally, the presumption of adverse affects is rebutted by the above-referenced absence of evidence in the record and the Lead Agency's decision to prepare a Negative Declaration for this project.

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

1. That the above recitals are incorporated herein and are true and correct.
2. That the Negative Declaration is hereby adopted.
3. That the City Council of the City of Tehachapi hereby adopts the Airport Land Use Compatibility Plan (ALUCP).

PASSED AND ADOPTED by the City Council of the City of Tehachapi at a regular meeting this 15th day of June, 1998 by the following vote:

AYES: COUNCIL MEMBERS: Smith, Franklin, Teel, Kitchen, Rombouts

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

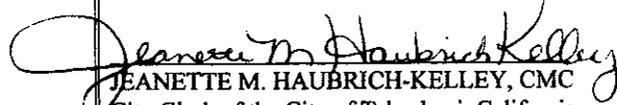
ABSTAIN: COUNCIL MEMBERS: None


 JOHN H.E. ROMBOUTS, Mayor of the
 City of Tehachapi, California

ATTEST:


 JEANETTE M. HAUBRICH-KELLEY, CMC
 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 June 15, 1998.


 JEANETTE M. HAUBRICH-KELLEY, CMC
 City Clerk of the City of Tehachapi, California

RESOLUTION NO. 75-04**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI ADOPTING AMENDMENT NO. 1 TO THE TEHACHAPI MUNICIPAL AIRPORT LAND USE COMPATIBILITY PLAN (TALUCP)**

WHEREAS, the City Council of the City of Tehachapi, in accordance with provisions of Section 65355 of the Government Code, held a Public Hearing on June 15, 1998, and adopted the Tehachapi Municipal Airport, Airport Land Use Compatibility Plan (TALUCP); and

WHEREAS, the State Aeronautics Act (the "Act") requires a compatibility review for major public or private land use proposals within defined airport influence areas; and

WHEREAS, the same State legislature allows for the adoption of an Airport Land Use Compatibility Plan (TALUCP) as an option for the City to comply with airport compatibility review requirements of the Act; and

WHEREAS, the TALUCP states, "Developments within the Capital Hills Specific Plan area are considered to be "existing" for the purpose of the plan. Final maps have been recorded and initial improvements have been made. The City has made long term financial commitments to the project in the form of Mello Roos (CFD) Bonds (the "Pre-existing Language"); and

WHEREAS, subsequent to the adoption of the TALUCP it was determined that the justification sited in the TALUCP relative to the Capital Hills Specific Plan being declared an existing use is insufficient to warrant the pre-existing condition criteria; and

WHEREAS, the City of Tehachapi desires to impose conditions and/or design revisions on projects within the Capital Hills Specific Plan towards achieving compatibility within the Tehachapi Municipal Airport; and

WHEREAS, the City of Tehachapi desires to amend the TALUCP by deleting the Pre-existing Language (the "Amendment"); and

WHEREAS, the City Council of the City of Tehachapi finds as follows:

1. All required notices have been given.
2. The provisions of the California Environmental Quality Act (CEQA) have been followed.
3. The project is found to be exempt from CEQA per the General Rule Exemption in the CEQA Guidelines Section 15061 (b) (3).

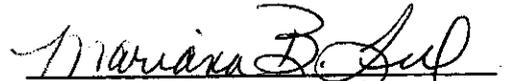
EXHIBIT C-2

4. Adoption of the Amendment and its subsequent implementation will protect the public health, safety and welfare by ensuring orderly expansion of airports within the City's jurisdiction and the adoption of the land use measures to minimize the public's exposure to excessive noise and safety hazards around public use airports, to the extent these areas are not already committed to incompatible uses.

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

1. That the above recitals are incorporated herein and are true and correct.
2. That a General Rule Exemption from CEQA is hereby adopted.
3. That the City Council of the City of Tehachapi hereby adopts the Amendment to Tehachapi Municipal Airport Land Use Compatibility Plan by deleting the Pre-existing Language.

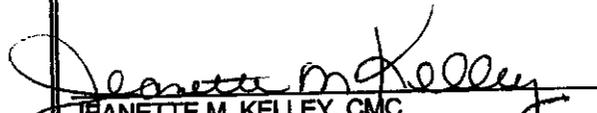
PASSED AND ADOPTED at a meeting of the City Council of the City of Tehachapi on the 3rd day of January 2005 by the following vote:


 MARIANA B. TEEL, Mayor of the
 City of Tehachapi, California

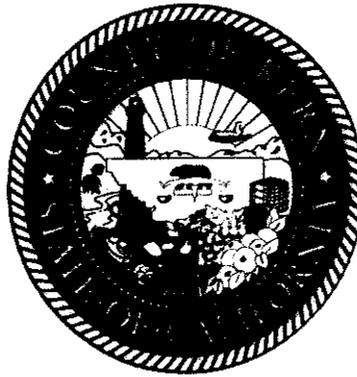
ATTEST:


 JEANETTE M. KELLEY, CMC
 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 January 3, 2005.


 JEANETTE M. KELLEY, CMC
 City Clerk of the City of Tehachapi, California

AIRPORT LAND USE COMPATIBILITY PLAN



COUNTY OF KERN

March 29, 2011

EXHIBIT D

AIRPORT LAND USE COMPATIBILITY PLAN



Prepared by:

**Kern County
Planning and Community Development Department**

**2700 "M" Street, Suite 100
Bakersfield, CA 93301
(661) 862-8600
Fax (661) 862-8601**

COUNTY OF KERN

**City of Bakersfield
City of California City
City of Delano
City of Shafter
City of Taft
City of Tehachapi
City of Wasco**

1996 Adoption

This document was prepared using the materials entitled “Kern County Airport Land Use Compatibility Plan,” dated June 1994. This document was provided by the Kern Council of Governments to Kern County, the incorporated cities and airports within Kern County for use as an Airport Land Use Compatibility Plan. It includes material prepared by Hodgest and Shutt, a Santa Rose, California, aviation consulting firm under contract to the Kern County Council of Governments. The “1993 Airport Land Use Planning Handbook” prepared for the California Department of Transportation, Division of Aeronautics was also used as a guidance and reference document.

2003 Amendment

The “2002 California Airport Land Use Compatibility Handbook” prepared by the State of California, Department of Transportation, Division of Aeronautics was used as a guidance and reference document.

2004 Amendment

Addition of Compatibility Criteria Zone E to text of the Airport Land Use Compatibility Plan to accommodate special circumstance land uses that provide public benefits within an airport influence area. A Zone E was added to the text and Comprehensive Land Use Plan of the Mojave Airport in order to accommodate the future expansion of the Mojave-Rosamond Sanitary Landfill.

2006 Amendment

The East Kern Airport District gained approval for an extension to Runway 12/30 from the Federal Aviation Administration. These changes to Chapter 4.9 Mojave Airport, Airport Land Use Compatibility Plan include replacement of the Airport Plan graphics with the current approved plan; amendment of Table 4-27 Forecast Airport Activity for the most current data; expansion of the B-1 (Approach/Departure Zone) zone for Runway 8/26 southwest of the airport and the resulting changes to the C (Common Traffic Pattern) zone.

2008 Amendment

The Taft-Kern County Airport gained approval for the deletion of secondary Runway 3-21. These changes to Chapter 4.14 include replacement of the airport plan graphics; amendment to Table 4-40, Table 4-41, and Table 4-42 with updated data; and adjustment of the B-1 (Approach/Departure Zone and Adjacent to Runway) zone, C (Common Traffic Pattern) zone, and D (Other Airport Environs) zone to the west of Runway 7-25.

2011 Amendment

The East Kern Airport District gained approval for the creation of the E-1 and E-2 Compatibility Criteria Zones, and policies governing uses within them. Changes were also made to Chapter 4.9 with a new Figure 4-41 showing the expanded E-1 and new E-2 zones, and text changes describing the policies of the new zones.

SUMMARY OF BOARD OF SUPERVISORS ACTIONS

<u>RESOLUTION NUMBER</u>	<u>DATE ADOPTED</u>	<u>DESCRIPTION</u>
1996-408	September 23, 1996	Original adoption of Kern County Airport Land Use Compatibility Plan
2003-271	June 24, 2003	Amended for Mojave Airport, China Lake NAWS, Edwards AFB, and the R-2508 Complex
2004-053	March 9, 2004	Amend to add Zone E to the ALUCP, and to the text and to the Comprehensive Land Use Plan of the Mojave Airport
2006-224	June 13, 2006	Amended Table 4-27 and Amended Figure 4-41, the Comprehensive Land Use Plan of the Mojave Airport
2008-390	September 23, 2008	Amended Chapter 4.14 (Taft-Kern County Airport), Pages 4-126 through 4-134
2011-075	March 29, 2011	Amended Figure 4-41 and Page 4-79

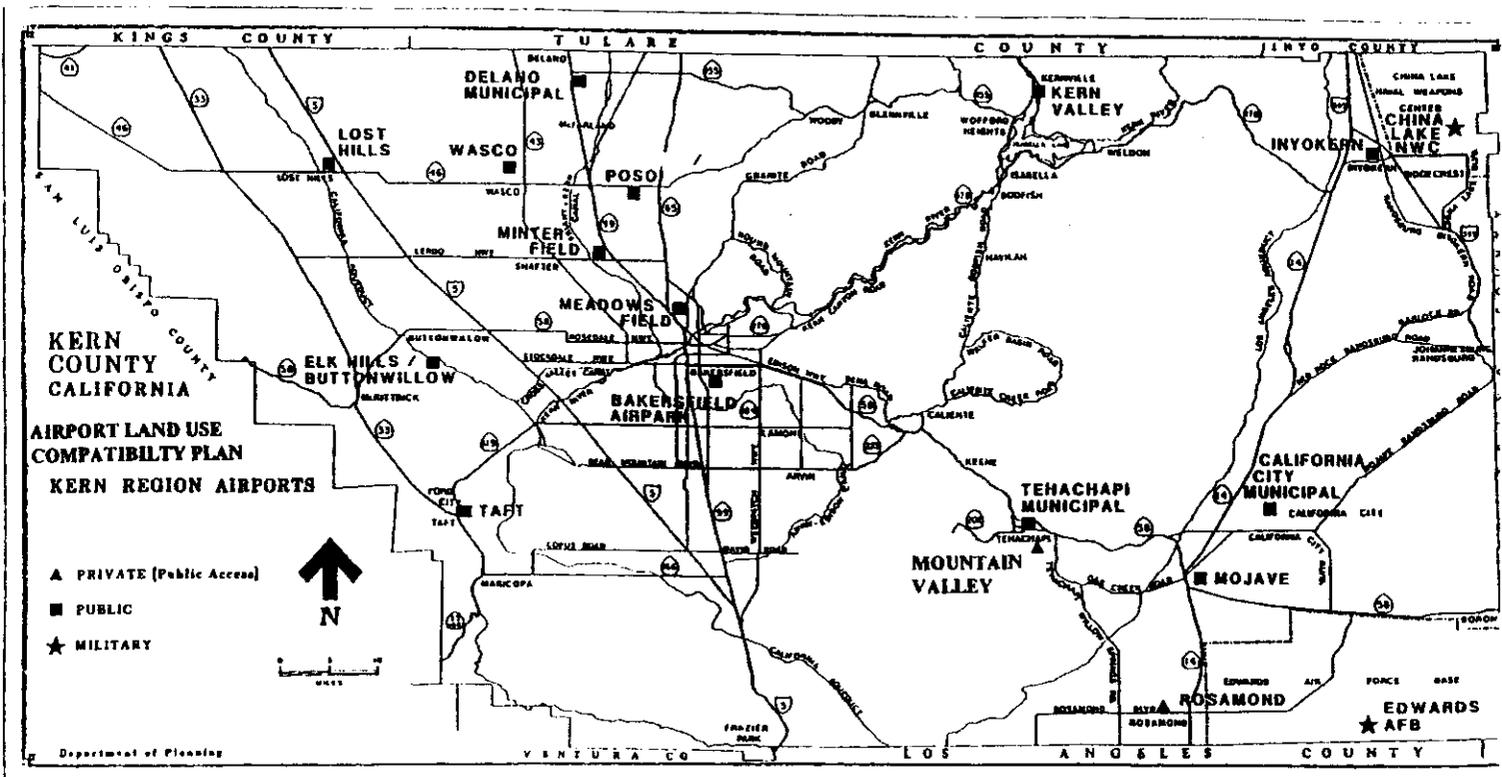


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PART I
REQUIRED INFORMATION

INTRODUCTION

AIRPORT LAND USE COMPATIBILITY PLANNING BACKGROUND

Preparation of this Kern County Airport Land Use Compatibility Plan is the result of the California State Legislature amending in 1994 the Aeronautics Law, State Aeronautics Act, Airport Land Use Commission, Public Utilities Code (Chapter 4, Article 3.5) (Appendix B). The legislative intent of this statute is expressed as ". . . to provide for the orderly development of each public use airport in this state and the area surrounding these airports so as to promote the overall goals and objectives of the California airport noise standards . . . and to prevent the creation of new noise and safety problems. It is the purpose of this article to protect public health, safety and welfare by ensuring the orderly expansion of airports and the adoption of land use measures that minimize the public's exposure to excessive noise and safety hazards within areas around public airports to the extent these areas are not already devoted to incompatible uses."

Various alternative processes have been defined in the statute for adopting and implementing processes that counties can use to help ensure that proposed land use development in the vicinity of public use airports will be evaluated and designed for compatibility with airport activities. These alternatives range from establishment of an airport land use commission to adoption by the county and affected cities of an Airport Land Use Compatibility Plan.

LOCAL AGENCY IMPLEMENTATION

This Kern County Airport Land Use Compatibility Plan will be adopted by the County of Kern and the incorporated cities of Bakersfield, California City, Delano, Shafter, Taft, Tehachapi, and Wasco as a guidance document for the regulation of land uses around the various public use airports found in the County and those cities. The initial action will be each affected agency's governing body adopting a resolution that states their intention to participate in the alternative process detailed in this Compatibility Plan as their compliance with the statute. Once each agency's governing body has adopted a resolution, it must be determined by those agencies how each will implement, amend, and update the document. The adoption and amendment process must include notification of interested parties and provisions for a public hearing.

The County and affected cities have several options for implementation of this Compatibility Plan:

- Adopt a Stand-Alone Document - One choice is to adopt this plan (Chapters 1, 2, 3, 5, 6 in entirety. Chapter 4: Introduction and Relevant Airports) as a stand-alone document separate from the General Plan. The specific method by which this action could be taken would be decided by each agency, with some modification of the General Plan for cross-referencing.
- Adopt as an Element of General Plan - Another option is to adopt the applicable sections of this plan, primarily Part I - Required Information, Chapters 1, 2, 3 and Chapters 1, 2, 3: Introduction and Relevant Airports, as an Airport Element of the General Plan. Some revisions to other elements of the General Plan may also be necessary.
- Incorporate into Existing Elements of General Plan - A third alternative is to incorporate the various components of this plan into existing elements of the General Plan. For example, noise policies could be inserted into the Noise Element, safety policies could be placed into a Safety Element, and

the primary compatibility criteria and associated maps plus the procedural policies might fit into the Land Use Elements.

Further implementation could also be identified at this time by the agencies in regards to the use of such devices as: Zoning Ordinances, airport overlay zones or combining districts, easement and deed notices, and specific land use compatibility matrixes. Examples of these materials are included in Chapter 5: References.

Finally, upon adoption by the County and cities of the relevant version of the Compatibility Plan, each jurisdiction must undertake a review of their General and Specific Plans and, within 180 days, bring them into conformity with the Compatibility Plan.

USING THIS DOCUMENT

This Kern County Airport Land Use Compatibility Plan is divided into two parts:

- Part 1 - Required Information
- Part 2 - Supporting Information

After choosing the appropriate option for implementation, the agency would modify this plan for adoption. The essential portions of this plan are Part 1: Required Information, Chapter 4: Individual Airports: Policies, Compatibility Maps, Background Data (introduction and jurisdictionally relevant airports), and Chapter 6: References, Appendix A: FAR Part 77 regulations. Chapter 5 and the remainder of Chapter 6 can be incorporated, eliminated, or modified at the agencies' discretion.

This modular approach allows jurisdictions to easily modify the document for adoption by their method of choice and remain current by obtaining updates from the airport within their jurisdiction. As detailed in Chapter 2 if, over time, the individual airport plans change, the County or affected city is responsible for amending whatever vehicle (stand-alone document, General Plan incorporation, or separate element) they used to implement the Compatibility Plan. The agency must then forward copies of the amended individual airport plans to the California Department of Transportation, Division of Aeronautics. That agency can then maintain a complete updated set of the Countywide plan.

POLICIES

CHAPTER 1

1.0 GENERAL APPLICABILITY

1.1 Purpose

The purpose of this Kern County Airport Land Use Compatibility Plan is to establish procedures and criteria by which the County of Kern and the affected incorporated cities can address compatibility issues when making planning decisions regarding airports and the land uses around them.

This Airport Land Use Compatibility Plan is adopted by the County of Kern and the affected incorporated cities of Bakersfield, California City, Delano, Shafter, Taft, Tehachapi, and Wasco as a guidance document for the regulation of land uses around the various public use airports found in the County and those cities.

1.2 Adoption and Amendment

The County and the affected cities shall each establish necessary processes and procedures for the preparation, adoption, amendment, update, and implementation of the Compatibility Plan within their own jurisdictions. The procedures shall include:

- (a) Processes for the notification of the general public, land owners, interested groups, and other public agencies regarding the preparation, adoption, amendment and implementation of the Airport Land Use Compatibility Plan.
- (b) Processes for the mediation of disputes arising from the preparation, adoption, amendment, and implementation of the Airport Land Use Compatibility Plan.

1.2.1 Consistency Review

Upon adoption, each jurisdiction must undertake a review of their General and Specific Plans and, within 180 days, bring them into consistency with the Compatibility Plan.

1.2.2 Updating the Plans

Upon adoption of the relevant Compatibility Plan by the County and affected cities, each separate jurisdiction shall be responsible for updating the individual airport policies, compatibility maps, and background data as it pertains to the airport(s) within each separate jurisdiction. The agency will forward copies of the amended individual airport plans to the Department of Transportation, Division of Aeronautics.

1.3 Geographic Scope

These policies apply within the following areas of Kern County:

1.3.1 Airport Influence Areas

a. All properties on which the land uses could be affected by present or future aircraft operations at the following airports in Kern County and properties on which the land uses could affect said airports:

- (1) Bakersfield Municipal Airport
- (2) California City Municipal Airport
- (3) Delano Municipal Airport
- (4) Elk Hills-Buttonwillow Airport
- (5) Inyokern Airport
- (6) Kern Valley Airport
- (7) Lost Hills Airport
- (8) Meadows Field Airport
- (9) Mojave Airport
- (10) Mountain Valley Airport
- (11) Poso Airport
- (12) Rosamond Airport
- (13) Shafter Airport
- (14) Taft Airport
- (15) Tehachapi Municipal Airport
- (16) Wasco Airport

b. The specific limits of the influence area for each airport are depicted on the respective Compatibility Map for that airport as presented in Chapter 3.

c. China Lake NAWS, Edward Air Force Base, and Joint Service Restricted R-2058 Complex

All properties underlying the Joint Service Restricted R-2058 Complex on which the land uses could be affected by present or future military aviation flights, including testing military aircraft and weapons. Compatibility issues are detailed in Section 4.17.

1.3.2. Countywide Impacts on Flight Safety

Those lands, regardless of their location in the county, on which the uses could adversely affect the safety of flight in the county. The specific uses of concern are identified in Paragraph 1.4.

1.3.3. New Airports and Heliports

The site and environs of any proposed new public-use or special-use airport or heliport (as defined by the California Department of Transportation) anywhere in the county.

1.4 Types of Airport Impacts

1.4.1. Principal Compatibility Concerns

The principal airport land use compatibility concerns regarding the airports in Kern County fall into four categories:

- a. Exposure to aircraft noise;
- b. Land use safety with respect both to people and property on the ground and the occupants of aircraft;
- c. Protection of airport airspace; and
- d. General concerns related to aircraft overflights.

1.4.2. Other Airport Impacts

Other impacts sometimes created by airports (e.g., air pollution, automobile traffic, etc.) are not acknowledged by these compatibility policies, but are addressed through other programs.

1.5 Relationship to Local General Plans and Zoning

1.5.1 Land Use Designations

The airport land use compatibility criteria included herein are intended to ensure that local general plans, specific plans, and zoning ordinances take into account factors which influence compatibility between airports and the surrounding land uses.

- a. Airport-vicinity land uses designated in general plans, specific plans, and zoning ordinances should be made consistent with the airport land use compatibility criteria to the extent that the affected areas are not already extensively developed.
- b. At the time of adoption of this plan, all existing land uses fall into one of three categories: (1) consistent with the airport compatibility criteria; (2) approved with conditions after a review of the previous Airport Land Use Commission; or (3) approved by an override by a local governing body of a previous Airport Land Use

Commission decision. All existing land uses are, therefore, consistent with this plan.

1.5.2 Relationship to CEQA

For projects subject to CEQA, this document can be considered a source document and used as a reference and guidance in evaluating impacts and designing mitigation. This document is not to take the place of required notification and consultation with affected airports, but as a supplemental source of information.

1.6 Review of Individual Development Actions

1.6.1 Types of Actions Reviewed

In addition to those items noted in Public Utilities Code Section 21676, proposals for major public or private land use developments which have the potential to substantially affect nearby airport activities or be substantially affected by those activities shall be subject to compatibility review. Except as noted under special conditions (Section 2.1.3), the compatibility review process shall apply to the following types of land use development located within the airport influence areas defined in Section 1.3.1:

- a. Any project requiring the adoption or amendment of a general plan, specific plan, zoning ordinance, or building regulation.
- b. Proposed residential development, including land divisions, consisting of five or more dwelling units or five or more parcels.
- c. Requests for variance from the height limits established by a local zoning ordinance.
- d. Amendment or adoption of airport master plans.
- e. Any proposed land use action, as determined by the respective local planning agency, involving a question of compatibility with airport activities.

1.6.2 Project Submittal Information

When review of a land use development proposal is required under these airport land use compatibility policies (that is, the proposed development falls within an airport influence area and is of a type listed in Paragraph 1.6.1), the following information shall be provided by the applicant in addition to the information otherwise required by the county or city:

- a. An accurately scaled map showing the relationship of the project site to the airport boundary and runways.
- b. If applicable, a detailed site plan showing ground elevations, the location of structures, open spaces, and water bodies, and the heights of structures and trees.
- c. A description of permitted or proposed land uses and requirements of said uses.

- d. For residential uses, an indication of the potential or proposed number of dwelling units per acre; or, for non-residential uses, the number of people potentially occupying the total site or portions thereof at any one time.

1.6.3 Required Findings

- a. Prior to the approval of a proposal involving any of the above types of land use development, specific findings shall be made that such development is consistent with the primary compatibility criteria and/or the supporting criteria for noise, safety, airspace protection, and overflight.
- b. Airport land use compatibility also should be considered during local processing of other proposed land use development actions of types not listed in Paragraph 1.6.1 if the proposals involve an airport influence area. However, significant compatibility concerns are not likely to result from such actions and adoption of specific findings will not normally be necessary.

1.7 Relationship to Airport Operations and Plans

1.7.1 Existing Public-Use Airports

These compatibility policies are intended to help promote compatibility between the airports and land uses in the vicinity of each.

- a. The compatibility policies and maps included in Chapter 3 are based upon and are consistent with currently known plans or assumptions regarding the future development and use of each airport.
- b. Nevertheless, to the extent that any proposals to further develop the airports or change the character of their use are subject to city or county permits or other approval, such proposals should be reviewed for consistency with these compatibility policies.
- c. Prior to the approval of a proposal involving any type of land use development, as stated in section 1.6.1, or other review as required by a Specific Plan, specific findings shall be made that such development is compatible with the training and operational missions of the military aviation installations. Incompatible land uses that result in significant impacts to the military mission of Department of Defense installations or to the Joint Service Restricted R-2058 Complex that can not be mitigated, shall not be considered consistent with this plan.

1.7.2 Project Submittal Information

Any application for construction of a new airport or heliport for which a state airport permit is required shall include sufficient information to enable adequate assessment of the proposal's noise, safety, height restriction, and overflight impacts. At a minimum, information to be submitted shall include:

- a. A layout plan drawing of the proposed facility showing the location of: (1) property boundaries; (2) runways or helicopter takeoff and landing areas; and (3) runway protection zones or helicopter approach/departure zones.
- b. Airspace surfaces in accordance with Federal Aviation Regulations, Part 77.
- c. Activity forecasts, including the number of operations by each type of aircraft proposed to use the facility.
- d. Proposed flight track locations and projected noise contours or other relevant noise impact data.
- e. A map showing the existing and planned land uses in the vicinity of the proposed airport or heliport.
- f. Identification and proposed mitigation of impacts on surrounding land uses.

1.7.3 Required Findings

Prior to approval of a development plan for an existing or proposed public-use or special-use airport or heliport, specific findings shall be made regarding the compatibility of that development with existing and planned land uses in the vicinity. Specific factors to be considered are defined in Section 2.2.

1.7.4 Airport Operations

These compatibility policies are not intended to restrict the aircraft activity or other uses of the airports currently allowed by federal and state laws and any applicable local ordinances or permits.

1.8 Relationship to Other Local Agencies

1.8.1 Notification of Other Agencies

In addition to internal review, the primary agency involved (the County of Kern or affected incorporated cities) shall refer information on certain actions involving airport land use compatibility issues to other involved agencies, including the appropriate airport, for review and comment.

1.8.2 Types of Actions Involved

Actions for which notification shall be provided include any proposed land use plan amendment or individual development action which affects the airport influence area described in Section 1.3.1 and is of a type listed in Section 1.6. The specific portions of the airport influence areas for which project referral shall be made are as follows:

- a. Where the County is the lead agency for project approval and incorporated lands of an affected/effect city fall within the airport influence area, the County shall notify the affected/effect city of the application.

- b. Where an affected/effected city is the lead agency for project approval and unincorporated lands are located within the airport influence area, the city shall notify the County.

1.8.3 Responsible Agency

Notification of other local agencies does not shift the primary responsibility for action on a proposed land use or airport development proposal from the jurisdiction within which the development would occur.

1.8.4 Discretionary Projects

Projects requiring a public hearing prior to approval shall provide notification to the public as required by the specific type of action.

