

## **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, October 5, 2015 - 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.

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

**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, October 5, 2015- 6:00 P.M. - PG. 2**

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2. Mayor to present a Certificate of Youth Recognition to the Miss Greater Central Valley and Miss Tehachapi Queens
3. Mayor to present a Certificate of Recognition to Wes Claire
4. Oath of Office and Badge Pinning Ceremony for Tehachapi Police Department new officers William Funderburk, Alejandro Barajas, Elizabeth Alvarez, Bruce Medina and Jonathan Vielma

**CITY CLERK REPORTS**

Tehachapi City Council Unassigned Res. No. 60-15

Tehachapi City Council Unassigned Ord. No. 15-08-727

Tehachapi Redevelopment Successor Agency Unassigned Res. No. 02-15

Tehachapi Public Financing Authority Unassigned Res. No. 01-15

- \*5. **ALL ORDINANCES SCHEDULED FOR INTRODUCTION OR ADOPTION AT THIS MEETING SHALL BE READ BY TITLE ONLY**
- \*6. Minutes for the Tehachapi City Council, Tehachapi Redevelopment Successor Agency, Tehachapi Public Financing Authority, and the Tehachapi City Financing Corporation regular meeting on September 21, 2015 – **APPROVE AND FILE**
- \*7. Destruction of Records – **ADOPT A RESOLUTION AUTHORIZING THE DESTRUCTION OF CERTAIN CITY RECORDS SUBJECT TO APPROVAL BY THE CITY CLERK AND CITY ATTORNEY**
- \*8. Tehachapi High School Homecoming Parade Special Event Application – **APPROVE TEHACHAPI HIGH SCHOOL'S HOMECOMING PARADE SPECIAL EVENT APPLICATION AND ASSOCIATED STREET CLOSURES**

**FINANCE DIRECTOR REPORTS**

- \*9. Disbursements, bills, and claims for September 24, 2015 through September 29, 2015 – **AUTHORIZE PAYMENTS**
10. Financing for dispatch service start-up cost and server virtualization – **APPROVE THE SERVER VIRTUALIZATION PROJECT; APPROVE THE AGREEMENT WITH HOLMAN CAPITAL CORPORATION FOR LEASE PURCHASE FINANCING (SEVEN-YEAR TERM) SUBJECT TO APPROVAL OF THE CITY ATTORNEY AND AUTHORIZE THE FINANCE DIRECTOR TO PROCEED WITH FINANCING PROCESSES**

**DEVELOPMENT SERVICES DIRECTOR REPORTS**

11. East Tehachapi Traffic Signal and Street Improvements Project bid award – **AWARD THE EAST TEHACHAPI TRAFFIC SIGNAL AND STREET IMPROVEMENTS PROJECT TO CAL PRIME, INC. IN THE AMOUNT OF \$1,346,000.00 AND AUTHORIZE THE CITY MANAGER TO APPROVE ANY NECESSARY CHANGE ORDERS UP TO A MAXIMUM OF 5% OF THE ORIGINAL CONTRACT (OR \$67,300.00)**
12. Notice of Completion for the Curry Street Median and Pinon Street Improvement Project – **APPROVE THE NOTICE OF COMPLETION FOR THE CURRY STREET MEDIAN AND PINON STREET IMPROVEMENT PROJECT AND DIRECT STAFF TO RECORD SAME**

**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, October 5, 2015- 6:00 P.M. - PG. 3**

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13. Annexation No. 84 property tax exchange Memorandum of Understanding regarding a tax mechanism for the Kern County Fire fund - **ADOPT A RESOLUTION APPROVING THE EXCHANGE OF PROPERTY TAX REVENUES UPON LOCAL AGENCY JURISDICTIONAL CHANGE: CITY OF TEHACHAPI ANNEXATION NO. 84 (LAFCO PROCEEDING NO. 1684)**

**CITY ATTORNEY REPORTS**

14. Second reading and adoption of an ordinance amending Handbill Regulations and Transient Outdoor Business regulations – **ADOPT AN ORDINANCE AMENDING CHAPTER 8.12 OF THE TEHACHAPI MUNICIPAL CODE RELATING TO HANDBILL REGULATION; ADOPT AN ORDINANCE AMENDING CHAPTERS 9.130 AND 11.10 OF THE TEHACHAPI ZONING CODE RELATING TO TRANSIENT OUTDOOR BUSINESS REGULATION**

**ASSISTANT CITY MANAGER REPORTS**

15. Second reading and adoption of an ordinance amending the Tehachapi Municipal Code regarding a tobacco retailer's permit – **ADOPT AN ORDINANCE AMENDING ORDINANCE NO. 687 AND CHAPTER 8.52 OF THE TEHACHAPI MUNICIPAL CODE TO ADOPT ORDINANCE NOS. G-7724 AND G-8495 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA AMENDING CHAPTER 8.60 TO TITLE 8 OF THE KERN COUNTY ORDINANCE CODE RELATING TO TOBACCO RETAILER'S PERMIT**

**CITY MANAGER REPORTS**

16. 457 Retirement Plan Loan Program – **ADOPT A RESOLUTION AMENDING THE 457 RETIREMENT PLAN TO PERMIT LOANS**
17. Bond Tender Agreement with Tower Investments, LLC – **APPROVE THE BOND TENDER AGREEMENT BETWEEN THE CITY OF TEHACHAPI AND TOWER INVESTMENTS, LLC FOR SATISFACTION OF DELINQUENT ASSESSMENT DISTRICT 1989-2 ASSESSMENTS (KERN COUNTY APN'S 223-490-02, 223-490-03, 223-490-06 AND 223-490-11)**
18. Report to Council regarding current activities and programs – **VERBAL REPORT**

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))

**ADJOURNMENT**

**MINUTES**

**TEHACHAPI CITY COUNCIL REGULAR MEETING,  
TEHACHAPI REDEVELOPMENT SUCCESSOR AGENCY REGULAR MEETING,  
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND  
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING  
Monday, September 21, 2015 – 6:00 P.M.**

**NOTE:** Sm, Gr, Wi, Ni and Wa are abbreviations for Council Members Smith, Grimes, Wiggins, Nixon and Wahlstrom, 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**

<p><b><u>CALL TO ORDER</u></b></p> <p>Meeting called to order by Mayor Wiggins at 6:00 p.m.</p> <p><b><u>ROLL CALL</u></b></p> <p>Roll call by City Clerk Tori Marsh</p> <p>Present: Mayor Wiggins, Councilmembers Grimes, Smith and Wahlstrom</p> <p>Absent: Mayor Pro Tem Nixon</p> <p><b><u>INVOCATION</u></b></p> <p>By Andy Walker Pastor Country Oaks Baptist Church</p> <p><b><u>PLEDGE TO THE FLAG</u></b></p> <p>Led by Council Member Wahlstrom</p> <p><b><u>CONSENT AGENDA</u></b></p> <p>Approved consent agenda</p> <p><b><u>AUDIENCE ORAL COMMUNICATIONS</u></b></p> <ol style="list-style-type: none"> <li>1. General public comments regarding matters not listed as an agenda item were received from:             <ol style="list-style-type: none"> <li>a. Debbie Szydowski, business owner, requested parking signs for her October 9 &amp; 10 event.</li> <li>b. Carl Gehrike, City resident, commented on the GranFondo</li> <li>c. LeeAnn Williams, GranFondo Participant, commented on the GranFondo.</li> </ol> </li> </ol> <p><b><u>CITY CLERK REPORTS</u></b></p>	<p>Approved Consent Agenda Sm/Gr Motion Carried Ab Ni</p>
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**ACTION TAKEN**

\*2. **ALL ORDINANCES SCHEDULED FOR INTRODUCTION OR ADOPTION AT THIS MEETING SHALL BE READ BY TITLE ONLY.**

All Ord. 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 September 8, 2015 and special meeting on September 10, 2015 - **APPROVED AND FILED.**

Approved & Filed  
 Sm/Gr Motion Carried  
 Ab Ni

\*4. Conflict of Interest Code amendment – **ADOPTED RESOLUTION 57-15 APPROVING AN AMENDED CONFLICT OF INTEREST CODE**

Adopted Resolution 57-15  
 Approving An Amended Conflict  
 Of Interest Code  
 Sm/Gr Motion Carried  
 Ab Ni

**FINANCE DIRECTOR REPORTS**

\*5. Disbursements, bills and claims for September 10, 2015 through September 15, 2015 – **AUTHORIZED PAYMENTS**

Authorized Payments  
 Sm/Gr Motion Carried  
 Ab Ni

\*6. City of Tehachapi Treasurer’s Report through August, 2015 – **RECEIVED REPORT**

Received Report

**DEVELOPMENT SERVICES DIRECTOR REPORTS**

7. Certificate of Acceptance for Irrevocable offer of dedication for ingress, egress, and road purposes on Valley Boulevard – **CITY ENGINEER JAY SCHLOSSER GAVE STAFF REPORT; ACCEPTED THE IRREVOCABLE OFFER OF DEDICATION FOR CONSTRUCTION ON THE VALLEY BOULEVARD BIKEWAY FACILITIES PROJECT PHASE II LOCATED ON VALLEY BOULEVARD BETWEEN MULBERRY STREET AND CURRY STREET, AUTHORIZED THE MAYOR TO SIGN CERTIFICATE OF ACCEPTANCE, AND REQUESTED STAFF TO RECORD SAME SUBJECT TO THE ISSUANCE OF TITLE INSURANCE**

Accepted The Irrevocable Offer  
 Of Dedication For Construction  
 On The Valley Boulevard  
 Bikeway Facilities Project Phase  
 Ii Located On Valley Boulevard  
 Between Mulberry Street And  
 Curry Street, Authorized The  
 Mayor To Sign Certificate Of  
 Acceptance, And Requested Staff  
 To Record Same Subject To The  
 Issuance Of Title Insurance  
 Gr/Wa Motion Carried  
 Ab Ni

8. Certificate of Acceptance for Irrevocable offer of dedication for ingress, egress, and road purposes on Dennison Road and a 15’ wide waterline easement dedication – **CITY ENGINEER JAY SCHLOSSER GAVE STAFF REPORT; RECEIVED COMMENT FROM DAVID BUTLER, CITY RESIDENT; ACCEPTED THE IRREVOCABLE OFFER OF DEDICATION FOR CONSTRUCTING THE SNYDER WELL INTERTIE PROJECT LOCATED ON AND THROUGH THE TEHACHAPI UNIFIED SCHOOL DISTRICT JACOBSEN MIDDLE SCHOOL SITE, AUTHORIZED THE MAYOR TO SIGN CERTIFICATE OF ACCEPTANCE, AND DIRECTED STAFF TO RECORD SAME SUBJECT TO THE ISSUANCE OF TITLE INSURANCE**

Accepted The Irrevocable Offer  
 Of Dedication For Constructing  
 The Snyder Well Intertie Project  
 Located On And Through The  
 Tehachapi Unified School District  
 Jacobsen Middle School Site,  
 Authorized The Mayor To Sign  
 Certificate Of Acceptance, And  
 Directed Staff To Record Same  
 Subject To The Issuance Of Title  
 Insurance  
 Gr/Wa Motion Carried  
 Ab Ni

9. Certificate of Acceptance for Irrevocable offer of dedication for ingress, egress, and road purposes on Tehachapi Boulevard - **CITY ENGINEER JAY SCHLOSSER GAVE STAFF REPORT; ACCEPTED THE IRREVOCABLE OFFER OF DEDICATION FOR CONSTRUCTION ON THE TEHACHAPI BOULEVARD IMPROVEMENTS PROJECT PHASE III LOCATED ON TEHACHAPI BOULEVARD BETWEEN HAYES STREET AND**

Accepted The Irrevocable Offer  
 Of Dedication For Construction  
 On The Tehachapi Boulevard  
 Improvements Project Phase Iii  
 Located On Tehachapi Boulevard  
 Between Hayes Street And  
 Dennison Road, Authorized The

