

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
Monday, February 3, 2014 - 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 item of this meeting is available at City Hall, 115 South Robinson Street, Tehachapi, California, 93561.

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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TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING
MONDAY, FEBRUARY 3, 2014 - 6:00 P.M. - PG. 2**

1. General public comments regarding matters not listed as an agenda item.
2. Mayor to Present Certificate of Recognition to the Veterans of Tehachapi Community Theatre.

CITY CLERK REPORTS

Tehachapi City Council Unassigned Res. No. 04-14
Tehachapi City Council Unassigned Ord. No. 14-02-716
Tehachapi Redevelopment Successor Agency Unassigned Res. No.01-14
Tehachapi Public Financing Authority Unassigned Res. No. 01-14

- *3. **ALL ORDINANCES SCHEDULED FOR INTRODUCTION OR ADOPTION AT THIS MEETING SHALL BE READ BY TITLE ONLY**
- *4. Minutes for the Tehachapi City Council, Tehachapi Redevelopment Successor Agency, Tehachapi Public Financing Authority, and the Tehachapi City Financing Corporation special meetings on January 21, 2014 and January 27, 2014– **APPROVE AND FILE**

FINANCE DIRECTOR REPORTS

- *5. Disbursements, bills, and claims for January 16, 2014 through January 29, 2014 – **AUTHORIZE PAYMENTS**
6. Formal commitment of an amount of fund balance to be set aside specifically for emergency contingencies as required by the Governmental Accounting Standards Board Statement No. 54 (GASB54) – **APPROVE THE AMENDMENT TO THE FUND BALANCE POLICY FOR THE GOVERNMENTAL FUNDS; ADOPT A RESOLUTION APPROVING THE CITY OF TEHACHAPI’S EMERGENCY CONTINGENCY COMMITMENT OF FUND BALANCE FOR THE GENERAL FUND AND REPEALING RESOLUTION NO. 27-13**
- *7. 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 made adjustments accordingly – **APPROVE A RESOLUTION ADOPTING AN INVESTMENT POLICY AND REPEALING RESOLUTION NO. 04-13**

AIRPORT MANAGER REPORTS

8. New Commercial Hangar Ground Lease 43W with Michael W. Haney, MH Aviation Inc. – **APPROVE THE NEW COMMERCIAL HANGAR GROUND LEASE AGREEMENT BETWEEN THE CITY OF TEHACHAPI AND MICHAEL W. HANEY COMMENCING JANUARY 1, 2014**

POLICE CHIEF REPORTS

9. Update from Community Service Officer, Teri Cryer – **INFORMATION ONLY**

COMMUNITY DEVELOPMENT DIRECTOR REPORTS

10. Adoption of an ordinance that was introduced at the January 21, 2014 special meeting amending Ordinance No. 671 of the City of Tehachapi and Tehachapi Municipal Code Section 15.04.160 adopting new state construction codes – **ADOPT, BY TITLE ONLY, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI ADOPTING ORDINANCE NO. G-8442 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA AMENDING CHAPTERS 17.04, 17.08, 17.12, 17.16, 17.20, 17.24, 17.26, 17.28, 17.32, 17.34, 17.36, 17.40, 17.44, 17.48, AND 17.52 OF TITLE 17 OF THE ORDINANCE CODE OF THE COUNTY OF KERN CONCERNING BUILDING REGULATIONS, BUILDING CODE, MECHANICAL CODE, HOUSING CODE, PLUMBING CODE, ELECTRICAL CODE, GRADING CODE, FIRE CODE, WILDLAND-URBAN INTERFACE CODE, DANGEROUS BUILDINGS CODE, BUILDING RELOCATION, MOBILE HOMES AND ACCESSORY STRUCTURES, FLOOD PLAIN MANAGEMENT, AND ENERGY CODE AND AMENDING SECTION 1 OF ORDINANCE NO. 671 OF THE CITY OF TEHACHAPI AND TEHACHAPI MUNICIPAL CODE SECTION 15.04.160**

COMMUNITY OUTREACH COORDINATOR REPORTS

11. Current progress of the Tehachapi GranFondo – **INFORMATION ONLY**

CITY ENGINEER REPORTS

12. Alta Estates Tract 6216 Landscape Improvements Project Notice of Completion – **APPROVE THE NOTICE OF COMPLETION FOR THE TRACT 6216 LANDSCAPE IMPROVEMENTS PROJECT AND DIRECT STAFF TO RECORD SAME**

CITY ATTORNEY REPORTS

- *13. The League of California Cities Attorneys' Spring Conference is scheduled for May 7 - 9, 2014. The City Attorney typically attends this conference to obtain updates on municipal law and to network with other attorneys. The cost is typically split between the City Attorney's three cities and the City's share will be approximately \$324.00 – **APPROVE THE CITY ATTORNEY'S REQUEST FOR \$324.00 TO ATTEND THE LEAGUE OF CALIFORNIA CITIES ATTORNEYS' SPRING CONFERENCE**

CITY MANAGER REPORTS

14. Letter to Congressman McCarthy supporting renewal and full federal funding for the special diabetes program – **APPROVE AND AUTHORIZE THE MAYOR TO SIGN A LETTER SUPPORTING RENEWAL AND FULL FEDERAL FUNDING FOR THE SPECIAL DIABETES PROGRAM**
15. Utility rates for 2014 – **ADOPT A RESOLUTION WAIVING AUTOMATIC RATE INCREASES FOR WATER, SEWER, REFUSE, AND RECYCLING FOR CALENDAR YEAR 2014**
16. Report to Council regarding current activities and programs – **VERBAL REPORT**

**TEHACHAPI CITY COUNCIL REGULAR MEETING,
TEHACHAPI REDEVELOPMENT SUCCESSOR AGENCY REGULAR MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING
MONDAY, FEBRUARY 3, 2014 - 6:00 P.M. - PG. 4**

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 potential litigation per Government Code Section 54956.9(d)(2),(e)(4)
2. Conference with Real Property Negotiator (City Manager) Regarding Price and Terms of Payment for Real Property Located at 315 N. Mojave Street and Adjoining Lot Per Government Code Section 54956.8.

ADJOURNMENT

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 December 16, 2013 - **APPROVED AND FILED.**

Approved & Filed
 Ni/Wi Motion Carried
 Ab: Gr

FINANCE DIRECTOR REPORTS

- *4. Disbursements, bills and claims for December 12, 2013 through January 16, 2014 – **AUTHORIZED PAYMENTS**

Authorized Payments
 Ni/Wi Motion Carried
 Ab: Gr

- *5. City of Tehachapi Treasurer’s Report through November 2013 – **RECEIVED REPORT**

Received Report
 Ni/Wi Motion Carried
 Ab: Gr

- 5. Annual financial report for the year ended June 30, 2013 - **RECEIVED REPORT**

Received Report
 NAT

POLICE CHIEF REPORTS

- 6. Chief Kermode to give a report on crime statistics – **VERBAL REPORT**

COMMUNITY DEVELOPMENT DIRECTOR REPORTS

- 7. In an effort to ensure that the new State construction codes go into effect immediately in the City of Tehachapi, Staff has prepared for the Council’s consideration an Urgency Ordinance – **CITY ATTORNEY, TOM SCHROETER, GAVE REPORT; ADOPTED, BY TITLE ONLY, AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI ADOPTING ORDINANCE NO. G-8442 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA AMENDING CHAPTERS 17.04, 17.08, 17.12, 17.16, 17.20, 17.24, 17.26, 17.28, 17.32, 17.34, 17.36, 17.40, 17.44, 17.48, AND 17.52 OF TITLE 17 OF THE ORDINANCE CODE OF THE COUNTY OF KERN CONCERNING BUILDING REGULATIONS, BUILDING CODE, MECHANICAL CODE, HOUSING CODE, PLUMBING CODE, ELECTRICAL CODE, GRADING CODE, FIRE CODE, WILDLAND-URBAN INTERFACE CODE, DANGEROUS BUILDINGS CODE, BUILDING RELOCATION, MOBILE HOMES AND ACCESSORY STRUCTURES, FLOOD PLAIN MANAGEMENT, AND ENERGY CODE AND AMENDING SECTION 1 OF ORDINANCE NO. 671 OF THE CITY OF TEHACHAPI AND TEHACHAPI MUNICIPAL CODE SECTION 15.04.160;**

Adopted, By Title Only, An Urgency Ord Of The City Council Of COT Adopting Ord No. G-8442 Of The Board Of Supervisors Of The County Of Kern, State Of California Amending Chapters 17.04, 17.08, 17.12, 17.16, 17.20, 17.24, 17.26, 17.28, 17.32, 17.34, 17.36, 17.40, 17.44, 17.48, And 17.52 Of Title 17 Of The Ord Code Of The County Of Kern Concerning Building Regulations, Building Code, Mechanical Code, Housing Code, Plumbing Code, Electrical Code, Grading Code, Fire Code, Wildland-Urban Interface Code, Dangerous Buildings Code, Building Relocation, Mobile Homes And Accessory Structures, Flood Plain Management, And Energy Code And Amending Section 1 Of Ord No. 671 Of COT And T.M.C. Section 15.04.160;
 Za/Ni Motion Carried
 Ab: Gr

- 8. Introduction of ordinance amending Ordinance No. 671 of the City of Tehachapi and Tehachapi Municipal Code Section 15.04.160 adopting new state construction codes – **CITY ENGINEER, JAY SCHLOSSER, GAVE REPORT; INTRODUCED ORDINANCE AMENDING ORDINANCE NO. 671 OF THE CITY OF TEHACHAPI TEHACHAPI MUNICIPAL CODE SECTION 15.04.160 ADOPTING NEW STATE CONSTRUCTION CODES**

Introduced Ord Amending Ord No. 671 Of COT T.M.C. Section 15.04.160 Adopting New Construction Codes
 Za/Wi Motion Carried
 Ab: Gr

ASSISTANT CITY MANAGER REPORTS

9. Consideration of an agreement between the City and CPS HR Consulting for a compensation and classification study – **ASSISTANT CITY MANAGER, CHRIS KIRK, GAVE REPORT; APPROVED AND AUTHORIZED THE MAYOR TO SIGN THE AGREEMENT BETWEEN THE CITY OF TEHACHAPI AND CPS HR CONSULTING, SUBJECT TO APPROVAL BY CITY ATTORNEY**

Approved And Authorized The Mayor To Sign The Agreement Between The City Of Tehachapi And CPS HR Consulting, Subject To Approval By City Attorney Za/Ni Motion Carried
Ab: Grimes

CITY MANAGER REPORTS

10. 2013 Year End Report – **PRESENTATION; DEBBIE OF DEBBIE’S FABRICS SPOKE IN REGARDS TO PARKING DOWNTOWN; NIKKI CUMMINGS COMMENDED THE CITY**
11. Report to Council regarding current activities and programs – **VERBAL REPORT; JON CURRY SPOKE IN REGARDS TO THE CURRENT WATER SITUATION IN TEHACHAPI**

COUNCIL MEMBER ANNOUNCEMENTS OR REPORTS

1. Mayor Pro-tem Wiggins spoke in regards to Hall Ambulance fixing up the old fire house on Pinon Street and commended City staff for writing plans.
2. Councilmember Nixon spoke in regards to policies regarding SCE and tree trimming.
3. Councilmember Zamudio spoke in regards to “Growing Up and Living Up” in Tehachapi and the fantastic job of TVRPD staff.
4. Mayor Smith spoke in regards to an e-waste pickup at McDonalds on Saturday, an award received from Kern Energy Watch and the City receiving the E-76 for the Challenger Drive Project.

CLOSED SESSION

1. Conference with labor negotiators - City designated representatives: City Manager and Assistant City Manager; Employee Organization: California Federation of Public Employees, Local 1850.

ADJOURNMENT

The City Council/Boards adjourned at 7:30 pm to a Tehachapi City Council, Tehachapi Redevelopment Successor Agency, Tehachapi Public Financing Authority and Tehachapi City Financing Corporation Regular Meeting to be held on Monday, February 3, 2014, at 6:00p.m.

ASHLEY WHITMORE
Deputy City Clerk
City of Tehachapi

Approved this 3rd day
Of February, 2014.