CHAPTER 2

2.0 COMPATIBILITY REVIEW POLICIES

2.1 Land Use Actions

2.1.1 Primary Criteria

The compatibility of land uses in the vicinity of the airports covered by this plan shall be evaluated in terms of: (1) the Primary Compatibility Criteria table (Table 2A) and accompanying notes; (2) the Land Use Compatibility Plan map for each airport (Chapter 4); and (3) specific policies established for individual airports (Chapter 4). The Primary Compatibility Criteria table defines six zones and related limitations on uses labeled Zone A, B₁, B₂, C, D, and E.

2.1.2 Function of Supporting Criteria

The Primary Compatibility Criteria matrix (Table 2A) represents a compilation of compatibility criteria associated with each of the four types of airport impacts listed in Section 1.4. For the purposes of preparing or amending community land use plans and zoning ordinances, as well as in the review of most individual development proposals, the criteria in the matrix are anticipated to suffice. However, certain complex land use actions may require more intensive review. The additional supporting compatibility criteria outlined in Chapter 3 are provided for use in those circumstances.

2.1.3 Existing Plans

Existing land use designations, as of the time of adoption of this Compatibility Plan, have been adopted in accordance with Section 21670 of the California Public Utilities Code.

Implementation of those land use designations through adoption of land use zone classifications, approval of tentative tracts, and similar actions are consistent with the intent of Section 21670 of the California Public Utilities Code of this plan.

2.1.4 Infill

Where substantial incompatible development already exists, additional infill development of similar land uses may be allowed to occur even if such land uses are to be prohibited elsewhere in the zone as detailed in Airport Specific Policies in Chapter 4. This exception does not apply within the Compatibility Zone A.

Table 2A

Compatibility Criteria

Kern County Airport Land Use Compatibility Plan

Zone	Location ¹	Impact Elements	Maximum Densities		Required Open Land ⁴
			Residential ² (du/ac)	Other Uses (people/ac) ³	
A	Runway Protection Zone or within Building Restriction Line	<ul style="list-style-type: none"> High risk High noise levels 	0	10	All Remaining
B1	Approach/Departure Zone and Adjacent to Runway	<ul style="list-style-type: none"> Substantial risk — aircraft commonly below 400 ft. AGL or within 1,000 ft. of runway Substantial noise 	0.1	60	30%
B2	Extended Approach/Departure Zone	<ul style="list-style-type: none"> Significant risk — aircraft commonly below 800 ft. AGL Significant noise 	0.5	60	30%
C	Common Traffic Pattern	<ul style="list-style-type: none"> Limited risk — aircraft at or below 1,000 ft. AGL Frequent noise intrusion 	15	150	15%
D	Other Airport Environs	<ul style="list-style-type: none"> Negligible risk Potential for annoyance from overflights 	No Limit	No Limit	No Requirement
E	Special Land Use	<ul style="list-style-type: none"> Compatibility Issues 	15	150	No Requirement

Zone	Additional Criteria		Examples	
	Prohibited Uses ⁵	Other Development Conditions ⁶	Normally Acceptable Uses ⁷	Uses Not Normally Acceptable ¹⁰
A	<ul style="list-style-type: none"> All structures except ones with location set by aeronautical function Assemblages of people Objects exceeding FAR Part 77 height limits Hazards to flight⁸ 	<ul style="list-style-type: none"> Dedication of aviation easement 	<ul style="list-style-type: none"> Aircraft tiedown apron Pastures, field crops, vineyards Automobile parking 	<ul style="list-style-type: none"> Heavy poles, signs, large trees, etc.
B1 and B2	<ul style="list-style-type: none"> Schools, day care centers, libraries Hospitals, nursing homes Highly noise-sensitive uses (e.g. amphitheatres) Storage of highly flammable materials⁷ Hazards to flight⁸ 	<ul style="list-style-type: none"> Locate structures maximum distance from extended runway centerline Dedication of aviation easement 	<ul style="list-style-type: none"> Uses in Zone A Any agricultural use except ones attracting bird flocks Warehousing, truck terminals Two-story offices Single-family homes on an existing lot 	<ul style="list-style-type: none"> Residential subdivisions Intensive retail uses Intensive manufacturing or food processing uses Offices with more than two stories Hotels and motels
C	<ul style="list-style-type: none"> Schools Hospitals, nursing homes Hazards to flight⁸ 	<ul style="list-style-type: none"> Dedication of overflight easement for residential uses 	<ul style="list-style-type: none"> Uses in Zone B Parks, playgrounds Most retail uses Duplexes and medium-density apartments Two-story motels 	<ul style="list-style-type: none"> Large shopping malls Theaters, auditoriums Large sports stadiums Hi-rise office buildings with more than four stories
D	<ul style="list-style-type: none"> Hazards to flight⁸ 	<ul style="list-style-type: none"> Deed notice required for residential development 	<ul style="list-style-type: none"> All except ones hazardous to flight 	
E	<ul style="list-style-type: none"> Hazards to flight⁸ 	<ul style="list-style-type: none"> Special development conditions 	<ul style="list-style-type: none"> Unique circumstance land use development¹¹ 	

Table 2A Continued

Compatibility Criteria**Kern County Airport Land Use Compatibility Plan****NOTES**

- 1 Zones may also apply elsewhere if an airport has atypical operational procedures or specialized aircraft activities.
- 2 Residential parcels should not contain more than the indicated number of dwelling units per gross acre. Clustering of units is encouraged as a means of meeting the Required Open Land requirements.
- 3 The land use should not attract more than the indicated number of people per acre at any time. This figure should include all individuals who may be on the property (e.g., employees, customers/visitors, etc.). These densities are intended as general planning guidelines to aid in determining the acceptability of proposed land uses. Special short-term events related to aviation (e.g., air shows), as well as non-aviation special events, are exempt from the maximum density criteria.
- 4 Open land requirements are intended to be applied with respect to the entire zone. This is typically accomplished initially as part of the community's general plan or a specific plan.
- 5 May be modified by airport-specific policies or decision of local governing body with appropriate adopted findings based upon evidence in the record.
- 6 See Policy Section 3.3.
- 7 Within the B1 and B2 zones, only the following flammable materials are permitted: aviation fuel, other aviation-related materials, and up to 2,000 gallons of nonaviation materials.
- 8 These conditions do not apply to ministerial actions.
- 9 These uses typically can be designed to meet the density requirements and other development conditions listed.
- 10 These uses typically do not meet the density and other development conditions listed. They should be allowed only if a major community objective is served by their location in this zone and no feasible alternative location exists.
- 11 The E zone accommodates land uses with special characteristics that are not normally allowed in the C Zone. Each E zone is unique to the requested land use and each individual airport. Special conditions of development may be formulated in order to minimize flight hazards.

Source: *Comprehensive Airport Land Use Plan (1996)*

- a. Projects can be considered "infill" if they meet *all* of the following criteria:
 - (1) The infill area is bounded by uses similar to those proposed.
 - (2) The infill area would not extend the perimeter of the area developed with incompatible uses.
 - (3) Development of the infill area does not otherwise increase the intensity and/or incompatibility of use through use permits, density transfers or other means.
- b. Areas which qualify as infill will be determined during the review of local plans and policies.

2.1.5 Land Use Conversion

The compatibility of uses in the airport planning areas shall be preserved to the maximum feasible extent. The conversion of land from existing or planned agricultural, industrial or commercial use to residential uses within any airport's traffic area (Compatibility Zones A, B, and C) is discouraged.

2.2 Airport Development Plans

2.2.1 Airport Improvement Plans

When reviewing future master plans or other plans for improvement of existing public-use airports covered by these policies, land use compatibility issues should be evaluated with respect to potential changes in noise, overflight, and safety impacts or height restrictions which would result from the plans' implementation. Inconsistencies between such plans and the compatibility policies herein may occur if the airport improvement plans include:

- a. New activity forecasts which are (1) significantly higher than those used in developing the Compatibility Maps in Chapter 4 or (2) assume a higher proportion of larger or noisier aircraft.
- b. Proposals for facilities or procedures not assumed herein; specifically:
 - (1) Construction of a new runway or helicopter takeoff and landing area.
 - (2) Change in the length, width, or landing threshold location of an existing runway.
 - (3) Establishment of an instrument approach procedure.
 - (4) Modification of the flight tracks associated with existing visual or instrument operations procedures.

2.2.2 New Airports and Heliports

When reviewing plans for a new airport, heliport, or other permanent aircraft landing site, the review should examine the relationships between existing and planned land uses in the vicinity of the proposed facility and the impacts that the facility would have upon these land uses. Questions to be considered include:

- a. Would the existing or planned land uses be considered incompatible with the airport or heliport if the latter were already in existence?
- b. What measures are included in the airport or heliport proposal to mitigate the noise, safety, and height restriction impacts on surrounding land uses? Such measures might include:
 - (1) Location of flight tracks so as to minimize the impacts.
 - (2) Other operational procedures to minimize impacts.
 - (3) Acquisition of property interests (fee title or easements) on the impacted land.

CHAPTER 3

3.0 SUPPORTING COMPATIBILITY CRITERIA

3.1 Noise

3.1.1 Projected Noise Levels

The evaluation of airport/land use noise compatibility shall consider the *future* Community Noise Equivalent Level (CNEL) contours of each airport. These contours are calculated based upon aircraft activity forecasts which are set forth in an airport master plan or which are considered by the local agency to be plausible (refer to activity data and noise exposure maps for individual airports in Chapter 4). The county and cities should periodically review the projected noise level contours and update them if appropriate.

3.1.2 Application of Noise Contours

The locations of CNEL contours are one of the factors used to define compatibility zone boundaries and criteria. It is intended that noise compatibility criteria be applied at the general plan, specific plan, or other broad-scale level. Because of the inherent variability of flight paths and other factors that influence noise emissions, the depicted contour boundaries are not absolute determinants of the compatibility or incompatibility of a given land use. Noise contours can only quantify noise impacts in a general manner; except on large parcels or blocks of land, they should *not* be used as site design criteria.

3.1.3 Noise Exposure in Residential Areas

The maximum CNEL considered normally acceptable for residential uses outside the influence areas of the airports covered by this plan is 65 dB.

3.1.4 Noise Exposure for Other Land Uses

Noise level compatibility standards for other types of land uses shall be applied in the same manner as the above residential noise level criteria. Examples of acceptable noise levels for other land uses in an airport's vicinity are presented in Table 3A.

3.1.5 Other Noise Factors

The extent of outdoor activity associated with a particular land use is an important factor to be considered in evaluating its compatibility with airport noise. In most locations, noise level reduction measures (such as installation of sound insulation or noise barriers) are only effective in reducing interior noise levels.

Table 3A
Noise Compatibility Criteria

LAND USE CATEGORY	CNEL, dBA				
	50-55	55-60	60-65	65-70	70-75
Residential					
single family, mobile homes	++	+	o	---	---
multi-family, apartments, condominiums	++	+	o	---	---
Public					
schools, libraries, hospitals	+	o	-	---	---
churches, auditoriums, concert halls	+	o	o	-	---
transportation, parking, cemeteries	++	++	++	+	o
Commercial and Industrial					
offices, retail trade	++	+	o	o	-
service commercial, wholesale trade, warehousing, light industrial	++	++	+	o	o
general manufacturing, utilities, extractive industry	++	++	++	+	+
nursing homes	++	++	+	-	-
Agricultural and Recreational					
cropland	++	++	++	++	+
livestock breeding	++	+	o	o	-
parks, playgrounds, zoos	++	+	+	o	-
golf courses, riding stables, water recreation	++	++	+	o	o
outdoor spectator sports	++	+	+	o	-
amphitheaters	+	o	-	---	---

LAND USE AVAILABILITY	INTERPRETATION/COMMENTS
++ Clearly Acceptable	The activities associated with the specified land use can be carried out with essentially no interference from the noise exposure.
+ Normally Acceptable	Noise is a factor to be considered in that slight interference with outdoor activities may occur. Conventional construction methods will eliminate most noise intrusions upon indoor activities.
o Marginally Acceptable	The indicated noise exposure will cause moderate interference with outdoor activities and with indoor activities when windows are open. The land use is acceptable on the conditions that outdoor activities are minimal and construction features which provide sufficient noise attenuation are used (e.g., installation of air conditioning so that windows can be kept closed). Under other circumstances, the land use should be discouraged.
- Normally Unacceptable	Noise will create substantial interference with both outdoor and indoor activities. Noise intrusion upon indoor activities can be mitigated by requiring special noise insulation construction. Land uses which have conventionally constructed structures and/or involve outdoor activities which would be disrupted by noise should generally be avoided.
--- Clearly Unacceptable	Unacceptable noise intrusion upon land use activities will occur. Adequate structural noise insulation is not practical under most circumstances. The indicated land use should be avoided unless strong overriding factors prevail and it should be prohibited if outdoor activities are involved.

Source: Hodges & Shutt (1993)

3.1.6 Single-Event Noise Levels

Single-event noise levels should be considered when evaluating the compatibility of highly noise-sensitive land uses such as schools, libraries, and outdoor theaters. Single-event noise levels are especially important in areas which are regularly overflown by aircraft, but which do not produce significant CNEL contours. Flight patterns for each airport should be considered in the review process. Acoustical studies or on-site noise measurements may be required to assist in determining the compatibility of sensitive uses.

3.2 Safety

3.2.1 Objective

The intent of land use safety compatibility criteria is to minimize the risks associated with an off-airport aircraft accident or emergency landing.

- a. Risks both to people and property in the vicinity of an airport and to people on board the aircraft shall be considered.
- b. More stringent land use controls shall be applied to the areas with greater potential risk.

3.2.2 Risks to People on the Ground

The principal means of reducing risks to people on the ground is to restrict land uses so as to limit the number of people who might gather in areas most susceptible to aircraft accidents. A method for determining the concentration of people for various land uses is provided in Appendix B.

3.2.3 Land Uses of Particular Concern

Land uses of particular concern are ones in which the occupants have reduced effective mobility or are unable to respond to emergency situations. Children's schools, hospitals, nursing homes, and other uses in which the majority of occupants are children, elderly, and/or handicapped are inappropriate within Compatibility Zones A, B, and C.

- a. This general policy may be superseded by airport specific policies (see Chapter 4).
- b. This general policy may be superseded by decision of local governing body with appropriate adopted findings.
- c. Hospitals are medical facilities which include provision for overnight stays by patients. Medical clinics are permitted in Compatibility Zones B and C provided that these facilities meet the maximum density standards found in Table 2A, Primary Compatibility Criteria.

3.2.4 Other Risks

Storage of fuel or other hazardous materials shall be prohibited in Compatibility Zone A and subject to restrictions in the B zones as identified in Table 3A.

3.2.5 Open Land

In the event that an aircraft is forced to land away from an airport, the risks to the people on board can best be minimized by providing as much open land area as possible within the airport vicinity. This concept is based upon the fact that the majority of aircraft accidents and incidents occurring away from an airport runway are controlled emergency landings in which the pilot has reasonable opportunity to select the landing site.

- a. To qualify as open land, an area must be:
 - (1) Free of structures and other major obstacles such as walls, large trees or poles, and overhead wires.
 - (2) Have minimum dimensions of at least 75 feet by 300 feet.
- b. Roads and automobile parking lots are acceptable as open land areas if they meet the above criteria.
- c. Open land requirements for each compatibility zone are to be applied with respect to the entire zone. Individual parcels may be too small to accommodate the minimum-size open area requirement. Consequently, the identification of open land areas must initially be accomplished at the general plan or specific plan level or as part of large-acreage projects.
- d. Clustering of development and providing contiguous landscaped and parking areas is encouraged as a means of increasing the size of open land areas.
- e. Building envelopes and the airport compatibility zones should be indicated on all development plans and tentative maps within an airport's planning area in order to assure that individual development projects provide the open land areas identified in a general plan, specific plan, or other large-scale plan.

3.3 Airspace Protection

3.3.1 Height Limits

The criteria for limiting the height of structures, trees, and other objects in the vicinity of an airport shall be set in accordance with Part 77, Subpart C, of the Federal Aviation Regulations and with the United States Standard for Terminal Instrument Procedures (TERPS). Airspace plans for each airport which depict the critical areas for airspace protection are provided in Chapter 4.

3.3.2 Avigation Easement Dedication

The owner of any property proposed for development within Compatibility Zones A and B may be required to dedicate an avigation easement to the jurisdiction owning the airport.

- a. In cases where the airport is privately owned, the aviation easement may be dedicated to the county or city in the name of the airport. An easement dedicated for the benefit of a private airport shall remain in force only as long as the airport remains open for public use. An airport shall be considered to be a public-use airport only if it has a current state airport permit in either the public-use or special-use category.
- b. The aviation easement shall:
 - (1) Provide the right of flight in the airspace above the FAR Part 77 imaginary surfaces above the property;
 - (2) Restrict the height of structures, trees and other objects; and
 - (3) Permit access to the property for the removal or aeronautical marking of objects exceeding the established height limit. An example of an aviation easement is provided in Appendix E.
- c. Within Compatibility Zones A and B, height restrictions of less than 35 feet may be required. See the airspace plan for the specific airport or review FAR Part 77.

3.3.3 Minimum Restriction

Other than within Compatibility Zones A and B, no restrictions shall be set which limit the height of structures, trees, or other objects to less than 35 feet above the level of the ground on which they are located even if the terrain or objects on the ground may penetrate Federal Aviation Regulations Part 77 surfaces.

- a. In locations within Compatibility Zone C where the ground level exceeds or comes within 35 feet of a Part 77 surface, dedication of an aviation easement limiting heights to 35 feet shall be required in accordance with Paragraph 3.3.2. (This policy may be applicable to future airports; there are no such locations near the existing airports in Kern County.)

3.3.4 FAA Notification

Proponents of a project which may exceed a Part 77 surface must notify the Federal Aviation Administration as required by FAR Part 77, Subpart B, and by the California State Public Utilities Code Sections 21658 and 21659. (Notification to the Federal Aviation Administration under FAR Part 77, Subpart B, is required even for certain proposed construction that does not exceed the height limits allowed by Subpart C of the regulations. Refer to Appendix A for the specific Federal Aviation Administration notification requirements.)

- a. Local jurisdictions shall inform project proponents of the requirements for notification to the Federal Aviation Administration.
- b. The requirement for notification to the Federal Aviation Administration shall not necessarily trigger an airport compatibility review of an individual project by the

local agency (county or city) if the project is otherwise in conformance with the compatibility criteria established herein.

- c. Any project submitted for airport land use compatibility review for reason of height-limit issues shall include a copy of FAR Part 77 notification to the Federal Aviation Administration.

3.3.5 Other Flight Hazards

Land use characteristics which may produce hazards to aircraft in flight shall not be permitted within any airport's influence area. Specific characteristics to be avoided include:

- a. Glare, distracting lights, or light patterns which could be mistaken for airport lights;
- b. Sources of dust, steam, or smoke which may impair pilot visibility;
- c. Sources of electrical interference with aircraft communications or navigation; and
- d. Any use, especially landfills and certain agricultural uses, which may attract large flocks of birds.
- e. Any light or series of lights which may cause visual discomfort or loss of orientation during critical phases of flight.

3.3.6 Special Land Use Development

- a. The Compatibility Criteria Zone E will accommodate a project that has the potential to create one or more flight hazards.
- b. The airport operator will be consulted to consider and comment on issues affecting the airport, including height limitations, lighting, dust, and bird hazards and recommend developmental conditions to ensure the airport is not affected.
- c. The Zone E will be created only within the boundaries of the Zone C.

3.4 Overflights

3.4.1 Nature of Impact

All locations within an airport influence area are regarded as potentially subject to routine aircraft overflight. Although sensitivity to aircraft overflights varies from one person to another, overflight sensitivity is particularly important within residential land uses.

- a. The County of Kern and the affected incorporated cities may establish a zoning district or overlay zone for all properties located within the influence area of the public-use airport(s) within their jurisdiction. One function of such an ordinance would be to provide constructive notice as to: (1) what real property is within an airport influence area; and (2) the obligations of a seller of real property to disclose information regarding the airport's proximity to any prospective buyer.

- a. The conversion of land from existing or planned agricultural, industrial, or commercial use to residential uses within Compatibility Zones A and B is discouraged.
- b. In Compatibility Zone C, general plan amendments (as well as other discretionary actions such as rezonings, subdivision approvals, use permits, etc.) which would convert land to residential use or increase the density of residential uses should be subject to careful consideration of overflight impacts.

CHAPTER 4

4.0 INDIVIDUAL AIRPORTS: POLICIES, COMPATIBILITY MAP AND BACKGROUND DATA

GENERAL INFORMATION

The Airport Land Use Compatibility Plan maps contained in this chapter are to be used in conjunction with the Compatibility Criteria set forth in Table 2A. The Compatibility Zones shown on each map represent areas in which the land use compatibility concerns are similar in character. The zone boundaries reflect consideration of both noise and safety concerns.

The boundaries of the six compatibility zones were initially set according to the methodology described below. These boundaries were then modified to take into account aircraft traffic pattern restrictions, distinct geographic features, and other factors unique to each airport.

Zone A: The building restriction lines were used to define the lateral limits of this zone. Building restriction lines are commonly set so that structures up to 35 feet in height remain below the airspace surfaces defined by Federal Aviation Regulations Part 77. The length of this zone is defined by the runway protection zones (formerly called clear zones). Runway protection zone dimensions are set in accordance with Federal Aviation Administration standards for the proposed future runway location, length, width, and approach type. Building restriction line and runway data were taken from the approved Airport Layout Plan for each airport.

Zone B1: The outer boundary of the Approach/Departure Zone is defined as the area where aircraft are commonly below 400 feet above ground level. For visual runways, this location encompasses the base leg of the traffic pattern as commonly flown. For instrument runways, the altitudes established by approach procedures are used. Zone B1 also includes areas within 1,000 feet laterally from the runway centerline. This zone should include the 65 CNEL noise contour; its dimensions may need to be expanded in some cases.

Zone B2: The Extended Approach/Departure Zone includes areas where aircraft are commonly below 800 feet above ground level on a straight-in approach or straight-out departure. It applies to runways with more than 500 operations per year by large aircraft (i.e., over 12,500 pounds maximum gross takeoff weight) and/or runway ends with more than 10,000 total annual takeoffs. The 60 CNEL contour should be encompassed within this zone.

Zone C: The outer boundary of the Common Traffic Pattern Zone is defined as the area where aircraft are commonly below 1,000 feet above ground level (i.e., the traffic pattern and pattern entry points). This area is considered to extend 5,000 feet laterally from the runway centerline. Length along the runway's axis will vary from 5,000 to 10,000 feet from the end of the runway's primary surface. The length depends upon the runway classification (visual versus instrument), and the type and volume of aircraft accommodated. For runways having an established track solely on one side, the shape of the zone is modified accordingly.

Zone D: This zone will be within the boundaries of Zone C for the purpose of accommodating development of schools, hospitals, and nursing homes.

Zone E: This zone will be within the boundaries of Zone C for the purpose of accommodating Special Land Use Development.

INDIVIDUAL AIRPORT POLICIES

The policies listed in Chapters 1, 2, and 3 are intended to apply broadly to all of the airports within Kern County. In some instances, however, policies addressing concerns specific to a single airport are necessary. Such policies are presented on the pages which follow. Also, specific factors which affected the shape of the compatibility map are noted.

TEHACHAPI AIRPORT LANDUSE COMPATIABILITY PLAN

**ADOPTED BY
CITY OF TEHACHAPI ON
JUNE 15, 1998 (RESOLUTION NO. 32-98)**

**AMENDED BY
CITY OF TEHACHAPI ON
JANUARY 3, 2005 (RESOLUTION NO. 75-04)**

4.15 Tehachapi Municipal Airport

4.15.1

Developments within the Capital Hills Specific Plan area are considered to be "existing" for the purpose of this Plan. Final maps have been recorded and initial improvements have been made. The City has made a long-term financial commitment to the project in the form of Mello Roos (CFD) bonds.