**ACTION TAKEN**

<p><b>DENNISON ROAD, AUTHORIZED THE MAYOR TO SIGN CERTIFICATE OF ACCEPTANCE, AND DIRECTED STAFF TO RECORD SAME SUBJECT TO THE ISSUANCE OF TITLE INSURANCE</b></p>	<p>Mayor To Sign Certificate Of Acceptance, And Directed Staff To Record Same Subject To The Issuance Of Title Insurance                  Gr/Wa Motion Carried                  Ab Ni</p>
<p>10. Active Transportation Program to construct new curb, gutter and sidewalk; improve cross walks at intersections and extend bike lanes on various city streets around local schools Program Supplement Agreement and Resolution – <b>CITY ENGINEER JAY SCHLOSSER GAVE STAFF REPORT; COMMENT RECEIVED FROM CARL GEHRIG CITY RESIDENT; ADOPTED RESOLUTION 58-15 AUTHORIZING THE MAYOR TO SIGN AND EXECUTE PROGRAM SUPPLEMENT AGREEMENT 022-N TO ADMINISTERING AGENCY-STATE MASTER AGREEMENT NO. 09-5184R, PROJECT NO. ATPL-5184(026)</b></p>	<p>Adopted Resolution 58-15 Authorizing The Mayor To Sign And Execute Program Supplement Agreement 022-N To Administering Agency-State Master Agreement No. 09-5184r, Project No. Atpl-5184(026)                  Wa/Sm Motion Carried                  Ab Ni</p>
<p>11. Freedom Plaza Project – <b>CITY ENGINEER JAY SCHLOSSER GAVE STAFF REPORT; COMMENT RECEIVED FROM PAT DOODY, TEHACHAPI TOURISM COMMISSION; AWARDED THE FREEDOM PLAZA PROJECT TO CAL PRIME, INC. IN THE AMOUNT OF \$498,000.00 AND AUTHORIZED THE CITY MANAGER TO APPROVE ANY NECESSARY CHANGE ORDERS UP TO A MAXIMUM OF 5% OF THE ORIGINAL CONTRACT (OR \$24,900.00)</b></p>	<p>Awarded The Freedom Plaza Project To Cal Prime, Inc. In The Amount Of \$498,000.00 And Authorized The City Manager To Approve Any Necessary Change Orders Up To A Maximum Of 5% Of The Original Contract (Or \$24,900.00)                  Gr/Sm Motion Carried                  Ab Ni</p>
<p><b><u>POLICE CHIEF REPORTS</u></b></p>	
<p>12. City of Tehachapi recently hired 5 full-time officers – <b>SWORE IN NEW OFFICERS</b></p>	<p>Tabled</p>
<p>13. Emergency abatement at 706 ½ East Tehachapi Boulevard – <b>CODE ENFORCEMENT OFFICER AARON PRICE GAVE STAFF REPORT; COMMENT RECEIVED FROM TERESA ROBERTS, STAN BECKHAM ESTATE TRUSTEE; APPROVED THE EMERGENCY ABATEMENT ACTIONS CONDUCTED BY CODE ENFORCEMENT AT 706 ½ EAST TEHACHAPI BOULEVARD</b></p>	<p>Approved The Emergency Abatement Actions Conducted By Code Enforcement At 706 ½ East Tehachapi Boulevard                  Gr/Sm Motion Carried                  Ab Ni</p>
<p><b><u>CITY ATTORNEY REPORTS</u></b></p>	
<p>14. Introduction of an ordinance amending Handbill Regulations and Transient Outdoor Business regulations – <b>CITY ATTORNEY TOM SCHROETER GAVE STAFF REPORT; INTRODUCTION ONLY</b></p>	<p>Introduced                  Sm/Wa Motion Carried                  Ab Ni</p>
<p><b><u>ASSISTANT CITY MANAGER REPORTS</u></b></p>	
<p>15. Water rate study – <b>ASSISTANT CITY MANAGER CHRIS KIRK GAVE STAFF REPORT; DIRECTED STAFF TO INITIATE THE PROCESS FOR UPDATING THE CITY'S WATER RATES PURSUANT TO STATE LAWS</b></p>	<p>Directed Staff To Initiate The Process For Updating The City's Water Rates Pursuant To State Laws                  Sm/Gr Motion Carried                  No Wa                  Ab Ni</p>

**ACTION TAKEN**

16. Introduction of an ordinance amending the Tehachapi Municipal Code regarding a tobacco retailer's permit – **ASSISTANT CITY MANAGER CHRIS KIRK GAVE STAFF REPORT; INTRODUCTION ONLY**

Introduced  
Sm/Gr Motion Carried  
Ab Ni

17. Caltrans Grant Funding for SW Diagonal Taxiway Project – **ASSISTANT CITY MANAGER CHRIS KIRK GAVE STAFF REPORT; RECEIVED COMMENT FROM KEN HETGE, BUSINESS OWNER; ADOPTED RESOLUTION 59-15 AUTHORIZING THE SUBMITTAL OF AN APPLICATION, ACCEPTANCE OF AN ALLOCATION OF FUNDS AND EXECUTION OF A GRANT AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION, FOR AN AIRPORT IMPROVEMENT PROGRAM (AIP) MATCHING GRANT**

Adopted Resolution 59-15  
Authorizing The Submittal Of An Application, Acceptance Of An Allocation Of Funds And Execution Of A Grant Agreement With The California Department Of Transportation, For An Airport Improvement Program (Aip) Matching Grant  
Gr/Sm Motion Carried  
Ab Ni

**CITY MANAGER REPORTS**

Kern County Fire Department Agreement – **CITY MANAGER GREG GARRETT GAVE STAFF REPORT; APPROVED THE AGREEMENT WITH THE KERN COUNTY FIRE DEPARTMENT FOR FIRE PROTECTION DUTIES AND ENFORCEMENT OF STATE FIRE MARSHAL REGULATIONS, SUBJECT TO MINOR MODIFICATIONS AND FINAL APPROVAL OF THE CITY MANAGER AND CITY ATTORNEY AND AUTHORIZED THE MAYOR TO SIGN**

Approved The Agreement With The Kern County Fire Department For Fire Protection Duties And Enforcement Of State Fire Marshal Regulations, Subject To Minor Modifications And Final Approval Of The City Manager And City Attorney And Authorized The Mayor To Sign  
Sm/Gr Motion Carried  
Ab Ni

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

**COUNCIL MEMBER ANNOUNCEMENTS OR REPORTS**

1. Mayor Wiggins commented on the success of GranFondo and informed the public of the Grant writing process.

**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, October 5, 2015, at 6:00p.m.

\_\_\_\_\_  
TORI MARSH  
City Clerk, City of Tehachapi

Approved this 5th day  
Of October, 2015.

\_\_\_\_\_  
SUSAN WIGGINS  
Mayor, City of Tehachapi



APPROVED

DEPARTMENT HEAD: *AW*

CITY MANAGER: *[Signature]*

# COUNCIL REPORTS

MEETING DATE: OCTOBER 5, 2015    AGENDA SECTION: CITY CLERK

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**TO:**                    HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:**                ASHLEY WHITMORE, DEPUTY CITY CLERK

**DATE:**                SEPTEMBER 23, 2015

**SUBJECT:**            DESTRUCTION OF RECORDS

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## BACKGROUND

On June 5, 2000, the City Council adopted Resolution No. 23-00, adopting the local government records retention guidelines created by the City Clerk's Association of California, and endorsed by the Secretary of State. This records retention schedule consists of a list of all records produced or maintained by an agency and the length of time such records must be retained to fulfill administrative, fiscal and/or legal function.

Staff has determined that according to our records retention schedule it is appropriate to properly dispose of certain city records. The proposed resolution authorizes the destruction of these records that have fulfilled their administrative, fiscal, or, legal function. The records have been reviewed by both the City Clerk and the City Attorney and it has been determined that they are no longer required for any purpose.

## RECOMMENDATION

**Adopt a resolution to authorize the destruction of certain city records subject to approval by the City Clerk and City Attorney.**



# COUNCIL REPORTS

APPROVED
DEPARTMENT HEAD: <i>AW</i>
CITY MANAGER: <i>JG</i>

**MEETING DATE:** OCTOBER 5, 2015    **AGENDA SECTION:** CITY CLERK

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**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:** ASHLEY WHITMORE, DEPUTY CITY CLERK

**DATE:** SEPTEMBER 23, 2015

**SUBJECT:** DESTRUCTION OF RECORDS

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## BACKGROUND

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Staff has determined that according to our records retention schedule it is appropriate to properly dispose of certain city records. The proposed resolution authorizes the destruction of these records that have fulfilled their administrative, fiscal, or, legal function. The records have been reviewed by both the City Clerk and the City Attorney and it has been determined that they are no longer required for any purpose.

## RECOMMENDATION

**Adopt a resolution to authorize the destruction of certain city records subject to approval by the City Clerk and City Attorney.**

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
TEHACHAPI AUTHORIZING THE DESTRUCTION OF CERTAIN  
CITY RECORDS**

WHEREAS, the City has certain old and unnecessary records concerning various matters of City business now in the possession of the City Clerk of the City of Tehachapi as described in Exhibit "A" attached hereto; and

WHEREAS, it is in the best interests of the City to destroy those records in order to utilize the space required for their storage.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEHACHAPI that the City Clerk or her representative are hereby authorized and directed to destroy the records described in Exhibit "A" attached hereto and incorporated herein by this reference.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Tehachapi at a regular meeting this 5th day of October 2015.

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
SUSAN WIGGINS, Mayor  
of the City of Tehachapi, California

ATTEST:

\_\_\_\_\_  
TORI MARSH  
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 October 5, 2015.

\_\_\_\_\_  
TORI MARSH  
City Clerk of the City of Tehachapi, California

Exhibit "A"

Content Description	Retention	Code
Senior Center old correspondence 1979-2006	CU+2	GC34090 24CFR 570.502(b) (3); 241CFR85.42 & OMB
Senior Center Agreements CDBG Grant 1979	CL+4	Cir.A-110, Attach. C
Tehachapi TV Cable Agreements 1973-1979	T+4	GC34090
Tehachapi TV Cable Agreements 1979-1994	T+4	GC34090
Tehachapi TV Cable Monthly Franchise 1990-1994	AU+5	GC34090; 29USC436
High Desert Wireless Broadband Agreement 2007	T+4	GC34090
Tehachapi TV Cable Correspondence 1974-1989	CU+2	GC34090
Time Warner Cable Social Contract 1995	T+4	GC34090
Time Warner Cable Correspondence 1995	CU+2	GC34090
Proof of Publications 2007-2010	E+2	GC34090
Tehachapi Recreation and Park District Correspondence/Agreements 1959-1980	T+4	GC34090
Certificates of Insurance 2007-2008	CU+2	GC34090
Tehachapi Cummings Water Agreement Urban Water Management Plan 2009	T+4	GC34090
Tehachapi Resource Conservation District Agreement 2003	T+4	GC34090
Tehachapi Resource Soil Conservation 1963-1993	T+4	GC34090
Tehachapi Heritage League Correspondence 1998	CU+2	GC34090
Tehachapi Mountain Rodeo Assoc. 2002 Agreement	T+4	GC34090
Tehachapi Historical Mural Proposed Project 2000 Presentation	CU+2	GC34090
Tehachapi Community Orchestra Agreements 2006- 2008	T+4	GC34090
Appraisal 2012 Steuber/Valley	CL+2	GC34090; GC6254(h)
Misc. Correspondence So. Cal Gas Company 1961- 2010	CU+2	GC34090
Southern California Gas Company Franchise Statements 1990-2000	AU+5	GC34090; 29USC436
Southern California Gas Company Franchise Statements, Correspondence 1970-1989	AU+5	GC34090; 29USC436
Southern California Edison Company Franchise Statements 1961-2006	AU+5	GC34090; 29USC436
Southern California Edison Company Franchise Statements 1941-1989	AU+5	GC34090; 29USC436
So Cal Edison Company Correspondence 1990-2005	CU+2	GC34090

Southern California Edison Correspondence 1985-1992	CU+2	GC34090
Southern California Edison Correspondence 2010	CU+2	GC34090
S.A. Pump Co. Agreement 2007	T+4	GC34090
RRM Design Group 2001 Nunes Ranch Specific Plan	T+4	GC34090
RRM Design Group Downtown Master Plan Proposal, agreement 2001	T+4	GC34090
RRM Design Group Agreement 2000 landscape for 58/Tehachapi blvd	T+4	GC34090
RV Peddler agreements 2004-2007	T+4	GC34090
Carrie S. Quiroga Agreement 2003	T+4	GC34090
Pyro Spectaculars Agreements 1998-2009	T+4	GC34090
Nextel of California Agreement 2000	T+4	GC34090
Municipal Services Group (fire truck) correspondence and master lease agreement 202	T+4	GC34090
Moule and Polyziodes, Inc. Agreement 2007	T+4	GC34090
Tehachapi Unified School District 1970-1989 Correspondence	CU+2	GC34090
Tehachapi Unified School District 1945-1969 Correspondence	CU+2	GC34090
Jones hall Professional Law Corporation Bond Counsel Agreement 2003	T+4	GC34090
Jerome's Tractor Service Agreement 2006-2008	T+4	GC34090
Jarvis and Fay Correspondence Proposal for legal services	CU+2	GC34090
Twean Subsidiar, LLC Franchise Bond 2003	T+4	GC34090
T Marketing & Event Planning 2003 Agreement	T+4	GC34090
TRS Consultants 1982-1998 Agreement and Correspondence	T+4	GC34090
Kern Security Systems Agreements 2004-2008	T+4	GC34090
Tehachapi Unified School District Indemnification 2002 Agreement	T+4	GC34090
Tehachapi Unified School District 1990 Correspondence	T+4	GC34090
Mayer Hoffman McCann P.C. Agreements 2006-2010	T+4	GC34090
Lewis Brisbois Bisgaard & Smith	T+4	GC34090
Alex S. Kosich, Jr Agreement concept designs for City Hall renovation	T+4	GC34090
Perfect Raingutters & Solarscreening Agreement 2005	T+4	GC34090
Outback Heating and Air Agreement 2005-2007	T+4	GC34090
Carol Onsum Agreement 2003	T+4	GC34090
Oak Creek Energy Agreements 2003, 2005	T+4	GC34090