PHILIP SMITH
Mayor, City of Tehachapi

MINUTES

**TEHACHAPI CITY COUNCIL SPECIAL MEETING,
TEHACHAPI REDEVELOPMENT SUCCESSOR AGENCY SPECIAL MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY SPECIAL MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION SPECIAL MEETING
Monday, January 27, 2014 – 6:00 P.M.**

NOTE: Sm, Gr, Wi, Ni and Za are abbreviations for Council Members Smith, Grimes, Wiggins, Nixon and Zamudio, 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

<u>CALL TO ORDER</u>	
Meeting called to order by Mayor Smith at 6:10 p.m.	
<u>ROLL CALL</u>	
Roll call by Deputy City Clerk, Ashley Whitmore	
Present: Mayor Smith, Mayor Pro-Tem Wiggins, Councilmembers Grimes, Nixon and Zamudio	
Absent: None	
<u>PLEDGE TO THE FLAG</u>	
Led by Council Member Grimes	
<u>BUSINESS</u>	
<p>1. PUBLIC HEARING - Consideration of an appeal by Tehachapi First, of a Planning Commission decision certifying the Environmental Impact Report (State Clearinghouse #2007081139), adopting a Statement of Overriding Considerations, and approving the Tehachapi Walmart Architectural Design & Site Plan Review No 2007-11 (Walmart) located east and adjacent to Tucker Road (SR 202), north and adjacent to the Sail Thru car wash and the Las Colinas subdivision, west of Antelope Run drainage and south of the Tehachapi Crossing Commercial Center for construction of a 165,000 square foot Walmart Supercenter - OPENED HEARING AT 6:16 PM; NOTICE OF PUBLIC HEARING POSTED ON JANUARY 8, 2014 AND PUBLISHED ON JANUARY 15, 2014; CORRESPONDENCE RECEIVED FROM FIVE PEOPLE IN FAVOR OF THE PROJECT; COMMUNITY DEVELOPMENT DIRECTOR DAVID JAMES GAVE STAFF REPORT; HOWARD HARDIN OF GREENBERGFARROW GAVE</p>	<p>(A) Adopted A Resolution Of The City Council Of The City Of Tehachapi Denying The Appeal Filed By Tehachapi First Of The Tehachapi Planning Commission Decision Certifying The Environmental Impact Report And Adopting A Statement Of Overriding Considerations For The Tehachapi Walmart Architectural Design And Site Plan Review No. 2007-11; Ni/Wi Ayes All</p> <p>(B) Adopted A Resolution Of The City Council Of The City Of Tehachapi Modifying A Decision By The City Of Tehachapi Planning Commission, And Certifying The Environmental</p>

ACTION TAKEN

APPLICANT REPORT; RECEIVED PUBLIC COMMENT FROM 34 RESIDENTS IN FAVOR OF THE PROJECT, 19 RESIDENTS IN OPPOSITION AND 1 RESIDENT WHO REMAINED NEUTRAL; CLOSED HEARING AT 8:23 PM; TOOK THE FOLLOWING ACTIONS: (A) ADOPTED A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI DENYING THE APPEAL FILED BY TEHACHAPI FIRST OF THE TEHACHAPI PLANNING COMMISSION DECISION CERTIFYING THE ENVIRONMENTAL IMPACT REPORT AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE TEHACHAPI WALMART ARCHITECTURAL DESIGN AND SITE PLAN REVIEW NO. 2007-11; (B) ADOPTED A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI MODIFYING A DECISION BY THE CITY OF TEHACHAPI PLANNING COMMISSION, AND CERTIFYING THE ENVIRONMENTAL IMPACT REPORT AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE TEHACHAPI WALMART; AND (C) ADOPTED A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI MODIFYING A DECISION OF THE PLANNING COMMISSION, AND APPROVING ARCHITECTURAL DESIGN AND SITE PLAN REVIEW NO. 2007-11, SUBJECT TO CONDITIONS OF APPROVAL.

Impact Report And Adopting A Statement Of Overriding Considerations For The Tehachapi Walmart;
Ni/Za Ayes All

(C) Adopted A Resolution Of The City Council Of The City Of Tehachapi Modifying A Decision Of The Planning Commission, And Approving Architectural Design And Site Plan Review No. 2007-11, Subject To Conditions Of Approval.
Wi/Gr Ayes All

ADJOURNMENT

The City Council/Boards adjourned at 9:06 pm to a Tehachapi City Council, Tehachapi Redevelopment Successor Agency, Tehachapi Public Financing Authority and Tehachapi City Financing Corporation Regular Meeting to be held on Monday, February 3, 2014, at 6:00p.m.

DENISE JONES, CMC
City Clerk, City of Tehachapi

Approved this ___ day
Of _____, 2014.

PHILIP SMITH
Mayor, City of Tehachapi

a.

Accounts Payable

Checks by Date - Detail By Check Date

User: annamarie
 Printed: 1/29/2014 - 2:57 PM



CITY OF
TEHACHAPI
 CALIFORNIA

			Check Amount
Check No:	0	Check Date:	
Vendor:	0017	American Business Machines	
190305		PD\Waste Toner Assembly	55.91
			55.91
Check No:	0	Check Date:	
Vendor:	0030	The Bakersfield Californian	
13166290		GG\KBJ 1/2 H RTL 3 Colors	292.50
			292.50
Check No:	0	Check Date:	
Vendor:	0061	BSK Associates	
0069142		Swr\Reclamation Area Soil Sampling	762.00
			762.00
Check No:	0	Check Date:	
Vendor:	0155	FedEx	
570970449698		PD Bldg\express shipping ground	17.46
570970449702		PD Bldg\express shipping	26.17
570970449713		HSIP E Teh Imp Proj\express shipping	15.38
797183921791		CD\express shipping	30.03
797245118762		PD Bldg\express shipping	19.36
797245289963		PD Bldg\express shipping	34.98
797245579228		PD Bldg\express shipping	28.33
797245673406		PD Bldg\express shipping	24.15
797294858190		CD\express shipping	45.61
797381072220		CD\express shipping	29.89
797622512640		CD\express shipping	31.01
			302.37
Check No:	0	Check Date:	
Vendor:	0182	P&J Electric	
4647		Swr\test headworks auger motor	250.00
4650		Wtr\trouble shoot White Oak booster station	250.00
4651		Swr\repull wire to headworks auger	200.00
			700.00
Check No:	0	Check Date:	
Vendor:	0216	Judicial Data Systems Corporation	
4290		Parking Citation Revenue	100.00
			100.00
Check No:	0	Check Date:	
Vendor:	0260	Liebert Cassidy Whitmore	
175626		GG\professional services thru 12/31/13	881.00
175627		PD\professional services thru 12/31/13	2,951.65

		3,832.65
Check No:	0 Check Date:	
Vendor:	0310 Willdan Financial Services	
010-22962 1	L&L Dist #1\Admin Fees\Heritage Oaks	145.92
010-22962 2	L&L Dist #1\Admin Fees\Clearview	95.10
010-22962 3	L&L Dist #1\Admin Fees\Autumn Hills	166.50
010-22962 4	L&L Dist #1\Admin Fees\Alta	535.36
010-22962 5	L&L Dist #1\Admin Fees\KB Orhcard Glen	485.32
010-22962 6	L&L Dist #1\Admin Fees\Mulberry Place	21.20
010-22962 7	L&L Dist #1\Admin Fees\Mill St Cottages	27.44
010-22962 8	L&L Dist #1\Admin Fees\Teh BI (Superior)	21.21
010-22962 9	L&L Dist #1\Admin Fees\Teh BI Drain Basin	60.96
		1,559.01
Check No:	0 Check Date:	
Vendor:	0362 RSI Petroleum Products	
0268429	PW\unleaded fuel	305.15
		305.15
Check No:	0 Check Date:	
Vendor:	0373 Thomas F. Schroeter, Attorney @ Law	
01282014	Air\legal svcs thru 12-30-2013	110.50
01282014-1	Wtr\legal svcs thru 12-30-2013	156.00
01282014-2	GG\legal svcs thru 12-30-2013	4,225.00
01282014-3	PERSM1 Member Contribution 1/30/2014	-152.54
		4,338.96
Check No:	0 Check Date:	
Vendor:	0428 Tehachapi Flower Shop	
122014	GG\plant-PCowan	62.30
152014	GG\plant-JCurry	62.30
		124.60
Check No:	0 Check Date:	
Vendor:	0441 Vulcan Materials Company	
70227876	Wtr\5sk pm ae	247.05
		247.05
Check No:	0 Check Date:	
Vendor:	0445 Tehachapi Senior Center, Inc.	
02012014	Senior Nutrition Program Feb 2014	400.00
		400.00
Check No:	0 Check Date:	
Vendor:	0446 Tehachapi Unified School Dist.	
140262	Coy Burnett field July 3-5 2013	1,260.00
140265	GG\Board Room 11-14-13 E Kern Econ Allianc	25.00
		1,285.00
Check No:	0 Check Date:	
Vendor:	0476 WITTS Everything for the Office	
130558-1	Fin\custom stamp	53.64
130714-0	GG\calendars & folders	125.29
130787-0	GG\xerox paper	77.38
130793-0	GG\paper calendars clips note pads staples label	138.50
130811-0	PD\janitorial supplies	215.69

130811-01	PD\index binders	5.35
130910-0	PW\ink cartridges	41.90
130918-0	GG\envelopes roll tape	87.06
130945-0	Fin\5x7 notebooks	18.87
		<hr/>
		763.68
Check No:	0 Check Date:	
Vendor:	0567 Microflex	
IN1423666	Swr\latex gloves	451.28
IN1423666-1	Swr\latex gloves	451.29
		<hr/>
		902.57
Check No:	0 Check Date:	
Vendor:	0670 Antelope Valley Board of Trade	
4027	GG\Business Outlook Conf (Member)	135.00
4027-1	CD\Business Outlook Conf (Member)	135.00
		<hr/>
		270.00
Check No:	0 Check Date:	
Vendor:	0832 ACWA/JPLA	
0259701	Medical	71,396.04
0259701-1	Dental	7,977.16
0259701-2	Vision	1,083.24
0259701-3	Life	1,066.75
		<hr/>
		81,523.19
Check No:	0 Check Date:	
Vendor:	1286 M&M's Sports Uniforms & Embroidery	
30182	PD\Tailoring	17.42
30193	Wtr\uniforms	98.96
30193-1	PW\uniforms	70.03
		<hr/>
		186.41
Check No:	0 Check Date:	
Vendor:	1441 Grainger	
9338712228	Wtr\safety supplies	78.69
		<hr/>
		78.69
Check No:	0 Check Date:	
Vendor:	1695 Applegate Garden Florist	
034561/1	GG\Green Plant-AJohnson	51.55
		<hr/>
		51.55
Check No:	0 Check Date:	
Vendor:	1724 Banks Pest Control, Inc.	
392502	Air\pest control 314 N Hayes & 100 Comm	185.00
		<hr/>
		185.00
Check No:	0 Check Date:	
Vendor:	1801 HD Supply Waterworks, LTD	
B834080	Wtr\gaskets brass nuts & bolts rubber washers	171.57
B920174	Wtr\redi clamps	868.31
B930305	Wtr\brass washers	36.12
B956649	Wtr\couplings	132.90
		<hr/>
		1,208.90
Check No:	0 Check Date:	

Vendor:	1945 RST Cranes, Inc.	
7422	Swr\operate 33 ton - rigger & surcharge	535.00
		<hr/>
		535.00
Check No:	0 Check Date:	
Vendor:	1947 Tehachapi Lawn and Garden	
01172014	Wtr\Honda motor on/off switch	16.46
		<hr/>
		16.46
Check No:	0 Check Date:	
Vendor:	2111 Swift Napa Auto Parts	
784255	PD\wiper blades	27.93
799697	PW\brake master cyl reman brake booster core d	329.60
799742	PW\bleeder kit & brake fluid	45.78
799758	PW\Return-Brake Master Cylinder	-135.45
799807	PW\Brake Master Cylinder	196.71
800061	Swr\idler pulley & dr blt tensioner assy	76.19
800338	Wtr\floor mats & puller	79.40
800424	PW\shocks fuel & oil filters	292.88
		<hr/>
		913.04
Check No:	0 Check Date:	
Vendor:	2147 Coffee Break Service, Inc.	
211731	GG\coffee & supplies	297.70
211784	GG\coffee & supplies	180.00
		<hr/>
		477.70
Check No:	0 Check Date:	
Vendor:	2236 Pacific West Sound, Inc.	
18561	GG\parade sound system	215.00
		<hr/>
		215.00
Check No:	0 Check Date:	
Vendor:	2478 DataProse Inc.	
749873-1	Refuse\Postage	202.40
749873-2	Wtr\Postage	506.03
749873-3	Swr\Postage	303.62
749873-4	Refuse\Printing	104.94
749873-5	Wtr\Printing	262.34
749873-6	Swr\Printing	157.40
		<hr/>
		1,536.73
Check No:	0 Check Date:	
Vendor:	2752 Fastenal Company	
3549	Swr\safety supplies	107.58
3549-1	Wtr\safety supplies	107.57
		<hr/>
		215.15
Check No:	0 Check Date:	
Vendor:	2776 Consolidated Electrical Dist.	
426924	City Parks\7 day timer	327.75
		<hr/>
		327.75
Check No:	0 Check Date:	
Vendor:	2902 Sim Sanitation, Inc	
26723	Air\monthly std unit & handicap rental	82.00

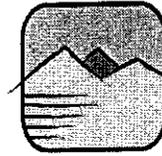
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Vendor:	2933 Ditch Witch Central California	
Q09450	Wtr\Hammerhead 3" ctmnt piercing tool	6,081.31
		6,081.31
Check No:	0 Check Date:	
Vendor:	2981 Burke, Williams & Sorenson, LLP	
173442	AD 89-3 professional fees thru 12-31-13	228.60
173443	AD 89-2 professional fees thru 12-31-13	702.45
		931.05
Check No:	0 Check Date:	
Vendor:	3051 Tehachapi Transmissions, Inc.	
5262	PD\starter assembly TE07	297.73
5268	PD\oil change & serpentine belt	148.19
		445.92
Check No:	0 Check Date:	
Vendor:	3062 Municipal Code Corporation	
00237891	Sales tax not charged on Inv #00237077	78.00
		78.00
Check No:	0 Check Date:	
Vendor:	3068 Galls an Aramark Company	
001426746	PD\pepper mace spray	50.19
		50.19
Check No:	0 Check Date:	
Vendor:	3173 Soto Tire & Wheels	
01152014	PD\tires TE12	730.00
		730.00
Check No:	0 Check Date:	
Vendor:	3199 Slick Fish Marketing Co.	
1667	GG\Prezi wordsmithing & content creation	350.00
1679	Sponsorship booklet-content writing & wordsmi	304.50
1680	GG\Kern Biz Journal - ad update & resize	45.00
		699.50
Check No:	0 Check Date:	
Vendor:	3223 Gilliam & Sons, Inc.	
0266223	Hydrant Meter refund	554.22
		554.22
Check No:	0 Check Date:	
Vendor:	3281 Statewide Traffic Safety & Signs Inc.	
1755/D	Strts\barricade	53.54
1767/12	Strts\Tom 4 Y-2 WZ 2-way	31.18
6485/12	Strts\Mast Arm signs adj hardware	597.70
		682.42
Check No:	0 Check Date:	
Vendor:	3551 The Castle Printing Group	
C30606	GG\Year In Review 2013 (8 pages)	1,406.77