**This statement deleted per
Resolution No. 75-04,**

**A RESOLUTION OF THE CITY
COUNCIL OF THE CITY OF
TEHACHAPI ADOPTING
AMENDMENT NO. 1 TO THE
TEHACHAPI MUNICIPAL AIRPORT
LAND USE COMPATIBILITY PLAN
(TALUCP)**

TEHACHAPI MUNICIPAL AIRPORT

CITY LIMITS

14

15

16

23

CAPITAL HILLS

D

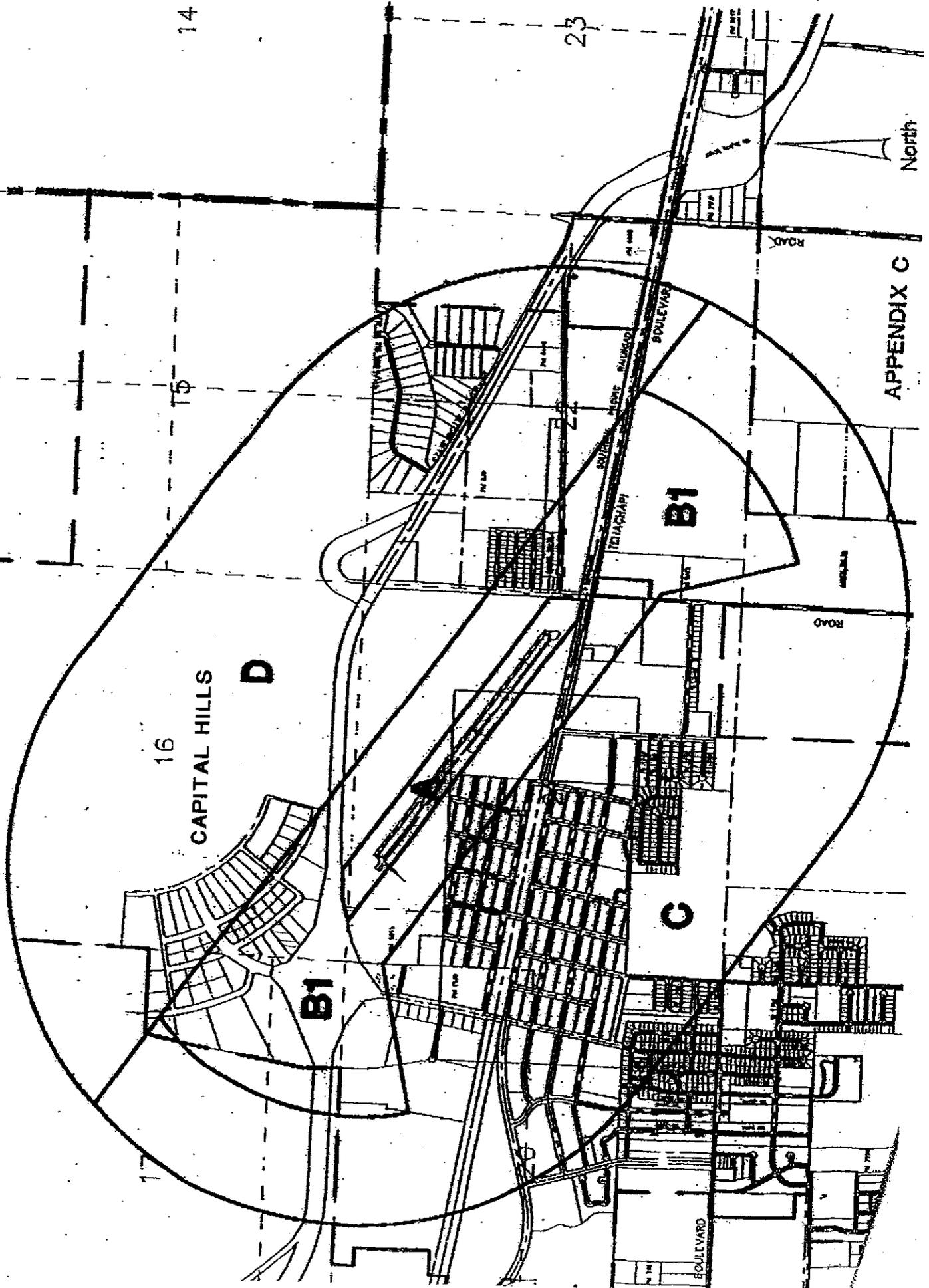
B1

B1

C

APPENDIX C

North



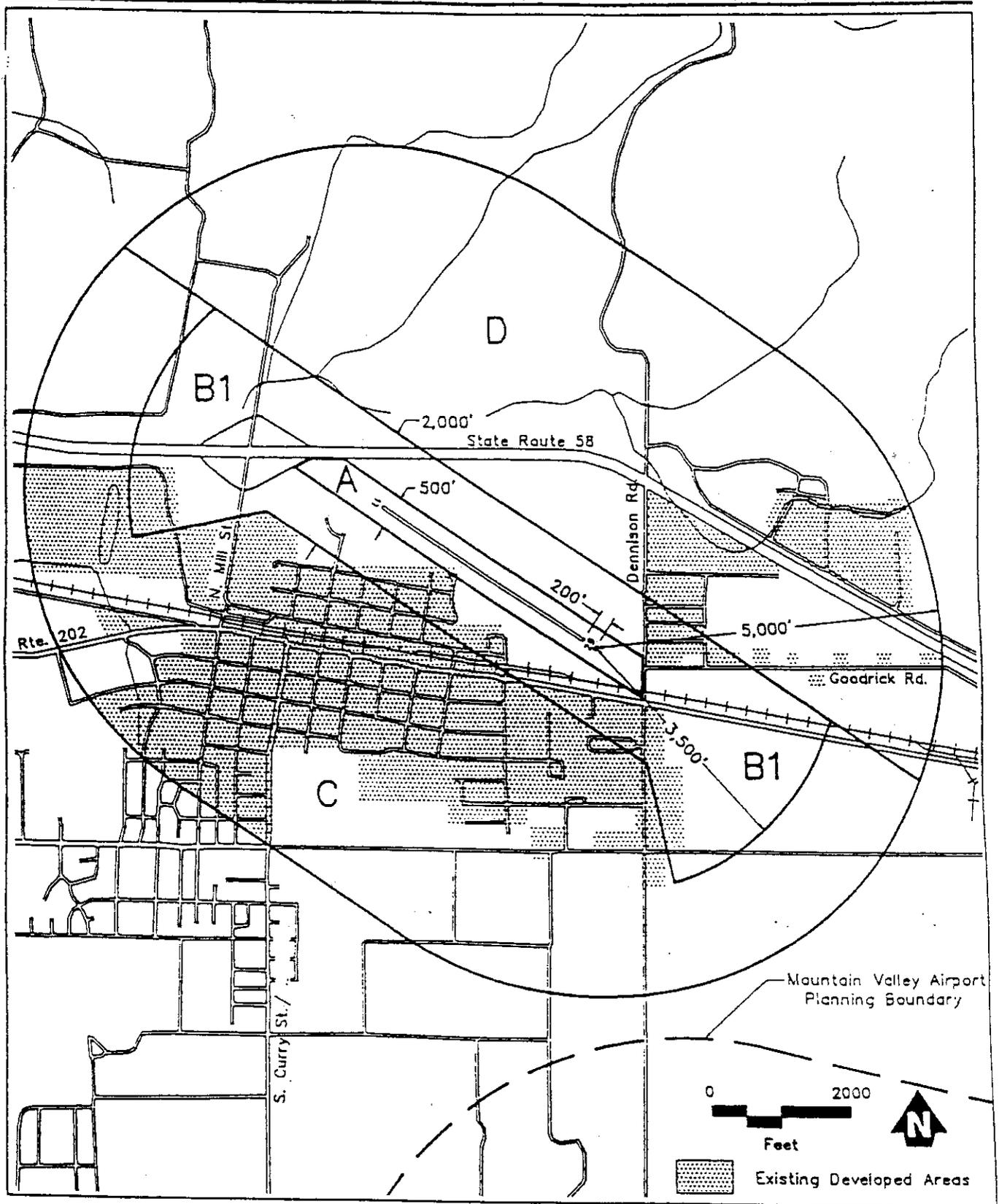


Figure 4 - 71

Comprehensive Land Use Plan
Tehachapi Municipal Airport

Table 4-43

Airport Environs

Tehachapi Municipal Airport

AIRPORT LOCATION AND ACCESS

- Located 40 miles southeast of the city of Bakersfield.
- Airport and approaches within the jurisdiction of the City of Tehachapi
- Access from State Highway 58 via Mill Street

EXISTING AIRPORT AREA LAND USES

General Character

- Primarily commercial/industrial and medium-density residential uses to the west and south
- Agricultural uses to southeast; mountains to north
- Several public-use facilities in the area

Runway Approaches

- *Runway 11 (northwest) Approach* — Undeveloped, mountainous terrain.
- *Runway 29 (southeast) Approach* — Agriculture and open land.

Traffic Pattern

- Established pattern on south side only
- Southwest primarily commercial/industrial and medium-density residential, southeast medium-density residential, schools, and some commercial uses.

LOCAL LAND USE PLANS AND ZONING

- *City of Tehachapi General Plan Update-Land Use Element* — Adopted by City in May 1992, sets land use policies for airport environs.

PLANNED LAND USES IN AIRPORT AREA

- Continuing infill of Tehachapi with residential and small-scale commercial/industrial uses
- Continuing infill of commercial/industrial north of airport.
- Continued residential development south of the airport.

ESTABLISHED APPROACH PROTECTION MEASURES

- City General Plan Land Use Element incorporates adopted airport compatibility criteria.

Source: Hodges & Shutt (October 1993)

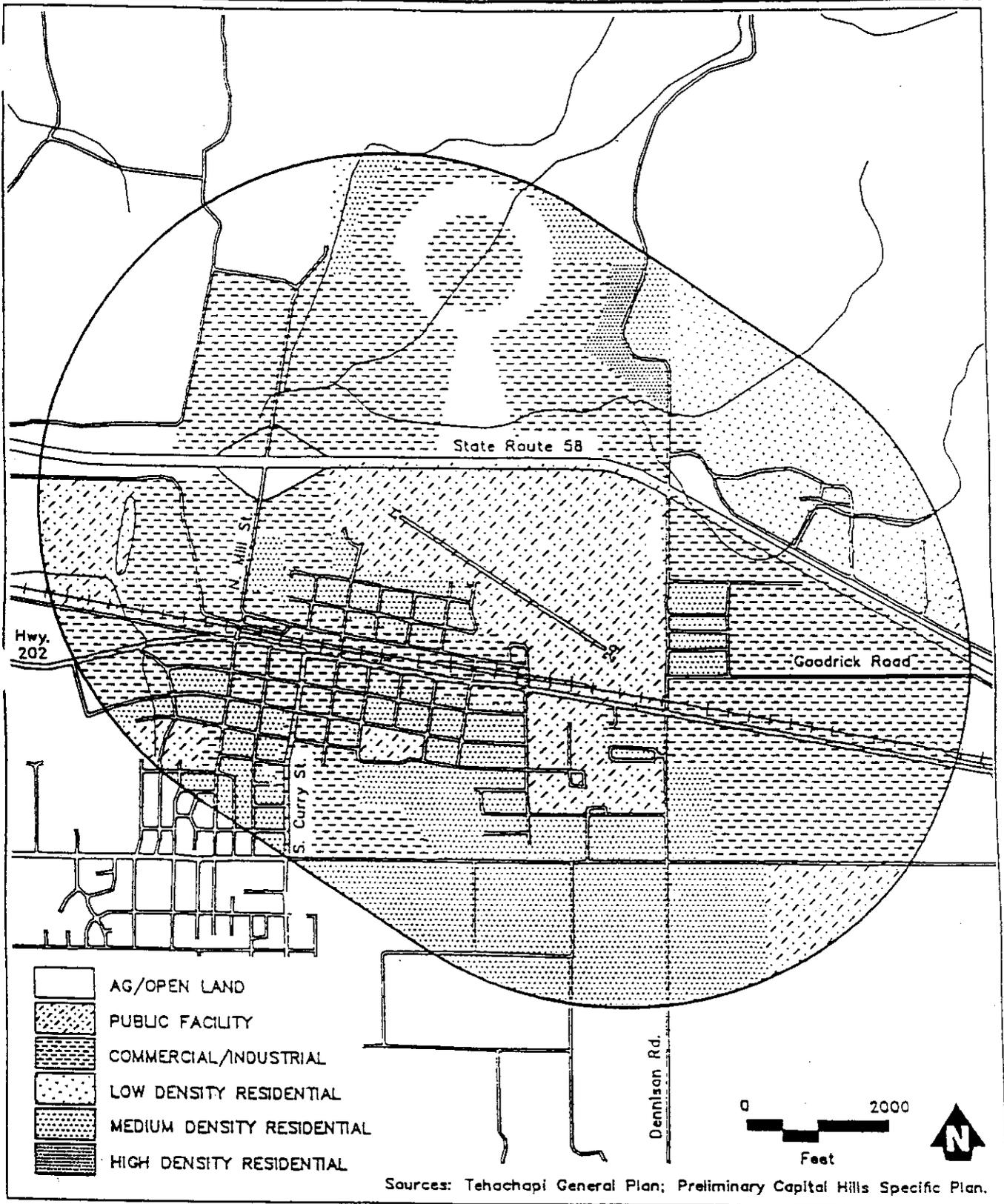


Figure 4 - 72

Land Use Designations
Tehachapi Municipal Airport

Table 4-44

Airport Features

Tehachapi Municipal Airport

AIRPORT PROPERTY

- *Ownership* — City of Tehachapi
- *Size* — 264 acres fee title
- *Elevation* — 4,002 feet MSL.

AIRPORT PLANNING

- *Adopted Plans*
 - Airport Master Plan Update, adopted September 1993
- *Planned Improvements*
 - Planned runway extension of 200 feet
 - Parallel taxiway relocation
 - Future non-precision approach on both runways

BUILDING AREA

- *Location* — Primary building area runs along south side of runway; terminal area and based aircraft hangar development planned on north side of runway.
- *Aircraft Parking Capacity*
 - 54 based and transient tie-downs; 50 T-hangars.
 - Seven individual T-hangars; one large box hangar.
- *Other Major Facilities* — Fuel island, administration building.
- *Services* — Aircraft rental, repairs, flight instruction, 80 and 100LL fuel

RUNWAY SYSTEM

Runway 11-29

- *Critical Aircraft* — Light twin-engine propeller
- *Classification* — Airport Reference Code B-I small aircraft
- *Dimensions* — 4,035 feet long, 50 feet wide, 300-foot displaced threshold for Runway 11, 535-foot displaced threshold for Runway 29
- *Lighting* — Medium-intensity runway edge lighting
- *Surface* — Asphalt, good condition
- *Taxiways* — Full-length parallel taxiway, 5 exit taxiways

RUNWAY APPROACHES

Runway 11

- *Approach Type* — Visual.
- *Runway Protection Zone* — Approximately half of existing RPZ is off airport property, but is planned to be acquired as an aviation easement.
- *Approach Obstacles* — Hill lies 276 feet above and 4,800 feet from runway end; approach slope of 16:1 provides adequate clearance.

Runway 29

- *Approach Type* — Visual.
- *Runway Protection Zone* — Approximately half of existing RPZ is off airport property, but is planned to be acquired as an aviation easement.
- *Approach Obstacles* — Poles stand 31 feet above and 450 feet from the runway end, 100 feet right of the projected centerline, 8:1 approach slope provides adequate clearance.

Traffic Pattern

- *Location* — Established pattern south of runway only
- *Altitude* — 1,000 feet above airport elevation

Source: Hodges & Shutt (October 1993)

Table 4-45

Forecast Airport Activity

Tehachapi Municipal Airport

AIRCRAFT OPERATIONS

Total	
Annual	36 500
Average Day	100

Distribution	
Single-Engine	87.7%
Twin-Engine	12.3%

TIME OF DAY DISTRIBUTION

All Aircraft		
Day (0700-1900)	90.0%	
Evening (1900-2200)	7.0%	
Night (2200-0700)	3.0%	

RUNWAY USE DISTRIBUTION

All Aircraft	
All Operations	
Runway 11	15.0%
Runway 29	85.0%

FLIGHT TRACK DATA

- Pattern Altitude - 1 000 feet AGL
- Right traffic on Runway 11 (no north side pattern)

Sources: Airport Master Plan (1987) for year 2008 forecast; Hodges & Shutt (September 1993) for distribution

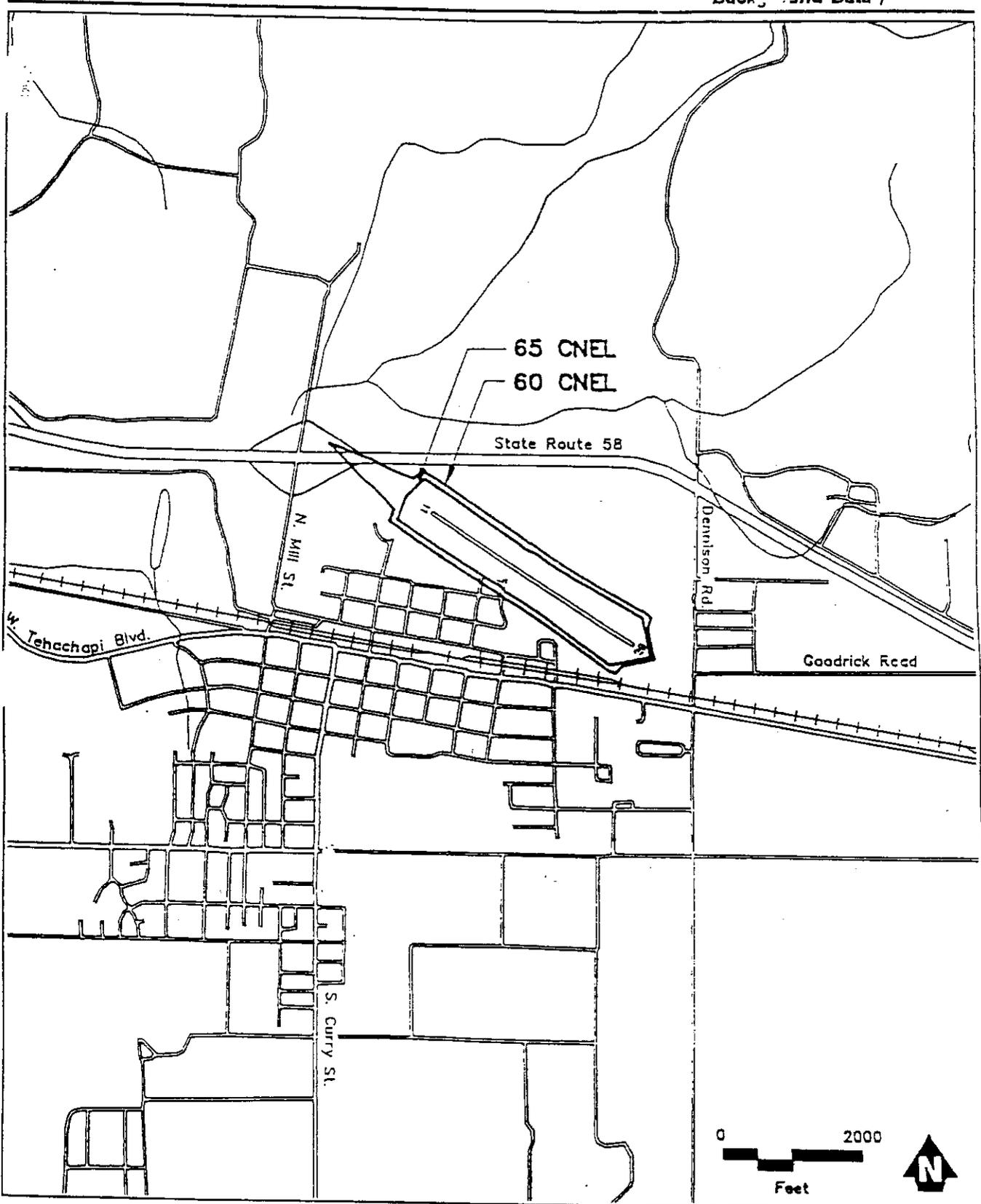


Figure 4 - 74

Noise Contours
Tehachapi Municipal Airport

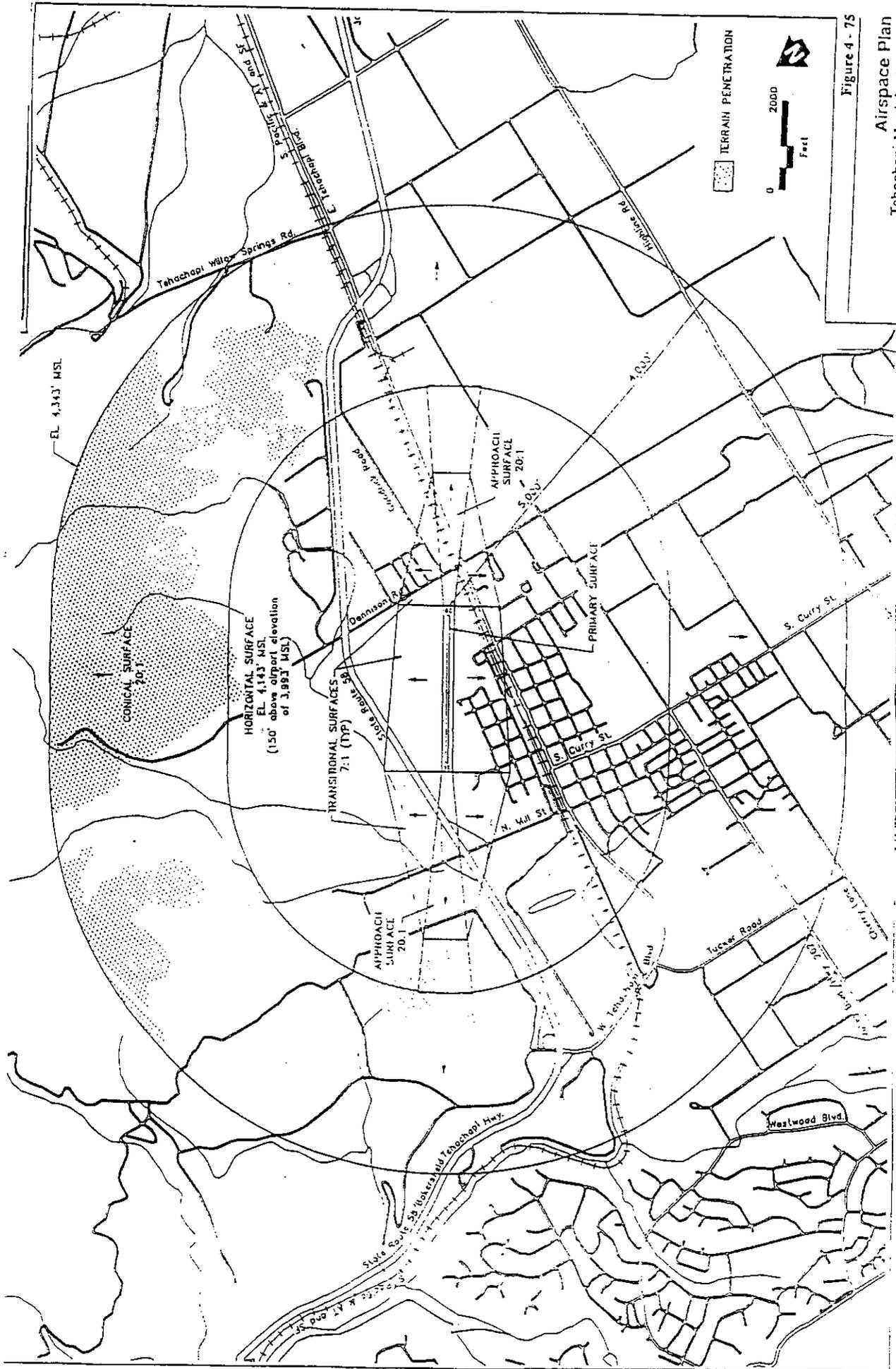


Figure 4 - 75

Airspace Plan
Tehachapi Municipal Airport

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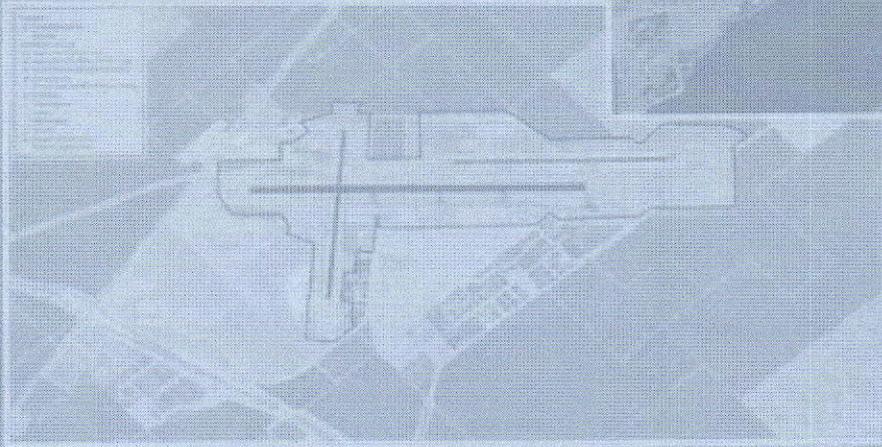
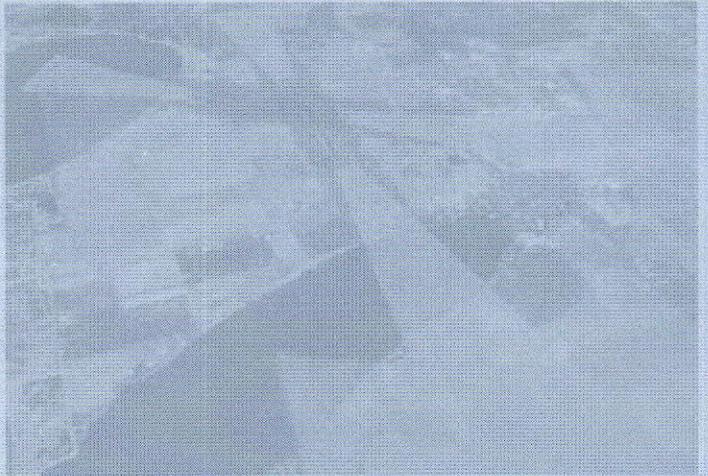
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INTRODUCTION



Introduction to the California Airport Land Use Planning Handbook

i-1 ENABLING LEGISLATION

The purpose of the California State Aeronautics Act (SSA) pursuant to Public Utilities Code (PUC), Section 21001 et seq., “is to protect the public interest in aeronautics and aeronautical progress.” The California Department of Transportation, Division of Aeronautics, administers much of this statute. The purpose of the California Airport Land Use Planning Handbook (*Handbook*) is to provide guidance for conducting airport land use compatibility planning as required by Article 3.5, Airport Land Use Commissions, PUC Sections 21670 – 21679.5. Article 3.5 outlines the statutory requirements for Airport Land Use Commissions (ALUCs) including the preparation of an Airport Land Use Compatibility Plan (ALUCP). Article 3.5 mandates that the Division of Aeronautics create a *Handbook* that contains the identification of essential elements for the preparation of an Airport Land Use Compatibility Plan (PUC Sections 21674.5 and 21674.7). This *Handbook* is intended to (1) provide information to ALUCs, their staffs, airport proprietors, cities, counties, consultants, and the public, (2) to identify the requirements and procedures for preparing effective compatibility planning documents, and (3) define exemptions where applicable.

i-2 APPLICABILITY

This *Handbook* applies to ALUCs established under the SAA, who are charged with providing for compatible land use planning in the vicinity of each existing and new public use airport within their jurisdiction. Most notably, it provides guidance for the preparation, adoption, and amendment of an ALUCP. Several PUC sections identify the *Handbook* as a resource for airport land use compatibility planning, including Sections 21674.5 and 21674.7.

i-2.1 Scope of the Handbook Update

This volume represents the fourth edition of the *Handbook*. While this *Handbook* will present some additional information on the California Environmental Quality Act (CEQA) and present new information on the topic of Next Generation Air Transportation System (NextGen), the

primary purpose of this edition is to update and clarify concepts and processes that were described in the 2002 *Handbook*. Some of the more general discussions have been condensed or removed in order to prevent confusion about what must be done and what might be done. Throughout the text, anytime the term “shall” is used it indicates that there is a statutory requirement to be followed and a legal code reference will be given. The term “may” indicates that the action is statutorily permitted but not required. And lastly, the terms “should” or “could” indicate that the action is simply a best practice recommendation. Any reference to the “Department” means the Department of Transportation, or Caltrans, unless otherwise stated. The “Division” shall mean the Division of Aeronautics.