License Agreement Senior Citizens Center 1997 Nutrition Program	T+4	GC34090
CDBG Grant for supplies at Senior Center 1982	T+4	GC34090
Tehachapi-Cummings County Water District Watershed working docs 1973-1977	CU+2	GC34090
UB Water Billing Records 1/12-6/12	AU+2	GC34090
UB Water Billing Records 7/11-12/12	AU+2	GC34090
UB Water Billing Records 1/11-6/11	AU+2	GC34090
A/P vendor files/invoices 7/09-6/10 A-B	AU+4	GC34090
A/P vendor files/invoices 7/09-6/10 B-F	AU+4	GC34090
A/P vendor files/invoices 7/09-6/10 G-L	AU+4	GC34090
A/P vendor files/invoices 7/09-6/10 M-S	AU+4	GC34090
A/P vendor files/invoices 7/09-6/10 S-T	AU+4	GC34090
A/P vendor files/invoices 7/09-6/10 T-Z	AU+4	GC34090
Deposit Receipts 7/09-6/10	AU+4	GC34090
A/P Vendor files/invoices misc 1996-2007	AU+4	GC34090
Deposit Receipts 7/09-6/10	AU+4	GC34090
Airport Grants 1987	CL+5	GC34090
Kern County Air Pollution Control District Correspondence 1968-2000	C+2	GC34090
Kern County Air Pollution Operating Permits for Generator 2000-2002	C+2	GC34090
Kern County Air Pollution Control District Grants 2004	CL+5	GC34090
Kern County Air Pollution District Snyder/Tehachapi Blvd. grant correspondence/copies 1998	CU+2	GC34090
Kern County Air Pollution District MVERP Grant Gem Cars Working File	CU+2	GC34090
Kern County Administrative Office Proposed 80/20 tax split 1994	CU+2	GC34090
Kern County Administrative Office Correspondence 1984	CU+2	GC34090

Kern County Air Pollution Control District Grant 2003 ZEV's one Toyota RAV 4 and Ford Ranger Pickup	CL+5	GC34090
Kern County Air Pollution Control District Snyder Ave and Tehachapi Blvd drainage project 1999	CL+5	GC34090
Kern County Air Pollution Control Board correspondence 1994	CU+2	GC34090
Kern County Auditor-Controller Correspondence regarding participation in alternative tax distribution plan 1994	CU+2	GC34090
Kern County Auditor-Controller Correspondence regarding City Tax Rate 1978-1984	CU+2	GC34090
Kern County Auditor/Controller Agreement for Collection of Special Assessments by county 1982	T+4	GC34090
Correspondence 1975	CU+2	GC34090
Kern County Auditor/Controller Contingent Tax Liability Rule 468 and Transfer of property tax revision 1980-1981 Correspondence	CU+2	GC34090
Kern County Air Pollution Control District DMV Vehicle Emissions grant program 2001-2003 Correspondence and copies	CU+2	GC34090
Kern County Air Pollution Control District DMV Grant correspondence Dennison/Tehachapi improvements 1999-2000	CU+2	GC34090
Sun Edison CCI Project (never completed)	CU+2	GC34090
Emission Reduction Project Report	CL+5	GC34090
Kern County MOU for Property Tax Sharing 1995	T+4	GC34090
Kern County Agreement for participation in the operational area emergency management organization 1995	T+4	GC34090
Kern County Auditor/Controller Correspondence 1959-1998	CU+2	GC34090
Kern County Auditor/Controller City Tax Collection Correspondence and copies of checks 1979-1980	CU+2	GC34090
Kern County Agreement for collection of special taxes 1995	T+4	GC34090
Kern County Board of Supervisor's Correspondence 1937-1991	CU+2	GC34090



APPROVED  
DEPARTMENT HEAD: AW  
CITY MANAGER: [Signature]

# COUNCIL REPORTS

MEETING DATE: OCTOBER 5, 2015    AGENDA SECTION: CITY CLERK

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**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS  
**FROM:** ASHLEY WHITMORE, DEPUTY CITY CLERK  
**DATE:** SEPTEMBER 30, 2015  
**SUBJECT:** SPECIAL EVENT APPLICATION – HOMECOMING PARADE

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## APPLICANT AND ORGANIZATION

Amy Watkins, Tehachapi Unified School District

## EVENT DESCRIPTION

The Homecoming Parade will be held on October 16, 2015 from 11:00 am – 12:00 pm and proceed down Dennison Rd to Anita; from Anita to Snyder; from Snyder to Valley and end back at the high school

## APPLICANT REQUESTS

- Street barricades from the Public Works Department

## STAFF CONDITIONS

Administration:        There are no conditions for this event

## RECOMMENDATION

**APPROVE THE HOMECOMING PARADE SPECIAL EVENT APPLICATION AND ASSOCIATED STREET CLOSURES**

(661) 822-2200  
Fax: (661) 822-8559

RECEIVED

SEP 17 2015

City of Tehachapi



TEHACHAPI  
CALIFORNIA  
Live Up.

115 South Robinson Street  
Tehachapi, CA 93561-1722  
www.tehachapicityhall.com

# SPECIAL USE/EVENT APPLICATION

Organization Tehachapi Unified School District/Tehachapi High School

Event Contact Amy Watkins (Director of Student Activities, Tehachapi High) Phone Number 6612033889

Address 801 South Dennison Rd.

City Tehachapi State CA Zip Code 93561

E-mail Address amywatkins@teh.k12.ca.us

Event Name THS Homecoming Parade

Event Location Tehachapi (Streets of Dennison, Anita, Snyder and Tucker)

Event Date(s) October 16, 2015 Event Time(s) 11:00am-12:00pm

**Describe Event: (Street Closures, Activities, Participation, Etc.)**

The Homecoming Parade, consisting of floats pulled by pick-up trucks and students riding on floats, in the backs of pick-up trucks or walking next to the floats will depart the Tehachapi High School Campus at approximately 11:00 am on Friday, October 16, 2015 and proceed down Dennison Rd to Anita; turn left onto Anita; turn left onto Snyder Ave; and left onto Valley extension. The parade will end back at the high school at approximately 12:00 pm.

Is the event open to the Public?  Yes  No Is event for money raising purposes?  Yes  No

If Yes, what will the proceeds be used for? \_\_\_\_\_

Will there be vendors at your event?  Yes  No If yes, how many? \_\_\_\_\_

Will alcoholic beverages be served?  Yes  No

Will alcoholic beverages be sold?  Yes  No

If Yes, what is A.B.C. Permit No? \_\_\_\_\_

*emailed  
9/21/15*

Event Name THS Homecoming Parade

Event Date(s) October 16, 2015

**Please Describe How The Following Will Be Accomplished:**

Street Barricades Just past THS on Dennison, at Dennison and Anita, Anita and SNyder, and Snyder and Valley.

Traffic Control School personnel, Tehachapi Police Department

Crowd Control School Personnel

Utility Services: Water, Sewer, Electric \_\_\_\_\_

Lights \_\_\_\_\_

Dust Control \_\_\_\_\_

Site Clean-up & Maintenance \_\_\_\_\_

Security \_\_\_\_\_

Site Facilities \_\_\_\_\_

Health Dept. \_\_\_\_\_

I understand that if I am utilizing a city-owned facility I am responsible to clean the above requested facility, by removing all rubbish, debris, etc., and restore the grounds/facility back to a clean and orderly condition. I further understand I may be required to pay a deposit, at the cities discretion, for clean-up of the grounds/facility, and upon inspection of the grounds/facility, the deposit, may be fully or partially refunded, depending upon the condition the facility is left in by the user.

I understand that power will not be available unless pre-arranged. A fee may be charged at the cities discretion.

I understand that a call out to City employees for services will be at my expense and I will be charged a 3 hour minimum call out fee for the first call out of the day. The current fee is \$63.54 per hour (\$190. 62 for the first call out of the day) and is subject to change.

I understand that this application is not a guarantee of event approval.

I, the undersigned, have read the above statements, general regulations and insurance requirements attached to this contract, and understand them and agree fully.

Applicant Signature *Neil F. [Signature]*

Date 9/17/2015

**Office Use Only**

Insurance Certificate       List Of Vendors       Meeting

Deposit       Plot Plan      Date

Time

<input type="checkbox"/> CM	<input type="checkbox"/> PW	<input type="checkbox"/> A	<input type="checkbox"/> HD
<input type="checkbox"/> CPM	<input type="checkbox"/> CD	<input type="checkbox"/> P	<input type="checkbox"/> BL
<input type="checkbox"/> LC	<input type="checkbox"/> BI	<input type="checkbox"/> F	<input type="checkbox"/> C

Notes \_\_\_\_\_

**GENERAL REGULATIONS**

Facility use agreements are issued in accordance with the policies outlined below as established by the City of Tehachapi. All reservation forms must be signed and returned, along with fees and deposits, before consideration of use approval. SUBMISSION OF RESERVATION REQUEST DOES NOT CONSTITUTE APPROVAL.

1. Any authorization and usage is understood to be at the City's discretion. The City will not be responsible for special condition, accommodations or other improvements for any granted request for use. Any special needs are the responsibility of the user with prior approval of the Public Works Director.
2. Groups or persons using a facility are responsible to pay for any damage to property or loss of property.
3. The City of Tehachapi is not liable for accidental injury to persons or loss or damage of group or individual property. The City requires proof of insurance coverage.
4. When, in the opinion of the City, activity conditions warrant the presence of one or more security personnel, the cost of such service shall be borne by the group or organization sponsoring the activity.
5. Permission to use City of Tehachapi facilities is granted subject to observance of regulations, and permits may be revoked for violation of regulations.
6. Permits may not be transferred, assigned or sublet.
7. Users of the facilities shall observe, obey and comply with all applicable City, County, State and Federal Laws, rules and regulations.

**FOOD AND ALCOHOL REGULATIONS**

1. The use of alcoholic beverages is by written permit only and must be requested at the time the facility use application is made. The City reserves the right to place restrictions on the use of alcoholic beverages in accordance with State Law.
2. The alcoholic beverage permittee will remove all beverages from the premises immediately following the approved function.
3. Food and refreshments, including alcoholic beverages, may be permitted in certain designated areas as determined by the City, or the designated representative.
4. Any function that is to be catered will be catered by an approved licensed caterer. All caterer's names and addresses will be provided upon request.
5. Any function where alcoholic beverages will be permitted shall require an additional (\$50.00) deposit.

ANY EXCEPTION TO THE ABOVE POLICIES WILL BE REFERRED TO THE CITY MANAGER.

**FEE AND DEPOSIT SCHEDULE**

The following guidelines and rules will govern the costs and procedures for City approvals.

1. Any part of an hour will be considered a full hour in determining City costs.
2. All fees must be paid to the City of Tehachapi located at 115 South Robinson Street.
3. All refunds will be mailed as soon as possible following conclusion of the activity.
4. No arrangements can be made for a time extension with personnel on duty the day of the activity.

**SECURITY PERSONNEL**

If, in the opinion of the City Manager or a designated representative an activity condition warrants the presence of one or more security personnel, the cost of such service shall be borne by the group or person sponsoring the activity. Proof of obtaining the required security personnel must be in the City Hall no later than ten (10) working days prior to the activity. Proof should be in the form of a receipt and/or contract from a bonded security agency. If proof is not in the City Hall by the required date, use of the facility may be denied.

**IF AFTER PROOF OF SECURITY HAS BEEN SUBMITTED TO CITY, SAID SECURITY IS NOT PRESENT ON DATE OF ACTIVITY, THE CITY EMPLOYEE IN CHARGE MAY REQUEST THE GROUP TO DISCONTINUE ACTIVITY AND ASK THE GROUP TO LEAVE THE AREA.**

LIABILITY INSURANCE REQUIREMENTS

Insurance requirements for persons or organizations wishing to use City facilities should be as follows:

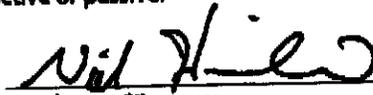
The party requesting to use the facility ("applicant") shall secure and keep in force during the entire term of applicant's use of the facility and covering all of applicant's activities with respect to the facility a comprehensive general liability insurance policy with bodily injury, property damage, and contractual coverage of not less than \$1 million per occurrence and including a comprehensive coverage form, and coverages for premises/operation, operations hazard, complete operations, and products liability, and containing special endorsements providing substantially the following:

- (1) That the City of Tehachapi, its agents, officers, employees and governing body and each member thereof are declared to be an additional named insured under the terms of the policy with reference to the activity described in the policy, whether such additional insured be actively or passively negligent or liable by operation of law;
- (2) Contractual liability coverage underwriting the obligations of applicant to hold harmless, indemnify and defend each of the insureds provided herein;
- (3) "Cross liability" or "Severability of Interest" coverage for all named insureds;
- (4) That such insurance is primary, and that any other insurance maintained by the additional named insureds is excess and not contributing insurance with respect to the subject insurance policy;
- (5) That the insurer waives all rights of subrogation against the additional named insureds;
- (6) That the coverage afforded by such policy to the additional named insureds shall not be prejudiced in any way by any failure of the principal insured to comply with any notice requirements of such policy; and
- (7) That such policy may not be canceled, coverage reduced or terms altered in any manner detrimental to the coverage except after delivery to the City of written notice not less than 15 days prior to the effective date of such cancellation, reduction or alteration. No such cancellation provisions in any such insurance policy shall be construed in derogation of the continuous duty of applicant to furnish insurance during the term of applicant's use of the facility. The lapse for any reason of insurance as required herein shall constitute breach of this requirement.