			Check Amount
			1,406.77
Check No:	0	Check Date:	
Vendor:	3561	Lisa Wise Consulting Inc.	
1784		Zoning Code Update-Phases 3 & 4	7,570.75
			7,570.75
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Vendor:	3620	Merriman Hurst & Associates	
13665-A		Air\Appraisal Report 315 N Mojave St	550.00
13665-B		Air\Appraisal Report Davis St (vacant lot)	450.00
			1,000.00
Check No:	0	Check Date:	
Vendor:	3622	Van Lant & Fankhanel, LLP	
01222014		Fin\Audit yr ending 6-30-13	27,500.00
			27,500.00
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Vendor:	3659	ACCAPS Attn: Ron Ramsey	
01162014		GG\ACCAPS 2014 Membership Dues	1,500.00
			1,500.00
Check No:	0	Check Date:	
Vendor:	3672	Gravity Logic Inc.	
080114		GG\Feasibility Assessment & expenses	16,118.48
			16,118.48
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Vendor:	3677	Bob Murray & Associates	
5540		PD\Police Chief recruitment svcs	3,500.00
			3,500.00
Check No:	0	Check Date:	
Vendor:	3678	Four Seasons Mall LLC	
01152014		Wtr\Return Deposit on Hydrant Meter	1,000.00
			1,000.00
Check No:	0	Check Date:	
Vendor:	3680	Vortex Industries, Inc.	
42-790942-1		Air\gates repaired	1,790.26
			1,790.26
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		Report Total:	175,432.89

Accounts Payable

Checks by Date - Detail By Check Date

User: delphina
 Printed: 1/16/2014 - 3:18 PM



CITY OF
TEHACHAPI
 CALIFORNIA

Check Amount

Check No:	39599	Check Date:	01/16/2014		
Vendor:	0372	Southern California Edison			
1		St/landscape/Curry st S/O Pinon			18.92
10		St/landscape/710 W Teh blv			155.19
11		St/landscape/Tucker/Valley			121.61
12		St/landscape/Mill st S/O E st			10.87
13		St/landscape/Highline & Curry			15.81
14		St/landscape/213 W I st			10.87
15		St/landscape/F st E/O Mulberry			249.94
16		St/landscape/Mill and J st			103.83
17		St/landscape/TR 45361 Mulberry ap			54.22
18		St/landscape/Mill and J st			70.27
19		St/landscape/Tucker rd/Hwy 202			166.76
2		St/landscape/Mulberry/Brentwood			70.10
20		St/landscape/Highway 202			27.44
21		St/landscape/Highway 202			73.57
22		St/landscape/326 E D st			23.46
23		St/landscape/303 E ave D			13.75
24		St/landscape/100 W Teh blv #B			213.99
25		St/landscape/101 W F st			365.35
26		St/landscape/TR 2995 Oakwood/Val			5,577.16
27		St/landscape/TR 2995 Oakwood/Val			1,453.65
28		St/landscape/TR 2995 Oakwood/Val			428.26
29		1002 Applewood st			42.46
3		St/landscape/Mulberry/1300 Goodrick dr #Z			28.43
30		Wtr/Pinon			1,842.10
31		Wtr/Whit Oak extnd-E-Curry			825.34
32		Wtr/NW cor Anita/Dennison			2,005.50
33		Wtr/126 S Snyder Ave			41.07
34		Wtr/lrg water tanks/Curry			6,927.41
35		Wtr/Wahlstrom Well/129 Brentwood dr			1,591.21
36		Wtr/Minton Well/1299 S Curry st			1,579.54
37		Swr/Swr lift station/000000 Teh blv			179.97
38		St/landscape Utilities/Teh/Tucker			47.42
39		Swr/755 Steuber Well			196.76
4		St/landscape/Mulberry/Curry st/Walnut			18.91
40		LLD/landscape/180 Valley			28.85
41		LLD/landscape/1347 Clasico dr PED			38.52
42		LLD/landscape/1115 Alder av PED			28.85
43		LLD/landscape/1415 Alder av PED			28.71
44		Strt/Manzanite/Green			259.51
45		LLD/115 Manzanita ln			28.84
46		Lndscp/311 Sutter st			29.12
47		Lndscp/501 1/2 Pinon			28.84
48		Lndscp/115 Manzanita st			29.13
49		Lndscp/209 E Highline rd PED			28.84
5		St/landscape/Mulberry/Valley bl W/O Dennison			380.71
50		Strt/Dennison/Pinon st			1,164.58

51	Lndscp/1199 Canyon drive East	28.99
52	Lndscp/1200 S Dennison	28.98
53	Lndscp/1202 S Dennison	29.99
54	Lndscp/1000 Canyon dr W	29.12
55	Strt/Mill st/D st	62.22
56	Strt/Teh blv/Bailey av	75.93
57	Lndscp/409 Bailey ct	204.59
6	St/landscape/Goodrick dr E/O Dennison	190.35
7	St/landscape/Dennison/Brett av	42.19
8	St/landscape/800 S Curry st	27.44
9	St/landscape/Teh blv/Dennison	11.66
		<hr/>
		27,357.10

Check No:	39600	Check Date:	01/16/2014	
Vendor:	0395	The Gas Company		
010614 6		GG/non-residential heat/115 S Robinson		146.50
010914 1		A/non-residential/heating/100 Commercial Way		235.66
010914 2		Constr/non-residential/heating/100 Commerical		235.61
010914 3		A/non-residential/heating/409 Bryan Ct		131.44
010914 4		GG/non-residential/heating/200 W Teh blv		22.27
010914 5		PD/non-residential/heating/129 E F st		380.56
				<hr/>
				1,152.04

Check No:	39601	Check Date:	01/16/2014	
Vendor:	1503	Southern California Edison Co.		
163013		New Street light install/Poles Robinson between		885.51
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				885.51

Check No:	39602	Check Date:	01/16/2014	
Vendor:	1739	Chevron & Texaco Business Card Services		
40153102 1		PD/fleet vehicle fuel		6,593.96
40153102 2		GG/fleet vehicle fuel		239.97
				<hr/>
				6,833.93

Check No:	39603	Check Date:	01/16/2014	
Vendor:	1851	AT&T		
010114		GG/white page ad		11.81
				<hr/>
				11.81

Check No:	39604	Check Date:	01/16/2014	
Vendor:	2963	AT&T		
5007054		Wtr/WWTP fax		46.56
5008726		Swr/telemetry system		16.09
5018668		Swr/WWTP office		103.94
5018669		Swr/lift station		16.09
5018670		GG/City Hall fax		59.89
5018671		A/awos		15.78
5018672		PW/fax		30.96
5018673		A/fuel system		16.09
5018676		Swr/scada		91.08
50188667		GG/City Hall		845.36
5019190		GG/108 Pinon		15.81
5019533		Depot		47.42
5019848		Auto Dialer@sump/1002 Applewood		16.09
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				1,321.16

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Vendor:	3011	Verizon Wireless		

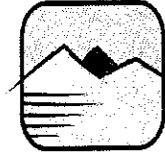
Check Amount

9717570755	PD/mobile broadband	638.15
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		638.15
Check No: 39606	Check Date: 01/16/2014	
Vendor: 3274	Bright House Networks	
011114	GG/internet services	148.28
		<hr/>
		148.28
		<hr/>
	Date Totals:	38,347.98
		<hr/>
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	Report Total:	38,347.98
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Accounts Payable

Checks by Date - Detail By Check Date

User: annamarie
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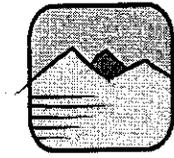
CITY OF
TEHACHAPI
 CALIFORNIA

			Check Amount
Check No:	39681	Check Date: 01/23/2014	
Vendor:	0032	City of Bakersfield	
01212014		Council\KCAC Dinner Mtg - Jan 30th	150.00
			<u>150.00</u>
Check No:	39682	Check Date: 01/23/2014	
Vendor:	1937	Department of Public Health Drinking Water	
09012013		Wtr\D3 Certification\AGamble	90.00
			<u>90.00</u>
Check No:	39683	Check Date: 01/23/2014	
Vendor:	2892	Mountain Maintenance Group Inc.	
4576		GG\cleaning 1/6-9 13-16	640.00
4576-1		PD\cleaning 1/5-9 12-16	750.00
4576-2		Depot\cleaning 1/9-13 16-20	500.00
4576-3		Air\cleaning 1/9 & 16	170.00
4576-4		WWTP\cleaning 1/7 9 14 & 16	340.00
4576-5		Comm Way\cleaning 1/9 & 16	170.00
			<u>2,570.00</u>
Check No:	39684	Check Date: 01/23/2014	
Vendor:	3671	Star CPR & Advanced Life Support	
011314 1 RI		Wtr/Deposit-Basic First Aid w/CPR & AED trai	297.50
011314 2 RI		Swr/Deposit-Basic First Aid w/CPR & AED trai	297.50
			<u>595.00</u>
Check No:	39685	Check Date: 01/23/2014	
Vendor:	1869	State Water Resources Control Board	
12302013		Swr\Grade IV Exam\WMisiura	440.00
			<u>440.00</u>
Date Totals:			<u>3,845.00</u>
Report Total:			<u>3,845.00</u>

Accounts Payable

Checks by Date - Detail By Check Date

User: annamarie
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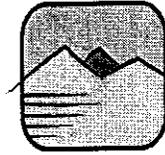
CITY OF
TEHACHAPI
CALIFORNIA

			Check Amount
Check No:	39686	Check Date: 01/23/2014	
Vendor:	1937	Department of Public Health Drinking Water	
11012013		Swr\T3 Certification\AGamble	90.00
			<hr/>
			90.00
			<hr/>
Date Totals:			90.00
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Report Total:			90.00
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Accounts Payable

Checks by Date - Detail By Check Date

User: delphina
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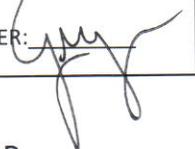
CITY OF
TEHACHAPI
CALIFORNIA

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Vendor:	3679	KCDPH	
012814		Swr/Twinrix fee/DRedelsperger	62.00
			<hr/>
			62.00
			<hr/>
Date Totals:			62.00
			<hr/> <hr/>
Report Total:			62.00
			<hr/> <hr/>



APPROVED

DEPARTMENT HEAD: 

CITY MANAGER: 

COUNCIL REPORTS

MEETING DATE: FEBRUARY 3, 2014 AGENDA SECTION: FINANCE DIRECTOR

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: HANNAH CHUNG, FINANCE DIRECTOR

DATE: JANUARY 28, 2014

SUBJECT: FUND BALANCE POLICY FOR GOVERNMENTAL FUNDS

BACKGROUND

In February 2009, the Governmental Accounting Standards Board has issued its Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*. The objective of this statement is to improve financial reporting and help with understanding the fund balance by presenting the fund balance in five new components. The five new components are Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance and Unassigned Fund Balance.

In order to comply with GASB 54 requirements, the City has adopted a Fund Balance Policy ("Policy") on June 20, 2011 which requires that council approves the Committed Fund Balance on an annual basis by adopting a resolution. The Committed Fund Balance is dedicated for the purpose of emergency contingency and is calculated using a prior fiscal year General Fund total expenditure less capital project cost. After a thorough review of the Policy on applicability of the calculation method, Staff is recommending that calculations as presented on the Policy, be changed from "From the total expenditure, subtract total capital project cost" to "From the total expenditure, subtract total capital project cost and operating transfer out" since "operating transfer out" is not actually a true General Fund expenditure.

The resolution is the City Council's formal commitment of fund balance to set aside for emergency contingency plan which is defined as a state or federal state of emergency or a local emergency. For fiscal year 2013/14, the amount is set at \$887,757. It should be noted that this amount and/or commitment may be changed only with the adoption of a new resolution by the council.

FISCAL IMPACT

None.

RECOMMENDATION

Staff recommends the Council to:

- Approve amended Fund Balance Policy for the Governmental Funds
- Adopt Resolution No. _____ approving the Committed Fund Balance for the fiscal year 2013/14.

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF TEHACHAPI APPROVING THE CITY OF
TEHACHAPI'S EMERGENCY CONTINGENCY
COMMITMENT OF FUND BALANCE FOR THE
GENERAL FUND AND REPEALING RESOLUTION NO.
27-13**

WHEREAS, the Governmental Accounting Standards Board (GASB) has issued its Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions with the intent of improving financial reporting by providing fund balance categories that will be more easily understood; and

WHEREAS, the City Council of the City of Tehachapi has considered "Fund Balance Policy for the Governmental Fund" ("Policy") which outlines the policy and procedures enacted to accurately categorize and report fund balance in governmental funds; and

WHEREAS, the "Policy" provides that the City Council may commit General Fund balance for specific purposes by taking formal action and these committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same formal action taken to establish the commitment; and

WHEREAS, the Finance Director has recommended to the City Council that the General Fund Emergency Contingency Commitment of General Fund balance be established at \$887,757 for Fiscal Year 2013-14; and

WHEREAS, the City Council has determined that the General Fund Emergency Contingency Commitment of General Fund balance should be approved at \$887,757 for Fiscal Year 2013-14 as recommended by the Finance Director.