The 2011 *Handbook* provides guidance for meeting the baseline safety and compatibility requirements; however, ALUCs may choose to be more restrictive than the State’s guidance when their local conditions warrant doing so. With respect to how land is used and regulated by local governments, the Division does not have the authority to adopt land use development standards. Conversely, ALUCs are statutorily permitted (i.e. they have the option and authority) to include building standards, height restrictions and land uses in their Airport Land Use Compatibility Plans (PUC Section 21675(a)). When an ALUC chooses to establish development standards in an ALUCP to prevent airport noise and safety hazards, they are indirectly setting development standards for local government because local government general and specific plans (and therefore their implementing standards) must be consistent with the ALUCP (Section 21670.1(c)(2)(D) and Government Code Section 65302.3(a)), unless the conclusion of the overrule process allows otherwise.

It is not the intent of the preparers of this edition to fully replicate the extensive research that was performed in support of the previous *Handbook* editions. The intent was to analyze and determine if the data and conclusions that were reached in the 2002 *Handbook* are still valid today. As discussed in Appendix E, recent accident data does not support changes to the safety zones (presented in Chapter 3). Similarly, while tools for estimating and monitoring aircraft noise continue to improve, the basic compatibility standards for aircraft noise have not changed at the federal or state level.

i-2.2 Handbook Organization

The *Handbook* is organized to assist a variety of participants with the airport land use compatibility planning process. The *Handbook* is composed of an Introduction and six chapters that follow a logical progression. The Introduction gives the statutory authority, purpose and applicability of the *Handbook* and presents the basic concepts behind airport land use compatibility planning. Chapter 1 describes the ALUC formation options, the basic functions of an ALUC, and an overview of the airport land use compatibility planning process. Chapter 2 describes the ALUCP, its contents, and its relationship with other planning documents. The Introduction, Chapter 1 and Chapter 2 provide the guiding principles for the remainder of the *Handbook*. The information in Chapters 3 through 6, and the appendices, provide ALUC staff and consultants with “how to” advice for preparing and using an ALUCP and for other related ALUC duties. Chapter 3 describes the development of compatibility planning policies while Chapter 4 addresses the development of compatibility criteria. Chapter 5 explains the role of local agencies (cities and counties) in the implementation phase of compatibility planning and

their responsibilities in the airport land use planning process. Chapter 6 discusses the ALUC's role in reviewing local actions.

The appendices contain technical information, including some of the information that was in the main body of the 2002 *Handbook*. They also include check lists and sample implementation documents (Appendix H, I and J) to assist the ALUC as they conduct airport compatibility planning.

i-2.3 Transition Between the 2002 and 2011 Handbooks

The transition between a new edition of the *Handbook* is understandably a concern for those ALUCs who are in the process of updating their ALUCPs. The 2011 *Handbook* update supersedes the 2002 *Handbook*. For an ALUCP update that is in process, but not yet adopted, the ALUC will need to consider how far along they are in the planning process, how expansive the update is, and to what extent the revisions and additions in the 2011 *Handbook* apply to a particular airport.

The publication of the 2011 *Handbook* does not trigger the need to update a previously adopted ALUCP. However, ALUCs are well served to consider the adequacy of their adopted ALUCPs with regards to: statutory changes since the last ALUCP update, changes in current or forecasted operations at the airport(s) covered by the ALUCP, and changes in development patterns or land use plans in the vicinity of the airport(s) covered by the ALUCP.

If, as a result of legislative action, there is a conflict between the *Handbook* and the State Aeronautics Act, or any other California statute, the adopted statute shall govern.

The Divisions legal approach to interpreting regulations and the PUC is prescriptive, rather than permissive. When a prescriptive statute is silent and does not address an issue or subject, its language is mandatory and limited to what is explicitly stated in the statute.

i-3 BACKGROUND

A brief description of aviation in California today will help the reader to understand the context in which airport land use compatibility planning exists and the importance of preserving airport facilities.

i-3.1 Airports in California

California has a diverse variety of airport types, ranging from large hub commercial airports to small, privately owned airstrips. Additionally, California supports a large number of facilities in a wide range of categories. Although commercial service airports handle most of the public's air travel needs, the most common type of airport in California is the general aviation airport. General aviation airports offer a wide variety of services, ranging from flight instruction and recreation, to air cargo, emergency medical transportation, law enforcement, and firefighting operations. Each ALUCP must be customized to reflect the individual conditions of each airport.

i-3.2 Economic Importance of Airports in California

Aviation is a vital link in the local, national, and global transportation system. Air cargo, consisting mainly of high-value, time-sensitive documents and goods, plays a significant role in the vitality of the state's economy. In today's international and technology-oriented economy, businesses use the speed and reliability of air service to achieve operating efficiency. California's airports are critical for providing services such as business travel, tourism, emergency response, fire suppression, and law enforcement. Airports, airlines, and businesses that support airports provide direct and indirect jobs and income throughout the State.

The vital role that airports play in economic development and as a means of passenger and cargo transportation cannot be understated. In 2009, 163.9 million passengers (enplaned and deplaned) traveled through California's commercial service airports; making up 11.6 percent of the national enplanement total. Furthermore, 3.5 million tons of air cargo moved through 24 of California's commercial and general aviation airports in 2009.

i-3.3 Reciprocal Impacts: Airports and the Surrounding Community

It is important to understand the ways in which an airport interacts with the land uses around it. Despite the mutually beneficial economic relationship that airports can have with the communities around them, the reality is that airports also create certain unwanted impacts. Airports can create impacts such as noise, vibration, odors, and risk of accidents. Likewise many land uses can cause direct or indirect impacts on the way airports grow and the safety of their operations. Development around an airport, particularly in the approach and departure paths, can create obstructions in the airspace traversed by an approaching or departing aircraft. Additionally, certain land uses have the potential to attract wildlife or to create hazards to aircraft such as a distracting glint or glare, smoke, steam, or invisible heat plumes.

i-4 THE GOAL OF AIRPORT LAND USE COMPATIBILITY

Airport land use compatibility is the reconciliation of how land development and airports function together. The concept of compatibility has been defined as: "Airport compatible land uses are defined as those uses that can coexist with a nearby airport without either constraining the safe and efficient operation of the airport or exposing people living or working nearby to unacceptable levels of noise or (safety) hazards. Compatibility concerns include any airport impact that adversely affects the livability of surrounding communities, as well as any community characteristic that can adversely affect the viability of an airport (PAS 2010, p. 39)".

Incompatible development near an airport can lead to a politically contentious relationship between an airport and the communities around it, resulting in complaints and demands for restrictions on airport operations, ultimately threatening the airport's ability to operate efficiently and serve its function in the local economy.

i-5 BASIC ELEMENTS OF AIRPORT - LAND USE COMPATIBILITY

i-5.1 Compatibility Planning Goals

The desired outcome or result of airport land use compatibility planning is to “minimize the public’s exposure to excessive noise and safety hazards” while providing for the “orderly expansion of airports” (Section 21670 (a)(2)). This planning effort is applied to “the area surrounding these airports” (Section 21670 (a)).

i-5.2 Noise and Overflight

Noise is sometimes perceived to be the most significant concern generated by aircraft operations, and it can be audible for miles from an airport. The challenge of determining appropriate land use compatibility policies regarding aircraft noise is that not everyone responds to noise the same way. A sound that is an annoyance to one person may be barely perceived by another. Furthermore, one community may deem a land use acceptable within a certain noise level, while another does not (e.g. urban environments may have less restrictive residential noise standards than suburban or rural ones).

With regard to noise and overflight, the goal of airport compatibility planning is to reduce annoyance and to minimize the number of people exposed to excessive levels of aircraft noise.

i-5.3 Safety and Airspace Protection

The concept of safety is more difficult to define than the concept of noise. Safety issues are considered for both those living and working near an airport as well as those using the airport.

The issue of safety compatibility is one of evaluating “risk”, and determining the locations around an airport that are at the greatest risk of experiencing an aircraft accident. Research was performed during the preparation of this *Handbook* update to identify any potential changes in aircraft accident patterns. Nothing substantial has changed with respect to where the highest number of aircraft accidents are occurring. Typically accidents occur along the extended runway centerline. Proper safety and airspace protection minimizes the number of people on and off of the airport that are exposed to the risks associated with potential aircraft accidents and avoids flight hazards that interfere with aircraft navigation.

State of California

The State Aeronautics Act (PUC Section 21001 et seq.) provides for the right of flight over private property, unless conducted in a dangerous manner or at altitudes below those prescribed by federal authority (PUC Section 21403(a)). No use shall be made of the airspace above a property which would interfere with the right of flight, including established approaches to a runway (PUC Section 21402). The Act also authorizes Caltrans and local governments to protect the airspace defined by FAR Part 77. The Act prohibits any person from constructing any structure or permitting any natural growth of a height which would constitute a hazard to air navigation as defined in FAR Part 77 unless Caltrans first issues a permit (PUC Section 21659). The permit is not required if the FAA has determined that the structure or growth does not constitute a hazard to air navigation or would not create an unsafe condition for air navigation. Typically this has been interpreted to mean that no penetrations of the FAR Part 77 imaginary surfaces is permitted without a finding by the FAA that the object would not constitute a hazard to air navigation.

Furthermore, no payments shall be made from the Aeronautics Account for expenditure on any airport or for the acquisition or development of any airport, if the department determines that the height restrictions around the airport are inadequate to provide reasonable assurance that the landing and taking off of aircraft at the airport will be conducted without obstruction or will be otherwise free from hazards (PUC Section 21688).

Note that other parts of state law— the Government Code and Public Resources Code, in particular— establish various requirements for compatibility planning and the review of development near airports, but do not set specific compatibility criteria .

3.3 COMPATIBILITY CRITERIA TABLES AND MAPS

Understanding the regulatory background and the means by which the four compatibility concerns can be measured and depicted is one part of the compatibility planning process. The other piece of the puzzle is to relate these strategies to a specific airport environment; both geographically and for various categories of land uses. This is done by means of a compatibility criteria table or tables— although sometimes a list or outline format is used— together with one or more compatibility zone maps.

- ◆ **Tables**—Compatibility criteria tables provide the measures by which land use categories can be evaluated for compatibility with the airport impacts identified for various portions of the airport environs.
- ◆ **Maps**—Compatibility maps show where the various criteria geographically apply within the airport environs. Generally, the maps divide the airport environs into a series of zones in which a progressively greater degree of land use restrictions apply the closer the zone is to the airport.

3.3.1 Compatibility Criteria Table and Map Formats

Three basically distinct table and map formats have evolved among the ALUCPs adopted by ALUCs in California. As with many other facets of compatibility planning, there are advantages and disadvantages to each choice with none being clearly the best.

All of these formats are acceptable options for ALUCPs.

Separate Criteria Tables and Maps

The traditional approach to compatibility criteria tables and maps is to have separate sets for each type of impact. For noise, the table indicates whether each land use classification is or is not acceptable within various ranges of noise exposure as measured on the CNEL scale. For safety, the relationship is between each land use category and the degree of accident risk at locations around the airport. An airspace protection map indicates the allowable heights of objects near the airport. Finally, overflight concerns can be addressed by a map showing where any associated compatibility policies apply.

- ◆ **Advantages**—The chief advantage to this approach is that the relationships between the noise and safety concerns and the associated criteria are relatively obvious. For example, at a minimum, residences should not be exposed to noise levels above 65 CNEL and schools and shopping centers should not be situated in a RPZ.

A second advantage is that the resulting large number of zones (because noise and safety each have their own set of zones and airspace protection is also separately considered) gives greater flexibility in adjusting the compatibility criteria to suit the circumstances. This flexibility can be particularly important in urban areas where site design and other specific features of the development can become critical to determining the compatibility of a proposed land use.

- ◆ **Disadvantages**—The disadvantages involve ease of use and occasional confusion in application. Although technically sound, the use of separate criteria and maps can be more complicated and require greater understanding of compatibility concepts. For any given land use classification or individual development proposal to be evaluated, it must be checked against multiple sets of criteria tables and maps—noise, safety, and overflight impacts—as well as a map of protected airspace. For a given location, one type of land use may be acceptable with respect to noise, but not for safety; another use may be just the opposite; and, taken together, most forms of urban land use development may sometimes appear to be ruled out.

Composite Criteria Table and Map

A different and equally common approach is one that simplifies compatibility assessments by condensing the various factors down to a single set of criteria presented in one table and one map for each airport. The map defines a small number of these discrete zones—preferably no more than five or six—which represent locations with similar *combinations* of noise, safety hazard, and overflight exposure. Airspace protection criteria can sometimes be included as well.

An example of such zones might combine the various factors as follows:

Zone	Location / Compatibility Factors
A	<ul style="list-style-type: none"> ◆ Runway primary surface and runway protection zones
B1	<ul style="list-style-type: none"> ◆ Inner segment of runway approaches ◆ High noise levels; high safety concerns ◆ Low-altitude aircraft overflight ◆ Height limits as little as 50 feet
B2	<ul style="list-style-type: none"> ◆ Adjacent to runway ◆ High noise ; moderate safety concerns ◆ Normally no overflights ◆ Transitional surface height limit restrictions
C1	<ul style="list-style-type: none"> ◆ Outer portion of runway approach routes, particularly instrument approaches ◆ Moderate noise ; moderate safety concerns ◆ Overflight at less than normal traffic pattern altitude
C2	<ul style="list-style-type: none"> ◆ Remainder of common traffic patterns ◆ Overflight at traffic pattern altitude ◆ Potential overflight annoyance concerns
D	<ul style="list-style-type: none"> ◆ Less frequent overflights ◆ Remainder of airspace protection surfaces

- ◆ **Advantages**—One advantage to the composite approach is that it allows most land uses to be evaluated with quick reference to a single table and map. More significantly, though, is that it allows more flexibility in the mapping of compatibility zones (as compared to the separate criteria and map format that offers higher flexibility in defining the compatibility criteria). As discussed later in this chapter, generic boundaries can be drawn for a limited number of airport classes. These boundaries can then be applied to all similar airports in the ALUC ’s jurisdiction and adjusted as necessary to reflect atypical airport operational characteristics, local geographic boundaries, and established land uses.
- ◆ **Disadvantages**—The major disadvantage to combining compatibility criteria into a single table and map is that the basis for location of the zone boundaries is not always clear. In locations where substantial development may be planned, local planners, property owners, and developers will want to know the specific reasons for any restrictions on property. If more detailed assessment of a complex land use development proposal is necessary, reference to separate noise and safety compatibility tables and maps is often still required.

Categorization of Land Uses

The other variation in the formatting of compatibility criteria pertains to how land uses are categorized in the compatibility table(s). There are two different approaches to the listing of land uses. Both are common among ALUCPs and, as with the overall format of the tables, each has advantages and disadvantages.

Either of these two formats is acceptable. In both cases, however, attention should be paid to minimizing the shortcomings listed among each option's disadvantages.

- ◆ Each zone should be as compact as possible.

Generic Safety Zones

Converting the above concepts into a set of safety zones for a specific airport is, unfortunately, not a simple task. There is no computer model akin to those for creating noise contours into which airport data can be inserted and a set of safety zones are produced as the output. While accident location data provides a solid foundation for delineation of safety zones, considerable judgment is required when creating zones for a particular airport.

This edition of the Handbook does not change the safety zone guidance provided in the 2002 edition. As described above, evidence from analysis of the limited new data gathered for this edition was insufficient to conclude that the geographic distribution of accidents has significantly changed during the past decade compared to the pattern from the 1983-1992 period that served as the basis for the previously suggested zones (see Appendix E).

The dimensions of Zone 1 should reflect the runway protection zone as identified on an airport layout plan, and described in FAA Advisory Circular 150/5300-13: Airport Design.

To assist ALUCs in delineation of safety zones for a given airport, this *Handbook* provides sets of generic zones intended to serve as a starting place for the exercise. A total of seven examples of different safety zone configurations are delineated in a series of diagrams shown in the figures on the following pages. Figure 3A includes safety zone examples for five different types of general aviation runways. Figure 3B presents examples for runways at a large air carrier and military airports. The diagrams divide the airport vicinity into as many as six safety zones in addition to the immediate runway environs (defined by the FAR Part 77 primary surface):

- ◆ *Zone 1:* Runway protection zone and within runway object free area adjacent to the runway;
- ◆ *Zone 2:* Inner approach/departure zone;
- ◆ *Zone 3:* Inner turning zone;
- ◆ *Zone 4:* Outer approach/departure zone;
- ◆ *Zone 5:* Sideline zone; and
- ◆ *Zone 6:* Traffic pattern zone (not applicable to large air carrier airports).

The intent of the set of zones depicted for each example is that risk levels be relatively uniform across each zone, but distinct from the other zones. For the most part, the shapes and sizes of the zones were established based upon mathematical analyses of the accident location data presented in this and Appendix E. Not clearly stated in past editions, though, was that another factor also played a part in the zone delineation and is important to acknowledge here: flight parameters. More specifically, as an aircraft approaches for landing or climbs out after takeoff, how is it being operated? Where is it normally flying relative to the runway, and at what altitude? Is it flying straight and level or turning and climbing or descending? What actions pose the greatest stress on the aircraft and greatest potential for loss of control or fewest options for recovery if the unexpected occurs? Where are conflicts between aircraft in flight most likely to happen and potentially create risks for the land uses below?

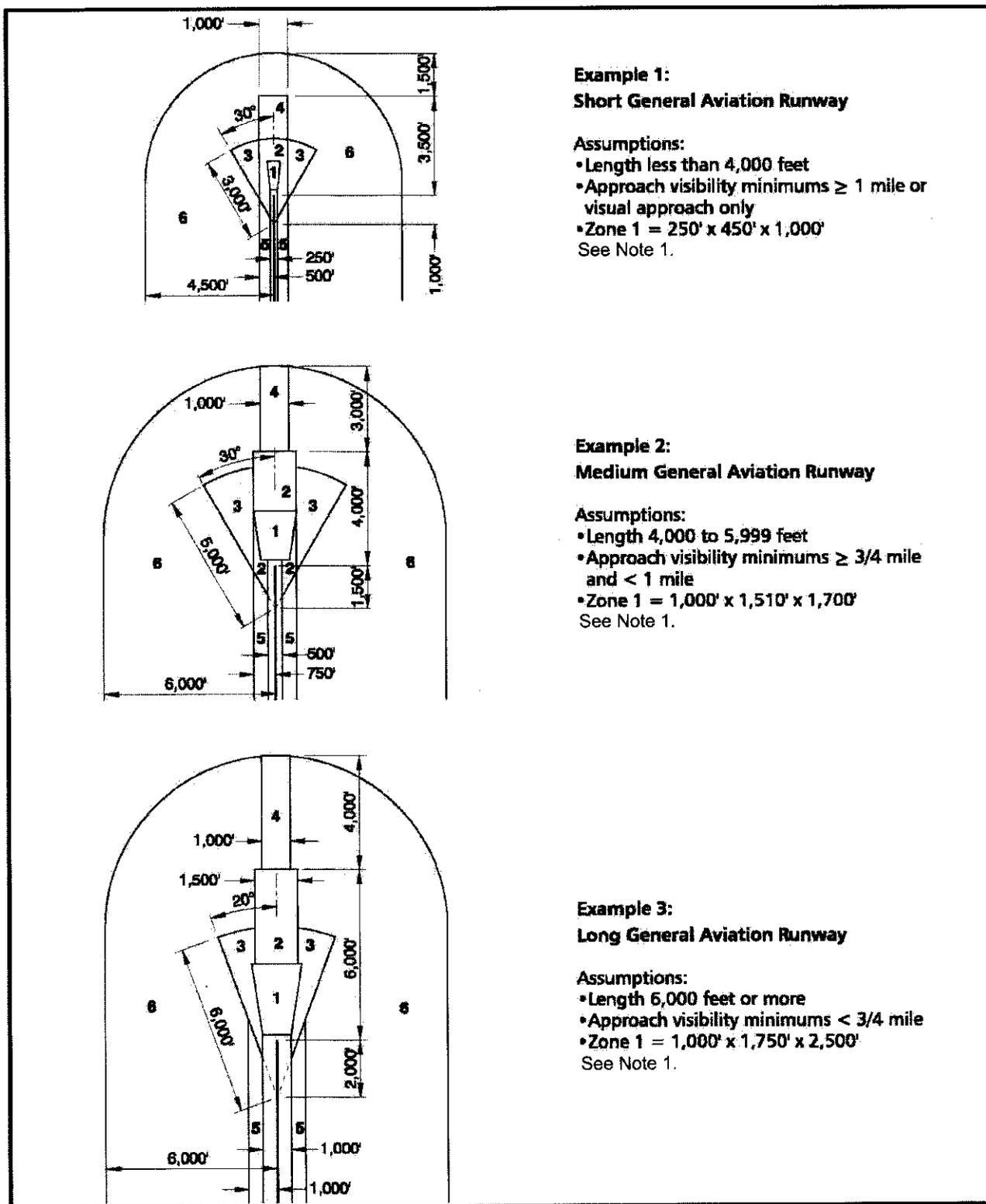
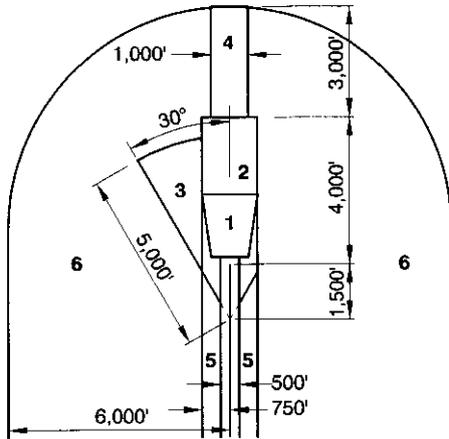


FIGURE 3A

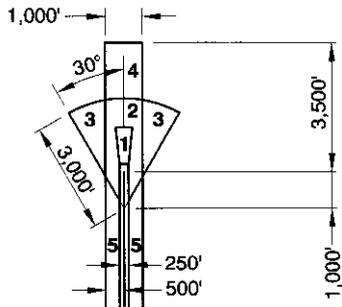
Safety Compatibility Zone Examples – General Aviation Runways



**Example 4:
General Aviation Runway with
Single-Sided Traffic Pattern**

Assumptions:

- No traffic pattern on right
 - Length 4,000 to 5,999 feet
 - Approach visibility minimums \geq 3/4 mile and $<$ 1 mile
 - Zone 1 = 1,000' x 1,510' x 1,700'
- See Note 1.



**Example 5:
Low-Activity General Aviation Runway**

Assumptions:

- Less than 2,000 takeoffs and landings per year at individual runway end.
 - Length less than 4,000 feet
 - Approach visibility minimums \geq 1 mile or visual approach only
 - Zone 1 = 250' x 450' x 1,000'
- See Note 1.

Legend

1. Runway Protection Zone
2. Inner Approach/Departure Zone
3. Inner Turning Zone
4. Outer Approach/Departure Zone
5. Sideline Zone
6. Traffic Pattern Zone

Notes:

1. RPZ (Zone 1) size in each example is as indicated by FAA criteria for the approach type assumed. Adjustment may be necessary if the Approach type differs.
2. See Figure 3A for factors to consider regarding other possible adjustments to these zones to reflect characteristics of a specific airport runway.
3. See Figures 4B through 4G for guidance on compatibility criteria applicable with each zone.

These examples are intended to provide general guidance for establishment of airport safety compatibility zones. They do not represent California Department of Transportation standards or policy.