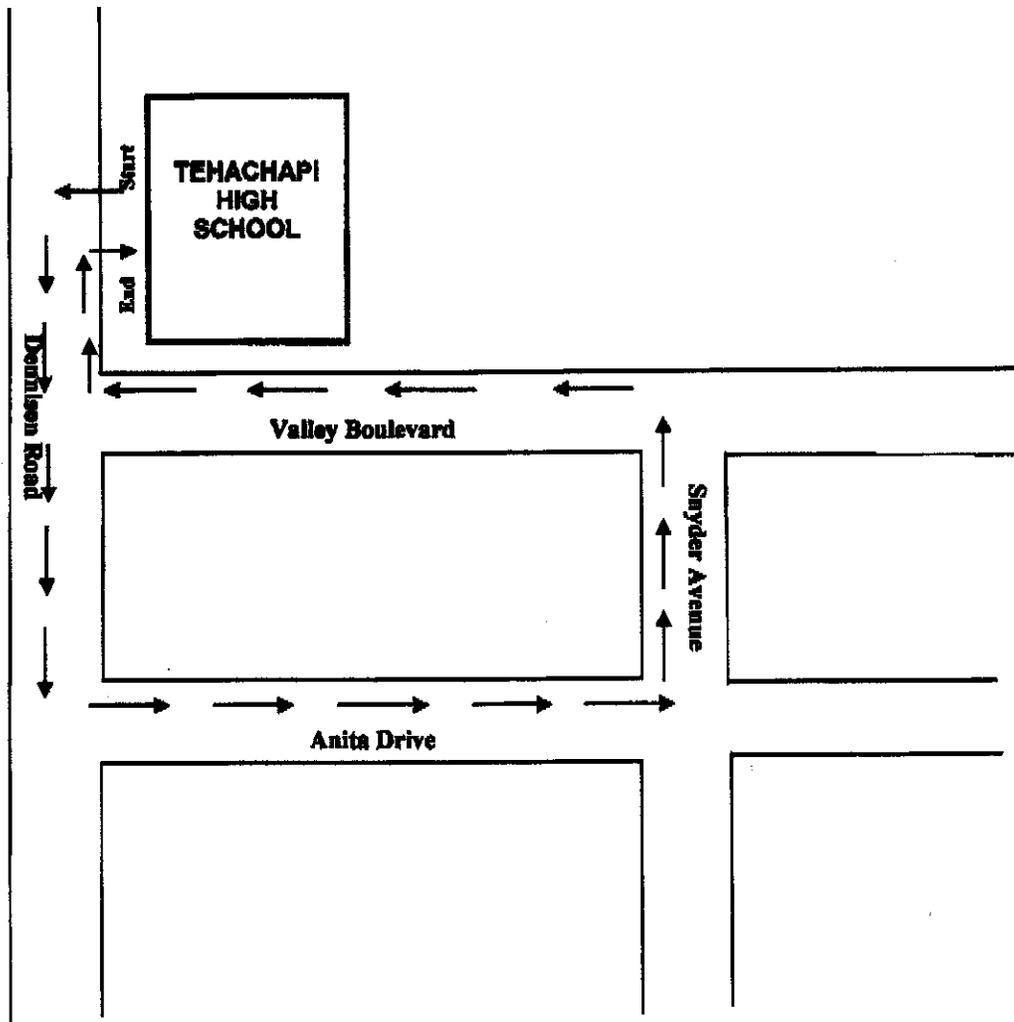
The facility shall not be used until applicant has provided City with a duly certificated certificate of insurance issued by an insurance company approved by City and evidencing that the policy has been issued, is effective, and complies with the foregoing requirements. Applicant must also provide City with a facsimile of the insurance policy and no use of the facility can be made until City has approved the policy.

## INDEMNIFICATION

Applicant hereby agrees to indemnify, defend, and hold harmless the City, its Councilpersons, boards, commissions, officers, employees and agents from any and all claims, demands, suits, judgements, liability, damages, costs, and expenses arising out of or related to applicant's use or occupation of City's streets or facilities, including but not limited to, any act or omission to act on the part of City, its Councilpersons, boards, commissions, officers, employees, or agents, whether active or passive.

  
 Applicant Signature  
 9/17/2015  
 Date

# TEHACHAPI HIGH SCHOOL'S HOMECOMING PARADE ROUTE



DATE  
(MM/DD/YYYY)  
5/27/2016

## CERTIFICATE OF LIABILITY COVERAGE

<b>COVERAGE PROVIDER:</b>  Self-Insured Schools of CA (SISC II) 2000 K Street Bakersfield CA 93301	<b>NAMED COVERED MEMBER DISTRICT:</b>  Tehachapi Unified School District 300 S Robinson Street Tehachapi CA 93661
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THE REFERENCED MEMORANDUM OF COVERAGE(S) ("MOC") AND/OR INSURANCE POLICY(IES) EXTEND INDEMNITY PROTECTION TO THE NAMED COVERED MEMBER IN KEEPING WITH THE TERMS AND CONDITIONS OF THE COVERAGE AGREEMENTS/ POLICIES FOR THE EFFECTIVE COVERAGE DATES AND WITH THE STATED COVERAGE LIMITS. COVERAGE PROVIDED BY MOC'S IS EXTENDED PURSUANT TO THE RIGHTS AND LIMITATIONS OF CALIFORNIA GOV'T CODE § 990 & 6500 ET SEQ.

CERTIFICATE NUMBER: 9

TYPE OF COVERAGE	COVERAGE AFFORDED	MOC/POLICY NUMBER	EFFECTIVE DATE(S)	EXPIRATION DATE(S)	LIMITS
<b>GENERAL LIABILITY</b>	General Liability Employment Practicing Educators' Legal Liability	SLP 7115 16	07/01/2015	07/01/2016	\$ 1,750,000
<b>AUTOMOBILE LIABILITY</b>	Automobile Liability (All Owned, Hired, Leased, and Borrowed)	SAP 7115 16  \$1,000 Deductible ACV COMP/COLL	07/01/2015	07/01/2016	\$ 1,750,000
<b>WORKERS COMPENSATION AND EMPLOYERS LIABILITY</b>	E.L. Each Accident E.L. Disease - Ea. Employee E.L. Disease - Policy Limit	WC 7115 16	07/01/2015	07/01/2016	\$ 1,000,000 \$ 1,000,000 \$ 1,000,000

THIS CERTIFICATE CONFERS NO RIGHT, BENEFIT, OR INTEREST IN THE REFERENCED MEMORANDUM(S) OF COVERAGE OR INSURANCE POLICY(IES), NOR DOES IT AMEND, MODIFY, ENLARGE OR ALTER THE COVERAGE AFFORDED BY SUCH DOCUMENTS. IF THE CERTIFICATE HOLDER IS CONTRACTUALLY ENTITLED TO BE NAMED AS AN ADDITIONAL COVERED MEMBER ("ACM") UNDER ANY COVERAGE AGREEMENT OR POLICY, THE CONTRACT IMPOSING THE OBLIGATION MUST BE PROVIDED TO THE NAMED COVERED MEMBER LISTED ABOVE FOR REVIEW AND APPROVAL BEFORE SUCH AN ENDORSEMENT WILL BE ISSUED; ACM COVERAGE IS NOT AUTOMATICALLY GRANTED.

**Description and Date(s) of Event/Operations/Locations/Vehicle** (Additional remarks/schedule may be attached if more space is needed)

\*Use of facilities/public streets during Tehachapi High School Homecoming Parade, for which the City of Tehachapi, its officers, councilpersons, commissioners, employees and agents are named as additional insured. Tehachapi Unified School District's insurance is primary and the City of Tehachapi's insurance will be non-contributory for this event.

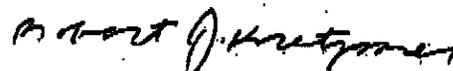
**CERTIFICATE HOLDER:**

City of Tehachapi  
115 South Robinson Street  
Tehachapi CA 93561

**Cancellation of Coverage:** if any of the policies described herein be cancelled before their expiration dates, notice will be delivered in accordance with policy provisions.

**Issuer of this Certificate:**

SELF-INSURED SCHOOLS OF CA (SISC II)  
2000 K STREET  
BAKERSFIELD CA 93301  
PHONE (661) 636-4495 FAX (661) 636-4418  
E-mail Address: sisc\_pl@kern.org



# Accounts Payable

## Checks by Date - Detail By Vendor Number

User: afrescas  
 Printed: 9/29/2015 - 1:56 PM



Vendor	Invoice No	Line Description	Check Amount
0027	Atco International		
Check No:	0	Check Date:	
	10442782	PW/Pursuit-94/Ord #0526228/Ship #0445554	711.65
	10442782-1	PW/Pursuit-94/Ord #0526228/Ship #0445554/U:	-49.65
		Check Total:	662.00
		Vendor Total:	662.00
0035	BC Laboratories Inc.		
Check No:	0	Check Date:	
	B212699	Swr/Influent-Effluent/Project 081915/Lab #1520	325.00
		Check Total:	325.00
		Vendor Total:	325.00
0061	BSK Associates		
Check No:	0	Check Date:	
	0074385	Eng/WWTP Station Const Test/Aug1-Aug 31 20	277.50
	0074626	Eng/Curry-Valley Intersec Improve/Proj #C1517	4,111.00
	0074631	Eng/Curry Med-Pinon Improve/Proj #C1528661	2,072.00
	0074634	Eng/Encroach Permit #15-/Aug1-Aug 31 2015/P	948.00
		Check Total:	7,408.50
		Vendor Total:	7,408.50
0101	Central San Joaquin Valley RMA		
Check No:	0	Check Date:	
	RMA2016-0110	GG/2015-16 2nd Qtr Insurance Premium	14,330.27
	RMA2016-0110-1	GG/2015-16 2nd Qtr Insurance Premium WC	2,223.49
	RMA2016-0110-2	Fin/2015-16 2nd Qtr Insurance Premium	62.83
	RMA2016-0110-3	Fin/2015-16 2nd Qtr Insurance Premium WC	403.31
	RMA2016-0110-4	PW/2015-16 2nd Qtr Insurance Premium	100.73
	RMA2016-0110-5	PW/2015-16 2nd Qtr Insurance Premium WC	4,930.20
	RMA2016-0110-6	Land/2015-16 2nd Qtr Insurance Premium	29.42
	RMA2016-0110-7	Land/2015-16 2nd Qtr Insurance Premium WC	1,742.29
	RMA2016-0110-70	Const/2015-16 2nd Qtr Insurance Premium	40.13
	RMA2016-0110-71	Const/2015-16 2nd Qtr Insurance Premium WC	2,375.99
	RMA2016-0110-72	CD/2015-16 2nd Qtr Insurance Premium	105.38
	RMA2016-0110-73	CD/2015-16 2nd Qtr Insurance Premium WC	1,216.35
	RMA2016-0110-74	IT/2015-16 2nd Qtr Ins Premium	5.20
	RMA2016-0110-75	IT/2015-16 2nd Qtr Ins Premium WC	123.88
	RMA2016-0110-76	Eng/2015-16 2nd Qtr Ins Premium	173.97
	RMA2016-0110-77	Eng/2015-16 2nd Qtr Ins Premium WC	4,147.94
	RMA2016-0110-78	PD/2015-16 2nd Qtr Ins Premium	609.20
	RMA2016-0110-79	PD/2015-16 2nd Qtr Ins Premium WC	30,624.23
	RMA2016-0110-8	Council/2015-16 2nd Qtr Ins Premium	3.60
	RMA2016-0110-80	Council/2015-16 2nd Qtr Ins Premium WC	85.98