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

SECTION 1. The City Council hereby establishes and approves the General Fund Emergency Contingency Commitment of General Fund balance of \$887,757 for Fiscal Year 2013-14.

SECTION 2. The City Council has determined that the specific purposes for which the General Fund Emergency Contingency Commitment Fund may be used are the declaration of a state or federal state of emergency or a local emergency and these uses may only be changed by approval of a subsequent resolution.

SECTION 3. The City Council hereby confirms that in any fiscal year in which recurring sources exceed recurring uses in the General Fund, the amount of the General Fund Emergency Contingency Commitment of General Fund balance will be estimated to be an amount equal to two (2) months of regular General Fund operating uses.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Tehachapi at a Regular Meeting this 3rd day of February, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PHILIP SMITH, Mayor of the
City of Tehachapi, California

ATTEST:

DENISE JONES, CMC
City Clerk of the City of Tehachapi

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 3, 2014.

DENISE JONES, CMC
City Clerk of the City of Tehachapi

ADMINISTRATIVE POLICY

Policy: Fund Balance Policy for the Governmental Funds

Adopted by Council: June 20, 2011, Resolution No. 28-11

Amendment 1: February 3, 2014

Responsible Department: Finance

POLICY

This Fund Balance Policy establishes the procedures for reporting unrestricted fund (Committed, Assigned and Unassigned funds) balance in the financial statements of governmental funds. Certain commitments and assignments of fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. The policy also authorizes and directs the Finance Director to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

PROCEDURES

Fund balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.

Nonspendable fund balance (inherently nonspendable): A portion of a fund balance that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. i.e., Inventories, Prepaid expenditures, Advances to other funds, Loans receivable

Restricted fund balance (externally enforceable limitations on use): A portion of a fund balance that reflects constraints placed on the use of resources (other than nonspendable items) that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. i.e., Mitigation fees, Grants for specific purpose, Taxes dedicated to a specific purpose, and Revenues restricted by enabling legislation.

Committed fund balance (self-imposed limitations on use): A portion of a fund balance that includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, and remain binding unless removed in the same manner. i.e., Fund set aside for specific purpose by resolution.

Assigned fund balance (limitation resulting from intended use): A portion of a fund balance that includes amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted nor committed. Such intent

needs to be established at either the highest level of decision making, or by an official designated for that purpose.

Unassigned fund balance (residual net resources): A portion of a fund balance that includes amounts that do not fall into one of the above four categories. The General Fund is the only fund that should report this category of fund balance.

The first two components listed above are not addressed in this policy due to the nature of their restrictions. This policy is focused on financial reporting of unrestricted fund balance or the last three components listed above. These three components are further defined below.

Committed Fund Balance

As described above, the Committed Fund Balance is approved by either an ordinance or resolution. The General Fund Emergency Contingency Fund is to be committed by adoption of a resolution by the City Council.

The General Fund Emergency Contingency Fund is calculated using the prior fiscal year total expenditure. From the total expenditure, subtract total capital project costs and operating transfer out. Then the difference is divided by 12 months and then multiplied by 2 months. This calculation is based on the recommendation of the Government Finance Officers Association (GFOA).

Assigned Fund Balance

Amounts that are constrained by the City's *intent* to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This policy hereby 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. A few examples of assigned fund balance follow.

- **Continuing Appropriations**

Fund balance levels must be sufficient to meet funding requirements for projects approved in prior years and which must be carried forward into the new fiscal year.

- **Debt Service**

Established to provide for future debt service obligations.

- **Budget Balancing Measures**

Funds set aside for the purpose of stabilizing the delivery of City services during periods of operational budget deficits and to mitigate the effects of major economic uncertainties resulting from unforeseen changes in revenues and/or expenditures.

Unassigned Fund Balance

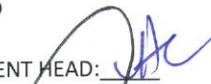
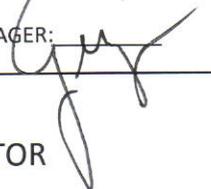
These are residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories.

Fund Balance Classification

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.

This policy is in place to provide a measure of protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54. No other policy or procedure supersedes the authority and provisions of this policy.



APPROVED
DEPARTMENT HEAD: 
CITY MANAGER: 

COUNCIL REPORTS

MEETING DATE: FEBRUARY 3, 2014 AGENDA SECTION: FINANCE DIRECTOR

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: HANNAH CHUNG, FINANCE DIRECTOR

DATE: JANUARY 28, 2014

SUBJECT: Investment Policy

BACKGROUND

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 has made adjustment to the policy accordingly to reflect changes to names of funds as listed below:

From "Redevelopment Agency Fund" to the "Successor Agency to the Tehachapi Redevelopment Agency Fund".

From "Low and Moderate Income Housing Fund" to the "Successor Agency to the Tehachapi RDA Low and Moderate Income Housing Fund".

OPTIONS

1. Approve the existing investment policy with suggested changes.
2. Make other change(s) to the existing investment policy.

RECOMMENDATION

Approve the suggested changes and adopt the resolution.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF TEHACHAPI ADOPTING AN
INVESTMENT POLICY AND REPEALING
RESOLUTION NO. 04-13**

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

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

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

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

1. That the Investment Policy, as contained in Exhibit "A" attached hereto and made a part hereof, is adopted.
2. That Resolution No. 04-13 is hereby repealed.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi this 3rd day of February, 2014 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:

DENISE JONES, 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 3, 2014.

DENISE JONES, CMC
City Clerk of the City of Tehachapi, California

EXHIBIT A

CITY OF TEHACHAPI INVESTMENT POLICY

1. **POLICY:**

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

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

2. **SCOPE:**

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

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

3. **PRUDENCE:**

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

timely fashion and appropriate action is taken to control adverse developments.

4. **OBJECTIVES:**

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

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

5. **DELEGATION OF AUTHORITY:**

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

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

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

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

The Finance Director will maintain a list of financial institutions, selected

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

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

8. AUTHORIZED AND SUITABLE INVESTMENTS:

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

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

contract, or agreement may be invested according to the provisions of those indentures or agreements.

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

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

9. MAXIMUM TERM TO MATURITY:

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

10. COLLATERALIZATION:

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

11. SAFEKEEPING AND CUSTODY:

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

12. DIVERSIFICATION:

The City of Tehachapi will diversify its investments by security type and institution. Investments shall be diversified to eliminate the risk of loss resulting from over concentration of investments in a specific maturity, a specific issuer (except the U.S. Treasury) or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- (a) Investment maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.
- (b) Maturities selected shall provide for stability of

income and liquidity.

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

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

13. REPORTING:

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

14. INVESTMENT POLICY ADOPTION:

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

COMMERCIAL HANGAR GROUND LEASE AGREEMENT
(Tehachapi Airport) Suite 43W

THIS LEASE AGREEMENT, hereinafter referred to as this "Lease", is made and entered into this 3rd day of **February, 2014** by and between the CITY OF TEHACHAPI, hereinafter referred to as "LESSOR", and **Michael William Haney**, hereinafter referred to as "LESSEE".

IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

1. PREMISES:

LESSOR does hereby demise and lease to LESSEE, and LESSEE hereby hires from LESSOR, those certain premises situated in the City of Tehachapi, County of Kern, State of California, hereinafter referred to as the "premises" or "demised premises", and more particularly delineated on Exhibit A, attached hereto and by this reference made a part hereof.

2. TERM:

The term of this Lease shall be for 20 years, commencing on **January 1st, 2014** and terminating on **January 1st, 2034** (the "Initial Term"). LESSEE is hereby granted option to renew the LEASE for an additional term of five years from the expiration of the Initial Term, and for a second additional term of five years, provided LESSEE gives LESSOR written notice of LESSEE'S exercise of its option to do so no more than 180 days and no less than 30 days prior to the expiration of the Initial Term or the first additional term whichever applies. In the event LESSEE exercises its option to renew the Lease, the renewal shall be on the same terms and conditions as described in this Lease. except for rental and as to the rental to be charged, same shall be calculated based on the rental rate or rental formula then in effect by the LESSOR for new commercial hangar ground leases. In addition, the rental terms for the renewal period shall include requirements for such increases as is then required by the LESSOR for new commercial hangar ground leases.

3. HOLDING OVER:

In the event LESSEE shall hold over after the term herein granted with the expressed or implied consent of LESSOR, such holding over shall be a tenancy only from month to month at twice the rental rate then charged for noncommercial hangar ground leases; provided, however,

that if LESSEE is otherwise in default under this Lease at the time of holding over, nothing herein shall expressly or impliedly cure the default and LESSOR shall have all rights to remedy the default in addition to all rights to the increased monthly rental provided for herein.

4. **RENTAL CONSIDERATION:**

As and for rental, LESSEE agrees to pay to LESSOR, the sum of **\$158.10** per month payable in advance on the first day of each month commencing **January 1st, 2014**. On February 1 of each calendar year thereafter, the monthly rental shall increase or decrease for said calendar year by the percentage increase or decrease between the Consumer Price Index (All Urban Consumers) (Base Years 1982-1984=100) for Los Angeles-Riverside-Orange County CMSA published by the United States Department of Labor, Bureau of Labor Statistics ("Index") which is published immediately preceding the commencement of the prior calendar year and the Index published immediately preceding the commencement of the new calendar year. LESSOR shall notify LESSEE in writing of said rental increase/decrease prior to February 1. LESSOR shall bill LESSEE monthly for the rental and rental shall be due on the date set forth on the billing and shall be deemed delinquent if not received by that date. Notwithstanding the foregoing, rental may also be increased as described in Paragraphs 15 and 24.

5. **INTEREST:**

If the payments required herein are not paid within fifteen (15) days after they become due, then, in addition to such sums are due, LESSEE shall also pay interest at the rate of ten percent (10%) per month on the unpaid balance or portion thereof, until paid in full.

6. **PURPOSE; NUISANCE:**

(a) The demised premises shall be used by the LESSEE for one or more of the following purposes: aircraft storage, modification, display, maintenance, repair, restoration, and for the construction of aircraft to be certified in the experimental category; provided that such aircraft are owned or leased by LESSEE or partnership or other business association approved by the City Manager or designated representative in which LESSEE is a member, except for such aircraft permitted on the premises pursuant to an assignment or sublease approved by LESSOR. LESSEE may utilize the demised premises for one or more of the following Commercial aviation purposes: maintenance, repair, restoration, and construction of all types of aircraft, airframe, engine, appliance, avionics, and pilot supplies (collectively, the "Commercial Activities"). Provided, however, that the Commercial Activities authorized herein shall not be assigned nor

shall the right to same be subleased and any such attempted assignment or sublease shall be absolutely void and constitute a breach of this Agreement. Upon the sale or transfer of the lease herein, the right to conduct the Commercial Activities shall automatically terminate and be of no further force or effect.

(b) LESSEE shall not do or permit any act or thing to be done upon the premises which constitutes a nuisance or which may disturb the quiet enjoyment of LESSOR or any tenant of LESSOR on adjacent or neighboring property. LESSEE shall abate or cure any nuisance on the demised premises or for which LESSEE is responsible within ten (10) days after written notice thereof from LESSOR. In the event LESSEE has not taken corrective action within ten (10) days, LESSOR may take any action necessary to abate or cure such condition at LESSEE'S sole cost and expense, without further written notice and LESSOR shall have no liability to LESSEE therefore nor for any damages to the premises or to the hangar or to property therein or thereon. Notwithstanding the foregoing, if any such nuisance creates, in LESSOR'S reasonable determination, a condition immediately hazardous to health or safety, LESSOR may immediately, without written notice to LESSEE, enter the premises to abate or cure the condition at LESSEE'S sole cost and expense and LESSOR will use its reasonable best efforts to limit the physical damage incurred to hangar or property to cure such condition.

(c) The use of combustible chemicals or cleaning solvents, stripping or painting, or welding or repair to any aircraft on the demised premises are allowed only to the extent permitted under all applicable federal, state and local regulation governing the use of hazardous materials and equipment, and only in a manner consistent with such regulation.

7. **CONDITION OF PREMISES:**

LESSEE has inspected the demised premises and knows the extent and condition thereto and accepts same in its present condition, as is, subject to and including all defects, latent and/or patent.

8. **SAFETY:**

Any area that is within the control of the LESSEE at the airport shall be kept clear of accumulation of oil, grease, fuel, trash and debris which are potential fire, environmental, or safety hazards, and LESSEE shall comply with all local, state and federal laws, statutes, rules and regulations with regard thereto. LESSOR shall maintain undeveloped grounds adjacent to demised property in a condition consistent with current city and county fire code.

9. **ALTERATIONS:**

LESSEE shall not construct any improvements or make any alterations of any kind (whether permanent or otherwise) on the demised premises without the written consent of the City Manager or designated representative first being obtained.

10. **SIGNS:**

LESSEE shall not construct or place or permit to be constructed or placed, signs, awnings, marquees, or other structures projecting from the exterior of the premises without LESSOR'S prior written consent thereof. LESSEE further agrees to remove signs, displays, advertisements, or decorations it has placed or permitted to be placed on the premises, which, in LESSOR'S opinion are offensive or otherwise objectionable. If LESSEE fails to remove such signs, displays, advertisements or decorations within ten (10) days after having received written notice to remove same from LESSOR, LESSOR reserves the right to re-enter the premises and remove them at LESSEE'S expense.