FIGURE 3A CONTINUED

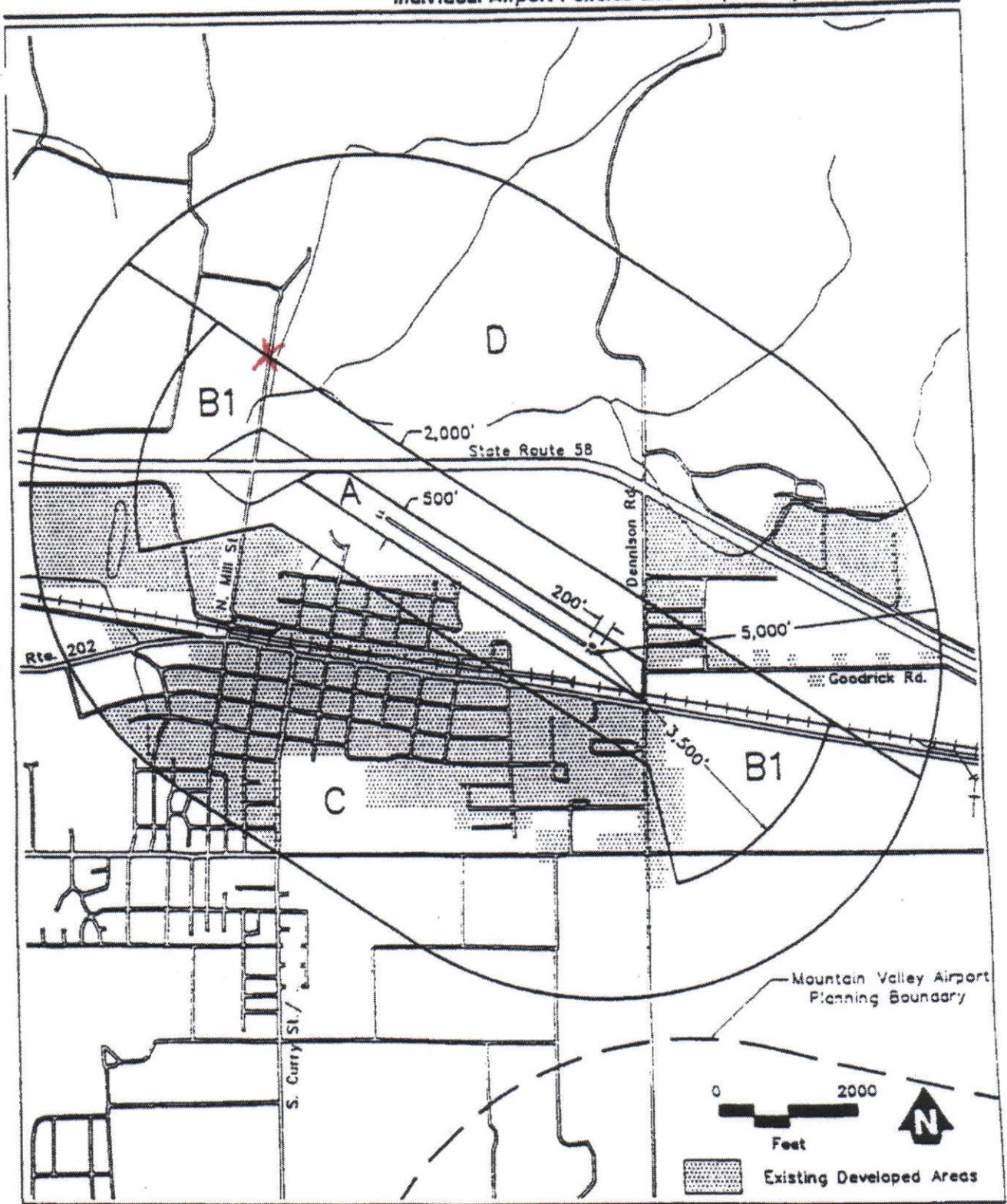


Figure 4 - 71

Comprehensive Land Use Plan
Tehachapi Municipal Airport

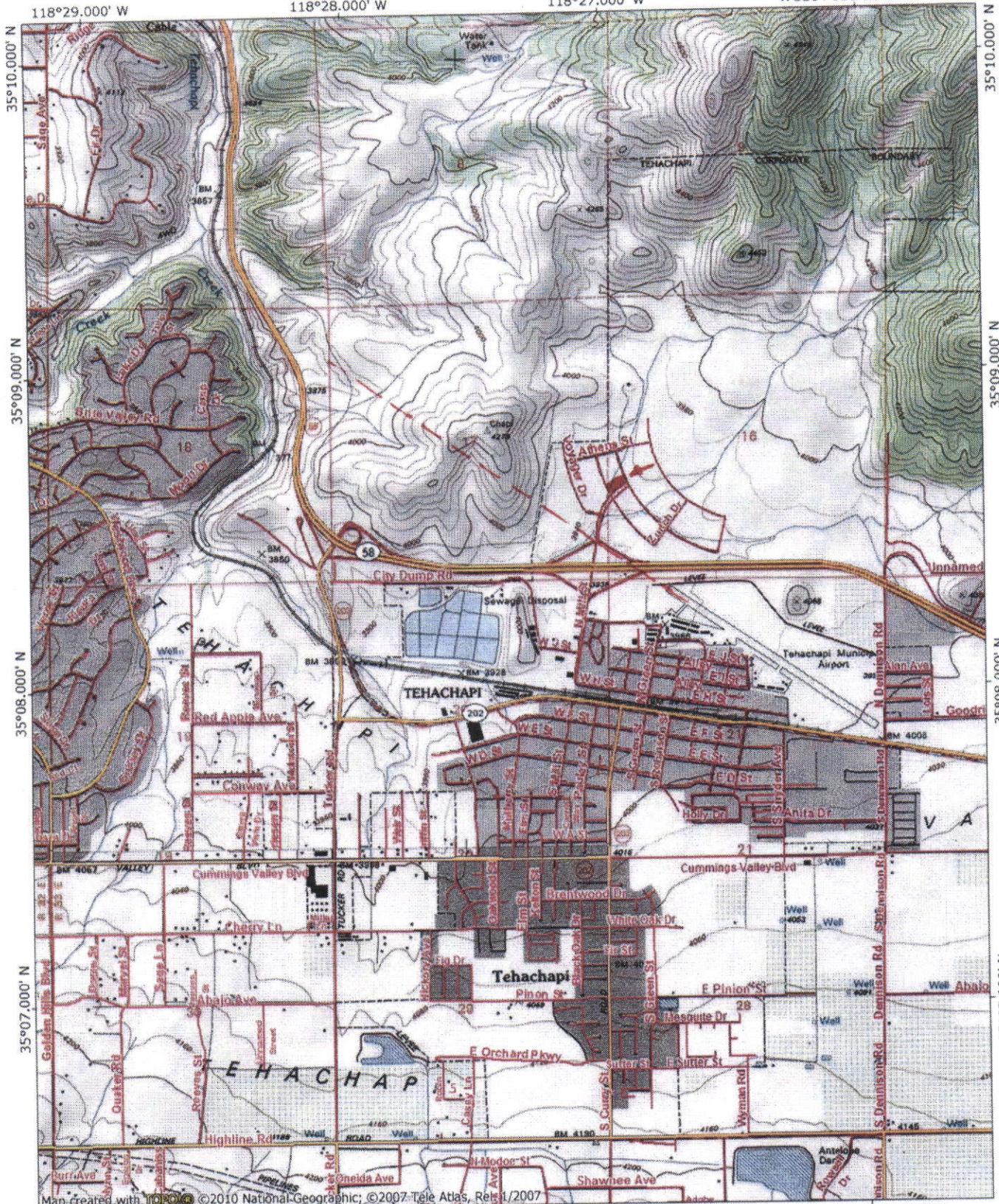
TOPO! map printed on 08/28/12 from "Untitled.tpo"

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WGS84 118°26.000' W



Map Created with TOPO! ©2010 National Geographic, ©2007 Tele Atlas, Reprint/2007

118°29.000' W

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118°27.000' W

WGS84 118°26.000' W



TN / MN
13°
08/28/12



PAUL SHANNON ARCHITECT



ARCHITECT

CONSULTANT

CONTRACT

DATE

Tehachapi
INN

CAPITAL HILLS PARKWAY
TEHACHAPI, CA

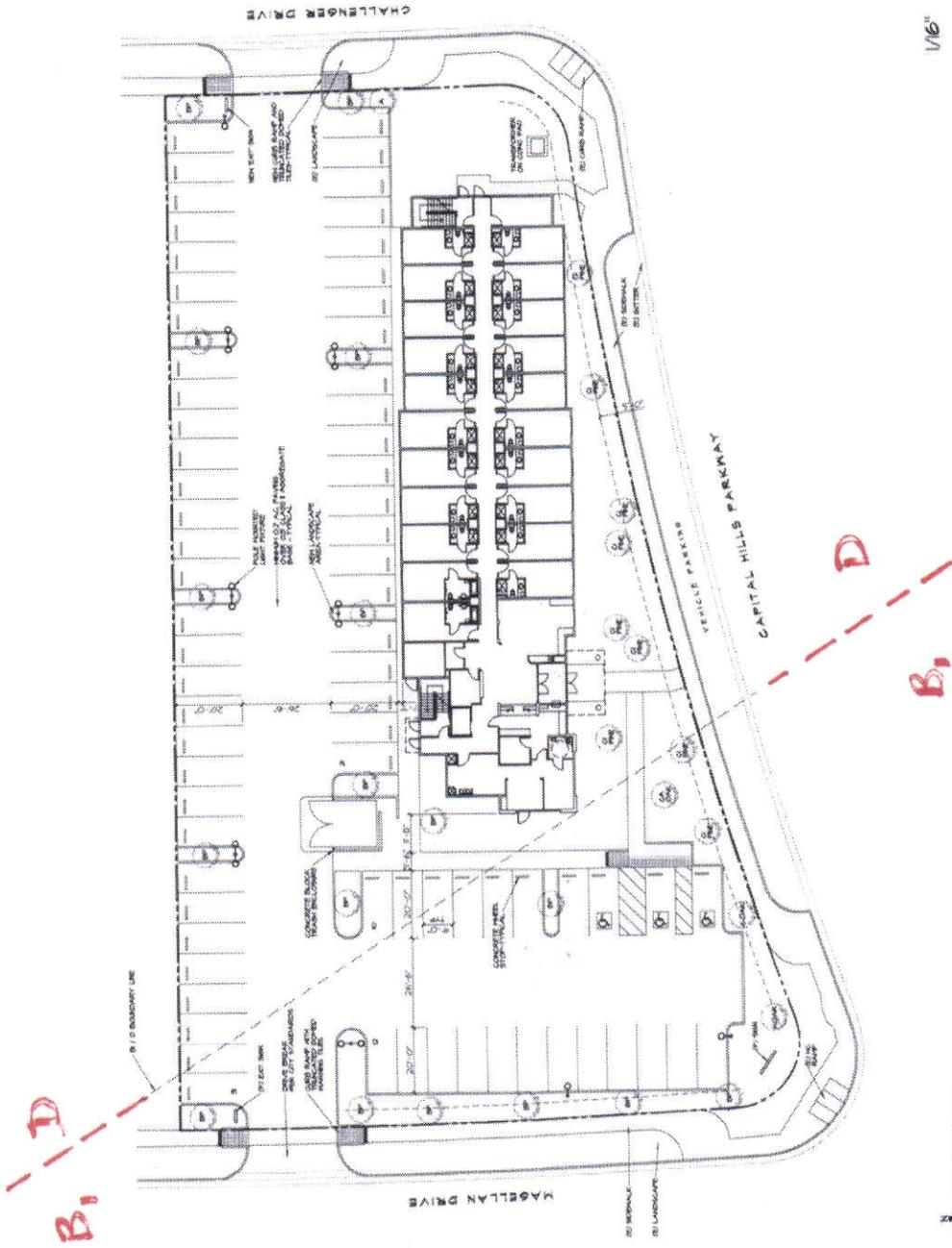
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97	PRELIMINARY
98	CONCEPT
99	SCHEMATIC
100	PRELIMINARY

PROJECT INFORMATION
 PROJECT NAME: TEHACHAPI INN
 CLIENT: CAPITAL HILLS PARKWAY
 LOCATION: CAPITAL HILLS PARKWAY, TEHACHAPI, CA
 DESIGNER: PAUL SHANNON ARCHITECT
 DATE: 10/15/2011
 SCALE: 1/8" = 1'-0"

BUILDING ANALYSIS
 TYPE OF CONSTRUCTION: WOOD FRAME
 FOUNDATION: CONCRETE
 WALLS: 2" CMU
 FLOORING: 4" CONCRETE
 ROOFING: 2" POLYSTYRENE INSULATION
 MECHANICAL: 1" POLYSTYRENE INSULATION
 ELECTRICAL: 1" POLYSTYRENE INSULATION
 PLUMBING: 1" POLYSTYRENE INSULATION
 FINISHES: 1" POLYSTYRENE INSULATION

PARKING ANALYSIS
 TYPE OF PARKING: SURFACE
 PARKING RATIO: 1.5 PER 100 SF
 TOTAL PARKING: 150 SPACES
 LANDSCAPE: 10% OF TOTAL AREA
 TOTAL LANDSCAPE: 15,000 SF

LEGEND
 (P) PLANTING
 (A) APPLE TREE (10' x 10')

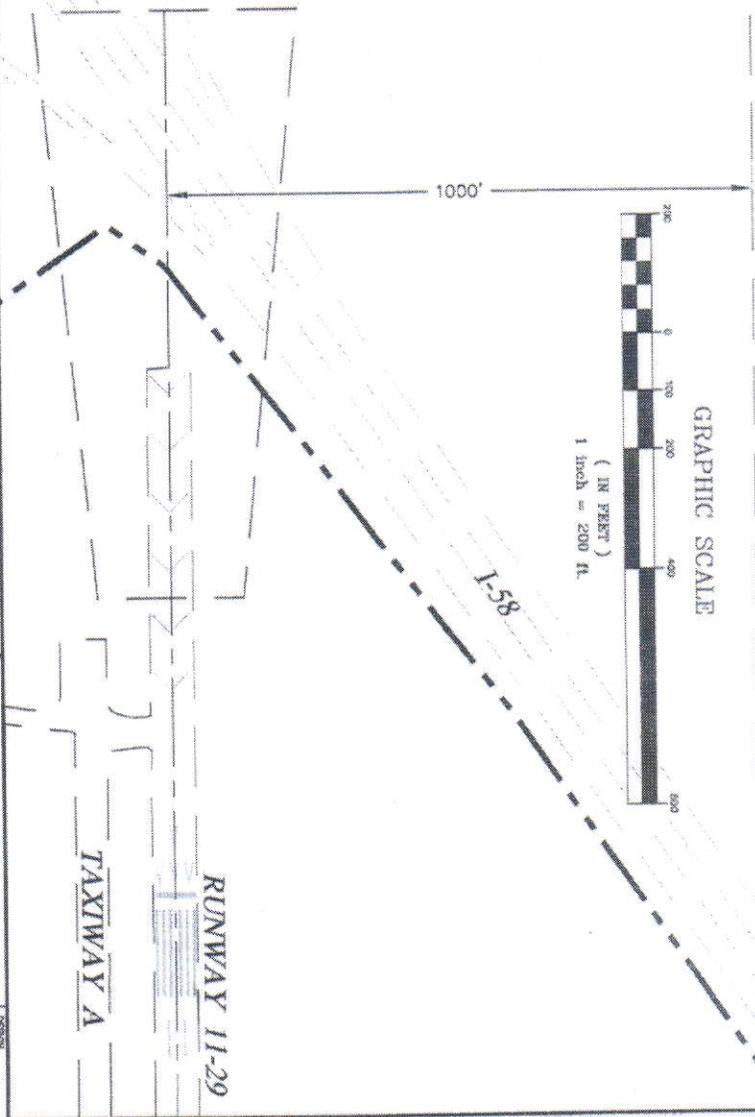
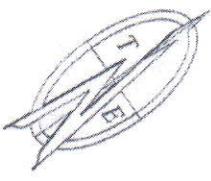


1/8"

SITE PLAN



ZONE D
ZONE B1



REFERENCE:
COMPREHENSIVE LAND USE PLAN, TEHACHAPI MUNICIPAL AIRPORT

ZONE B1/D BOUNDARY LINE
TEHACHAPI MUNICIPAL AIRPORT

TEHACHAPI MUNICIPAL AIRPORT CITY OF TEHACHAPI	
TEHACHAPI ENGINEERING CIVIL ENGINEERS 7960 El Camino Real, Suite 8, Woodside, CA 94062 650 962 8000 FAX 650 962 9111	
SHEET NO. 10-10 DATE 11/12/13 SCALE 1"=200' ORDER NO. 10-10	SHEET 1 OF 1



Google earth

feet
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FAR AIM

2010

**Rules and procedures for
General Aviation, Sport
Pilots, and Instructors**



U.S. Department of Transportation:
From Titles 14 and 49 of the
Code of Federal Regulations

Updated and Published by

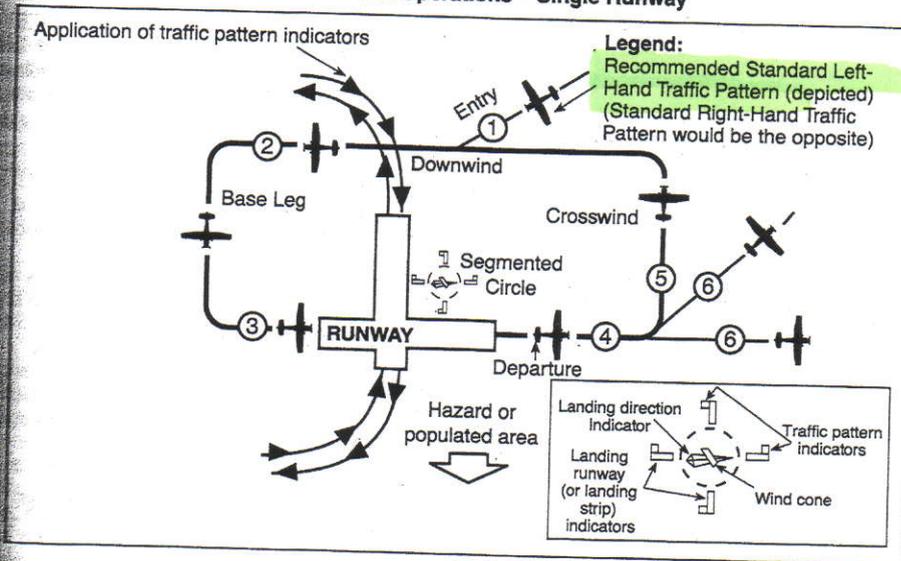


Aviation Supplies & Academics, Inc.
Newcastle, Washington

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rwise required
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4-3-2 and Fig-

FIGURE 4-3-2
Traffic Pattern Operations - Single Runway



Examples

Key to traffic pattern operations

- 1 Enter pattern in level flight, abeam the midpoint of the runway, at pattern altitude. (1,000' AGL is recommended pattern altitude unless established otherwise...)
- 2 Maintain pattern altitude until abeam approach end of the landing runway on downwind leg.
- 3 Complete turn to final at least 1/4 mile from the runway.
- 4 Continue straight ahead until beyond departure end of runway.
- 5 If remaining in the traffic pattern, commence turn to crosswind leg beyond the departure end of the runway within 300 feet of pattern altitude.
- 6 If departing the traffic pattern, continue straight out, or exit with a 45 degree turn (to the left when in a left-hand traffic pattern; to the right when in a right-hand traffic pattern) beyond the departure end of the runway, after reaching pattern altitude.

Chapter 4

AIM

State of California

Department of Transportation
Division of Aeronautics

AIRPORT PERMIT

This Certifies that TEHACHAPI MUNICIPAL AIRPORT
owned by CITY OF TEHACHAPI and
operated by CITY OF TEHACHAPI
located at Longitude 118° 26' 00"W Latitude 35° 08' 00"N

has received Permit No. Ker-4, dated September 30, 1949
Corrected March 6, 1981 for change of ownership
Operation of an airport is hereby authorized under this permit, pursuant to the laws of the State of
California and the rules and regulations of the Department of Transportation subject to the following
conditions: None



Earl A. Tucker

EARL A. TUCKER
CHIEF, FIELD OPERATIONS

THIS PERMIT MUST BE CONSPICUOUSLY POSTED AT THE ABOVE NAMED AIRPORT

TEHACHAPI

MOUNTAIN VALLEY (L94) 2 SE UTC-8(-7DT) N35°06.06' W118°25.39'
4220 S4 OX 2, 4 TPA-5220(1000) NOTAM FILE RIU

LOS ANGELES
L-38, 78

RWY 09L-27R: 4890X36 (ASPH-DIRT)
RWY 09L: Road.
RWY 27R: Berm. Rgt t/c.
RWY 09R-27L: 4890X36 (ASPH-DIRT)
RWY 09R: Tree. Rgt t/c.
RWY 27L: Berm.

AIRPORT REMARKS: Attended 1600-2100Z, 2200-0100Z. For fuel after hours call 805-822-5159. Gliders apch from N, use Rwy 09L-27R, powered acft apch from S; use Rwy 09R-27L. Rwy end 09R first 1200' X36' dirt, Rwy end 27L remaining 3,690' X36' asphalt. Rwy end 09L first 1200' X36' dirt; Rwy end 27R remaining 3690' asphalt of varying widths. Rwy 09R-27L marked with rstd thid bars at each end; no numbers no centerline. Rwy 09L-27R restricted to sailplane use. Rwy 09L no runway centerline. Rwy 09L rstd thid marking only. Rwy 09L marked with letter R on each end no centerline. Rwy 27R no runway centerline. Rwy 27R rstd thid marking only. NOTE: See Special Notices—Aerobic Practice Area Mountain Valley Airport, Tehachapi, CA.

COMMUNICATIONS: CTAF/UNCOM 123.0

RADIO AIDS TO NAVIGATION: NOTAM FILE HHR.

LAME HUGHES (L) VORTACW 108.4 LHS Chan 21 N34°40.98' W118°34.62' 002° 26.2 NM to fld. 5790/15E.
DME portion unmonitored.
VOR portion unusable:
335°-350° bto 10,000'

TEHACHAPI MUNI (TSP) ONE UTC-8(-7DT) N35°08.10' W118°26.35'
4001 B S4 FUEL 100LL JET A TPA-5001(1000) NOTAM FILE RIU

LOS ANGELES
L-38, 78

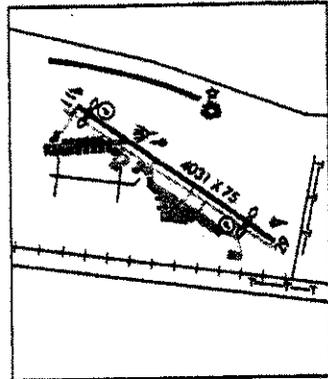
RWY 11-29: H4031X75 (ASPH) HIRL
RWY 11: PAPI(P2L)—GA 3.0° TCH 42'. Thid dep'd 285'. Hill. Rgt t/c.
RWY 29: PAPI(P2L)—GA 3.5° TCH 15'. Thid dep'd 375'. Poles.
AIRPORT REMARKS: Attended 1600-0100Z. CLOSED holidays. For after hrs arpt attendance call 949-500-7753. Fuel 24 hrs credit card. Lgtd obstruction mountain 1 mile west of arpt 4279' MSL. Gross weight pavement strength provided by arpt manager: 25,000 lbs. ACTIVATE HIRL Rwy 11-29—CTAF.

WEATHER DATA SOURCES: AWOS-3 120.025 (661) 823-0473.

COMMUNICATIONS: CTAF/UNCOM 123.0

RADIO AIDS TO NAVIGATION: NOTAM FILE HHR.

LAME HUGHES (L) VORTACW 108.4 LHS Chan 21 N34°40.98' W118°34.62' 359° 27.9 NM to fld. 5790/15E. DME portion unmonitored.
VOR portion unusable:
335°-350° bto 10,000'



THERMAL N33°37.69' W116°09.61' NOTAM FILE TRM.

LOS ANGELES
N-4L, L-4

(N) WPTAC 116.2 TRM Chan 109 at Jacqueline Cochran Rgnl. -87/13E.

VOR unusable:
045°-060° byd 30 NM bto 12,000'
045°-060° byd 35 NM bto 13,500'
060°-090° byd 35 NM bto 9,000'
160°-185° byd 30 NM bto 14,000'
160°-185° byd 20 NM bto 12,000'
185°-260° byd 20 NM bto 18,500'
260°-285° byd 35 NM bto 11,000'
260°-285° byd 36 NM bto 12,000'
265°-285° byd 35 NM bto 13,500'
325°-045° byd 20 NM bto 12,000'
325°-045° byd 35 NM bto 13,500'

DME unusable:
060°-090° byd 35 NM bto 9,000'
160°-285° byd 18 NM bto 17,500'
160°-285° byd 30 NM
325°-060° byd 20 NM bto 12,000'
325°-060° byd 30 NM bto 15,000'

RCR 122.3 (RIVERSIDE RADIO)

ASOS 118.325 TRM N33°37.67' W116°09.61' (760) 399-8054.

Airport Name	TEHACHAPI MUNI	Associated City	TEHACHAPI
FAA Site	02341.*A	Location Identifier	TSP
NPIAS Number	06-0253	Hub Type	
Service Level	General Aviation		



Data Effective Date: 01/10/2013

Provided By GCR Inc.

General Information	Services & Facilities	Based Aircraft & Operations	Runway Information	Remarks
---------------------	-----------------------	-----------------------------	--------------------	---------

Based Aircraft

Single Engine (SE):	86
Multi Engine (ME):	6
Jet (J):	0
TOTAL FIXED WING: (SE + ME + J)	92
Helicopters:	2
Gliders:	0
Military:	0
Ultra-Light:	1

Operations

Air Carrier:	0
Air Taxi:	0
General Aviation Local:	4,500
General Aviation Itinerant:	6,500
Military:	0
TOTAL OPERATIONS:	11,000
Operations for 12 Months Ending: 05/15/2012	



National Based Aircraft Inventory

Update counts at BasedAircraft.com for non-primary NPIAS airports.

Visit www.basedaircraft.com to verify your counts and learn more.

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Service Level	General Aviation		



Data Effective Date: 01/10/2013

Provided By GCR Inc.

General Information	Services & Facilities	Based Aircraft & Operations	Runway Information	Remarks
---------------------	-----------------------	-----------------------------	--------------------	---------

11/29

Runway Data

Runway Identification	11/ 29
Length	4,031
Width	75
Surface Type-Condition	ASPH-G
Surface Treatment	
Gross Weight (In Thousands)	
SW	
DW	
DTW	
DDTW	
Pavement Classification Number (PCN)	

Obstruction Data

FAR 77 Category	A(V)/A(V)
Displaced Threshold	285/375
Controlling Obstruction	HILL/POLES
Obstruction Marked/Lighted	/
Height Above Runway End	276/31
Distance From Runway End	4800/450
Centerline Offset & Direction	0B/100R
Obstruction Clearance Slope	16/8
Close-In Obstruction	N/N

Lighting/Approach Aids

Edge Intensity	HIGH
Runway Marking Type-Condition	BSC-G/BSC-G
Visual Glide Slope Indicator (VGSI)	P2L/P2L
Threshold Crossing Height	42/15
Visual Glide Angle	3.00/3.50
Centerline-Touchdown Zone	N-N/N-N
Runway Visual Range (RVR) - Runway Visual Value (RVV)	-N/-N
Runway End Indicator Lights (REIL)	N/N
Approach Lights	/

Declared Distances

Take Off Run Available (TORA)	0/0
Take Off Distance Available (TODA)	0/0
Accelerate Stop Distance Available (ASDA)	0/0
Landing Distance Available (LDA)	0/0

Runway End Coordinates

Runway End 11

Latitude	35-08-17.2236N
Longitude	118-26-41.2356W
Elevation	3958.4 FT. (MSL)

Runway End 29

Latitude	35-07-54.7029N
Longitude	118-26-01.2016W
Elevation	4001.1 FT. (MSL)

Office Memorandum: CITY OF TEHACHAPI

TO: CHAIRPERSON WHITE AND MEMBERS OF THE PLANNING COMMISSION **DATE:** JANUARY 10, 2013

FROM: DAVID JAMES, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: JANUARY 10, 2013 AIRPORT COMMISSION MEETING

The Tehachapi Inn project (AD&SPR No. 2012-02 Revision No. 1) was a discussion item at the Airport Commission meeting on Tuesday, January 8, 2013. (Please see the Airport Commission Agenda as Attachment A). As a follow-up the Airport Commission requested the attached information that was disseminated at the meeting during the discussion be included in the Planning Commission packet. (Please see Attachment B).

Thank you.

EXHIBIT E

AGENDA

TEHACHAPI AIRPORT COMMISSION REGULAR MEETING
Airport Pilot's Lounge
314 N. Hayes Street
Tuesday, January 8, 2013 - 6:00 P.M.

Persons desiring disability-related accommodations should contact Airport Staff no later than ten days prior to the need for the accommodation.

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE TO FLAG

D. APPROVAL OF MINUTES

1. Approval of Minutes of the regular meeting held on December 11, 2012.

E. AUDIENCE ORAL AND WRITTEN COMMUNICATIONS

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

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

F. AIRPORT COMMISSION AGENDA ITEMS

1. Discussion of fuel concession maintenance provisions and options.
2. Informational presentation regarding "Tehachapi Inn", hotel project No. 2012-02, originally filed as Motel 6.