Vendor	Invoice No	Line Description	Check Amount
	RMA2016-0110-81	CC/2015-16 2nd Qtr Ins Premium	12.15
	RMA2016-0110-82	CC/2015-16 2nd Qtr Ins Premium WC	250.66
	RMA2016-0110-83	Treas/2015-16 2nd Qtr Ins Premium	1.80
	RMA2016-0110-84	Treas/2015-16 2nd Qtr Ins Premium WC	42.99
	RMA2016-0110-85	Strts/2015-16 2nd Qtr Ins Premium	1,683.16
	RMA2016-0110-86	Strts/2015-16 2nd Qtr Ins Premium WC	2,705.41
	RMA2016-0110-87	Ref/2015-16 2nd Qtr Ins Premium	2,853.54
	RMA2016-0110-88	Ref/2015-16 2nd Qtr Ins Premium WC	378.26
	RMA2016-0110-89	Wtr/2015-16 2nd Qtr Ins Premium	5,490.57
	RMA2016-0110-9	Wtr/2015-16 2nd Qtr Ins Premium WC	13,928.33
	RMA2016-0110-90	Swr/2015-16 2nd Qtr Ins Premium	5,340.36
	RMA2016-0110-91	Swr/2015-16 2nd Qtr Ins Premium WC	9,276.25
	RMA2016-0110-92	Tran/2015-16 2nd Qtr Ins Premium	515.50
	RMA2016-0110-93	Tran/2015-16 2nd Qtr Ins Premium WC	96.27
	RMA2016-0110-94	Air/2015-16 2nd Qtr Ins Premium	1,466.19
	RMA2016-0110-95	Air/2015-16 2nd Qtr Ins Premium WC	1,500.17
		Check Total:	108,876.00
		Vendor Total:	108,876.00
0155	FedEx		
Check No:	0	Check Date:	
	516467117	GG/Std Overnight Shipping/Che Johnson-Lieber	18.11
	516467117-0	CD/Std Overnight Shipping/Rebecca Moore-LA	17.15
	516467117-1	GG/Std Overnight Shipping/Rick Bender FPSE	24.62
	516467117-2	ENG/Std Overnight Shipping/Brian Nelson-AEC	24.02
	516467117-3	PD/Std Overnight Shipping/Jesse Maddox	34.32
		Check Total:	118.22
		Vendor Total:	118.22
0260	Liebert Cassidy Whitmore		
Check No:	0	Check Date:	
	09232015	Fin/Consortium Member Recording	60.00
		Check Total:	60.00
		Vendor Total:	60.00
0263	Lebeau Thelen LLP		
Check No:	0	Check Date:	
	2	PD/Legal Fees/202 Bartlett/Price Property	4,221.00
	35	GG/Broom Fam Trust vs City of Tehachapi	63.00
		Check Total:	4,284.00
		Vendor Total:	4,284.00
0300	Mission Linen & Uniform Service		
Check No:	0	Check Date:	
	500869075	PW/Blk MatsCov Twl Post/Linen Maintenance	99.10
	500908322	PW/Cover Fender Auto/Blk MatsCov Twl Post	104.52
	500908323	Swr/Dust Mop/Mats	44.46
	500958421	Swr/Dust Mop/Mats	44.46
		Check Total:	292.54
		Vendor Total:	292.54
0347	Quinn Company		

Vendor	Invoice No	Line Description	Check Amount
Check No:	0	Check Date:	
	PC080362644	PW/Coupling, Seal O Ring, Hose	159.49
	PC080362645	PW/Bolt-Washer	1.60
		Check Total:	161.09
		Vendor Total:	161.09
0362	RSI Petroleum Products		
Check No:	0	Check Date:	
	0286731	Wtr/Reg Unlead Gas-Diesel Fuel	183.07
	0286731-1	PW/Reg Unlead Gas-Diesel Fuel	740.69
		Check Total:	923.76
		Vendor Total:	923.76
0373	Thomas F. Schroeter Attorney @ Law		
Check No:	0	Check Date:	
	09282015	Pers MI 6% of \$6500.00	-390.00
	09282015	GG/Legal Services Aug 27 - Sep 27, 2015	6,500.00
		Check Total:	6,110.00
		Vendor Total:	6,110.00
0428	Tehachapi Flower Shop		
Check No:	0	Check Date:	
	09192015	GF/Pasta Dinner Centerpieces/60 Sunflowers	119.33
		Check Total:	119.33
		Vendor Total:	119.33
0441	Vulcan Materials Company Western D		
Check No:	0	Check Date:	
	70885957	Wtr/3/8" Fine PG64-10/Env Fee-Agg & Asphalt	350.68
		Check Total:	350.68
		Vendor Total:	350.68
0450	USA Bluebook		
Check No:	0	Check Date:	
	748829	Swr/HM Cal Gas 50% Lcl/20.9%	260.52
		Check Total:	260.52
		Vendor Total:	260.52
0543	BSE Rents		
Check No:	0	Check Date:	
	65896	Air/Water Trailer VN# 1B9UP082X5B632832	182.28
		Check Total:	182.28
		Vendor Total:	182.28
0972	The Tire Store		
Check No:	0	Check Date:	
	87039	Wtr/GMC Silverado/4-P265 70R17	530.00
		Check Total:	530.00

Vendor	Invoice No	Line Description	Check Amount
		Vendor Total:	530.00
1005	Quad Knopf Inc.		
Check No:	0	Check Date:	
	81898	Valley Bl Bikeway Project Phase II/Project T150	5,313.60
		Check Total:	5,313.60
		Vendor Total:	5,313.60
1055	Mercury Graphics		
Check No:	0	Check Date:	
	4701	PD/BusCards:Barajas, Alvarez, Medina, Vielma,	400.76
	4703	GG/#10 Window Envelopes/#9 Envelopes	130.08
		Check Total:	530.84
		Vendor Total:	530.84
1286	M&M's Sports Uniforms & Embroider		
Check No:	0	Check Date:	
	34590	PD/Metal Nametag-J Vielma/Black Tie/Silver Ti	58.29
	34628	Swr/Long Seleeve T-Shirt w/Logo	22.72
	34628-1	Wtr/Long Seleeve T-Shirt w/Logo	22.73
	34685	PW/Shirt Logo/Garment supplied by customer	22.58
	34743	CD/Plastic Engraving Name Plate/D Christensen	17.09
		Check Total:	143.41
		Vendor Total:	143.41
1430	Sully & Sons Hydraulics Inc.		
Check No:	0	Check Date:	
	0104387	Wtr/1 1/4 Tee/Teflon Reus/Hose Assembly	48.43
	0104387-1	Swr/1 1/4 Tee/Teflon Reus/Hose Assembly	48.43
		Check Total:	96.86
		Vendor Total:	96.86
1440	Deluxe For Business		
Check No:	0	Check Date:	
	2035082570	Fin/2 Boxes Laser Direct Dep Advice	266.87
		Check Total:	266.87
		Vendor Total:	266.87
1441	Grainger		
Check No:	0	Check Date:	
	9838338854	Swr/Battery Pack	118.90
		Check Total:	118.90
		Vendor Total:	118.90
1506	San Joaquin Safety Shoes		
Check No:	0	Check Date:	
	66765	Wtr/Safety Shoes/T Brown	182.74
		Check Total:	182.74
		Vendor Total:	182.74

Vendor	Invoice No	Line Description	Check Amount
1658	Accela Inc #774375		
Check No:	0	Check Date:	
	INV31510	GG/Monthly WebPayments/July-August 2015	597.60
		Check Total:	597.60
		Vendor Total:	597.60
1724	Banks Pest Control Inc.		
Check No:	0	Check Date:	
	460045	Const/Bi-monthly Svc/314 N Hayes St	92.50
	460045-1	Air/Bi-monthly Svc/100 Commercial Way	92.50
		Check Total:	185.00
		Vendor Total:	185.00
1801	HD Supply Waterworks LTD		
Check No:	0	Check Date:	
	E443173	Wtr/Bug Screen	80.00
	E477304	Wtr/Epoxy/Tubing/Expansion Plg	226.38
	E490892	Wtr/Expansion CPlug/Repair CPlug	41.19
		Check Total:	347.57
		Vendor Total:	347.57
1982	SSD Systems		
Check No:	0	Check Date:	
	1126873-A	Air/Alarm Service - 314 Hayes St	39.25
	1126873-A1	Const/Alarm Service - 100 Commercial Way	37.01
	1126873-A2	Eng/Alarm Service - 129 East F Street Annex	49.00
	1126873-A3	PW/Alarm Service - 800 Enterprise Way	49.66
	1126873-A4	Swr/Alarm Service - 750 Enterprise Way/Water	33.09
	1126873-A5	Wtr/Alarm Service - 750 Enterprise Way/Water	33.08
	1126873-A6	Swr/Alarm Service - 750 Enterprise Way/Water	27.48
	1126873-A7	Wtr/Alarm Service - 750 Enterprise Way/Water	27.47
	1126873-A8	Depot/Alarm Service - 101 Tehachapi Bl	84.37
	1126873-A9	PD/Alarm Service - 220 C Street	149.52
	1126873-A90	GG/Alarm Service - 115 S Robinson St	37.01
	1126873-A91	Air/Alarm Service - 314 Hayes St	24.67
		Check Total:	591.61
		Vendor Total:	591.61
2052	Thomas G. Garrett		
Check No:	0	Check Date:	
	09152015	Air/Airport Conference Meals/Sep 15-Sep 18 20	58.31
	09162015	Air/Airport Conference Lodging/Sep15-Sep18 20	457.65
	09162015	Air/Airport Conference/Sep 16 2015/Lake Tahoe	50.00
		Check Total:	565.96
		Vendor Total:	565.96
2147	Coffee Break Service Inc.		
Check No:	0	Check Date:	
	223883	GG/Coffee Service-Supplies	334.85
	72851	GG/Water Cooler-Changed Filter, Litter Change	57.78
		Check Total:	392.63

Vendor	Invoice No	Line Description	Check Amount
		Vendor Total:	392.63
2833	Sun Ridge Systems Inc.		
Check No:	0	Check Date:	
	4157	PD/RIMS Annual Support Svcs-Warranty/Jul 15	10,077.00
		Check Total:	10,077.00
		Vendor Total:	10,077.00
2871	ProForce Law Enforcement		
Check No:	0	Check Date:	
	248562	PD/Uniforms/B Medina/E Alvarez	1,263.45
	249707	PD/Uniforms/J Vielma	631.72
		Check Total:	1,895.17
		Vendor Total:	1,895.17
2963	AT&T		
Check No:	0	Check Date:	
	7019886	PD/9391040069/Aug 6 Sep 5 2015	416.91
	7020255	PD/9391009314/Aug 6-Sep 5 2015	16.47
	7035318	PD/9391006708/Aug 11-Sep 10 2015	294.49
	7058819	PD/9391006709/Aug 13-Sep 12 2015	163.33
		Check Total:	891.20
		Vendor Total:	891.20
2981	Burke Williams & Sorenson LLP		
Check No:	0	Check Date:	
	192992	LLD/Fees for Professional Svcs Rendered Throu	1,120.00
		Check Total:	1,120.00
		Vendor Total:	1,120.00
3011	Verizon Wireless		
Check No:	0	Check Date:	
	9752504599	ENG/Mobile Broadband/R Montgomery	38.01
	9752504599-1	AIR/Mobile Broadband/G Peterson	38.01
	9752504599-2	ENG/Mobile Broadband/C Arbaut	38.01
	9752504599-3	GG/Mobile Broadband/G Garrett	38.01
	9752504599-4	AIR/Mobile Broadband/Toughbook	38.01
	9752504599-5	AIR/Mobile Broadband/T Glassgow	29.65
	9752504599-6	GG/Mobile Broadband/M Vance	29.65
	9752504599-7	ENG/Mobile Broadband/J Schlosser	29.65
	9752504599-8	ENG/Mobile Broadband/D James-Disconnect	-17.16
	9752504599-9	WTR/Mobile Broadband/J Curry	15.01
	9752504599-90	SWR/Mobile Broadband/J Curry	15.01
		Check Total:	291.86
		Vendor Total:	291.86
3066	AECOM Technical Services Inc.		
Check No:	0	Check Date:	
	37618685	Eng/Proj-Water Rate Study/Proj #60334652/Jul	3,133.58
	37618689	Eng/Ind Pkwy Ext Project/Jul 1-Aug 7 2015/Pro	2,484.73
	37618693	Eng/Motocross Project/Jul 1-Aug 7 2015/Proj #	5,003.27
	37618695	Eng/Indirect Potable Reuse Evaluation/Proj #60	19,235.00

Vendor	Invoice No	Line Description	Check Amount
	37628745	Wtr/Water Rate Study/Aug 8-Sep 4 2015/Proj #	1,435.50
	37628747	Const/ Ind Pkwy Ext Project/Aug 8-Sep 4 2015/1	3,842.31
	37628748	Swr/Indirect Potable Reuse Evaluation/Proj #60	14,845.96
		Check Total:	49,980.35
		Vendor Total:	49,980.35
3167	SEMS Technologies LLC		
Check No:	0	Check Date:	
	A-5827	Wtr/Annual Renew SEMS Software/Mobile App	1,483.50
	A-5827-1	Swr/Annual Renew SEMS Software/Mobile App	1,483.50
	A-5827-2	PW/Annual Renew SEMS Software/Mobile App	1,483.50
	A-5827-3	Const/Annual Renew SEMS Software/Mobile A	247.25
	A-5827-4	Land/Annual Renew SEMS Software/Mobile Ap	247.25
		Check Total:	4,945.00
		Vendor Total:	4,945.00
3199	Slick Fish Marketing Co.		
Check No:	0	Check Date:	
	2196	GF/GranFondo Map Updates/Map Edits	126.66
	2196-1	GF/FTB Order 312613192904136373/25% of 12	-31.67
		Check Total:	94.99
		Vendor Total:	94.99
3274	Bright House Networks		
Check No:	0	Check Date:	
	064495401091515	GG/Internet Svc/Acct 0050644954-01/Sep 21-0	173.76
		Check Total:	173.76
		Vendor Total:	173.76
3278	Hub Construction Specialties Inc.		
Check No:	0	Check Date:	
	A07005175	Wtr/Tehachapi Bl-Green St Cross Walk/Job #001	98.90
		Check Total:	98.90
		Vendor Total:	98.90
3281	Statewide Traffic Safety & Signs Inc.		
Check No:	0	Check Date:	
	12001645	Strts/Brett Ave/Dennison Ave	117.45
		Check Total:	117.45
		Vendor Total:	117.45
3561	Lisa Wise Consulting Inc.		
Check No:	0	Check Date:	
	2097	CD/Housing Element Update 5th Cycle Through	1,820.00
		Check Total:	1,820.00
		Vendor Total:	1,820.00
3566	BlueLine Rental		
Check No:	0	Check Date:	
	23646000002	PW/6000 Watt Towable Light Tower/Mill & J St	617.27