11. **UTILITY EXTENSION OR MODIFICATION:**

LESSEE shall pay any and all expenses that may be incurred in obtaining the extension of public utility services to the demised premises from existing facilities or any modification of same.

12. **UTILITIES:**

LESSEE agrees to pay during the term of this Lease, or any holding over, all utilities used by LESSEE. The term "utilities" as used herein shall include, but is not limited to, gas, electricity, water, sewer, telephone, and trash and refuse disposal service.

13. **MAINTENANCE:**

LESSEE agrees to provide maintenance, repair, and upkeep on any structures situated on the demised premises and any immediately adjacent grounds around the structures in a good, clean, sanitary and safe condition.

14. **FAILURE TO REPAIR:**

In the event LESSEE shall fail, neglect, or refuse to commence the repair or maintenance work required herein within thirty (30) days after receipt of a written notice service by LESSOR, or in the event that LESSEE fails, neglects or refuses to pursue said repair or maintenance work with reasonable diligence to completion, LESSOR may perform or cause to be performed such repair or maintenance work and add the cost thereof to the installments of rent due for this Lease as a charge to LESSEE. If such repair is determined by the LESSEE to be economically

unfeasible, either party shall have the option of terminating the agreement with LESSEE, and at LESSEES'S cost, returning the demised property to its original pre-agreement condition.

15. **SALE OR REMOVAL OF IMPROVEMENTS:**

(a) Unless otherwise agreed upon by the parties hereto, if LESSEE desires to sell or otherwise transfer any or all buildings, hangars and other improvements (the "Improvements") made to or constructed and placed on the premises during or prior to the term of this Lease, or any extensions thereof, LESSOR shall have a right of first refusal (the "Right of First Refusal") to purchase the improvements and the LESSEE shall give LESSOR a notice in writing at least thirty (30) days before such sale or transfer of the terms of same (the "Lessee Notice"). Any sale or transfer or agreement to sell or transfer the Improvements without LESSEE first complying with the requirements of LESSOR'S Right of First Refusal shall be void and, in addition thereto, shall constitute a breach and material default of this Lease. If LESSEE has received an offer to purchase the Improvements that LESSEE is prepared to accept, the Lessee Notice shall contain a complete copy of the offer (the "Offer"), or if LESSEE does not have any such Offer but nevertheless wishes to sell or transfer the Improvements to a third party, the Lessee Notice shall include all of LESSEE'S terms and conditions for such sale or transfer. Lessor's Right of First Refusal to purchase the Improvements shall be under the same terms and conditions as described in the Lessee Notice. The Lessee Notice shall be personally delivered or mailed to LESSOR by registered mail, return receipt requested. LESSOR shall have thirty (30) days from receipt of the Lessee Notice in which to exercise its Right of First Refusal (the "Exercise Period"). If LESSOR wishes to exercise its Right of First Refusal, LESSOR shall do so in writing to LESSEE prior to expiration of the Exercise Period, provided however that if the Exercise Period terminates on a weekend or holiday, the Exercise Period shall be extended to close of business (California time) on the next business day thereafter. In the event LESSOR exercises its Right of First Refusal, LESSOR shall complete the purchase of the Improvements within thirty (30) days. If LESSOR does not exercise its Right of First Refusal, LESSEE shall have the right, only for the next thirty (30) days, to complete the sale or transfer of the improvements to the offer or of the offer, or, if none, to any other third party under the same terms and conditions as described in the Lessee Notice, provided however that if the sale or transfer is not completed within thirty (30) days of the expiration of the Exercise Period or if the terms and conditions of the sale or transfer are modified, then LESSOR'S Right of First Refusal shall be revived and LESSEE shall once

again give LESSOR the Lessee Notice containing the terms and conditions or, if applicable, the revised terms and conditions of the sale or transfer and LESSOR shall have all rights with regard thereto previously described herein. LESSEE shall not place a lien or otherwise encumber the Improvements as part of any sale or transfer without LESSOR'S prior written consent, which consent may be denied or conditioned in LESSOR'S sole and absolute discretion. If a sale is completed during the term of this Lease, no assignment or subletting of this Lease or of the premises shall occur without compliance with Paragraph 24 and, additionally, LESSOR shall have the right to increase the rental to the rental then being charged by LESSOR for new noncommercial hangar ground leases as then determined by LESSOR. Notwithstanding the foregoing, if the purchaser of the Improvements requests a new Lease, LESSOR may, in LESSOR'S sole and absolute discretion, enter into a new Lease with the purchaser.

(b) If at the termination of this Lease a new Lease has not been entered into by the parties or their successors, then LESSEE shall remove the Improvements and all fixtures and contents therein no later than 30 days after the expiration of the Lease Term without unnecessary damage to the premises and during the 30 day period after expiration of the Lease Term LESSEE shall pay rental to Lessor as a holdover tenant pursuant to Paragraph 3 of this Lease. If LESSEE does not effect such removal, LESSOR shall have the right to do so and LESSEE shall be obligated to LESSOR for the costs thereof; provided, however, that all right, title and interest in and to the Improvements without their removal may be acquired by LESSOR upon terms and conditions mutually agreeable to both LESSOR and LESSEE. Notwithstanding the foregoing, if LESSEE has failed to effect the removal as required herein and LESSOR and LESSEE have not agreed upon the terms by which LESSOR would acquire the Improvements, LESSEE shall be in breach of this Agreement and LESSOR shall have all rights described in Paragraph 28 of this Lease with regard thereto.

16. **COMPLIANCE WITH LAW:**

LESSEE shall, at its expense, promptly comply with any and all laws, ordinances, rules, regulations, requirements and orders whatsoever, present or future, of the national, state, county, or city governments which may in any way apply to the use, maintenance, or occupation of, or operations on the demised property.

17. **RIGHT OF INSPECTION:**

LESSOR shall have the right to enter upon the demised premises at all reasonable times

to inspect the premises and LESSEE'S operations thereon. LESSOR will promptly notify LESSEE if LESSEE is not present, of any and all instances where LESSOR was required to enter leased premises. The name of entrant, the purpose of entry, the date, time and confirmation of securing same shall be included in the notification to LESSEE. LESSOR reserves all rights in and with respect to the premises, not inconsistent with LESSEE'S use of the premises as in the Lease provided, including (without limiting the generality of the foregoing) the right of LESSOR to enter upon the premises for the purpose of installing, using, maintaining, renewing, and replacing such underground oil, gas, water, sewer, and other pipelines, and such underground or aboveground telephone, telegraph, and electric power conduits or lines as LESSOR may deem desirable in connection with the development or use of the demised premises or any other property on the airport or in the neighborhood of the premises. LESSOR shall compensate LESSEE for any and all damage to LESSEE'S improvements and personal property caused by the exercise of the rights reserved in this paragraph.

18. **INDEMNIFICATION:**

LESSEE agrees to indemnify, defend (upon request by the LESSOR) and save harmless the LESSOR, its Council persons, agents, officers and employees, and each of them, from any and all losses, costs, expenses, claims, liabilities, actions, and damages, including liability for injuries to person or persons, or damage to property of third persons arising out of or in any way connected with (a) the LESSEE'S use, occupancy and/or operation of the demised premises during the term of this Lease or any holding over, and (b) the construction or the removal of any facilities or improvements on the demised premises during the term of this Lease or any holding over, unless it has been determined in a court of law that gross negligence and willful misconduct has occurred on behalf of the LESSOR.

19. **WORKERS COMPENSATION:**

LESSEE agrees to observe and obey the Workers' Compensation Act of the State of California as from time to time amended, and will indemnify and save and hold harmless LESSOR from any and all liability hereunder.

20. **LIABILITY INSURANCE:**

LESSEE, in order to protect LESSOR, its agents, officers and employees, against all claims and liability for death, injury, loss, and damage as a result of LESSEE'S use, occupancy and/or operation of the demised premises or in a connection therewith, shall secure and maintain

in force during the entire term of this Lease and covering all LESSEE'S operations and activities on the airport, a Comprehensive General Liability insurance policy in the amount of \$ 500,000 with a reliable insurance carrier approved by the City and authorized to do such public liability and property damage insurance business in the State of California. Said policies of insurance:

(a) shall expressly name LESSOR, Council persons, agents, officers, and employees as additional insured; and

(b) shall be primary insurance as regards any other valid and collectible insurance LESSOR possesses, and any other insurance that LESSOR may possess shall be considered excess insurance only; and

(c) shall contain a Severability of Interest or cross liability clause, which is to say, such policy shall act as though a separate policy were written for each insured and additional named insured in the policy; and

(d) shall not be subject to cancellation and/or coverage reduction without thirty (30) day's prior written notice to LESSOR.

Within ten (10) days from the date of the Lease, LESSEE shall file with the City Manager a duly certified Certificate of Insurance evidencing that the hereinabove mentioned public liability and property damage (and hangar-keeper liability, where applicable) provisions have been complied with, and setting forth that LESSOR, its councilpersons, agents, officers, and employees are named as additional insured. In the event that LESSEE shall fail to obtain or thereafter maintain such policies or to furnish evidence thereof to LESSOR, LESSOR may, in LESSOR'S sole discretion, (1) procure the same, pay the premium therefore, and collect same with the next payment of rental due from LESSEE, or (2) terminate this Lease pursuant to Paragraph 28 hereof.

21. **TAXES AND ASSESSMENTS:**

LESSEE agrees to pay all taxes and/or assessments levied by any governmental agency upon any interest acquired by LESSEE under the terms of this Lease. Providing further, that LESSEE is aware that certain possessory interests may be created by entering into this Lease and that LESSEE will be subject to the payment of property taxes levied on such interests.

22. **LEASE SUBORDINATE TO AGREEMENTS WITH UNITED STATES GOVERNMENT:**

This Lease shall be subordinate to the provisions and requirements of any existing or future agreements between the LESSOR and the United States relative to the development, operation or maintenance of the Airport.

23. **AERONAUTICAL RESTRICTIONS:**

(a) There is hereby reserved to LESSOR for the use and benefit of the public a right of flight for the passage of aircraft in the air space above the surface of the demised premises. This public right of flight shall include the right to cause in said air space any noise inherent in the lawful operation of any aircraft used for navigation or flight through the said air space or landing at, taking off from, or operation on the Tehachapi Airport.

(b) LESSEE shall not erect or permit the erection of any structure, building, or object of natural growth or other obstructions on the demised premises above the maximum elevation permitted by the Federal Aviation Administration. In the event the aforesaid covenant is breached, same shall be deemed a nuisance and a material breach of this Agreement and City shall have all rights described under Paragraph 6 (b) to abate the nuisance and City shall have all other rights and remedies available at law or in equity.

(c) LESSEE shall not make use of the demised premises in any manner, which might interfere with lawful air navigation and communication, the landing or taking off of aircraft from Tehachapi Airport, or otherwise constitute an airport hazard. In the event the aforesaid covenant is breached, LESSOR will immediately notify LESSEE of the situation and require immediate corrective action and reserves the right to enter on the demised premises and cause the abatement of such interference at the expense of LESSEE.

(d) LESSOR reserves the right to further develop or improve the landing area at the Tehachapi Airport as it sees fit regardless of the desires or views of LESSEE, and without interference or hindrance.

(e) LESSOR reserves the right, but shall not be obligated to LESSEE, to maintain and keep in repair the landing area at the Tehachapi Airport and all publicly owned facilities at the airport, together with the right to direct and control all activities of the LESSEE in this regard. Provided, however, that in the event of the taxiways or runways at the airport are determined to be unfit for aeronautical use by the FAA or by LESSOR or by the Aeronautical Division of the California Department of Transportation, or the airport ceases to be operated as an airport, then this Lease may be terminated by LESSEE, at its option, by its giving of at least

thirty (30) days written notice thereof LESSOR.

(f) Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

24. **SUBLETTING:**

(a) LESSEE shall not assign this Lease or sublet the premises, or any part thereof, without the prior written consent of the LESSOR, which consent shall not be unreasonably withheld but may be reasonably conditioned to include but not be limited to the following:

(i) Any assignment or sublease shall be in writing and shall provide that the assignee or sublessee shall agree to and be bound by all of the terms and conditions of the Lease;

(ii) The assignee or sublessee shall secure and maintain in force during the entire term of such sublease or assignment a liability insurance policy or policies in conformity with the requirements of Paragraph 20, liability Insurance, with respect to any aircraft hangared on the premises that are owned by sublessee or assignee or other third party; and

(iii) A rental adjustment, which shall be, based on the rental then in effect by LESSOR for new noncommercial hangar ground leases.

(b) In the event of an attempted assignment or subletting in violation of the foregoing provisions, then in addition to any and all other rights and remedies available to it, the LESSOR may, at its option, by written notice to the LESSEE, either (1) declare such sublease, assignment, transfer, mortgage, or other conveyance void, or (2) terminate this Lease and all rights and interest of LESSEE and all other persons hereunder pursuant to Paragraph 28. Any consent by the LESSOR to any assignment or sublease, shall not be deemed or construed as a consent to any different or subsequent assignment or sublease. The remedies available herein are cumulative with all other remedies available under this Lease or at law or in equity and the exercise of any remedy herein or under this Lease or at law or in equity shall not prevent the exercise of any other remedy provided herein or in this Lease or at law or in equity.