G. AIRPORT MANAGER REPORTS

1. Airport general business.

H. ANNOUNCEMENTS OR REPORTS

This portion of the meeting is reserved for commissioners to present information, announcements, and items that have come to their attention. The Commission will take no formal action. A Commissioner may request to calendar an item for consideration at a future meeting, or, refer an item to staff

I. ADJOURNMENT

**TEHACHAPI AIRPORT COMMISSION
REGULAR MEETING MINUTES
AIRPORT PILOT'S LOUNGE
314 N. HAYES STREET
Tuesday, 2013 January 8 - 6:00 P.M.**

NOTE: "Ha, Ko, Mo, Fr, and Wr" are abbreviations for, respectively, Airport Commissioners Hansen, Koszyk, Moen, Francis, and Wright. These abbreviations are used with a slash (/) to denote who made a motion and who seconded the motion. For example, Ko/Ha denotes Commissioner Koszyk made the motion and Commissioner Hansen seconded it. The abbreviation Ab means "absent," Abd means "abstained," Ns means noes, and NAT means "no action taken."

Action Taken

A. CALL TO ORDER:

The meeting was called to order by Airport Commission Chairman Eric Hansen at 6:00 PM.

B. ROLL CALL:

Present: Commissioners Eric Hansen (chairman), Jerry Koszyk, and Rex Moen William. Commissioners Wright and Francis were absent, calling in that they had to be at work. Also present was ex-officio member Tom Glasgow (Airport Manager), Gaston Patterson (Assistant Airport Manager), City Manager Greg Garrett, City Planner David James, City Engineer Jay Schlosser, and City Councilwoman Kim Nixon.

C. PLEDGE TO THE FLAG:

Led by Commissioner Eric Hansen.

D. APPROVAL OF MINUTES:

The minutes for the regular meeting of December 11, 2012 were unanimously approved.

Approved
Minutes
Mo/Ko
Motion
Carried

E. AUDIENCE ORAL COMMUNICATION:

William Nelson made comments as to the current new hospital location proposed to be sited in Capitol Hills being incompatible with the aviation safety zone.

F. AIRPORT COMMISSION AGENDA ITEMS :

1. **Discussion of fuel concession maintenance provisions and options.**

The aviation gasoline pump failed during the holiday period and Airport Staff could not get a timely response from vendors to repair it. As of this meeting, the pump is still out and the City is losing fuel sales and considerable air travel supported revenue to city businesses. Airport Manager Tom Glasgow explained that after some delay due to holiday availability, he has ordered and received two pump/motor sets, and is awaiting vendor technicians to access the tank and make repairs. In the interim, he looked into borrowing a fuel truck to have on site, but all that could be found would require weeks of rework and certification, and by then our pumps would have already been back in service. He said he will keep a watch on the market for a used truck for a reasonable price that could be kept in reserve for future occurrences.

NAT

2. **Informational presentation regarding "Tehachapi Inn" hotel project No. 2012-02, originally filed as Motel 6.** City Planner David James presented a thorough, well-organized explanation of the proposed hotel

**TEHACHAPI AIRPORT COMMISSION
REGULAR MEETING – 2013 January 8**

project. He showed that the applicant and the City made every effort to insure compliance with the City's Airport Land Use Compatibility Plan (ALUCP), with the corners of the structure sited by actual survey to be in the "D" acceptable use area, and other mitigating provisions, such as dark sky lighting standards, non-reflective glare standards, an aviation easement, and a requirement for processing an FAA Form 7460.

Commissioner Hansen made the comment that it appears the proposed location is technically compatible with the ALUCP, and no technical objection would be likely. However, the purpose of the airport compatibility considerations is not merely to lay lines on the ground, but to mitigate safety to the public, safety to the aviation users, and to a lesser extent, to avoid encroachment upon the airport, avoid creating development sensitive to and subject to noise and low flights, and have the airport remain a good neighbor and asset to the community it serves. Commissioner Moen reflected that many airports have been closed as a result of many small encroachments being permitted over the years, and that the spirit and intent of land use planning around airports must never be ignored. Commissioner Koszyk agreed that the proposed hotel location appeared to be in compliance with airport land use planning.

Commissioner Hansen pointed out that we already have two blatant intrusions in the compatible land use areas around the airport. The Holiday Inn Express was sited, approved, and built in a prohibited zone since at the time it was exempt from the ALUCP as part the Capitol Hills existing development. Subsequently, The City has applied the ALUCP to the Capitol Hills development, which is why it is now referenced with regard to the current proposed hotel. The other glaring intrusion is the Tehachapi High School, which was sited and built not only in a prohibited zone, but right under the flight path where aircraft begin their descending turn in the traffic pattern to approach the runway. City Planner David James explained that the Tehachapi Unified School District did their own compatibility study, determined there was no aviation safety issue, and built the school without input as to ALUCP from City planners.

Comments were received from several members of the audience. William Nelson emphasized that the City has a responsibility to fully evaluate the safety and compatible use of projects around the airport. Ken Hetge says the City needs to consider the full text of the ALUCP in that factors other than strict compliance with the lines drawn must be considered, such as local topography, which may force aircraft in distress to modify their flight path such that development even in areas charted as acceptable use are at safety risk. He provided a plot of typical takeoff crash scatter modified for the hill off the end of Tehachapi's runway 29, which is attached to these minutes. He also provided a paper from his research on compatible land use considerations and requested it also be attached to the minutes.

Commissioner Hansen wrapped up the discussion, determining that no opinion or approval by the Airport Commission was asked for with regard to the proposed hotel, which appears to technically be in compliance with the ALUCP, but that the discussion should be reflected in the minutes and be

**TEHACHAPI AIRPORT COMMISSION
REGULAR MEETING – 2013 January 8**

available to the City Planning Commission and the City Council with regard to this proposal and any others which will occur in the future.

G. AIRPORT MANAGER REPORTS

Airport Manager Tom Glasgow reported that he is working on the plans for the now \$2.5 million FAA grant, for which the City will need to contribute 10%, or \$250,000, since the State has no money in their current fiscal situation. All letters are done, a revised airport layout plan has been drawn, and all environmental impact statements submitted. The 10 year plan with project sketch will be submitted to the FAA. City Manager Greg Garrett uncovered a source of an \$11,000 grant for parking lot lighting, which Tom is now working.

Gave Report

H. ANNOUNCEMENTS OR REPORTS FROM COMMISSIONERS

Commissioners Koszyk and Moen commented that the controversial issue of the proposed hotel was handled very well by the City, the Airport Commission, and the audience, with excellent, thoughtful contributions from all.

I. ADJOURNMENT

The Airport Commission adjourned at 7:55 PM until its next regular meeting to be held on Tuesday, February 12th, at 6:00 PM at the Airport Office/Pilot's Lounge at 314 North Hayes Street.

Adjournment
Ko/Fr Motion
Carried

Approved: 2013 February 12

Rex Moen, Secretary
Tehachapi Airport Commission

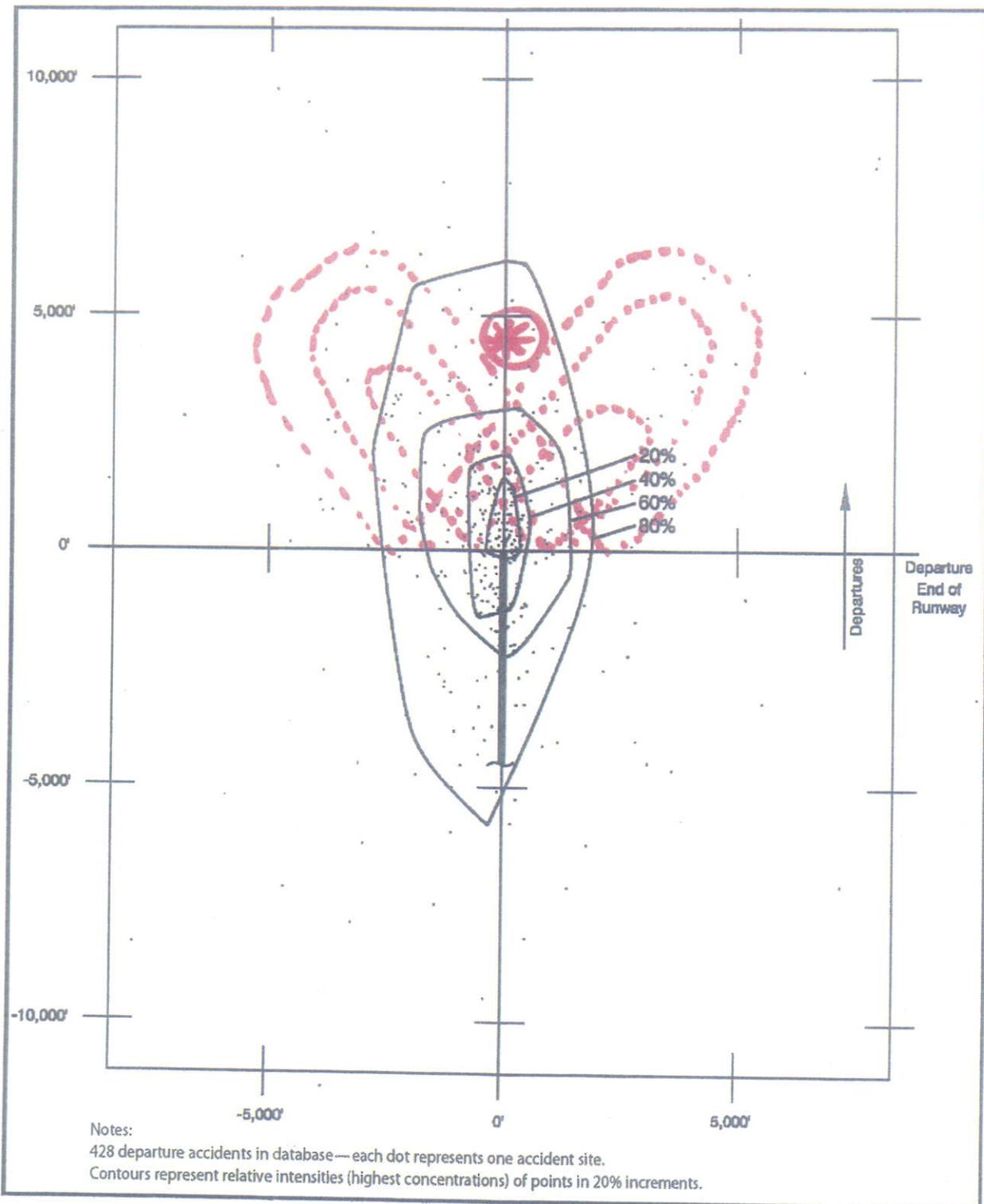


FIGURE F3
 General Aviation Accident Distribution Contours – All Departures

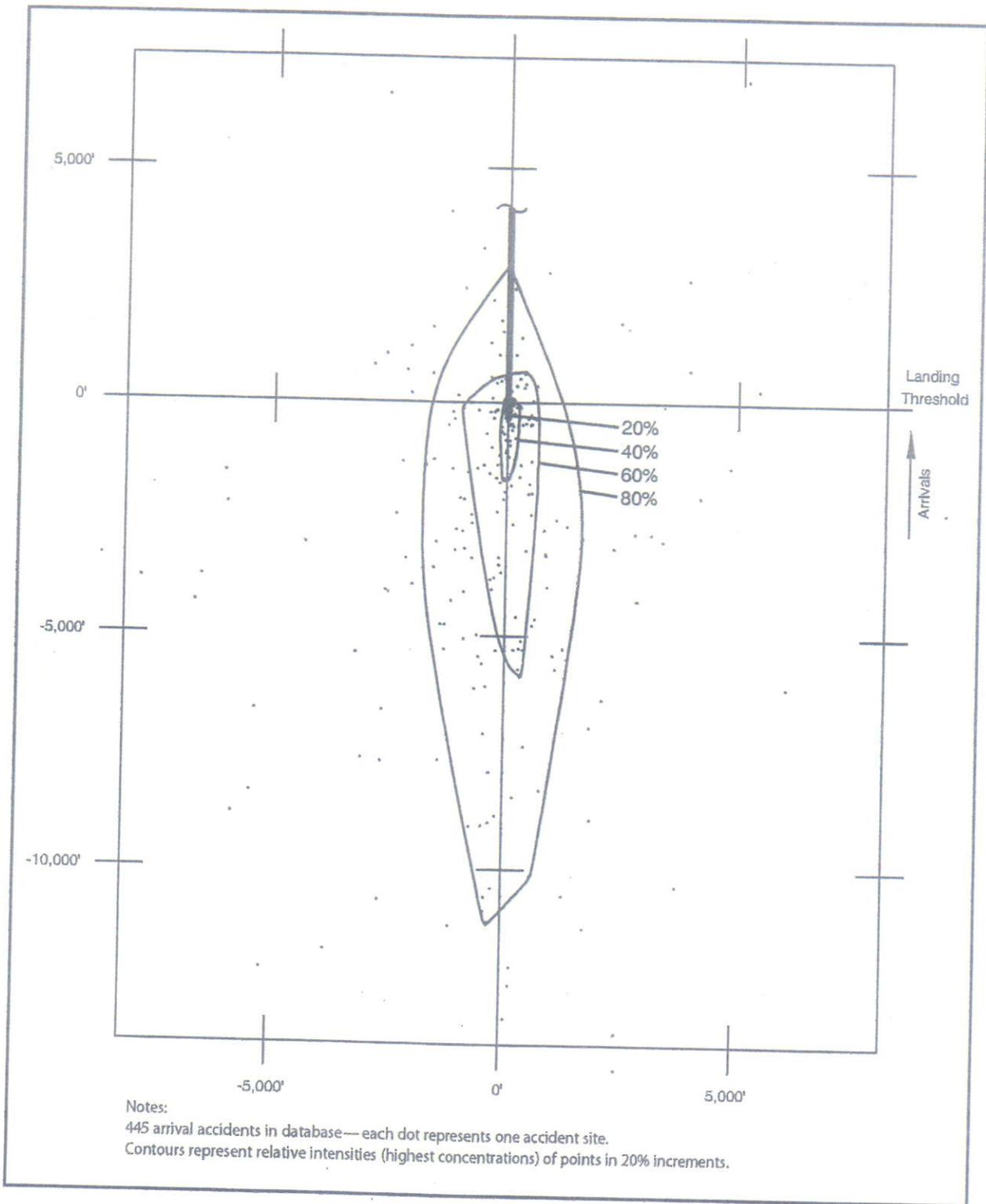


FIGURE F2
General Aviation Accident Distribution Contours – All Arrivals

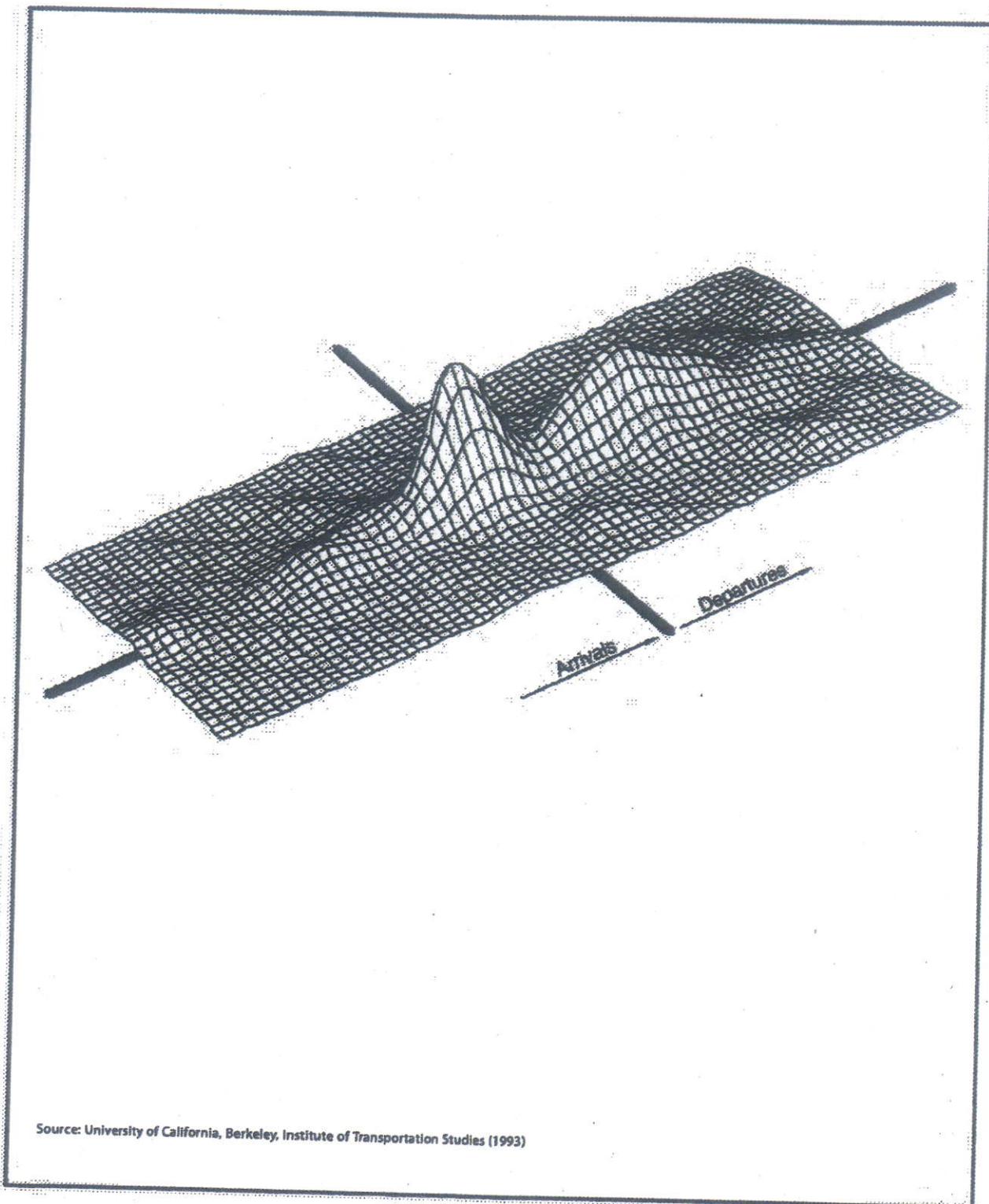


FIGURE F1
Three-Dimensional Plot of Accident Distribution Pattern –
General Aviation Aircraft Accident Database

1.2.5 Statutory Exceptions

Statutory exceptions were created by legislation for counties who requested relief from some of the provisions in Article 3.5. Exceptions were granted based on the unique conditions in these counties. None of the statutory exception counties are required to form an ALUC. The PUC includes four counties as statutory exceptions, namely Kern (Section 21670.1(d)), Santa Cruz (Section 21670.1 (e)), Los Angeles (Section 21670.2(a)), and San Diego (Section 21670.3(a)). Additionally, Santa Cruz County has been identified as being a "no procedures county." The organizational structure and processes of a statutory exception county can resemble either a designated body or a designated agency. The applicable Article 3.5 provisions are slightly different in these counties.

Kern County

Section 21670.1(d) provides a conditional waiver from the requirement to form an ALUC for a county that contracts with the Division to prepare ALUCPs. This exception requires that the County and the affected cities (1) "agree to adopt and implement" an ALUCP(s) and (2) to incorporate applicable federal regulations and *Handbook* compatibility criteria into their general and specific plans. Kern County is the only county currently with this arrangement.

1.3.1 Background

The ALUC is a statutorily created, quasi-legislative, public administrative agency that is responsible for conducting airport land use compatibility planning and preventing the creation of new noise and safety problems in the vicinity of public use airports. Pursuant to PUC Sections 21670 (a) and (b), an airport land use commission shall be established for the purposes of ensuring the orderly expansion of airports and the adoption of appropriate land use measures. California's airport land use compatibility planning is unique because the legislature has created ALUCs, which are separate from both the airport operators and the local agencies (cities and counties) in which those airports are located.

ALUCs have been granted the statutory authority to prepare an ALUCP and to review local government general and specific plans for consistency against the ALUCP. ALUCs oversee the consistency between local plans and the ALUCP. In some cases, they also review the compatibility of individual land use projects with the ALUCP. When an airport layout plan (ALP) or airport master plan (AMP) is amended, the ALUC must review their ALUCP for any changes that may be needed as a result of the airport updating its plan(s). An ALUC's consistency determination should be given substantial consideration by their local agency, as their determinations stand on their own. As discussed below, when review by the ALUC is required under the PUC, the determination of the ALUC is binding unless overruled by the local agency.

1.4.1 ALUC Membership and Selection

Per PUC Section 21670(b), each ALUC shall consist of seven members to be selected as follows:

- Two representing the cities in the county, appointed by a selection committee comprised of the mayors of all the cities within that county. If there are any cities contiguous or adjacent to the qualifying airport, at least one city representative shall be appointed from there. If there are no cities within a county, the number of representatives selected by the county and the airport managers shall be increased by one each (as of this

Handbook edition, only the counties of Alpine, Mariposa and Trinity have no incorporated cities).

- Two representing the county, appointed by the board of supervisors.
- Two having expertise in aviation, appointed by a selection committee comprised of the managers of all of the public airports within the county.

• •

One representing the general public, appointed by the other six members of the commission.

A person "having expertise in aviation," as used above, means a person who, by way of education, training, business, experience, vocation, or avocation has acquired and possesses particular knowledge of, and familiarity with the function, operation and role of airports, or is an elected official of a local agency which owns or operates an airport (PUC Section 21670(e)). While this person is often a pilot, that is not required by law.

2.1 PURPOSE OF AIRPORT LAND USE COMPATIBILITY PLANS

2.1.1 Introduction

Public Utilities Code (PUC), Section 21675(a) requires preparation of an airport land use compatibility plan (ALUCP) for each public use airport in the state. This requirement applies regardless of whether a county chooses to establish and maintain an airport land use commission (ALUC) or to utilize one of the other authorized formation types for airport land use compatibility planning.

The ALUCP is designed to encourage compatible land uses in the vicinity surrounding an airport. It provides for the "orderly growth of each public airport and the area surrounding the airport" while safeguarding "the general welfare of the inhabitants within the vicinity of the airport and the public in general (PUC Section 21675(a))." The ALUCP contains criteria for making consistency determinations, including building standards and height and land use restrictions.

ALUCPs are the fundamental tool used by ALUCs in fulfilling their purpose of promoting airport land use compatibility.

2.2.3 Airport Impacts

Noise and safety are the two primary airport impact concerns that have the potential to affect the health, safety and welfare of people within the vicinity of an airport. The related issues of

overflight (noise) and airspace protection (safety) should also be considered when preparing the ALUCP.

A

Approaches to addressing these concerns are outlined in Chapters 3 and 4. The Appendices contain additional background discussion of noise and safety compatibility concepts and issues.

People's reaction to aircraft noise varies widely with some people reacting vigorously to very low levels of aircraft noise, while other people have no reaction to very high levels of aircraft noise. The objective of compatible land use planning is to prevent people from being exposed to the most intensive and disruptive cumulative aircraft noise exposure levels. Aircraft noise exposure is depicted with cumulative noise exposure contours—measured in California in terms of community noise equivalent level (CNEL). CNEL contour maps are typically prepared for airports. However, aircraft noise exposure in areas beyond the outermost CNEL contours can also be annoying to some people and may be regarded as locally significant. These levels of aircraft noise exposure are generally described under the heading of overflight impacts.

Safety impacts from aircraft accidents near airports are typically handled by specifying the types of land uses and thus limiting the number of people who would be exposed to the risk of an accident. The other major safety concern is related to land uses that can create hazards to flight. Airspace protection primarily involves limitations on the height of objects on the ground near airports. Additional flight hazards to be considered are activities that can cause electronic or visual impairment to navigation or attract large numbers of birds.

3.2 TYPES OF COMPATIBILITY CONCERNS

As indicated in the preceding chapters, the land use compatibility concerns of airport land use commissions (ALUCs) fall under two broad headings identified in state law: noise and safety. However, for purposes of formulating compatibility policies and criteria, further dividing these basic concerns into four functional categories is more practical. These categories are:

- **Noise:** As defined by the exposure to noise attributable to aircraft operations.
- **Overflight :** As defined by the annoyance and other general concerns arising from routine aircraft flight over a community.
- **Safety :** As defined by the protection of people on the ground and in the air from accidents.
- **Airspace Protection:** As defined by the protection of airspace from hazards to flight.

Several other factors deserve consideration when defining safety zones. These factors involve characteristics of the airport environs.

- **Airport Area Topography**—Characteristics of the terrain in the vicinity of an airport may need to be considered when setting safety compatibility zone boundaries. The presence of high terrain, the edge of a precipice, or other such features may influence the location of aircraft traffic patterns. Extension of safety zones may be justified in places where high terrain results in aircraft flying at a relatively low altitude above the ground. Also, some

locations might have reduced levels of risk because they are effectively shielded by nearby higher terrain.

- **Locate Boundaries Based on Geographic Features**—Another manner in which safety zone shapes and sizes might be adjusted in response to existing urban development is to have the zone boundaries follow established geographic features. Such features might include, roads, water courses, parcel lines, etc. Such adjustments should be made in a manner that provides a level of safety equivalent to that afforded by the applicable generic safety compatibility zones. Though the advent of graphic information systems (GIS) perhaps makes this approach less necessary than in years past, basing zone boundaries on geographic features can still simplify implementation of an ALUCP, particularly one utilizing the composite zone method.

Guidelines for General Aviation Runways

Figure 3A depicts basic guidelines for general aviation runway safety compatibility zones. Five variations are shown:

- General aviation runway with length of less than 4,000 feet and visibility minimums of 1 mile or visual approaches only;
- General aviation runway with length of 4,000 to 5,999 feet and instrument approach visibility minimums below 1 mile, but not lower than 3/4 mile;
- General aviation runway with length of 6,000 feet or more and a instrument approach visibility minimums below 3/4 mile;
- General aviation runway with traffic pattern on one side only; and

Single-Sided Traffic Pattern

The single-sided traffic pattern example eliminates the turning zone on the non-pattern side of the runway. This configuration assumes that aircraft are less likely to crash in locations over which they normally do not fly. (Insufficient information is available in the general aviation accident database to better assess this operational configuration.) It is recognized, however, that the potential exists for aircraft to deviate to the non-pattern side on either takeoff or landing, especially under emergency conditions. Some amount of buffer is thus important to maintain. Note that the example shown is for a runway in the 4,000-to-5,999-foot length category. Similar safety zone configurations can be devised for other runway lengths.