Vendor	Invoice No	Line Description	Check Amount
		Check Total:	617.27
		Vendor Total:	617.27
3568	Provost & Pritchard		
Check No:	0	Check Date:	
	55063	Eng/Snyder Well Intertie/Proj #02233-14-B10/Ju	1,403.70
		Check Total:	1,403.70
		Vendor Total:	1,403.70
3657	Wiley D. Hughes Surveying Inc.		
Check No:	0	Check Date:	
	1569	Eng/ Challenger Dr Investigation/Job #15038	1,000.00
	1570	Eng/Tehachapi Bl Improve Phase III/Job #14909	975.00
	1570-1	Eng/Valley Bl Bikeway Phase II/Job #14909	650.00
		Check Total:	2,625.00
		Vendor Total:	2,625.00
3708	Customized Custodial Services		
Check No:	0	Check Date:	
	COTC1015	CH/Janitorial Services	890.00
	COTC1015-1	PD/Janitorial Services	1,950.00
	COTC1015-2	Depot/Janitorial Services	250.00
	COTC1015-3	AP/Janitorial Services	280.00
	COTC1015-4	WWTP/Janitorial Services	530.00
	COTC1015-5	Const/Janitorial Services	280.00
	COTC1015-6	Senior/Janitorial Services	450.00
	COTC1015-7	Annex/Janitorial Services	540.00
		Check Total:	5,170.00
		Vendor Total:	5,170.00
3836	Carmen Lopez		
Check No:	0	Check Date:	
	4	PD/Code Enforce Clean Up/202 Bartlett Ct/Boar	1,230.00
	5	PD/Clean Up/706 1/2 E Tehachapi Bl/Board Wir	2,150.00
		Check Total:	3,380.00
		Vendor Total:	3,380.00
3837	CEMEX Construction Materials Pac I		
Check No:	0	Check Date:	
	9431719648	Wtr/Green & Tehachapi Bl/Job #14156425/Cros.	586.82
		Check Total:	586.82
		Vendor Total:	586.82
3838	Michael J. O'Day and Associates		
Check No:	0	Check Date:	
	091215	PD/Pre-Empolymnt Background Investigation/	1,260.98
		Check Total:	1,260.98
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3844	Franchise Tax Board		

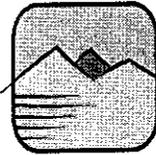
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Check No:	0	Check Date:	
	2196	GF/Slick Fish Mkt Order 312613192904136373/	31.67
		Check Total:	31.67
		Vendor Total:	31.67
3854	Mary Valenti PH.D.		
Check No:	0	Check Date:	
	09122015	PD/Psych-Screening Exam/B Medina, J Vielma,	1,200.00
		Check Total:	1,200.00
		Vendor Total:	1,200.00
3876	Capital Accounting Partners LLC		
Check No:	0	Check Date:	
	80642	Eng/User Fee-Build Comparison Study	3,720.00
		Check Total:	3,720.00
		Vendor Total:	3,720.00
3892	Artificial Grass Liquidators Los Angel		
Check No:	0	Check Date:	
	4536	Wtr/AGI Marathon, Seam Tape, Glue, Delivery	7,683.87
		Check Total:	7,683.87
		Vendor Total:	7,683.87
3897	Aerotech News and Review Inc		
Check No:	0	Check Date:	
	93968	GG/Web Display/Advertising	390.00
		Check Total:	390.00
		Vendor Total:	390.00
3903	South Street Digital, Inc		
Check No:	0	Check Date:	
	10159	ENG/City Plans/10 Sets of 26	108.24
	10185	GF/Artwork/Banners/Vinyl Signs/Laminating/ V	3,407.85
		Check Total:	3,516.09
		Vendor Total:	3,516.09
3904	Cen-Cal Construction		
Check No:	0	Check Date:	
	R12010-3	Strts/Curry-Valley Intersect Improve Project/Aug	183,277.96
		Check Total:	183,277.96
		Vendor Total:	183,277.96
3914	R.C. Becker & Son, Inc.		
Check No:	0	Check Date:	
	R14016-2	Curry St Median-Pinon St Improve Project/Aug	164,224.51
		Check Total:	164,224.51
		Vendor Total:	164,224.51
3923	J J Keller		

Vendor	Invoice No	Line Description	Check Amount
Check No:	0	Check Date:	
	9100839580	Fin/ELP Fed & CA Eng Sub 3Y/CA Taxes	142.22
		Check Total:	142.22
		Vendor Total:	142.22
3924	Good Year Commercial Tire		
Check No:	0	Check Date:	
	230-1023300	PD/8 Tires 235/55 R17	1,048.55
		Check Total:	1,048.55
		Vendor Total:	1,048.55
3929	National Assoc of School Resource Of		
Check No:	0	Check Date:	
	M27910CA	PD/1yr Membership in NASRO-S Arebalo #378:	40.00
		Check Total:	40.00
		Vendor Total:	40.00
		Report Total:	591,821.83

# Accounts Payable

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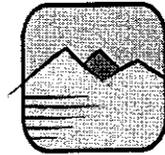
CITY OF  
**TEHACHAPI**  
CALIFORNIA

Vendor	Invoice No	Line Description	Check Amount
3543	West Coast Lights & Sirens		
Check No:	43522	Check Date: 09/24/2015	
	11658	PD/Side Mount Ford Exp/03 & 07 Crown Vic/05	7,173.78
		Check Total:	7,173.78
		Vendor Total:	7,173.78
		Report Total:	7,173.78

# Accounts Payable

## Checks by Date - Detail By Vendor Number

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CITY OF  
**TEHACHAPI**  
CALIFORNIA

Vendor	Invoice No	Line Description	Check Amount
3066	AECOM Technical Services Inc.		
Check No:	43523	Check Date: 09/24/2015	
	37628744	Eng/Plan Check Task 0049-Walk in Cooler/Proje	300.00
		Check Total:	300.00
		Vendor Total:	300.00
		Report Total:	300.00

# Accounts Payable

## Checks by Date - Detail By Vendor Number

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CITY OF  
**TEHACHAPI**  
 CALIFORNIA

Vendor	Invoice No	Line Description	Check Amount
0017	American Business Machines		
Check No:	43524	Check Date: 09/24/2015	
	246519	GG/Toner-Blk, Cyan/Equip 05898/Model IR Ad	8.00
		Check Total:	8.00
		Vendor Total:	8.00
0155	FedEx		
Check No:	43533	Check Date: 09/24/2015	
	133341951	PD/Overnight/Track 602094730185/J Maddox L	30.24
		Check Total:	30.24
		Vendor Total:	30.24
0372	Southern California Edison		
Check No:	43546	Check Date: 09/24/2015	
	09172015	Strts/800 S Curry/Aug 17-Sep 16, 2015	43.17
		Check Total:	43.17
		Vendor Total:	43.17
0395	The Gas Company		
Check No:	43537	Check Date: 09/24/2015	
	09082015	GG/00881702005/Aug 5-Sep 3 2015	14.30
	09112015	AIR/01091699981/Aug 10-Sep 9 2015	20.57
	09112015-1	AIR/13691700283/Aug 10-Sep 9 2015	14.30
	09112015-2	AIR/12851696026/Aug 10-Sep 9 2015	60.12
		Check Total:	109.29
		Vendor Total:	109.29
0399	Sparkletts		
Check No:	43547	Check Date: 09/24/2015	
	4365880090115	WTR/Distilled, Drinking/Hot-Cold Cooler Rent	60.55
		Check Total:	60.55
		Vendor Total:	60.55
0431	Tehachapi News		
Check No:	43551	Check Date: 09/24/2015	
	2629389	GG/Mountain Festival	744.28
	2629389-1	CD/Notice Inviting	87.50
	2629389-2	HSIP/HSIP East Tehachapi Improvements	252.50
		Check Total:	1,084.28

Vendor	Invoice No	Line Description	Check Amount
		Vendor Total:	1,084.28
1075	Prime Signs		
Check No:	43543	Check Date: 09/24/2015	
	N-4660	Swr/3x3 Aluminum Sign - Wastewater Treatmen	174.15
		Check Total:	174.15
		Vendor Total:	174.15
1286	M&M's Sports Uniforms & Embroider		
Check No:	43540	Check Date: 09/24/2015	
	34005	Standard Cast Plaque 6"x9"/Susan Hand Armstr	234.67
		Check Total:	234.67
		Vendor Total:	234.67
1313	Certified Laboratories		
Check No:	43529	Check Date: 09/24/2015	
	2035606	Wtr/Multifold Towles/Bath Tissue	316.21
	2035606-1	GG/Multifold Towles/Bath Tissue	476.32
	2035606-2	Eng/Multifold Towels/Bath Tissue	402.87
		Check Total:	1,195.40
		Vendor Total:	1,195.40
2446	Legal Briefings for Building Inspector		
Check No:	43539	Check Date: 09/24/2015	
	15441861	CD/EMD Publishers - Renewal	99.49
		Check Total:	99.49
		Vendor Total:	99.49
2874	Department of Justice Accounting Offi		
Check No:	43531	Check Date: 09/24/2015	
	119385	Fin/Fingerprint-Paula Long	96.00
		Check Total:	96.00
		Vendor Total:	96.00
3011	Verizon Wireless		
Check No:	43552	Check Date: 09/24/2015	
	9751516122	PD/Wireless Broadband/Acct 471739616-00001.	818.44
	9752301741	Fin/Mobile Broadband/Acct 872239130-0001/A	29.83
	9752301741-1	Wtr/Mobile Broadband/Acct 872239130-0001/A	14.92
	9752301741-2	Swr/Mobile Broadband/Acct 872239130-0001/A	14.92
		Check Total:	878.11
		Vendor Total:	878.11
3066	AECOM Technical Services Inc.		
Check No:	43523	Check Date: 09/24/2015	
	37628744	Eng/Plan Check Task 0049-Walk in Cooler/Proje	300.00
		Check Total:	300.00
		Vendor Total:	300.00
3097	Code 3 Uniforms		

Vendor	Invoice No	Line Description	Check Amount
Check No:	43530	Check Date: 09/24/2015	
	5792	PD/BPD Class A Size 16.5/33, Size 14.5/33	322.47
	5839	PD/B-Class Twill Pants Size 30. Handcuffs, Belt	382.09
		Check Total:	704.56
		Vendor Total:	704.56
3199	Slick Fish Marketing Co.		
Check No:	43545	Check Date: 09/24/2015	
	2195	GF/GranFondo Website/GranFondo Menu/Spons	705.00
	2195-1	GFFTB 312613192904136373/25% of \$705.00	-176.25
		Check Total:	528.75
		Vendor Total:	528.75
3252	Knights Event Management		
Check No:	43538	Check Date: 09/24/2015	
	09182015	GF/Security for GranFondo/Travel Time	573.00
		Check Total:	573.00
		Vendor Total:	573.00
3428	Red House BBQ		
Check No:	43544	Check Date: 09/24/2015	
	09222015	GF/608 Lunches @ 10.00/271 Drinks @ 1.50	6,486.50
		Check Total:	6,486.50
		Vendor Total:	6,486.50
3543	West Coast Lights & Sirens		
Check No:	43553	Check Date: 09/24/2015	
	11814	PD/Premium Passenger Side Mount Pkg	476.09
		Check Total:	476.09
		Vendor Total:	476.09
3645	Blueprint Service		
Check No:	43526	Check Date: 09/24/2015	
	851870	GG/Base Chg/OCE, Color Scan, Bond Digital, U	123.57
		Check Total:	123.57
		Vendor Total:	123.57
3776	Gayle Stewart		
Check No:	43549	Check Date: 09/24/2015	
	09212015	GF/Rest Stop Nutrition-GranFondo	334.76
		Check Total:	334.76
		Vendor Total:	334.76
3797	Nathan Frerichs		
Check No:	43535	Check Date: 09/24/2015	
	09202015	GG/Refund-Special Event Deposit/Event 15-36,	200.00
		Check Total:	200.00