25. **RIGHT OF INGRESS AND EGRESS:**

LESSEE shall have the reasonable right-of-way over property owned and controlled by LESSOR for ingress thereto and egress there from for pedestrian, vehicular, and air travel, together with the right to use in common with other LESSEE'S or licenses or LESSOR the

airplane landing field adjacent to the demised premises. None of these rights are exclusive but shall be exercised in common with and subject to possible similar rights of other users of the airport. All the forgoing is subject to such reasonable rules and regulations as the LESSOR or its authorized agents may make from time to time. Such rules and regulations, however, shall be reasonable and shall not conflict in any way with similar rules and regulations adopted from time to time by the Federal Aviation Administration or its successor.

26. **BANKRUPTCY:**

In the event that (a) LESSEE shall file a voluntary petition in bankruptcy or shall be adjudged a bankrupt in any voluntary bankruptcy proceeding; (b) any voluntary or involuntary proceeding for the reorganization of LESSEE shall be instituted by anyone other than LESSEE under any of the provisions of the bankruptcy laws of the United States; or (c) a receiver or judicial trustee or custodian shall be appointed for LESSEE, or any lien or any writ of attachment, garnishment, execution or distraint shall be levied upon any LESSEE'S rights or interest under this Lease; or (d) there shall be any other assignment of any LESSEE'S rights or interests under this Lease by operation of law, then in addition to any and all other rights and remedies available to it, LESSOR may, at its option by 30 day written notice to LESSEE, terminate this Lease and all rights and interest of LESSEE and all other persons under this Lease. The term "LESSEE", as used in this paragraph, includes any individual, partnership, or corporation who is a LESSEE hereunder, even though several individuals, partnership, or corporations are such, and includes each partner of any partnership, which is LESSEE hereunder.

27. **WAIVER OF BREACH:**

The waiver by LESSOR of any breach by LESSEE of any provision contained herein shall not be deemed to be a continuing waiver of such provision, or a waiver of any other prior or subsequent breach thereof, or a waiver of any breach of any other provisions contained herein.

28. **BREACH:**

(a) In the event of a breach by LESSEE of any term, condition, or agreement herein contained, LESSEE shall have 30 days to cure the breach after written notice has been given to LESSEE by LESSOR, provided however that if any such breach cannot be reasonably cured within 30 days of such notice, then LESSEE shall have commenced reasonable efforts to cure same within said period. In the event of LESSEE'S failure to cure or commence the cure of

any such breach within 30 days this Lease and all privileges herein granted shall be terminated and be of no further force or effect, and LESSEE shall immediately surrender to LESSOR possession of the premises, and in addition to all other remedies available to LESSOR hereunder or at law or equity, LESSOR shall have the remedies either to remove the Improvements on the premises at the expense of LESSEE or the Improvements and to thereafter be the sole and exclusive owner of same. Notwithstanding the foregoing, in the event LESSEE allows a nuisance to exist on the premises as described in Paragraph 6 of this Lease, LESSEE shall abate the nuisance as required therein and nothing herein shall be deemed to waive or modify the requirements and remedies described in Paragraph 6. Providing further, that in the event LESSEE breaches this Lease and abandons the property before the end of the term, if LESSEE'S right to possession is terminated by LESSOR because of breach of this Lease, LESSOR shall have the right to recover damages from LESSEE as provided in the State of California Civil Code Section 1951.2.

(b) In the event of a breach by LESSOR of any term, condition, or agreement herein contained, that deprives LESSEE in any manner, in whole or part, of its quiet enjoyment of the demised premises or its right to utilize them fully as described in Paragraph 6 hereof, or of its rights of ingress and egress described in Paragraph 25 hereof, LESSEE shall not be obligated to LESSOR for any rental payments otherwise due and payable for the period of such breach.

29. **NEGATION OF PARTNERSHIP:**

LESSOR shall not become or be deemed a partner or joint venture with LESSEE or in any other relationship with LESSEE other than that of landlord and tenant by reason of the provisions of this Lease nor shall LESSEE for any purpose be considered an agent, officer, or employee of LESSOR.

30. **SURRENDER OF PREMISES:**

On the last day of the term, or extension thereof, or sooner termination of this Lease, and subject to the rights and remedies of LESSOR and LESSEE described in Paragraph 15 hereof, LESSEE shall peaceably and quietly leave, surrender and yield up to the LESSOR the demised premises in as good condition and repair as at the commencement of LESSEE'S occupancy, reasonable wear and tear thereof excepted.

31. **ENTIRE AGREEMENT:**

This Lease contains all agreements of the parties with respect to the subject matter

described herein. No prior agreements or understandings whether oral or in writing pertaining to any such matter shall be effective or of any force or effect.

32. **VENUE AND GOVERNING LAW:**

This agreement is made, entered into and is to be performed in Kern County, California. This Lease shall be governed by and construed in accordance with the laws of the State of California.

33. **COVENANTS AND CONDITIONS:**

Each provision of this Lease performable by LESSEE shall be deemed both a covenant and a condition.

34. **TIME OF THE ESSENCE:**

Time is hereby expressly declared to be the essence of this Lease and of each and every provision thereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this Lease.

35. **SEVERABILITY:**

If any provision of this Lease is determined by a Court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall in no way be affected thereby and same shall remain in full force and effect.

36. **AUTHORIZED AGENT OF LESSOR:**

The City Manager of the City of Tehachapi is the duly authorized agent of LESSOR for purposes of this Lease, and as to any obligations assumed herein by LESSEE, they shall be performed to the satisfaction of the City Manager.

37. **NOTICES:**

All notices required or permitted under this Agreement or at law shall be deemed to be given when personally served on the party to be noticed or when deposited in the United States mail, Registered or Certified, postage prepaid and addressed as follows:

TO LESSOR: City Manager
City of Tehachapi
115 South Robinson Street
Tehachapi, CA 93561

TO LESSEE: **Michael William Haney**

21108 Indian Wells Dr.
Tehachapi, CA 93561

Cell: (805) 341-2025

Any party may change its or their address by providing notice of same in the manner herein prescribed.

38. **BINDING:**

This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

39. **CAPTIONS:**

The captions appearing in this Lease are for convenience only, are not part of this Lease and shall not be considered in interpreting this Lease.

40. **AMENDMENTS:**

This Lease may not be altered, amended, or modified except by a writing executed by duly authorized representatives of all parties.

41. **ATTORNEY'S FEES:**

In the event any action or proceeding is instituted arising out of or relating to this Lease or for the purpose of enforcing this Lease, the prevailing party shall be entitled to its reasonable documented attorney's fees and actual costs.

42. **RECORDATION:**

LESSEE acknowledges its understanding that the law of the State of California authorizes LESSOR to record this Lease or a memorandum of same. In that regard, LESSEE agrees to execute a memorandum of this Lease for the purposes of recordation in such reasonable form and content as may be proposed by Lessor.

43. **COUNTERPARTS:**

This Lease may be executed in counterparts and the respective signature pages for each party may thereafter be attached to the body of this Lease to constitute one integrated agreement which is as fully effective and binding as if the entire Lease had been signed at one

time.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR:

LESSEE:

CITY OF TEHACHAPI

By: _____
Phil Smith
Mayor of the City of Tehachapi, California

By: _____
Michael William Haney

EXHIBIT A

HANGAR 43W

HANGAR - 3000sq. ft.

GROUND - 6000sq. ft.





APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____

[Handwritten signature]

COUNCIL REPORTS

MEETING DATE: FEBRUARY 3, 2014 AGENDA SECTION: COMMUNITY DEVELOPMENT

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: JH HASSELBRINK, CHIEF BUILDING INSPECTOR

DATE: JANUARY 30, 2014

SUBJECT: ORDINANCE FOR ADOPTION OF NEW STATE CODES

BACKGROUND

The City of Tehachapi's adoption of an ordinance for the State of California new construction codes (Title 24 of the California Code of Regulations) was delayed until the County ordinance number became available to incorporate into the verbiage in our ordinance. The City of Tehachapi is using the new Kern County ordinance in order to be seamless in the application of construction regulations across city boundaries. Adoption of these codes is mandated by the State.

FISCAL IMPACT

There is no fiscal impact to the city.

RECOMMENDATION

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT, BY TITLE ONLY, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI ADOPTING ORDINANCE NO. G-8442 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA AMENDING CHAPTERS 17.04, 17.08, 17.12, 17.16, 17.20, 17.24, 17.26, 17.28, 17.32, 17.34, 17.36, 17.40, 17.44, 17.48, AND 17.52 OF TITLE 17 OF THE ORDINANCE CODE OF THE COUNTY OF KERN CONCERNING BUILDING REGULATIONS, BUILDING CODE, MECHANICAL CODE, HOUSING CODE, PLUMBING CODE, ELECTRICAL CODE, GRADING CODE, FIRE CODE, WILDLAND-URBAN INTERFACE CODE, DANGEROUS BUILDINGS CODE, BUILDING RELOCATION, MOBILE HOMES AND ACCESSORY STRUCTURES, FLOOD PLAIN MANAGEMENT, AND ENERGY CODE AND AMENDING SECTION 1 OF ORDINANCE NO. 671 OF THE CITY OF TEHACHAPI AND TEHACHAPI MUNICIPAL CODE SECTION 15.04.160.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI ADOPTING ORDINANCE NO. G-8442 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA AMENDING CHAPTERS 17.04, 17.06, 17.08, 17.10, 17.12, 17.16, 17.20, 17.24, 17.26, 17.28, 17.32, 17.34, 17.36, 17.40, 17.44, 17.48, and 17.56 OF TITLE 17 OF THE ORDINANCE CODE OF THE COUNTY OF KERN CONCERNING BUILDING REGULATIONS, RESIDENTIAL CODE, BUILDING CODE, GREEN BUILDING STANDARDS CODE, MECHANICAL CODE, HOUSING CODE, PLUMBING CODE, ELECTRICAL CODE, SEISMIC STRENGTHENING PROVISIONS FOR UNREINFORCED MASONARY BEARING WALL BUILDINGS, GRADING CODE, FIRE CODE, WILDLAND URBAN INTERFACE CODE, DANGEROUS BUILDINGS CODE, BUILDING RELOCATION, MOBILE HOME AND ACCESSORY STRUCTURES, FLOOD PLAIN MANAGEMENT CODE, AND ENERGY CODE AND AMENDING SECTION 1 OF ORDINANCE NO. 698 OF THE CITY OF TEHACHAPI AND TEHACHAPI MUNICIPAL CODE SECTION 15.04.160

THE CITY COUNCIL OF THE CITY OF TEHACHAPI DOES ORDAIN
AS FOLLOWS:

Section 1. AMENDMENT.

Section 1 of Ordinance No. 698 and Tehachapi Municipal Code Section 15.04.160 are hereby amended to read as follows:

"15.04.160 Adoption of uniform codes. Ordinance No. G-8442 of the Board of Supervisors of the County of Kern, State of California which amends Chapters 17.04, 17.06, 17.08, 17.10, 17.12, 17.16, 17.20, 17.24, 17.26, 17.28, 17.32, 17.34, 17.36, 17.40, 17.44, 17.48, and 17.56 of the Ordinance Code of the County of Kern adopting the following uniform codes (or portions of same) is hereby incorporated by this reference into the Building Code of the City of Tehachapi: Building Regulations, Residential Code, Building Code, Green Building Standards Code, Mechanical Code, Housing Code, Plumbing Code, Electrical Code, Seismic Strengthening Provisions for Unreinforced Masonry Bearing Wall Buildings, Grading Code, Fire Code, Wildland-Urban Interface Code, Dangerous Buildings Code, Building Relocation Code, Mobile Home and Accessory Structures, Floodplain Management Code, and Energy Code. All amendments and repealers of the foregoing Chapters by the Board of Supervisors of the County of Kern hereinafter adopted by the Board of Supervisors shall be automatically incorporated herein without further action of the City Council."

Section 2. SEVERABILITY.

Each of the provisions of this Ordinance are severable. If any provision shall be declared to be invalid, the remaining provisions shall not be affected thereby but shall remain in full for and effect.

Section 3. EFFECTIVE DATE.

This Ordinance shall take effect thirty (30) days after the date of its adoption and

prior to the expiration of fifteen (15) days from the passage thereof shall be published in the manner authorized by law in the Tehachapi News, a newspaper of general circulation, printed and published in the City of Tehachapi.

INTRODUCED at a regular meeting of the City Council of the City of Tehachapi, California on the 21st day of January, 2014.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi, California, on the 3rd day of February, 2014, by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

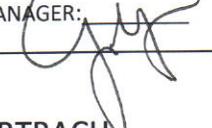
PHILIP A. SMITH, Mayor of the City
of Tehachapi, California

ATTEST:

DENISE JONES, City Clerk
of the City of Tehachapi, California



COUNCIL REPORTS

APPROVED
DEPARTMENT HEAD: 
CITY MANAGER: 

MEETING DATE: FEBRUARY 3, 2014 AGENDA SECTION: COMMUNITY OUTREACH

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: MICHELLE VANCE, COMMUNITY OUTREACH COORDINATOR

DATE: JANUARY 30, 2014

SUBJECT: TEHACHAPI GRANFONDO UPDATE

BACKGROUND

As the Council is aware, the Tehachapi GranFondo 104 mile cycling ride was approved in October 2013. Since then we have made a lot of progress.

- Met with all of our community partners to begin the coordinating of this amazing event.
- Designed an amazing informative website.
- Created a Facebook page to regularly communicate with the cycling community.
- Tourism Commission was awarded a \$10,000 grant to assist in marketing the event.
- Entered into an agreement with SamBarn Promotions to assist us with logistics and sponsorship.
- Contracted with RaceWire Timing to register and time participants.
- Completed designing our finisher medallion.
- Completed our sponsor packet that will be delivered to potential sponsors.
- Identified 5 GranFondo's and Century Rides to directly market to with a booth at their event.