Other Federal Airspace Protection Guidance

Additional guidelines regarding protection of airport airspace are set forth in other FAA documents. In general, these criteria specify that no use of land or water anywhere within the boundaries encompassed by FAR Part 77 should be allowed if it could endanger or interfere with the landing, take off, or maneuvering of an aircraft at an airport (FAA-1987). Specific characteristics to be avoided include:

- Creation of electrical interference with navigational signals or radio communication between the airport and aircraft ;

- Lighting which is difficult to distinguish from airport lighting;
- Glare in the eyes of pilots using the airport;
- Smoke or other impairments to visibility in the airport vicinity; and
- Uses which attract birds and create bird strike hazards.

Bird strike and other forms of wildlife hazard have become a major concern internationally. In the United States and Canada, reduction and management of wildlife hazards are of particular concern. With regard to bird strike hazards, the FAA specifically considers waste disposal sites (sanitary landfills) to be incompatible land uses if located within 10,000 feet of a runway used by turbine-powered aircraft or 5,000 feet of other runways. Any waste disposal site located within five statute miles of an airport is also deemed incompatible if it results in a hazardous movement of birds across a runway or aircraft approach and departure paths. Caution should be exercised with regard to certain other land uses—including golf courses and some agricultural crops—in these locations to ensure that wildlife hazards do not result (FAA-1997). (Additional guidance on the issue of hazardous wildlife can be found in the FAA's Advisory Circular 150/5200-33B,

Hazardous Wildlife Attractants on or Near Airports.)

Furthermore, federal statutes (49 U.S.C. §44718(d)) now prohibit new "municipal solid waste landfills" within six miles of airports that: (1) receive FAA grants, and (2) primarily serve general aviation aircraft and scheduled air carrier operations using aircraft with less than 60 passenger seats. A landfill can only be built within six miles of this class of airports if the FAA concludes that it would have no adverse effect on aviation safety (FAA-2000b).

Page Appendix E-32 and E-33

Aircraft Type Variables

Single-Engine Propeller Airplanes

As hypothesized above, the accident locations for single-engine propeller planes tend to be clustered close to the runway ends and also relatively near the extended centerline. For approach/landing accidents, the median distance is 520 feet from the landing threshold. For takeoffs/departures, the median distance is 500 feet from the departure end of the runway and 4,177 feet from the start of takeoff roll. Also, almost 90% of the departure accident points lie within 9,000 feet of the start of takeoff roll.

PILOT CONTROL VARIABLES

In the discussion of emergency procedures earlier in this appendix, the point was made that a pilot will, if possible, normally attempt to steer the aircraft to an open area when an emergency landing is unavoidable. A general assumption has been that most aircraft are under some control when forced down. The extent of pilot control was therefore one of the variables assessed in the review of the accident Factual Records.

The results of the research were surprising: in over three-fourths of the cases included in the database, the aircraft was not under control when it hit the ground. A probable explanation for this number being so high is that the database includes only accidents, not incidents. Thus, if a pilot makes a successful emergency landing without causing serious injuries or substantial damage, the event is classified as an incident and does not appear in NTSB records even if the landing site is not an airport runway.

NATURE OF IMPACT

The nature of the impact that occurs when a small aircraft comes down off airport can vary from a nearly normal landing to a catastrophic crash. When the aircraft remains under control and a reasonably open emergency landing site can be found, the impact can be relatively minor—the potential for injury to people on the ground is small and the aircraft occupants have a strong probability of surviving. The most serious accidents, in terms of risks to people on the ground as well as to the aircraft occupants, are those in which the pilot either:

- Loses control of the aircraft and, because of damage, low altitude, or improper procedures, is unable to regain control; or
- Is unable to select a reasonable forced landing spot because of darkness, fog, or the nonexistence of such a spot.

The following discussion examines available data and theoretical findings regarding the nature of the impact from an aircraft accident.

Severity

As can be expected, off-airport aircraft accidents tend to be more severe than those occurring on or near a runway. The accident database summary (Table E4) indicates that the aircraft is destroyed in some 65% of off-airport accidents. Moreover, fatal injuries occur about half of the time—48% for arrival accidents and 59% for departure accidents. By comparison, NTSB data (Table E6) shows that for all accident locations, the rates for destroyed aircraft and fatal injuries have been only 25% and 20%, respectively. In commercial aviation accidents, the rates are slightly lower: in 17% of accidents the aircraft is destroyed and in 16% a fatality occurs (Table E5).

It must be remembered, however, that these figures are relative to the total number of

accidents. No information is available regarding how often aircraft make an emergency landing on or off of an airport without incurring substantial damage or resulting in serious or fatal injuries. Nevertheless, the percentage involving severe consequences is undoubtedly much less when all mishaps (incidents as well as accidents) are taken into account.

Darkness and poor weather both adversely affect the severity of accidents. According to NTSB data, about 29% of dawn/daylight/dusk accidents involving general aviation aircraft result in serious or fatal injuries, compared to nearly 45% of the night accidents. About 30% of commercial aviation accidents during the dawn/daylight/dusk period result

in fatalities or serious injuries with about the same percentage at night. Likewise, general aviation IFR accidents have serious or fatal results about half (47%) of the time, whereas only a quarter (26%) of VFR accidents have such severe consequences.

RISK ASSESSMENT

The assessment of risks and determination of appropriate actions to be taken in response to those risks is a complex and often imprecise process. Some elements of risk can be quantitatively measured and delineated. Risk assessment done in this way is often referred to as technical risk assessment, probabilistic risk assessment, or quantitative risk assessment. These forms of risk assessment are generally equivalent and are most useful for comparing various alternatives in a decision problem, such as, for example, which of two engineering solutions or land use plans has the lower risk.

Most risks, though, also have equally significant qualitative components. Moreover, subjective judgment plays an especially important role in formulation of responses to risks. These characteristics exist even for risks involving only one individual or a small group of people, but are particularly evident when the effects extend to large segments of a community or to society as a whole. Risk assessment that is done from a qualitative perspective is useful in determining why and how risks differ in ways that are not captured or represented by their quantitative or statistical characteristics. This type of risk assessment also helps with understanding what makes some risks appear acceptable and others unacceptable even though they do not differ appreciably in quantitative terms.

Measurement of Risk

The beginning point for any efforts to develop public policies to address most risks is to measure the extent to which a particular risk exists. Risk measurement or analysis is concerned with the question of what might happen.

As noted in the definition above, the two fundamental components of risk measurement are frequency and consequences.

Frequency measures when or how often an adverse event might occur. The *consequences* component describes what the effects of such an event might be (in terms of fatalities, injuries, property damage, service interruption, etc.).

For most risks involving physical hazards (and certainly those related to airport area land uses), it is useful to consider a third component. Accident frequency can be thought of not just in terms of how often accidents occur, but also in terms of their

distribution. The distribution component of risk identifies where or for whom there is an exposure to accidents (geographically or to certain segments of the population).

While the frequency and distribution components of risk are measured in quantitative (even if sometimes only relative or rank order) terms, the consequences of accidents can have important qualitative characteristics. Depending upon the perspective taken with respect to the potential

consequences of accidents, the overall risk can be measured with respect to three fundamentally different metrics.

- **Accident Risk**—Most basic among these metrics is the accident risk rate (sometimes also referred to as crash or failure risk). This number simply measures the annual number of events predicted to occur within a specified unit of area. The consequences component is held constant—that is, the potential consequences are assumed to be the same regardless of where and how often the accidents might occur. The number of general aviation accidents projected to take place in the U.S. in a year is an example of accident risk. By combining the projected accident rate data with historical data on accident locations, the probability of an accident occurring in a given location can be calculated. With respect to aircraft accidents, the resulting information can be presented in the form of contours defining locations having the same probability of accident occurrence.
- **Individual Risk**—The individual risk rate changes the focus from events to people. Individual risk thus takes into account both the frequency of accidents as measured by the accident risk and the severity or consequences of the accident. Typically, only the most serious consequences to an individual are considered—the risk of death—although sometimes serious injuries are also taken into account. The risk is usually calculated on the basis of a person exposed to the hazard on a constant basis, 24 hours per day, 365 days per year.
- **Societal Risk**—The most broadly based form of risk metric is societal or collective risk. Societal risks are concerned with consequences that are wider than the discrete effects on individuals. Repercussions of certain events go beyond the immediate casualties and damage to the extent of provoking socio-political response. The need to avoid these types of accidents or events may thus be greater than statistical measurements would suggest. Indeed, societal risk often takes into account non-quantitative elements and can particularly be influenced by public perceptions.

Regardless of the precision to which a risk can be measured, a factor to be recognized is that even scientific measures of risk are inherently subjective in one respect. Scientists and experts typically measure risk in terms of mortality rates or probability of harm. There are many ways in which this information can be portrayed, however. This choice can affect how the data is judged. For example, in the context of transportation, the chance of someone being killed in an accident can be measured relative to total population (deaths per million population), passenger-miles for the transportation mode, or the number of trips. The way in which the data is numerically presented also makes a difference: 1 death per x

people versus y deaths per million people. The point is that there is no right or wrong frame of reference—no universal set of characteristics—for measuring risk.

Risk Perceptions

While measurement of risks provides essential input to the making of public policy, it is not the only consideration. In our society, decisions about how to respond to many risks—particularly ones affecting many people or whole communities—are not the sole purview of experts. Moreover, such decisions are not based simply on technical analyses and data. The public's

perception of risks plays a major role as well. Perception is a key component in any assessment of societal risk.

PUTTING AIRPORT LAND USE RISKS INTO PERSPECTIVE

Assessing and responding to the risks which aircraft accidents pose for land uses around airports is a difficult process. Compared to aircraft noise, there is little data from which to work—risks cannot simply be measured with a "risk level" meter. Even if better data were available, the problem would remain as to how to determine appropriate responses. Again, there is relatively little with which to compare. A variety of studies address the topic of accident-related risks. Most of these studies focus on evaluating actions which can be taken to reduce the frequency with which the accidents occur. With land use compatibility planning around airports, however, reducing the frequency of accidents is not the objective—except for airspace obstructions, land uses have little effect on whether aircraft accidents occur. Rather, the purpose is to minimize the consequences of accidents when they happen.

Measuring the Risk

Conceptually, calculation of the risks associated with potential aircraft accidents near airports is easy. The risk consists of a combination of the three earlier described components: frequency, consequences, and distribution. The difficulty, though, lies in the fact that each of these components is complex to measure particularly with regard to any single airport. Errors and inaccuracies can easily be introduced into the equation. The following are some insights into factors which affect measurement of each of these components.

Frequency of Occurrence—While the historical number of aircraft accidents nationwide has varied to some extent from year to year, future trends can nevertheless be predicted with a fair degree of accuracy. Even with respect to specific classes of aviation (air carrier, general aviation, military) or types of aircraft (business jets, helicopters, etc.), the frequency of accident occurrence is fairly constant and predictable. The difficulty with prediction arises when the focus is on a single airport rather than nationwide data. Even for busy airports, the frequency of occurrence may be once per some multiple number of years. As discussed earlier, predictions become less certain as the number of events becomes less frequent. A further complication with measuring frequency of occurrence lies in defining the types of events that are of interest. Clearly, accidents are the most significant events for airport land use planning purposes, but lesser mishaps are also relevant. Even though aircraft sometimes successfully land off airport—and thus the event is not treated as an accident—the potential exists that any such occurrence could have more serious consequences.

- **Potential Consequences**—The consequences of an aircraft accident on land uses near an airport can basically be described in terms of the number of people killed or injured and the size and value of the property damaged. However, as described in Appendix E, the consequences of any particular accident depends upon numerous variables involving the aircraft characteristics, the manner of its descent, and the nature of the terrain and land uses at the site. Because of the wide range of each of these variables, the outcome is highly uncertain. Therefore, even though the vast majority of near-airport aircraft accidents do not result in serious land use consequences, the emphasis in any analysis needs to be on the potential consequences—that is, on what could happen. Moreover, in terms of airport land use compatibility planning, the issue is what could happen if incompatible development is allowed to occur.

A

An important point to realize with respect to near-airport aircraft accidents is that the consequences have historically most often been minimal because of the extent of undeveloped or low-intensity uses near many airports. Allowing more intensive nearby development can only increase the frequency with which more severe consequences occur.

-

Spatial Distribution—Although not huge by many standards, the aircraft accident data described in Appendix E is sufficient to enable the spatial distribution of accidents to be well defined for each category of airport (air carrier, general aviation, and military). This distribution is broadly applicable to most airports within each category. Nevertheless, to more accurately predict where future accidents are most likely to occur at a particular airport, the physical characteristics and usage patterns of the airport need to be considered. The risks will generally be most concentrated along the flight routes which aircraft use most frequently.

To summarize measurable airport land use risks in the context of the preceding discussion of risk concepts, near-airport aircraft accidents are events which occur infrequently, but have potentially high consequences. Moreover, despite the relative rarity of the events, the spatial distribution of aircraft accidents near airports can be delineated quite well as indicated by the data presented in Appendix E and the potential consequences can be directly related to the characteristics of land use in the areas of concern.

Several studies have sought to take the step of broadly quantifying the individual risk which aircraft accidents represent for people on the ground. The results from two of these studies (NATS-1997; Shutt Moen Associates-1999) are useful in putting airport land use risks into a context with other types of risks.

-

The level of individual risk for a given location near an airport is dependent to a significant extent upon the number of aircraft operations and to a lesser degree upon the type of aircraft. The greater potential consequences of a large air carrier aircraft accident compared to that of a small general aviation aircraft is balanced by the fact that the larger aircraft have fewer accidents per a given number of operations.

-

Not surprisingly, the data shows the highest level of risk occurs immediately beyond the runway ends. These risks are on the order of 1:10,000 (10^{-4}) per year and are typically contained within the limits of the airport's runway protection zones (RPZs).

-

The extent of risks at the 1:100,000 (10^{-5}) level is more dependent upon the volume of aircraft

operations on a runway, but generally is within an area immediately surrounding the RPZs.

The 1:1,000,000 (10⁻⁶) risk level, although also dependent upon aircraft operations numbers, is much more extensive. Even for a moderately busy general aviation airport, risks of this magnitude can extend two miles from the runway. For major air carrier airports, the distance is greater, but the risk is more concentrated along the extended runway centerline than is the case at general aviation airports. The risk tends to be more dispersed for general aviation airports because aircraft follow more varied flight tracks than do larger aircraft.

Responding to the Risk

Regardless of the method used to assess the risks, a decision still must be made as to what the public-policy response should be. The basic question to be asked is

how much risk is acceptable? As discussed earlier in this appendix, acceptability can be evaluated as a function of the frequency and consequences of undesirable events. The chart on page F-6 is helpful in showing the conceptual relationship between these two components. When applying this chart to the defining of safety compatibility criteria, though, two factors should be kept in mind:

- To be of value to airport land use compatibility planning, the frequency scale needs to be considered primarily in terms of the relative concentration of aircraft accidents near airport runways. If the scale is set relative to the wide range of physical risks, then aviation-related risks to land uses near airports would probably all fall in the rare category.
- For most airports, the risks to nearby land uses are dominated by the consequences side of the risk equation. Even a small airplane could cause major to severe harm if it were to strike an exposed, densely populated site. Only in essentially unoccupied locations such as range lands or wilderness areas can the potential consequences to people on the ground be considered negligible or minor.

All Runway Lengths

Figure F2 depicts the accident distribution contours for all general aviation arrival accidents in the database; Figure F3 shows the contours for departure accidents. In both instances, all runway lengths are represented. Several geometric patterns are evident from a look at the two graphs:

- Arrival Accident Patterns (The zero/zero point on the axes is the landing end of the runway.)
- Arrival accident sites tend to be located close to the extended runway centerline.
- Some 40% fall within a narrow strip, approximately 500 feet wide and extending some 2,000 feet from the runway end.
- Over 80% of the arrival accident sites are concentrated within just 2,000 feet laterally from the extended runway centerline, but extending outward to approximately 11,000 feet (about 2.0 miles) of the runway end.

- Departure Accident Patterns (The zero/zero point on the axes is the runway end of the runway.)
 - Departure accident sites also tend to be clustered near the runway end, but are not as concentrated close to the runway centerline as are the arrival accident sites.
 - The most tightly bunched 40% of the points lie within an area 1,500 feet wide, extending approximately 2,000 feet beyond the runway end, but also adjacent to the edges of the runway.
 - The 80% contour extends some 6,000 feet beyond the runway end plus along the sides of the runway and spreads laterally approximately 2,000 feet from the runway centerline.
 - Two factors account for the substantial number of departure accident sites lateral to the runway.
1. As defined for the purposes of the database, departing aircraft that crash while attempting to return to the runway are counted as departure accidents unless the aircraft became established in the traffic pattern or on final approach.
 2. On long runways, aircraft may begin to turn before reaching the far end of the runway.

Appendix J

Checklist for Commissioners

Familiarize Yourself With The Law

- Study Public Utilities Code sections 21670 through 21679.5. Execute Your Primary Public Utilities Code Section 21674 Responsibilities
- Prepare and adopt airport land use compatibility plans for public use and military airports, including necessary environmental documentation.

○

Identify the extent of public outreach that is appropriate given local concerns and issues.

⑩

Consider whether to establish a stakeholders working group and/or technical advisory committee. Potential members include:

- Local agencies;
- Regional planning agencies;
- FAA;
- Caltrans;
- Pilots' association;
- Commercial air carriers;
- Airport owners and operators;

- Development community.
- ○ Consult with local agencies when establishing airport influence area boundaries.
- ○ Components:
 - Discussion of plan's application, including review procedures and pertinent definitions (e.g., existing land use; infill; redevelopment);
 - Compatibility criteria and policies for noise, safety, airspace protection and overflight;
 - Maps illustrating the geographic area impacted by the compatibility plan;
 1. Background information on the airport and its environs.

J

CHECKLIST FOR COMMISSIONERS

- ○ *May* consider political, economic, other non-compatibility-related ramifications of criteria and policies. However, ALUCs need not independently undertake cost-benefit analyses.
- ○ *May* adopt compatibility plans for heliports and certain special use airports.
- ○ Partial List of Resources:
- ⑩ General:
 - This

Handbook;

- Airport Master Plans;
- Airport Layout Plans;
- FAA's National Plan of Integrated Airport Systems;
- *ACRP Report 27: Enhancing Airport Land Use Compatibility*, Transportation Research Board (2010)¹
- ● Noise:
 - FAA Advisory Circular 150/5020-1 (Noise Control and Compatibility Planning for Airports);
 - Federal Aviation Regulations, Part 150 (Airport Noise Compatibility Planning)
- ● Safety:
 - FAA Advisory Circular 150/5200-33B (Hazardous Wildlife Attractants On or Near Airports);
 - FAA Advisory Circular 150/5200-34 (Construction or Establishment of Landfills Near Public Airports);
 - FAA Advisory Circular 150/5300-13 (Airport Design)
 - FAA Airports Division, Policy and Procedure Memorandum 5300.1B (Runway Protection Zone and Airport Object Clearing Policy);
 - Federal Aviation Regulations, Part 77 (Objects Affecting Navigable Airspace)
- Review the plans, regulations and other actions of local agencies and airport operators.
-

Identify local agencies within the ALUC's jurisdiction that are subject to the provisions of the Public Utilities

- Counties;

Ashley Whitmore

From: Kenneth Hetge [kennethhetge@gmail.com]
Sent: Monday, February 11, 2013 3:23 PM
To: Ashley Whitmore
Subject: Re: TSP/ Motel appeal hearing time allotment

Ashley, for clarification purposes, a window of 10 to 15 minutes should suffice. Thanks, Ken

On Mon, Feb 11, 2013 at 12:56 PM, Kenneth Hetge <kennethhetge@gmail.com> wrote:
Ashely,

Thank you for your time this morning.

As mentioned, a 3 minute time allotment for presenting such a critical, safety related matter is insufficient. The City continues to ask for participation from its citizens, but when it comes time to hear from those who want to participate, the process is restricted. I can fully appreciate such time restriction on "general public comment" but with a specific topic on the agenda, time should be the least important matter. Public safety is far more important than a stop watch indicating "your time is up".

I would like to point out that the average person cannot make it from their desk to the restroom, and back to their desk in 3 minutes. This is not how our local government should hear viable safety concerns voiced by the public.

I politely request adequate time be granted to sufficiently present my safety concern to the City Council.

Sincerely,
(signed)
Kenneth R. Hetge
Appeal Applicant

Ashley Whitmore

Subject: FW: TSP/ Motel appeal hearing time allotment

From: Stan Beckham [mailto:stan@stanbeckham.com]

Sent: Monday, February 11, 2013 4:53 PM

To: rexmoen@yahoo.com; Dave Couch; James Burger; Jean Fuller; Ken Mettler; Kenneth Hetge; KERO-23 News Desk; Leticia Perez; Lisa Green; Lois Henry; Lorelei Oviatt, AICP; Marc J. Zeitlin; Mark Greenberg; Mayor Harvey Hall; Mick Gleason; Mike Maggard; Olaf Landsgaard; Reginald Pulley; Rick Zanutto; Scott Baker; Shannon Grove; Stuart Witt; Susan Wiggins; The Loop Newspaper; Theresa A. Goldner; Tina Forde; Tom Glasgow; Zack Scrivner; George F. Martin, Esq.

Cc: Greg Garrett; Phil Smith; Ashley Whitmore; David James; Tom Schroeter; Ed Grimes

Subject: Fwd: TSP/ Motel appeal hearing time allotment

BACKGROUND: The City Planning Commission of the City of Tehachapi originally approved a motel project that was in the B1 "Danger" Zone of the Airport. The approval was going to be appealed, the developer backed out and the matter was dropped. Recently the Planning Commission approved a new project because the developer moved the project to where the edge of the roof line only "touched" the B1 Zone.

What is NOT being considered is that in roughly 2010 Runway 29 was extended. Common sense would tell you that in that circumstance the B1 Zone would necessarily be extended out from it's current documented location. **HOWEVER**, against the Public Safety policies of the State of California, the City of Tehachapi has neglected to update its' airport plan to reflect a corrected B1 Zone.

This is a **PUBLIC SAFETY** nightmare waiting to happen. If a high density structure is built in an undocumented safety zone, it is not a matter of will there be a catastrophic event, but when. The Tehachapi Airport services jets and all manner of commercial flight activity, training activity, as well as, small personal craft activity.

PLEASE help us make this point clear, as well as, demanding that the elected officials and the City Administration of the City of Tehachapi abide by the spirit of the Brown Act and give ALL of its' citizens **EQUAL** due process under the law. **PLEASE CONTACT THE BELOW LISTED INDIVIDUALS BY E-MAIL OR PHONE AND support our efforts to prevent a public tragedy.**

=====

Ed, This is highly egregious when one requests to be on the Agenda and then the City tries to limit the speaker to 3 minutes on the agenda. We paid \$1570 to appeal the Planning Commission decision. When one pays this kind of money for a hearing one must be able to have adequate time for their presentation. Particularly when during at least the past 6 years ANY public speaker on the Agenda has been allowed 20 to 30 minutes for their presentation. More, in fact, if the City Administrator or the Council "likes" the person or the subject matter.

This **FACT** brings up the part of the Brown Act where council members are supposed to be **UN-BIASED** in their decision making. In this instance there definitely is **People Bias** and **Factual Bias** at play. See case law in *Breakzone Billiards v. City of Torrance* (2nd Dist. 2000) and *Clark v. Hermosa Beach* (2nd Dist. 1996).

It is very apparent that the City Council has pre-determined the issue of the Motel project without giving the public due process. **This is an egregious violation of the Brown Act and free speech.** This rises to the level

of a constitutional violation of rights and there are severe personal consequences for the council members for such violations and perhaps city management.

The City has already set a pattern of allowing their "friends" to make lengthy presentations but they are denying Mr. Hetteg the same right because of their illegal pre-determined decision and their personal animosity towards him.

This is very reminiscent of the Henry Schaeffer and WalMart situation, except, Henry didn't get on the Agenda, he just made a public comment and was, of course, limited and almost arrested because he went over the limit.

In the mean time, certain city officials can ramble on at will, ad nauseum, and say absolutely nothing. **This arrogance towards the public has to STOP!**

PLEASE, Ed, make this known to the public in an article in the Tehachapi News. This shows you the corruption and arrogance in this city when they are so willing to put PUBLIC SAFETY in danger.

=====

For the rest of the addressees of this e-mail, I am respectfully requesting that you e-mail or call the following individuals and support due process rights for ALL citizens of Tehachapi. IF you choose to e-mail please copy Ashley Whitmore, City Clerk and request your e-mail be added to the Agenda Packet for the meeting on Tuesday, February 19, 2013.

Greg Garrett, City Manager, City of Tehachapi:

ggarrett@tehachapicityhall.com

[661/ 343-7927](tel:661-343-7927)

David James, Community Director, City of Tehachapi:

djames@tehachapicityhall.com

[661/ 822-2200](tel:661-822-2200)

Ashley Whitmore, City Clerk, City of Tehachapi:

awhitmore@tehachapicityhall.com

[661/ 822-2200](tel:661-822-2200)

Tom Schroeter, City Attorney, City of Tehachapi:

tomschroeter@sbcglobal.net

[661/ 327-4189](tel:661-327-4189)

Phil Smith, Mayor, City of Tehachapi:

psmith9@bak.rr.com

[661/ 822-4806](tel:661-822-4806)

Ed Grimes, Former Mayor, City of Tehachapi:

egrimes1@bak.rr.com

[661/ 822-4226](tel:661-822-4226)

Thank you for taking time to support the Citizens of the City of Tehachapi,

--

Stan

Stan Beckham

Bend it like Beckham!

BECKHAM AND ASSOCIATES

East Kern County Business Development

PO Box 1353

Tehachapi, CA 93581-1353

[661 / 822-1907](tel:6618221907) Direct

[661 / 215-5402](tel:6612155402) FAX

Stan@StanBeckham.com

www.StanBeckham.com

Pierre M Hartman
21208 Mountain Drive
Tehachapi, CA 93561
Ph/Fax 661 822 6178

12 February 2013

by E-mail & FAX, to 822-8559

RE: Appeal by Kenneth R. Hetge filed 28 January 2013
TO: Greg Garrett
City Manager
Tehachapi, CA 93561

Dear Mr. Garrett,

As owner of Hangar 20W at the Tehachapi Municipal Airport, I am in the group of 21 hangar owners expressed included by Mr. Hetge in the captioned appeal from the decision Planning Commission decision of 14 January regarding another motel construction project within the Airport area.