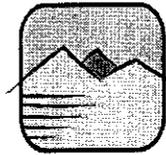
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		Vendor Total:	200.00
3807	Diamond Technologies		
Check No:	43532	Check Date: 09/24/2015	
	15332	IT/Annual Anti-Virus/Software Upgrade	2,137.75
		Check Total:	2,137.75
		Vendor Total:	2,137.75
3844	Franchise Tax Board		
Check No:	43534	Check Date: 09/24/2015	
	2195	FTB 312613192904136373 Slick Fish/25% of \$	176.25
		Check Total:	176.25
		Vendor Total:	176.25
3852	GameTime C/O Great Western		
Check No:	43536	Check Date: 09/24/2015	
	PJI-0016373	Freedom Plaza Project/Play Area/Log-Crate Step	12,412.51
		Check Total:	12,412.51
		Vendor Total:	12,412.51
3855	Central Valley Occupational Med Grp		
Check No:	43528	Check Date: 09/24/2015	
	5717-9	PD/Preplacement Exam/A Barajas, B Medina, J	1,464.00
	5717-9-1	GG/Preplacement Exam/Drug Screen/L Casey, E	176.00
		Check Total:	1,640.00
		Vendor Total:	1,640.00
3865	Aaron Price		
Check No:	43542	Check Date: 09/24/2015	
	05222015	PD/Animal Control Equipment Purchased/A Pric	120.68
		Check Total:	120.68
		Vendor Total:	120.68
3919	Perfetto Italian Restaurant		
Check No:	43541	Check Date: 09/24/2015	
	09232015	GF/Additional Dinners-Pasta Fest/GranFondo	340.00
		Check Total:	340.00
		Vendor Total:	340.00
3925	Cal Prime Inc		
Check No:	43527	Check Date: 09/24/2015	
	R06010-1	Tehachapi Blvd Improvements Phase III/Jul 21-1/	22,325.00
		Check Total:	22,325.00
		Vendor Total:	22,325.00
3926	Auto Tint West Inc		
Check No:	43525	Check Date: 09/24/2015	
	16912	CD/Flatglass/15-Window Installation/Custom M	1,527.27
	16912-1	Eng/Flatglass/15-Window Installation/Custom M	1,527.27

Vendor	Invoice No	Line Description	Check Amount
		Check Total:	3,054.54
		Vendor Total:	3,054.54
3927	Stallion Springs General Store		
Check No:	43548	Check Date: 09/24/2015	
	09212015	GF/Rest Stop Nutrition-GranFondo	47.30
		Check Total:	47.30
		Vendor Total:	47.30
3928	Tacos Buenos		
Check No:	43550	Check Date: 09/24/2015	
	09232015	GF/178 Lunches @ 10.00, 116 Drinks @ 1.50	1,954.00
		Check Total:	1,954.00
		Vendor Total:	1,954.00
		Report Total:	57,948.61

# Accounts Payable

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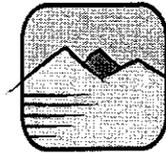
CITY OF  
**TEHACHAPI**  
 CALIFORNIA

Vendor	Invoice No	Line Description	Check Amount
0431	Tehachapi News		
Check No:	43551	Check Date: 09/24/2015	
	2629389	GG/Mountain Festival	744.28
	2629389-1	CD/Notice Inviting	87.50
	2629389-2	HSIP/HSIP East Tehachapi Improvements	252.50
		Check Total:	1,084.28
		Vendor Total:	1,084.28
3011	Verizon Wireless		
Check No:	43552	Check Date: 09/24/2015	
	9751516122	PD/Wireless Broadband/Acct 471739616-00001.	818.44
	9752301741	Fin/Mobile Broadband/Acct 872239130-0001/A	29.83
	9752301741-1	Wtr/Mobile Broadband/Acct 872239130-0001/A	14.92
	9752301741-2	Swr/Mobile Broadband/Acct 872239130-0001/A	14.92
		Check Total:	878.11
		Vendor Total:	878.11
3543	West Coast Lights & Sirens		
Check No:	43553	Check Date: 09/24/2015	
	11814	PD/Premium Passenger Side Mount Pkg	476.09
		Check Total:	476.09
		Vendor Total:	476.09
		Report Total:	2,438.48

# Accounts Payable

## Checks by Date - Detail By Vendor Number

User: afrescas  
 Printed: 9/24/2015 - 5:03 PM



CITY OF  
**TEHACHAPI**  
 CALIFORNIA

Vendor	Invoice No	Line Description	Check Amount
2695	Home Depot Credit Services		
Check No:	43554	Check Date: 09/24/2015	
	A7011280	Strts/Simple Green	64.37
	AA7011034	Wtr/5" Nails, 30 lbBucket	101.00
	AB7011342	GG/Duplex Outlet	19.38
	AC5011454	Strts/Pro Striping Flat Blk Spray	5.53
	AD2011594	Wtr/Scotts Landscape Fabric Pro	85.94
	B1121268	Wtr/Wall Block Grey Border Stone	42.89
	BA1121297	Wtr/Turf Replacement	2.86
	BB1573652	Wtr/Glade Aerosol Spray, Softsoap, Clorox	7.66
	BC0103245	Wtr/Hose, Brass Fit, Brass Adapt	48.13
	BD11688	GG/Sponges, Bucket & Lid, Towles, Hand Clear	48.42
	BE0011692	Wtr/Dripless Caulk Gun	7.07
	BF0011703	Strts/Scrub Sponge, Quik Wax	13.07
	C0011715	Wtr/75ft Hose, All Purp Gloves, Sealant, Brass A	456.34
	CA0131495	Strts/33 Gal Trash Bags, Carpet Knife	165.21
	CB0573732	CD/Hand Soap, Bottle Brush, Batteries	27.26
	CC0573768	Wtr/Hammer, Bits	46.16
	CD0083169	Wtr/Adapter	21.20
	D9011726	Wtr/Mat, U-Bolt	45.47
	DA9011755	PW/Poly Tube	9.23
	DB9573801	Wtr/Cutter Blade, Sealant, PVC Cupling, PVC A	35.14
	DC5103482	Wtr/Sealant, Hosebib, Soil Scoop, Hand Pump	65.02
	DD4011955	Land/Hose, Brass Nozzel, Dual Connector	124.06
	DE4012005	GG/Ultimate Quik Wax	19.90
	E4131785	Const/Industrial Hose	94.27
	EA3012043	GG/Swival Bolt Snaps	7.05
	EB3574117	Wtr/Nokink Hosebib	7.82
	EC2012121	AIR/Blk Power Surge, Ext Cord, Adjustable Meq	479.03
	ED1083367	Land/Spot Sprinkler, Spray Sprinkler, Trigger Nc	42.30
	F8103766	Land/Hcx Brushing Mix, Brass Pipe, Brass Fittir	28.73
	FA8111760	Land/Charcoal Mat	24.70
	FB8574447	SWR/Hammer Carbidebit	30.07
	FC6132235	PW/Titanium Ratchet, Power Lever	83.79
	FD5012461	PW/Replacement Battery	30.14
	G5012475	Swr/Utility Knife-Blades/Telescopic Pole/ Scrap	55.78
	GA5023407	Swr/Huskey Extension Cord	27.92
	GB4581827	CD/Magnetic Tool Box Level/Reversable Screw	20.91
	GC1023668	Depot/Paint Recycle Fee/Paint/Caulk	193.07
	GD1132531	PW/Wood Transfer Shovel	46.05
	H1564433	Strts/Painters Satin Fossil	8.12
	HA1574845	Strts/Wire Brush/Wire Wheel	85.87
	HB1592760	Swr/Blk Flex Tubing	5.33
	HC0012758	Depot/Concrete Mix	27.58
	HD0023711	Depot/Plastic Tray/Paint Brushes/Roller Covers	43.65
	I0023762	Depot/Paint Recycle Fee/Paint	165.23
	IA9574939	Wtr/Leather Gloves	21.47
	IB9582077	Wtr/Jabsaw/Cutter Blade/15pc Screwdrivers	91.02

Vendor	Invoice No	Line Description	Check Amount
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Check Total:	3,081.21
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Vendor Total:	3,081.21
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Report Total:	3,081.21
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# Accounts Payable

## Checks by Date - Detail By Vendor Number

User: afrescas  
Printed: 9/28/2015 - 2:12 PM



CITY OF  
**TEHACHAPI**  
CALIFORNIA

Vendor	Invoice No	Line Description	Check Amount
1869	State Water Resources Control Board		
Check No:	43555	Check Date: 09/28/2015	
	09282015	WWTP/Operation Certification Grade V/W Misi	340.00
		Check Total:	340.00
		Vendor Total:	340.00
		Report Total:	340.00



APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____

# COUNCIL REPORTS

**MEETING DATE:** OCTOBER 5, 2015    **AGENDA SECTION:** FINANCE DIRECTOR

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**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:** HANNAH CHUNG, FINANCE DIRECTOR

**DATE:** SEPTEMBER 29, 2015

**SUBJECT:** FINANCING FOR DISPATCH SERVICE START-UP COST AND SERVER VIRTUALIZATION PROJECT

---

The City has been working toward establishing in-house police dispatch services. As the due diligence study is near completion and the set-up cost quotes are available to us, we are ready to work on financing. In order to take advantage of the historically low interest rate, staff decided to pursue the borrowing process before the Federal Reserve increases the federal funds rate.

The borrowing costs breakdown is as listed below:

Dispatch Set-up Cost	\$400,000
Contingency Fund	\$ 50,000
Total Dispatch Set-up Cost	\$450,000
Virtual Server System	\$ 45,000
Total Amount to Borrow	\$495,000

The detailed cost breakdowns are attached.

**FISCAL IMPACTS**

There are two available terms, five and seven years. Depending on the term, the interest rates varies, 2.48% and 2.72% respectively. The semi-annual payments will be \$52,938.29 for the five year term and \$39,069.06 for the seven year term.

**OPTIONS**

1. Choose seven-year term.
2. Choose five-year term.
3. Do not finance.

**RECOMMENDATION**

Staff recommends Council:

1. Approves the Server Virtualization Project
2. Approves the agreement with Holman Capital Corporation for Lease Purchase Financing (seven-year term) with pending legal approval.
3. Authorizes the Finance Director to proceed with financing process.



Wednesday, September 30, 2015

Hannah Chung  
Finance Director  
City of Tehachapi  
115 S Robinson Street  
Tehachapi, CA 93561

**VIA E-MAIL**

**RE: Proposal for Lease Purchase Financing**

Hannah:

Holman Capital Corporation ("HCC") is pleased to present to the City of Tehachapi its proposal for 911 System and Server Virtualization Project financing. The terms and conditions of our proposal are outlined as below:

- LESSEE:** **City of Tehachapi, CA.** Lessee is a state or political subdivision within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code").
- LESSOR:** Holman Capital Corporation, or its Assignee
- TYPE OF FINANCING:** Master Lease Agreement. Said Agreement shall be a net lease arrangement whereby Lessee is responsible for all costs of operation, maintenance, insurance, and taxes. The Agreement shall be based on the annual appropriation of funds.
- BANK QUALIFICATION:** Lessee reasonably anticipates the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year **2015 will not** exceed ten million (\$10,000,000.00) dollars.
- EQUIPMENT:** 911 System and Server Virtualization Project

**HOLMAN CAPITAL CORPORATION  
LEASE PURCHASE FINANCING PROPOSAL  
PAGE 2 OF 4**

OPT	FINANCING AMOUNT	INTEREST RATE	TERM	FIRST PAYMENT DUE	PERIODIC PAYMENTS	PAYMENTS	TOTAL PAYMENTS
A	\$ 495,000.00	2.48%	5 Years	180 Days	10	\$ 52,938.29	\$ 529,382.90
B	\$ 495,000.00	2.72%	7 Years	180 Days	14	\$ 39,069.06	\$ 546,966.84

**PURCHASE OPTION:**

The purchase option can be exercised on any scheduled payment date.

The current payment and purchase option are due should the Lessee decide to exercise the option.

**ESCROW FUNDING:**

HCC has assumed funding of an escrow account for this transaction on or about **October 20, 2015**. The Equipment Acquisition Fund will be used to pay equipment vendors/contractors and any escrow expenses.

Escrow Agent will be selected by Lessee subject to HCC's credit approval. HCC to review and approve escrow disbursements prior to Escrow Agent disbursing of funds. It is assumed that all interest earnings will accrue for benefit of Lessee. This proposal also does not take into consideration the application of any interest earnings from the escrow fund of the account.

**ESCROW DISBURSEMENTS:**

HCC will request the following information from the Lessee to authorize disbursement of funds to vendors and or the Lessee from the escrow account:

- Executed Disbursement Request Form
- Executed Acceptance Certificate
- Copies of Vendor Invoices;
- Proof of Payment (required if Lessee is requesting a reimbursement)
- Proof of Insurance (both Liability and Property and Casualty Coverage)

**REIMBURSEMENT:**

If Lessee intends to be reimbursed for any equipment cost associated with this Agreement, intent for reimbursement from the proceeds of this Agreement must be evidenced, and must qualify under the Treasury Regulation Section 1.150.2.

**INSURANCE:**

The Lessee shall furnish confirmation of all risk physical damage insurance coverage for the full cost of the property plus one million (\$1,000,000.00) dollars combined single limit property damage and bodily injury insurance covering the property. HCC shall be named as loss payee and additional insured on such coverage.

**AUTHORIZED SIGNORS:**

The Lessee's governing board shall provide HCC with its resolution or ordinance authorizing this Agreement and shall designate the individual(s) to execute all necessary documents used therein.