As we continue to meet with our community stakeholders and work through the details of the event the response has been very positive. I look forward to updating you on our progress.



January 25, 2014

To Whom It May Concern:

The community of Tehachapi invites you to be a part of the Tehachapi GranFondo, a one day cycling challenge, on Saturday, September 13, 2014.

GranFondo's are long distance, mass-participation cycling events that have been extremely popular in Europe and are growing fast in the U.S. Our event is a timed, one hundred four mile loop through the entire valley of Tehachapi, a true feat for cyclists seeking adventure with moderate terrain and breathtaking scenery.

We anticipate more than 500 cyclists, friends, families, and visitors will gather to be part of the Tehachapi GranFondo event to promote and celebrate Tehachapi's unique beauty and culture while raising funds to support our public safety volunteers and our emerging tourism industry.

We would love your company to consider supporting the Tehachapi GranFondo in the form of an event sponsorship or product donation. Your company will receive significant exposure to a broad range of cyclists from across California and North America, and we can customize recognition to best fit your marketing needs. Through your investment, you will be a vital part of the success of this event and directly support our public safety volunteers.

You can find detailed information about event sponsorship and supplier benefits enclosed and more information about the event on our website at www.TehachapiGranFondo.com.

We would greatly appreciate it if you could reply to us with your initial thoughts on how your company might be able to partner with us as we build this exciting event. If you're interested in learning more, please contact us anytime at 661-333-5932 or via email at info@TehachapiGranFondo.com

Thank you for your time and consideration. We are thrilled to share this meaningful opportunity with you!

Sincerely,


Michelle Vance
Event Coordinator
Tax ID 95-6000801


Sam Ames
Event Promoter


Keith Barden
Event Promoter

Join Our Team!

as a sponsor of the
2014 Tehachapi GranFondo



September 13, 2014

Raise your marketing awareness
by sponsoring the 2014 Tehachapi
GranFondo.

An affluent young market is waiting to
hear from you!





WHAT IS A GRANFONDO?

While relatively new in the United States, the Italian tradition of Gran Fondos are taking the states by storm. Loosely translated as **Big Ride**, Gran Fondos are also relatively known abroad as parties on wheels. Often conducted to honor cycling greats, entire towns shut down, wine and beer flow and thousands of riders pedal over mountain passes, along side vineyards on routes that both relax and challenge participants.

In California, Gran Fondos are being held with success in areas such as Pasadena, Beverly Hills, Lake Tahoe, San Diego, San Luis Obispo, Long Beach and more. And while Tehachapi would certainly size up as a small community next to those, we're the perfect place to host such an event. **With 2.8 million people living within 65 miles of Tehachapi** and a central location that is easy to reach, we're a short drive from tens of thousands of avid cyclists.

Located at 4,000 feet, the community of Tehachapi is an ideal venue for this type of an event. Our mild mountain climate, picturesque views and historic downtown all add to our small town charm while the surrounding peaks add to the challenge of our rides.

Supporting Our Community Heroes

WHEN IT COMES TO SAFETY - WE'RE ALL ABOUT IT!

Public safety is a primary concern to the City of Tehachapi. And while we have very low crime rates - we'd like to keep it that way. That is why proceeds from the Tehachapi GranFondo will go to benefit public safety volunteer organizations that help to keep the residents and visitors of Tehachapi safe and sound.

WHO ARE THESE HEROES?

Working tirelessly during natural disasters, providing search and rescue services and helping kids get safely to school are just a few things these volunteer organizations do without pay or public recognition. They are the quiet heroes that follow a calling - sometimes every day, sometimes just as needed. But we all sleep better knowing they are there.

Reach an affluent audience as a Sponsor of the Tehachapi GranFondo.

PROMOTION OF YOUR BUSINESS

This inaugural Tehachapi GranFondo has a comprehensive and far reaching marketing plan with over \$22,000 budgeted for promotion over a seven month period. As a sponsor of this event, you'll have the opportunity to reach tens of thousands of cyclists both here and across California.

Promotion will include print ads in popular magazines including *Cycle California!* and Online placement with *SoCalCycling.com*. In addition, representatives from the Tehachapi GranFondo will be attending at least five similar cycling events throughout California to promote the event to those participants.

Extensive regional promotion is also planned with press releases to regional papers and cycling groups, local print ads and outreach. Extensive social media efforts are also underway using both organic and paid reach to target cyclists.

All of these efforts will help to drive brand awareness from supporting sponsors and helping you connect with and upscale, educated and affluent market.

Volunteers in Police

*Kern Co. Sheriff
Citizens Service Unit*

CERT - Community Emergency Response Teams

Tehachapi Mtn Search & Rescue

Desert Sheriff Search & Rescue



2014 SPONSORSHIP OPTIONS

Sponsorship of the Tehachapi GranFondo offers your business a unique opportunity for exposure to hundreds of people at an exciting event in downtown Tehachapi, all while supporting a great cause. As an added benefit, your sponsorship to this event is tax deductible, less the fair market value of the benefits you receive. Descriptions of each sponsorship level can be found below, with additional details provided in the sponsorship chart to the right.

PRESENTING SPONSOR [\$10,000]

The Presenting Sponsor receives exclusive recognition as the main sponsor of the event. Your logo will be featured on all print materials, advertising, Online, on all related clothing, and on the event start/finish sign. The Presenting Sponsor will receive special recognition at the Tehachapi GranFondo, as well as inclusion in all promotion leading up to the event. You will also receive wide exposure to cyclists and the local community.

FESTIVAL SPONSOR [\$8,000]

As the Festival Sponsor, you are the main sponsor for the Tehachapi GranFondo Festival, a six hour event taking place at Centennial Plaza on the day of the Tehachapi GranFondo. The Festival is free and open to the public, drawing many locals in addition to riders and their guests. The Festival includes live music, a vendor exhibition, children's activities, food and drink vendors, and more. As the Festival Sponsor, you'll receive exclusive recognition at the Festival including prominent signage, as well as ample promotion leading up to the event.

PRO SPONSOR [\$5,000]

As the Pro Sponsor, your support will allow us to bring additional professional cyclists to this event, increasing the visibility and exclusivity of the Tehachapi GranFondo. You will receive many promotional and recognition opportunities, leading up to the event and at the event itself.

VIP SPONSOR [\$3,000]

As the VIP Sponsor, you will be the main sponsor of the VIP Dinner and Auction, held the evening of the Tehachapi GranFondo. At the dinner you will receive special recognition, including signage, as well as promotion prior to and at the Tehachapi GranFondo.

HOSPITALITY BOOTHS/REST STOPS [\$2,000]

Rest Stops along the course are extremely important for all riders, as they provide opportunities for rest and refreshment. By sponsoring a rest stop, your chosen stop will feature signage with your logo, tent, table, and basic refreshments. We ask that you provide volunteers to staff the stop and you are encouraged to provide one special refreshment for the riders. This is also a great opportunity to interact with hundreds of community members! There are a total of four rest stop sponsorships available

SUPPORTING SPONSOR [\$1,000]

Supporting Sponsors provide us with essential funds to support the Tehachapi GranFondo. You will receive promotion of your business in a variety of ways prior to the event and on event day.

Sponsor Benefits	Presenting Sponsor \$10,000	Festival Sponsor \$8,000	Pro Sponsor \$5,000	VIP Sponsor \$3,000	Hospitality [Rest Stop] \$2,000	Supporting Sponsors \$1,000
Exclusive	Yes	Yes	Yes	Yes	6 Available	Unlimited
Tehachapi GranFondo presented by... (YOUR NAME)	✓					
Festival Presented by		✓				
Merchandise (logo on)	Presenting	Festival	Pro	VIP	Rest Stop	Supporting
Event Jersey	✓	✓	✓	✓		
Finisher Medallion	✓					
Volunteer T-Shirt	✓	✓	✓	✓	✓	✓
Advertisement	Presenting	Festival	Pro	VIP	Rest Stop	Supporting
Logo on TV Commercial	✓	✓	✓	✓		
Logo on Print Ads	✓	✓	✓	✓		
Logo on Posters & Fliers	✓	✓	✓	✓	✓	
Product Inclusion in Swag Bags	✓	✓	✓	✓	✓	✓
Internet	Presenting	Festival	Pro	VIP	Rest Stop	Supporting
Logo on all pages with link	✓	✓	✓	✓		
Logo on HTML emails	✓	✓	✓	✓	✓	✓
Name or Logo on Sponsor Pg	✓	✓	✓	✓	✓	✓
Event Exposure	Presenting	Festival	Pro	VIP	Rest Stop	Supporting
Complimentary booth space	10"x20"	10"x20"	10"x10"	10"x10"	10"x10"	10"x10"
Sponsor Logo at Start/Finish	✓	✓	✓	✓		
Rest Stop Signage					✓	
Public Address announcements	20 times	15 times	12 times	10 times	5 times	1 time
Additional Benefits	Presenting	Festival	Pro	VIP	Rest Stop	Supporting
Complimentary Ride Entry	10	8	5	3	2	1
Complimentary Jersey	10	8	6			
Tickets to the VIP Dinner	6	6	4	2		



A POSITIVE EVENT TO TIE YOUR BRAND TO...

From rolling hillsides to steep mountain climbs, the Tehachapi GranFondo will offer cyclists of all levels a great weekend to remember.

ABOUT THE FESTIVAL

HELD IN HISTORIC DOWNTOWN TEHACHAPI...

The Tehachapi GranFondo Festival will keep alive the traditions started in the small mountain towns of Italy. Held in honor of those that dare to pedal up steep climbs, race down mountain roads and push their body all just for the glory of cycling, the Festival will both reward and renew the bodies and spirits of all who attend.

Visitors will be treated to the enthusiastic, small town charm of our mountain town as local businesses and residents come to watch and support the riders and join in on the fun. Known already for our events hosting thousands, the downtown area is a clean, historic and walkable area full of restaurants, shops, museums and art studios.

The festival will include plenty of beer and wine and host a high carb, Italian pasta dinner with both regular and VIP options for riders and participants. Located in Centennial Plaza, we'll dine [and drink!] al fresco under the cool twilight skies of Tehachapi.

THE TEHACHAPI GRANFONDO FESTIVAL PRESENTED BY....

As the Festival Sponsor, your business will be prominently displayed on all festival promotion and branding. This includes the seven months of pre-promotion, follow up exposure and perpetual information on our website.

All sponsors will receive a booth at the festival perfect for hosting product displays, demos, clinics and even sales.



GENERAL INFO & DEADLINES

DEADLINES

The deadline for sponsorships is July 1, 2014. Sponsorship duration is from March 1st to December 31st, regardless of when sponsorships are submitted. This is the earliest and latest 2014 sponsor logos will appear on the Tehachapi GranFondo website. We will accept sponsorships up until the day of the event, but you will not receive full advertising exposure.

LOGOS

Sponsorship logos are requested as soon as you become a sponsor, with a final deadline of July 1, 2014 in order to ensure your name and logo appears on all event materials.

Logos should be sent to info@tehachapigranfondo.com as a vector-based graphic (not bitmap). Illustrator, EPS or PDF are preferred.

BOOTHS

All sponsors are entitled to a booth at the Tehachapi GranFondo Festival. If your company would like to host demos, clinics, display products or information, please contact Michelle Vance at info@tehachapigranfondo.com by July 15, 2014 to arrange for your booth.

SWAG BAGS

If you wish to provide items for our Swag Bags, we **will need at least 600 items**. In addition, we hope you will consider donations for the silent auction at the VIP dinner or as incentives for rider fundraising. As with other in-kind gifts, Swag Bag items must be approved by the event coordinator. Please email info@tehachapigranfondo.com with the item(s) you would like to include in the Swag Bag. All Swag Bag items must be received by 8/1/14.

BANNERS

All banners received will be displayed at the start/finish and festival areas. Rest stop sponsors will be asked to provide a banner for display at their rest stop.

OUR JERSEY

The Tehachapi GranFondo Jersey is a high quality cycling jersey made by Voler Team Apparel. The jersey's fun and colorful design is specific to the Tehachapi GranFondo and will be worn by riders for months and years to follow our event as they ride recreationally. Additionally, our, low participant jersey cost is expected to insure high volume of purchase amongst riders.

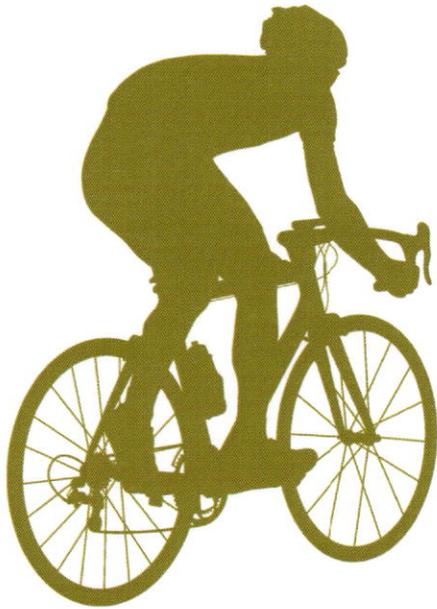
**Logos of sponsors at the following levels
will be included on the Jersey:
Event • Festival • Pro • VIP**



WHO ARE CYCLISTS?

They are some of your best customers. **Young, affluent, highly educated and brand loyal is the perfect description of this growing population.** In the United States, there are now over 90 million cyclists with nearly 10% of them considered avid cyclists who ride at least once a week on average.