Hence it was with great concern that I learned today of an instruction received by Mr. Hetge from City Hall that his appeal time before the City Council is limited to three minutes. This is manifestly inadequate for presentation of an appeal based upon both legal considerations---failure of the City's planning department and the Planning Commission to realize that California law has not been followed in this matter, and the even more important substantive of public safety that are involved.

An adequate amount of time to outline these matters before the City Council is perhaps an hour or less, which would actually be less than is customarily allowed to the city's Planning Director for the presentation of a proposed community project. Also, just as is the usual practice for a project presentation to include others besides the Director himself, so too should Mr. Hetge's appeal be allowed to include others designated by Mr. Hetge to assist him in its presentation.

The threshold issue in the appeal matter involves fundamental, even Constitutional due process rights of citizens to be heard in a meaningful way. Three minutes is ludicrously inadequate for this purpose even in a simple matter, and construction in the Airport area involves numerous fairly complex issues. Accordingly, I respectfully request that you take whatever steps are necessary to assure us that we will have adequate time to present the appeal, and to communicate that assurance expeditiously.

Sincerely,

Pierre Hartman



COUNCIL REPORTS

APPROVED
DEPARTMENT HEAD <i>(Signature)</i>
CITY MANAGER: <i>(Signature)</i>

MEETING DATE: FEBRUARY 19, 2013 AGENDA SECTION: CITY ENGINEER

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: JOHN (JAY) SCHLOSSER, P.E.

DATE: FEBRUARY 13, 2013

SUBJECT: APPROVAL TO PROCEED WITH PLACEHOLDER APPLICATION FOR PROPOSED TAXIWAY A RELOCATION PROJECT

BACKGROUND

As part of the City's continuing efforts to maintain the Municipal Airport as a safe and viable asset, City Staff is regularly engaged in capital project planning. To that end, each year staff prepares 5-year and 10-year Capital Improvement Project (CIP) lists for the Federal Aviation Administration (FAA) and the Caltrans Department of Aeronautics. In general, we plan for one major project per federal fiscal year depending on our annual allocation of money and our predictions as to how much additional federal funding may be made available. The City of Tehachapi has a good track record of receiving these funds and utilizing them to the benefit of the airport. Between Airport and Engineering staff, we have an aggressive schedule of projects and reports slated for the coming years and are hoping to continue the overall record of success that the City can boast relative to using grant funding to make significant infrastructure improvements.

PROJECT DESCRIPTION

For this coming year, we have the largest project the airport has seen since the runway widening slated for approval. The project consists of the relocation and reconstruction of the main parallel taxiway (designated Taxiway A) to meet current FAA standards. In short, current standards for airports of our size recommend a center to center width of 150' between the runway and parallel taxiway. Our current alignment is approximately 28' short of this dimension. Furthermore, the pavement consisting of the taxiway is generally in poor shape. Recent geotechnical testing indicated that the taxiway structure is deficit to the point where reconstruction of the taxiway is warranted. As such, this proposed project has the joint benefit of bringing the taxiway into compliance with the current recommendations as well as rehabilitating the deteriorated pavement. The project further seeks to install extensive drainage improvements including storm water piping and detention basin facilities.

FUNDING

The current total project budget is estimated at \$2.3 million. This includes all project costs as well as a budget for City Staff time and expense. If funded, the City's minimum obligation is approximately \$130,000. The FAA funds the bulk of the project and Caltrans Aeronautics funds the remainder.

No obligation of money is needed at this time beyond what has been budgeted based on a previous request to this Council to authorize an engineering contract with Tartaglia Engineering.

RECOMMENDATION

The procedure going forward is to submit the placeholder application. Presuming it is tentatively approved by the FAA, the City will progress the project to a bid ready stage and solicit bids. Once bids are received and presuming they fall within the allocated budget, Staff will return to the Council to request a formal resolution supporting the project. This will be followed by a full application to the FAA.

AUTHORIZE STAFF TO FINALIZE AND SUBMIT THE PLACEHOLDER APPLICATION FOR THE PROPOSED TAXIWAY A RELOCATION PROJECT



COUNCIL REPORTS

APPROVED	
DEPARTMENT HEAD:	
CITY MANAGER:	

MEETING DATE: FEBRUARY 19, 2013 **AGENDA SECTION:** CITY ENGINEER

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: JOHN (JAY) SCHLOSSER, P.E.

DATE: FEBRUARY 13, 2013

SUBJECT: COST SHARING AGREEMENT WITH TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT (TCCWD) FOR DEPARTMENT OF WATER RESOURCES GRANT APPLICATION

BACKGROUND

At the meeting held on February 4, 2013, the City Council approved staff to begin work on grant application to the Department of Water Resources under the Integrated Regional Water Management Plan designed to connect the City's Snyder Well with the TCCWD non-potable water system. At that time, staff explained in brief the general complexity of the application process and requested funds to employ a consultant engineer to aid in the task. The Council authorized \$20,000 for that purpose. Additionally, staff indicated that a City / TCCWD cost sharing agreement was in the works to split the expense on a 50/50 basis.

PROJECT DESCRIPTION

The goal of the proposed project is to connect the City's "Snyder Well", located at the intersection of Snyder Avenue and D Street through the Jacobsen Middle School site to the TCCWD non-potable waterline located near the intersection of Dennison Road and Valley Boulevard. The City's well has, in recent history, produced water with nitrate values at or above the regulated quantity. As such, the City placed the well into a regulated blending plan but we have generally shied away from using the well at all. TCCWD has expressed a desire to add that well to their system for a defined period of time. The proposal being that they will pump the well heavily for several years with the intent to reduce nitrate levels. At the end of this period, the well will be returned to the City for potable use. The second primary benefit of the project is to place the school district athletic fields on TCCWD's non-potable system. This reduces the City's potable water usage (saving us money), reduces the school district's water expenses, and increases TCCWD's revenues.

RECOMMENDATION

The City Attorney has reviewed, modified, and approved a draft agreement provided by TCCWD.

APPROVE THE AGREEMENT TO SHARE PRELIMINARY COSTS OF THE SNYDER WELL PROJECT.

AGREEMENT TO SHARE PRELIMINARY COSTS OF
SNYDER WELL PROJECT

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT (“District”), a county water district organized and existing pursuant to the provisions of Division 12 of the California Water Code (commencing with Section 30000, et seq.), and the CITY OF TEHACHAPI (“City”), a California municipal corporation, hereby enter into this AGREEMENT TO SHARE PRELIMINARY COSTS OF SNYDER WELL PROJECT (this “Agreement”) effective as of this 18th day of February, 2013 with respect to the following facts.

W I T N E S S E T H:

WHEREAS, the City owns a certain well commonly known as the “Snyder Well” and legally described as State Well Number T32S/R33E/21K01M, which is located at Jacobsen Middle School (“School”), 711 Anita Drive, Tehachapi, California (APN 040-460-11);

WHEREAS, the Snyder Well’s nitrate concentrations are commonly above the State mandated Maximum Contaminate Level;

WHEREAS, the City and the District desire to connect the Snyder Well to the District’s main water line so that the water can be used for irrigation purposes and the nitrate concentration may be reduced (“Snyder Well Project”);

WHEREAS, the City and the District are participants of the Kern County Integrated Regional Water Management Plan (“Kern IRWMP”);

WHEREAS, the Executive Counsel of the Kern IRWMP has selected the Snyder Well Project to be a part of the Kern IRWMP’s Proposition 84 Implementation Round 2 Proposal Solicitation Package (“Application”) for an Integrated Regional Water Management Grant to provide funding for the Snyder Well Project;

WHEREAS, the Application is due on or before March 29, 2013 (“Application Deadline”);

WHEREAS, the City and the District desire to connect the District’s Dennison Well, legally described as State Well Number T32S/R33E/27DOIM (APN 223-500-34) to the City’s Water Distribution System for emergency purposes as part of the Snyder Well Project;

WHEREAS, in order for the Snyder Well Project to be included in the Application, the District and the City must submit initial engineering work to define the Snyder Well Project and documentation to show CEQA compliance for the Project;

WHEREAS, in order to meet the Application Deadline, the City and the District must submit the initial engineering work to the Kern IRWMP by February 28, 2013; and

WHEREAS, the District and the City desire to enter into this Agreement providing the terms for the sharing of specified costs of the Snyder Well Project pursuant to the terms and conditions set forth below.

A G R E E M E N T:

NOW, THEREFORE, it is hereby agreed by and between the District and the City as follows:

Section 1. Engineering Work.

The City will draft the documents necessary to complete the Application (hereafter, "Engineering Work") and pay the full cost of same. The City may retain as necessary the services of an engineer, engineering firm, agency, consultants and other qualified individuals. The City will make reasonable efforts to complete the Engineering Work no later than February 28, 2013 and the CEQA determination by March 22, 2013.

Section 2. Cost Sharing for Engineering Work.

The City and the District shall share equally the cost of the Engineering Work performed by outside professionals only, with the District's share being a maximum of \$10,000, and the City shall bill District for its share of each invoice received for the foregoing. District agrees to pay each invoice within thirty (30) days of receipt of same. The City shall maintain the billings from the outside professionals for labor and materials expended on the Engineering Work, which shall be made available to the District at all times for inspection and copying and shall be retained for two years. The City shall be solely responsible for the cost of the City Engineer's labor and materials expended on the Engineering work. The District shall likewise be solely responsible for the cost of District staff labor and materials expenses incurred in connection with the Engineering work.

Section 3. Term of the Agreement.

The term of this Agreement shall be from the date hereof through June 30, 2013.

Section 4. Indemnity.

No party hereto or any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by any other party hereto under or in connection with any work, authority, or jurisdiction delegated to such other party under this Agreement. Pursuant to Government Code section 895.4, each party shall fully indemnify and hold the other party harmless from any liability imposed for injury (as defined by Government Code section 810.8), occurring by reason of anything done or omitted to be done by such party under or in connection with any work, authority or jurisdiction delegated to such party under this Agreement.

Section 5. Reimbursement To District If Application Granted.

If an Integrated Regional Water Management Grant is awarded to the Kern IRWMP and the Engineering Work is a cost that may be repaid by the grant funds, then the City shall reimburse the District for all costs shared by the District under this Agreement in proportion to the amount contributed by each party for the Engineering Work.

Section 6. Entire Agreement.

This Agreement constitutes the entire understanding of the parties concerning the subject matter hereof. No covenant, promise, consideration or provision other than those contained herein shall be binding upon the parties.

Section 7. Amendments.

This Agreement may be amended in writing at any time and from time to time by unanimous written consent of the parties hereto.

Section 8. Execution in Counterparts.

This Agreement may be executed in counterparts by the parties, and when each party has signed and delivered at least one original of such counterpart to the other party, each counterpart shall be deemed an original and taken together shall constitute one and the same Agreement that shall be binding and effective as to both parties.

Section 9. Representations and Warranties.

Each person who executes this Agreement on behalf of the City or the District hereby represents and warrants that (a) the party on whose behalf he or she executes this Agreement, if other than a natural person, (1) is a legally constituted legal entity and (2) has authorized the execution of this Agreement, and (b) he or she is authorized to execute this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through respective officers hereunder duly authorized as of the date first above written.

TEHACHAPI-CUMMINGS COUNTY
WATER DISTRICT, a county water district

CITY OF TEHACHAPI, a California
municipal corporation

By: _____

By: _____

Its: _____

Its: _____



COUNCIL REPORTS

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

MEETING DATE: FEBRUARY 19, 2013 AGENDA SECTION: CITY ENGINEER

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: JOHN (JAY) SCHLOSSER, P.E., CITY ENGINEER

DATE: FEBRUARY 19, 2013

SUBJECT: TEHACHAPI BOULEVARD IMPROVEMENTS PROJECT PHASE IV – NOTICE OF COMPLETION

BACKGROUND

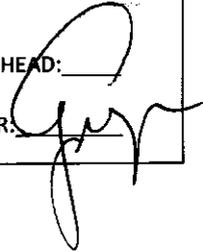
As the Council will recall, the City of Tehachapi entered into a contract with Kern Pacific Construction, for the Tehachapi Boulevard Improvements Project, Phase IV. Following a walk-through by City Staff, and completion of all "punch list" items by the contractor, it has been determined that all contract items have been completed. At this time, a Notice of Completion must be filed in order to close the contract.

RECOMMENDATION

APPROVE THE NOTICE OF COMPLETION FOR THE TEHACHAPI BOULEVARD IMPROVEMENTS PROJECT PHASE IV AND DIRECT STAFF TO RECORD SAME



COUNCIL REPORTS

APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: 

MEETING DATE: FEBRUARY 19, 2013 AGENDA SECTION: CITY MANAGER

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: GREG GARRETT, CITY MANAGER

DATE: FEBRUARY 12, 2013

SUBJECT: CITY PARTICIPATION IN THE EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

BACKGROUND

The Employment Risk Management Authority (ERMA) is a self-insured joint powers authority created for the sole purpose of Employment Practices Liability Coverage. ERMA is comprised of various public entities who risk share up to \$1 million against potentially unlawful employment practices and discrimination claims. The ERMA formed primarily due to the fact that government entities have not historically been able to secure Employment Practices Liability (EPL) coverage at a competitive cost through the commercial insurance marketplace. ERMA has met all of the high professional standards established by the California Association of Joint Powers Authorities (CAJPA) in the areas of governance, finance, claims control, safety and loss control and ERMA is fully accredited by CAJPA.

City Staff has determined that it is in the best interest of the City to become a member of ERMA for the purpose of obtaining Employment Practices Liability coverage. ERMA requires the City Council to pass a resolution expressing the desire and commitment of the City of Tehachapi's participation in ERMA, which requires a three year minimum participation period.

FISCAL IMPACT

The fiscal impact for participation in the Employment Risk Management Authority is \$30,518. This is the current estimated annual premium with a \$25,000 deductible.

RECOMMENDATION

Adopt the proposed resolution for City participation in the Employment Risk Management Authority

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF TEHACHAPI AUTHORIZING
PARTICIPATION IN THE EMPLOYMENT RISK
MANAGEMENT AUTHORITY.**

WHEREAS, the City of Tehachapi wishes to obtain Employment Practices Liability coverage for the period February 19, 2013 and thereafter; and

WHEREAS, the Employment Risk Management Authority (ERMA) is a self-insured joint powers authority created for the sole purpose of Employment Practices Liability Coverage. ERMA is comprised of various public entities who risk share up to \$1 million against potentially unlawful employment practices and discrimination claims; and

WHEREAS, ERMA formed primarily due to the fact that government entities have not historically been able to secure Employment Practices Liability (EPL) coverage at a competitive cost through the commercial insurance marketplace; and

WHEREAS, ERMA has met all of the high professional standards established by the California Association of Joint Powers Authorities (CAJPA) in the areas of governance, finance, claims control, safety and loss control and ERMA is fully accredited by CAJPA. CAJPA's accreditation process requires reviews by independent consultants in the areas of accounting, claims adjusting, and actuarial analysis; and

WHEREAS, ERMA provides services to both Joint Powers Insurance Authorities and individual public entities; and

WHEREAS, the City of Tehachapi has determined that it is in the best interest to become a member of ERMA for the purpose of obtaining Employment Practices Liability coverage; and

WHEREAS, ERMA requires the City Council to pass a resolution expressing the desire and commitment of the City of Tehachapi's participation in ERMA, which requires a three year minimum participation period. The City of Tehachapi City Council also understands our entity will be bound by the provisions in the ERMA Joint Powers Agreement just as though it were fully set forth and incorporated herein whether our entity had signed it individually or through an underlying Joint Powers Insurance Authority.

NOW, THEREFORE, BE IT RESOLVED by the City of Tehachapi City Council that the City Council approves participation in ERMA February 19, 2013.

BE IT FURTHER RESOLVED, that the City Manager, on behalf of the City of Tehachapi, is hereby authorized to take any and all actions necessary to implement the foregoing resolution.

PASSED AND ADOPTED by the City Council of the City of Tehachapi this
19th day of February, 2013.

AYES: COUNCIL MEMBERS: _____

NOES: COUNCIL MEMBERS: _____

ABSENT: COUNCIL MEMBERS: _____

ABSTAIN: COUNCIL MEMBERS: _____

PHILIP SMITH, Mayor
of the City of Tehachapi,
California

ATTEST:

JULIE DRIMAKIS, CMC
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 February 19, 2013.

JULIE DRIMAKIS, CMC
City Clerk of the City of Tehachapi, California

**EMPLOYMENT RISK MANAGEMENT AUTHORITY
PREMIUM INDICATION**

CS/VRMA

Name of Entity

Actual 2011 Payroll

Coverage Period

\$3,198,571

July 1, 2012 to June 30, 2013

JPA Experience Mod Factor	1.250								
JPA Off-Balance Factor	1.044								
Member Retained Limit Options	\$25,000	\$50,000	\$75,000	\$100,000	\$250,000	\$500,000			
Retained Limit Factor	1.14	1.00	0.90	0.81	0.45	0.18			
Retained Limit Rate	0.633	0.555	0.500	0.450	0.250	0.100			
Defense & Indemnity	\$20,237	\$17,752	\$15,977	\$14,379	\$7,988	\$3,195			
Administration	1,904	1,904	1,904	1,904	1,904	1,904			1,904
Loss Prevention & Training	\$0.007	232	232	232	232	232			232
Subtotal	\$22,373	\$19,888	\$18,113	\$16,515	\$10,125	\$5,331			\$5,331
Net JPA Deposit Premium									
Including JPA Participation Credit	4.87%	\$21,284	\$18,920	\$17,231	\$15,711	\$9,631			\$5,072

Individual Experience Mod Factor *	1.000								
Individual Off-Balance Factor	1.384								
Individual ERMA Premium	\$29,453	\$26,181	\$23,844	\$21,741	\$13,328	\$7,018			
Excess Insurance \$1 million x \$1 million	1,065	1,065	1,065	1,065	1,065	1,065			1,065

* New members are assigned an experience modification factor of 1.000.
** Premium will be prorated based on date of inception of coverage

ERMA Underwriting Guidelines:
Adopted June 21, 2010; Amended June 18, 2012

Any public agency acceptable to the Board of Directors shall be eligible for membership in ERMA. Agencies may request a preliminary premium indication by providing ERMA with total payroll for the last completed calendar year to mirror data collection for the annual budget process.

Upon request from a prospective member, a preliminary premium indication will be provided including available self-insured retention (SIR) options. If the request for a premium indication is presented prior to the next fiscal year premium rates, an indication will be provided based on the rates used for the current program year. Indications will be contingent upon the receipt and review of a formal submission of the required documents, and membership approval by the Board of Directors, at a regular or special Board meeting. A prospective member may select from a variety of SIRs. The member's SIR must be exhausted prior to ERMA paying any defense or indemnity to which the member may become liable. The applicant must have the financial ability to pay for all claims that fall under their SIR. A copy of the ERMA governing documents will be included in the premium indication for the prospective member's review.

Formal Submittal Documents Required:

1. Completed ERMA Liability Coverage Application (including desired SIR) and the entity's most recent audited financial statements;
2. Copies of payroll for the five calendar years, with exact dates to be determined by ERMA staff;
3. Five completed years, with exact dates to be determined by ERMA staff, of currently valued loss runs for wrongful employment practices coverage, employment practices liability insurance, and self-insured losses including SIRs and deductibles; and
4. Signed Resolution acknowledging acceptance of the rules and regulations set forth in the ERMA Governing Documents and the minimum three-year participation period.

Upon receipt of a prospective member's formal submission to join ERMA, staff will:

- Review the submission documents for completion and prepare a report to be presented at the next Underwriting Committee meeting, to review the prospective applicant for a recommendation to the Board.
- If a regular Board of Directors meeting is not scheduled prior to the desired membership date, a special Board of Directors meeting will be called.
- The prospective member may be invited to attend the Underwriting Committee meeting and Board meeting to answer questions regarding the submission.
- Staff will provide a letter to the prospective member, notifying them of the Board's decision regarding membership, within 15 business days of the Board's decision.
- The Underwriting Committee's recommendation may include requiring a mini-risk assessment of the new member within 60 days of joining ERMA and/or a higher self-insured retention from what was requested.

Underwriting Guidelines:

1. Completeness of submission materials as requested on the ERMA Liability Coverage Application
 - Policies and procedures are in place as indicated on the application;
 - Attachments provided as indicated on the application; and
 - Signed Resolution.

2. Acceptable loss history for last five completed years including:
 - Claim frequency (reportable claim count per \$100,000 payroll), not to exceed two-times the ERMA average for the past five completed program years.
 - Claim severity (incurred claim cost per \$100,000 payroll) not to exceed two-times the ERMA average for the past five completed program years.
 - Loss Ratio not to exceed 80% for the last five completed program years. (Applicable to current JPA members moving to individual member or underlying JPA member joining ERMA).

3. Acceptability of SIR request, based on payroll and loss history.
 - Review of payroll for the last five years relative to losses
 - Comparison to members with similar payroll

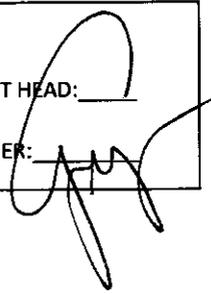
4. SIR guidelines have been developed as a guide for new members applying to join ERMA, either as an individual, direct member or underlying member of an ERMA member JPA.

ERMA Recommended SIRs	Payroll Range
25K	< \$10,000,000
50K	< \$25,000,000
75K	< \$30,000,000
100K, 250K, or 500K	< \$50,000,000

ERMA's Board of Directors will reserve its rights to evaluate any other relevant factors and/or data for inclusion in this Joint Powers Authority. Moreover, ERMA's Board of Directors further reserves its rights to approve an increase or decrease of an applicant's SIR based on the SIR guidelines and the review of the applicant's most current financial statements.

COUNCIL REPORTS

APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____



MEETING DATE: FEBRUARY 19, 2013 AGENDA SECTION: CITY MANAGER

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: GREG GARRETT, CITY MANAGER

DATE: FEBRUARY 11, 2013

SUBJECT: ADOPT-A-LANDSCAPE PROGRAM FEE SCHEDULE

BACKGROUND

As the Council will recall, in March of 2010, the City developed a sponsorship program that allowed businesses, organizations, families or individuals to sponsor the landscape maintenance of areas that are not included in Landscape and Lighting Districts. In exchange for funding landscape maintenance, a sign was placed in the adopted area to display the name of the participating business, organization, family or individual and/or logo. The sponsorship program, known as the "Adopt-a-Landscape" program, was a potential method of funding the Landscape Maintenance General Fund operations and provided a higher level of landscape maintenance for those areas not designated as a Landscape and Lighting District.

After review of the Adopt-A-Landscape program fee schedule, staff would recommend to Council that a new fee schedule be approved. Exhibit A is the current Adopt-A-Landscape fee schedule. Exhibit B is the proposed Adopt-A-Landscape fee schedule for fiscal year 2013/2014. The new fee schedule drops the current fees by 50%, allowing for more businesses, organizations, families and individuals to have an opportunity to participate in the program.

FISCAL IMPACT

The fiscal impacts will vary depending upon the number of participants in the Adopt-A-Landscape program.

RECOMMENDATION

APPROVE THE UPDATED ADOPT-A-LANDSCAPE PROGRAM FEE SCHEDULE

ADOPTABLE LANDSCAPE AREAS

Parks	Fees
Pioneer Park	\$1,000
--Located on I St.	
Railroad Park	\$2,000
--Located on Tehachapi Blvd	
Depot Park	\$2,000
--Located on Tehachapi Blvd	
Airport Park	\$300
--Located at the Airport	
 Planters	
Green Street & F Street Planters	\$500
--3 planters	
Green Street & Tehachapi Blvd. Planters	\$400
--2 planters	
Curry Street & F Street Planters	\$600
--4 planters	
Robinson Street & F Street Planters	\$600
--4 planters	
 Medians	
Capital Hills Island	\$800
--Between Holiday Inn & Denny's	
Mill Street Median	\$800
--H Street to Mill St. Overcrossing	
North Dennison Greenbelt	\$300
--Railroad Tracks to Highway 58	
South Dennison Greenbelt	\$800
--Between KB Homes & High School	
 Plazas	
Centennial Plaza	TBD
--Robinson St. to Green St.	
 Senior Center	
--Front and Back	\$300
 Trees	
Curry Street Trees	\$300
--East side between Valley & C	
Valley Blvd. Trees	\$300
--North side between Mulberry & Mill	

Voyager Street Trees \$300
--Across from Post office

Parking Lots

Robinson & F St. Parking Lot \$500
--Across from Police Department
Tehachapi Blvd. Parking Lot \$700
--Adjacent to Taco Samich

Bike Paths

Valley Blvd. Centennial Bike Path \$500
--Between Las Colinas & Mulberry
Tehachapi Blvd \$500
-- Tucker to Mt. View

ADOPTABLE LANDSCAPE AREAS

Parks	Fees
Pioneer Park	500
--Located on I St.	
Railroad Park	1000
--Located on Tehachapi Blvd	
Depot Park	1000
--Located on Tehachapi Blvd	
Airport Park	150
--Located at the Airport	
 Planters	
Green Street & F Street Planters	250
--3 planters	
Green Street & Tehachapi Blvd. Planters	200
--2 planters	
Curry Street & F Street Planters	300
--4 planters	
Robinson Street & F Street Planters	300
--4 planters	
 Medians	
Capital Hills Island	400
--Between Holiday Inn & Denny's	
Mill Street Median	400
--H Street to Mill St. Overcrossing	
North Dennison Greenbelt	150
--Railroad Tracks to Highway 58	
South Dennison Greenbelt	400
--Between KB Homes & High School	
 Plazas	
Centennial Plaza	TBD
--Robinson St. to Green St.	
 Senior Center	
--Front and Back	150
 Trees	
Curry Street Trees	150
--East side between Valley & C	
Valley Blvd. Trees	150
--North side between Mulberry & Mill	

Voyager Street Trees 150
--Across from Post office

Parking Lots

Robinson & F St. Parking Lot 250

--Across from Police Department

Tehachapi Blvd. Parking Lot 350

--Adjacent to Taco Samich

Bike Paths

Valley Blvd. Centennial Bike Path 250

--Between Las Colinas & Mulberry

Tehachapi Blvd 250

-- Tucker to Mt. View