Not a gender-specific sport [55% are male and 45% are female] the average US cyclist is young, upscale and affluent with a median household income of over \$80,000.



Median Age: 38

63% are between the ages of 25 to 44

22% are between the ages of 45 to 54

53% are married

90% have attended college

39% have post-graduate degrees

63% are professional managers

52% rate their brand loyalty as high

50% own a truck and/or SUV

Source: Velonews, Bicycle Business Journal, Bicycle Manufacturers Assoc of America, Bicycle Market Research Institute, Bicycle Retailer & Industry News, Cycle Press, National Bicycle Dealers Association, National Sporting Goods Association and US Department of Commerce.

Let our team help you reach this audience with sponsorship in the Tehachapi GranFondo. With seven months of planned promotion reaching cyclists all over the State of California, you'll have the opportunity of extensive reach with a positive message to an interested audience via print, online, social media and html emails.

GET SIGNED UP TODAY AND LETS START THE BRANDING OF TEHACHAPI GRANFONDO TOGETHER!

For more information or to get started,
Contact Michelle Vance or Sam Ames
at info@TehachapiGranFondo.com

(661) 822-2200 ext. 121
Direct Line (661) 333-5932

www.TehachapiGranFondo.com



CITY OF
TEHACHAPI
CALIFORNIA



SPONSOR AGREEMENT

Deadline – July 1, 2014

Event on **Saturday September 13, 2014**

The following is an agreement between the below sponsor and the City of Tehachapi.
The undersigns agrees to sponsor the Tehachapi GranFondo, September 13, 2014

Presenting Sponsor - \$10,000

VIP Sponsor - \$3,000

Festival Sponsor - \$8,000

Hospitality Booth Sponsor - \$2,000

Pro Sponsor - \$5,000

Supporting Sponsor - \$1,000

General Information

Sponsor Name _____ Contact Name _____

Sponsor Address _____ City _____ Zip _____

Phone _____ Ext. _____ Fax _____

Email _____

Signature _____ Title _____ Date _____

Mail To: City of Tehachapi – 115 South Robinson Street – Tehachapi, CA 93561
For more information please contact event coordinator, Tax Id 95-6000801
Michelle Vance at 661-822-2200 Ext. 121



FINANZA UGURAI

Tenachapi

2014

GRAN FONDO

FINISHER



APPROVED
DEPARTMENT HEAD: *[Signature]*
CITY MANAGER: *[Signature]*

COUNCIL REPORTS

MEETING DATE: FEBRUARY 3, 2014 AGENDA SECTION: CITY ENGINEER

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: JOHN (JAY) SCHLOSSER, P.E., CITY ENGINEER

DATE: JANUARY 27, 2014

SUBJECT: TRACT 6216 LANDSCAPE IMPROVEMENTS PROJECT – NOTICE OF COMPLETION

BACKGROUND

As the Council will recall, the City of Tehachapi entered into a contract with Marina Landscaping, for the Tract 6216 Landscape Improvements Project. Following a final walk-through by City Staff, not all "punch list" items have been completed by the contractor. City Staff has made numerous attempts spanning three months to complete the outstanding items without effective settlement. The contract items in question include the lack of correct and useable "flow chart diagrams" for use with the constructed and pre-existing irrigation system and the lack of complete landscape maintenance performance. City Staff has withheld monies as compensation to complete the previously mentioned work and has prepared the final project paperwork as such. At this time, a Notice of Completion must be filed in order to close the contract.

RECOMMENDATION

APPROVE THE NOTICE OF COMPLETION FOR THE TRACT 6216 LANDSCAPE IMPROVEMENTS PROJECT AND DIRECT STAFF TO RECORD SAME.

RECORDING REQUESTED BY AND
FOR THE BENEFIT OF AND
WHEN RECORDED MAIL TO:

City Clerk's Office
CITY OF TEHACHAPI
115 South Robinson Street
Tehachapi, CA 93561

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Recording Fee \$ None

NOTICE OF COMPLETION

This is to certify that the Contract entered into on the 7th day of May 2013, by and between the City of Tehachapi, the Owner, and Marina Landscaping, the Contractor, for all work necessary to complete the Tract 6216 Landscape Improvements Project located at various locations within Tract 6216, Tehachapi, CA 93561, have been completed in accordance with the requirements of the plans and specifications and contract documents, and I hereby acknowledge the completion and acceptance on the 27th day of January 2014, on behalf of the Owner.

By _____
Greg Garrett, City Manager

Greg Garrett, being duly sworn, says: That he is the City Manager and Authorized Agent of the City of Tehachapi, the City that executed the foregoing Notice as the Owner of the Property herein described; that he makes this verification on behalf of the City; and that he has read said Notice and knows the contents thereof, and that the facts there instated are true.

State of California
County of Kern

Subscribed and sworn to (or affirmed)
before me on this ____ day of
_____, 2013, by

(1) _____,
proved to me on the basis of satisfactory
evidence to be the person who
appeared before me.

Place Notary Seal Above

Signature _____



APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____

[Handwritten signature]

COUNCIL REPORTS

MEETING DATE: FEBRUARY 3, 2014 AGENDA SECTION: CITY ATTORNEY

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: TOM SCHROETER, CITY ATTORNEY

DATE: JANUARY 30, 2014

SUBJECT: CITY ATTORNEY SPRING CONFERENCE

BACKGROUND

Attorneys' Spring Conference - The League of California Cities Attorneys' Spring Conference is scheduled for May 7 - 9, 2014. The City Attorney typically attends this conference to obtain updates on municipal law and to network with other attorneys. Attached is a breakdown of the subjects that will be discussed. The City Attorney spreads the cost of the Spring Conference among his three cities so that the City's share would be approximately \$324.00.

RECOMMENDATION

Consider Attorney's request for attendance at the League of California Cities Attorneys' Spring Conference in the amount of \$324.00

Wednesday, May 7

9:00 a.m. – 4:30 p.m. Registration open

GENERAL SESSION

Protecting Neighborhood Livability: Code Enforcement Civil Penalties, Drug Abateements and Receiverships

11:45 a.m. – 1:00 p.m. Lunch On Your Own

GENERAL SESSION

Introductory Remarks

Land Use and CEQA Litigation Update

Scope of Materials and E-Mails in the Administrative Record in CEQA and Other Writ Cases

Existence and Scope of the Common Interest Privilege Before and After Ceres

GENERAL SESSION

Project Labor Agreements and Local Hire Policies
Update on Home Rule Issues and Charter City Toolkit
Legal Update on Stormwater Regulation

CONCURRENT COMMITTEE MEETINGS

Brown Act

FPPC

Municipal Law Handbook

Municipal Law Institute

Nominating

Post Redevelopment

Providing Conflict of Interest Advice

Public Records Act

6:30 p.m.

Dinner

8:00 p.m.

Evening Entertainment

Thursday, May 8

8:00 a.m. – Noon Registration Open

8:00 – 9:00 a.m. Breakfast

9:00 – 10:30 a.m.

GENERAL SESSION

FPPC Update

2014 U.S. Supreme Court Docket Update
The City Attorney's Role in Closed Sessions

10:45 a.m. – Noon

GENERAL SESSION

General Municipal Litigation Update
Municipal Bonds — Disclosure Requirements and the Role of the City Attorney
Business License Tax on Internet Companies; Transient Occupancy Tax from Online Hotel Brokers and VRBO-type Web-Based Rentals

BUSINESS LUNCHEON with Keynote Speaker

Department Business Meeting and Colleague Recognition

- President's Report
- Director's Report
- Colleague Recognition

The Role of the Public Lawyer: A View from the Court

Thursday, May 8 (Continued)

2:15 - 4:15 p.m.

GENERAL SESSION

But it's Your Sidewalk! Sidewalk Repair and Liability Litigation Holds: Are They a Choke-Hold for Cities?

**When Disaster Strikes: What Will Your City Be Expected to Do
Disaster Recovery**

4:30 - 5:30 p.m.

CONCURRENT GROUP DISCUSSIONS

Coastal Cities

Medical Marijuana

Mobilehome Park Issues & Enactment of SB 510

University Cities

First Amendment Issues

5:45 - 7:00 p.m.

Networking Reception



MCLE CREDIT

The League of California Cities® is a State Bar of California minimum continuing legal education (MCLE) approved provider. The League certifies that this activity has been approved for MCLE credit by the State Bar of California in the amount of 13.25 hours, including one hour of specialty credit for Prevention/Detection/Treatment of Substance Abuse or Mental Illness.

Friday, May 9

7:00 - 8:00 a.m.

Fun Run

7:45 - 8:45 a.m.

Breakfast

GENERAL SESSION

Prevention / Detection / Treatment of Substance Abuse or Mental Illness (MCLE Specialty Credit)

Municipal Tort and Civil Rights Litigation Update

10:30 a.m. - 12:00 p.m.

GENERAL SESSION

**"Chapter 2" on Social Media Issues in the Workplace
Affordable Care Act Implementation Issues
Labor and Employment Litigation Update
Closing Remarks / Evaluations / Adjourn**

2013-2014 CITY ATTORNEYS' DEPARTMENT OFFICERS

President: Gregory P. Priamos, City Attorney, Riverside

1st Vice President: Thomas B. Brown, City Attorney, St. Helena

2nd Vice President: Christi Hogin, City Attorney, Lomita, Malibu & Palos Verdes Estates

Director: Craig Labadie, City Attorney, Albany

Build Up. Play Up. Work Up. Explore Up. Live Up.



CITY OF
TEHACHAPI
CALIFORNIA

The Honorable Kevin McCarthy
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman McCarthy:

The City of Tehachapi is in full support of the renewal of the federal Special Diabetes Program (SDP) at full funding to provide financial support for ongoing research into the prevention, treatment, and cure of diabetes.

Since 1997, the SDP has been an essential and successful component in the federal government's effort to combat diabetes. The program has led to new insights and therapies not only for the disease that afflicts 26 million Americans, but also for autoimmune diseases that affect about 20 million more. The SDP is currently funded at \$150 million annually through September 30, 2013. Renewal would ensure program continuity and would avoid the need to terminate promising research.

Diabetes costs the United States an estimated \$174 billion a year, a figure that is expected to triple over the next 25 years. Nearly 2.5 million Californians suffer from diabetes, many of whom live in Kern County. Diabetes is a major risk factor for heart disease, and Kern County ranks highest of the 58 California counties in deaths from heart disease and is second highest in deaths from diabetes.

For these reasons, we respectfully request that you support renewal of the Special Diabetes Program at full funding through 2018.

Sincerely,

Philip Smith
Mayor, City of Tehachapi

115 South Robinson Street | Tehachapi, California 93561-1722
(661) 822-2200 | Fax: (661) 822-8559

www.tehachapicityhall.com



COUNCIL REPORTS

APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____

MEETING DATE: FEBRUARY 3, 2014 AGENDA SECTION: CITY MANAGER

TO: HONORABLE MAYOR SMITH AND COUNCIL MEMBERS

FROM: GREG GARRETT, CITY MANAGER

DATE: JANUARY 30, 2013

SUBJECT: 2014 UTILITY RATES

BACKGROUND

As Council is aware, as adopted in Resolution Nos. 9-98, 10-98, 30-99 and 20-08, City water, sewer, refuse and recycling rates are increased annually based on the Consumer Price Index (CPI). From November 2012 – November 2013 the CPI increase for this area was only 0.4%. Based on the revenue in fiscal year 2012/13, increase analysis (shown below) shows that the increased revenue to the City would total approximately \$15,664 in 2014.

2014 Utility Rate Increase Analysis
 Based on November to November CPI Increase

	<u>2012/13</u>	<u>City</u>	<u>Benz</u>
	<u>Sales</u>	<u>0.004</u>	
Water	2,032,317	8,129	
Sewer	1,816,235	7,265	
Refuse	1,038,380	<u>270</u>	3,884
		15,664	

The City's financial health is strong and as a positive reflection of this health I would recommend that utility rates not increase in the year 2014. I believe this would be in the best interest of our residents as many are still recovering from the economic downturn. We have communicated with Benz Sanitation and Recycling and they agree with my recommendation on the refuse and recycling portion.

RECOMMENDATION

Adopt the resolution waiving automatic rate increases for water, sewer, refuse, and recycling for calendar year 2014

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF TEHACHAPI WAIVING AUTOMATIC RATE
INCREASES FOR WATER, SEWER, REFUSE, AND
RECYCLING FOR CALENDAR YEAR 2014**

WHEREAS, the City Council of the City of Tehachapi (the "City Council") previously approved automatic annual increases in water, sewer, refuse and recycling rates (the "Utility Rates") effective on January 1 of each year based on the Consumer Price Index (the "CPI Increase") subject to the City Council's authority to reduce the CPI Increase in any given year or waive it in its entirety; and

WHEREAS, the City Council hereby finds that the CPI Increase for the year 2014 is 0.4%; and

WHEREAS, the City Council wishes to waive the CPI Increase in its entirety for all Utility Rates for 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEHACHAPI as follows:

1. That the foregoing recitals are true and correct.
2. That the CPI Increase is hereby waived for the calendar year 2014 for water, sewer, refuse and recycling.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi on February 3, 2014 by the following vote:

AYES: COUNCIL MEMBERS: _____

NOES: COUNCIL MEMBERS: _____

ABSENT: COUNCIL MEMBERS: _____

ABSTAIN: COUNCIL MEMBERS: _____

PHILIP A. SMITH, Mayor of
the City of Tehachapi, California

ATTEST:

DENISE JONES, 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 3, 2014.

DENISE JONES, CMC
City Clerk of the City of Tehachapi