**LEGAL OPINION:**

The Lessee's counsel shall furnish HCC with an opinion covering this transaction and the documents used herein. This opinion shall be in a form and substance satisfactory to HCC.

**LEGAL TITLE:**

Title to the equipment will be in the name of Lessee. Lessor will be granted a security interest or lien on all collateral being financed.

**DOCUMENTATION:**

Utilize standard HCC lease agreement that will cover all facets of the transaction. A copy of the sample lease agreement will be forwarded to the Lessee upon acceptance of the proposal. The Lessee will be responsible for a \$5,000.00 documentation fee, which can be paid included in the financing amount or paid at closing.

**RATE LOCK EXPIRATION:**

If funding does not take place by **October 29, 2015**, the Lease Rate and Lease Payment Amounts will be adjusted to market conditions three (3) days prior to funding. Once set, the Lease Rate will remain fixed for the Lease Term.

**FINANCIAL STATEMENTS:**

Lessee shall provide to Lessor three (3) years of current financial statements, budgets, demographics, and proof of appropriation for the ensuing Fiscal Year and such other financial information relating to the ability of Lessee to continue this Agreement as may be reasonably requested by Lessor.

This proposal is subject to final credit approval by the Credit/Investment Committee of Holman Capital Corporation and approval of the lease documents in Holman Capital Corporation's sole discretion. To render a credit decision, Lessee shall provide HCC with the information requested above. Upon receipt of the signed proposal, we will endeavor to provide you with a timely commitment.

It is a pleasure to offer this proposal to you and we look forward to your favorable acknowledgment.

Sincerely,



Frank J. Gill IV  
Vice President

**AGREED TO AND ACCEPTED BY, SUBJECT TO REVIEW AND APPROVAL OF THE FOREGOING DOCUMENTATION:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**SUBJECT TO AND MADE A PART OF THAT CERTAIN PROPOSAL DATED SEPTEMBER 29, 2015**

**LESSEE:** CITY OF TEHACHAPI  
**LESSOR:** HOLMAN CAPITAL CORPORATION  
**COMMENCEMENT:** 20-Oct-2015  
**TERM:** 5 YEARS  
**1ST PAYMENT DUE:** 20-Apr-2016  
**RATE:** 2.4800%

Payment No.	Date	Payment	Interest	Principal	Purchase Option
0	10/20/2015				
1	4/20/2016	\$ 52,938.29	\$ 6,138.00	\$ 46,800.29	\$ 461,645.70
2	10/20/2016	\$ 52,938.29	\$ 5,557.68	\$ 47,380.61	\$ 412,843.67
3	4/20/2017	\$ 52,938.29	\$ 4,970.16	\$ 47,968.13	\$ 363,436.50
4	10/20/2017	\$ 52,938.29	\$ 4,375.35	\$ 48,562.94	\$ 313,416.67
5	4/20/2018	\$ 52,938.29	\$ 3,773.17	\$ 49,165.12	\$ 262,776.60
6	10/20/2018	\$ 52,938.29	\$ 3,163.52	\$ 49,774.77	\$ 211,508.58
7	4/20/2019	\$ 52,938.29	\$ 2,546.32	\$ 50,391.97	\$ 159,604.86
8	10/20/2019	\$ 52,938.29	\$ 1,921.46	\$ 51,016.83	\$ 107,057.52
9	4/20/2020	\$ 52,938.29	\$ 1,288.85	\$ 51,649.44	\$ 53,858.60
10	10/20/2020	\$ 52,938.29	\$ 648.39	\$ 52,289.90	\$ -
<b>Grand Totals</b>		<b>\$ 529,382.90</b>	<b>\$ 34,382.90</b>	<b>\$ 495,000.00</b>	

**OPTION A - 5 YEARS**

SUBJECT TO AND MADE A PART OF THAT CERTAIN PROPOSAL DATED SEPTEMBER 29, 2015

LESSEE: CITY OF TEHACHAPI  
 LESSOR: HOLMAN CAPITAL CORPORATION  
 COMMENCEMENT: 20-Oct-2015  
 TERM: 7 YEARS  
 1ST PAYMENT DUE: 20-Apr-2016  
 RATE: 2.7200%

Payment No.	Date	Payment	Interest	Principal	Purchase Option
0	10/20/2015				
1	4/20/2016	\$ 39,069.06	\$ 6,732.00	\$ 32,337.06	\$ 476,542.83
2	10/20/2016	\$ 39,069.06	\$ 6,292.22	\$ 32,776.84	\$ 442,782.68
3	4/20/2017	\$ 39,069.06	\$ 5,846.45	\$ 33,222.61	\$ 408,563.39
4	10/20/2017	\$ 39,069.06	\$ 5,394.62	\$ 33,674.44	\$ 373,878.72
5	4/20/2018	\$ 39,069.06	\$ 4,936.65	\$ 34,132.41	\$ 338,722.34
6	10/20/2018	\$ 39,069.06	\$ 4,472.45	\$ 34,596.61	\$ 303,087.83
7	4/20/2019	\$ 39,069.06	\$ 4,001.94	\$ 35,067.12	\$ 266,968.70
8	10/20/2019	\$ 39,069.06	\$ 3,525.02	\$ 35,544.04	\$ 230,358.34
9	4/20/2020	\$ 39,069.06	\$ 3,041.62	\$ 36,027.44	\$ 193,250.07
10	10/20/2020	\$ 39,069.06	\$ 2,551.65	\$ 36,517.41	\$ 155,637.14
11	4/20/2021	\$ 39,069.06	\$ 2,055.01	\$ 37,014.05	\$ 117,512.67
12	10/20/2021	\$ 39,069.06	\$ 1,551.62	\$ 37,517.44	\$ 78,869.71
13	4/20/2022	\$ 39,069.06	\$ 1,041.39	\$ 38,027.67	\$ 39,701.21
14	10/20/2022	\$ 39,069.06	\$ 524.20	\$ 38,544.86	\$ -
<b>Grand Totals</b>		<b>\$ 546,966.84</b>	<b>\$ 51,966.84</b>	<b>\$ 495,000.00</b>	

OPTION B - 7 YEARS



OFFICE CORRESPONDENCE

DATE: SEPTEMBER 9, 2015

**FROM:** KENT KROEGER, CHIEF OF POLICE  
**TO:** CITY STAFF  
**SUBJECT:** UPDATED DISPATCH COST BREAKDOWN

I have provided a breakdown of the costs associated with opening our own Dispatch Center based upon the most recent estimates I have received. In the event the State agrees to fund our agency as a PSAP, the State will absorb the AT&T 911 System portion.

<b>EQUIPMENT COSTS (DENIED STATE FUNDING)</b>	
DESCRIPTION	COST
<b>AT&amp;T 911 System (AT&amp;T)</b>	
Vesta E911 System / 2 Position Equipment	107,913.41
Training	10,120.48
Installation	11,314.70
Monthly Maintenance	479.82
Maintenance Total Years 2-5	23,031.36
Sales Tax	5,099.63
<b>Total 911 Equipment Cost</b>	<b>157,959.40</b>
<b>Radio / Dispatch Equipment (SC Communications)</b>	
MIP 5000, Computers, Voice Log Recorder	45,679.29
Repeater Installation	11,000.00
Installation of JEI Recorder	21,089.68
<b>Total Dispatch Equipment SC Communications</b>	<b>77,768.97</b>
<b>Dispatch Installation / Server (Diamond Tech)</b>	
Server / Network Upgrade Project	96,699.92
<b>Total Server / Network Upgrade</b>	<b>96,699.92</b>
<b>Furniture</b>	
Corner Dispatch Modules	45,828.00
Delivery / Installation	11,100.00
Tax	3,437.10
<b>Total Furniture</b>	<b>60,365.10</b>
<b>TOTAL EQUIPMENT COST</b>	<b>392,793.39</b>



**TEHACHAPI**  
CALIFORNIA

City of Tehachapi (CoT)

## Server Virtualization Project

Prepared by: Paul Limpas, Mike Leftwich  
Diamond Technologies, Inc.  
8/6/2015

## **Current Technology Landscape**

### **City of Tehachapi**

115 S Robinson St  
Tehachapi, CA 93561

The current server infrastructure for the City of Tehachapi is made up of server hardware and software that is either nearing end of life or has passed its end of life. Many of the servers in use are not protected by manufacturer warranty. The lack of manufacturer warranty could result in extended down time waiting for parts to be sourced, ordered and received.

The following servers have Windows Server 2003 Operating Systems installed. This software is no longer supported by Microsoft making the software vulnerable to unauthorized access or vulnerable to cyber-attacks:

- CITYHALL03
- CITYHALL04
- LINCPLUS

The following servers have reached end of life and/or are not protected by manufacturer warranty:

- CITYHALL03
- CITYHALL04
- CITYHALL06
- LINCPLUS
- COT-CAMERA02 (win 7 home)

## **RECOMMENDATIONS**

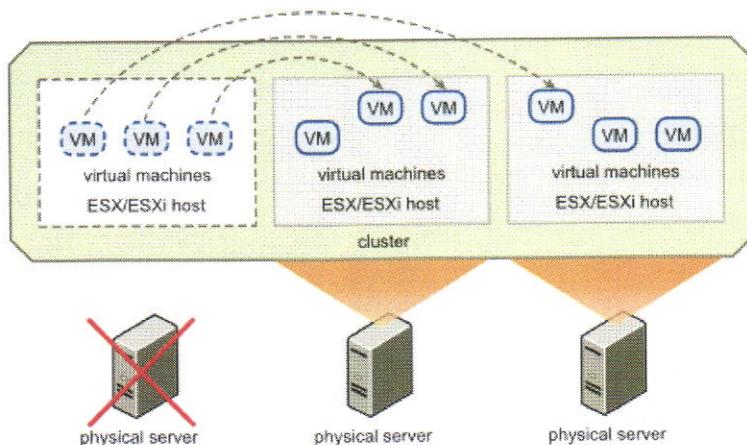
DiamondIT proposes to replace the legacy server hardware and software with Dell servers configured in a fault tolerant High Availability design. This solution will reduce the number of physical servers in use from the 8 currently in use (includes CITYHALL 01-DC) down to 2 host servers. It will also add a layer of protection against hardware failure. The proposed servers will include a 5 year manufacturer warranty maximize the life of the hardware.

All Windows Server 2003 Operating systems will be upgraded to MS Windows Server 2012 Government edition.

### **High Availability**

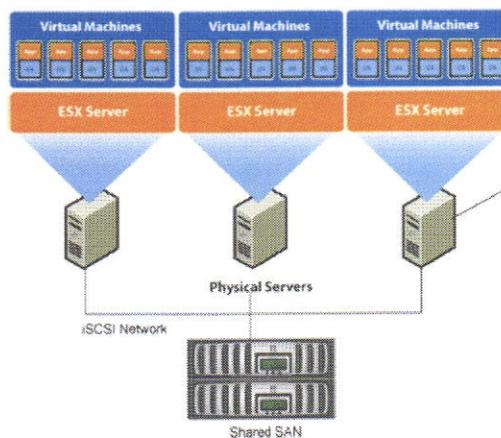
The Highly Available server design will protect against critical hardware failures that have traditionally interrupted businesses. .

Using VM Ware VSphere 6.0 virtual machine technology, physical servers are used to host multiple virtual machine servers. A virtual machine (VM) is a software implementation of a machine (i.e. a computer) that executes programs like a physical machine.



The above illustration demonstrates how the redundant server system works. If a physical host server were to experience hardware failure the Virtual Machines are transferred to the 2<sup>nd</sup> physical host server. This is known as a server cluster.

The failover server system will consist of two physical servers and a Storage Attached Network (SAN) appliance. The two servers will host the software applications needed to manage the dispatch system.



The SAN is required in this High Availability design. The SAN serves as the area where all virtual machines are stored along with the network data storage for end users. DiamondIT proposes to utilize the new Dell EqualLogic SAN included in the Police Dispatch installation.

*(Pricing for a SAN will not be provided in this proposal. In the event that the Police Dispatch project is not approved a SAN will need to be added to this project).*

DiamondIT proposes to repurpose the existing Promise SAN as storage for less critical operations such as data backups and NUUO camera storage

## **Benefits**

The benefits of this design type are:

- Increased performance across multiple server head units
- Assurance of network availability
- Faster access to stored data
- Eased implementation of network server
- Increased protection of stored data

An added benefit to the Virtualization design proposed is the ability to upgrade the existing servers without any additional cost.

The proposed server design will allow the upgrade of the network servers, identified under the “Current Landscape” section of this proposal, without the high costs of server hardware. Also these devices will now be placed in the High Availability environment.

## **Summary**

The City of Tehachapi’s IT infrastructure is of age and condition that require immediate attention on several of devices including:

- Server condition: POOR - out of date, mixed environment and lacking industry standards
- Security: POOR – Unsupported Windows Server Operating system software is a network security risk and open to unauthorized network access to City records

The recommendations in the proposal are offered to ensure safe and continuous access to City data at all times.

Pricing for the proposed changes are provided in the accompanying City of Tehachapi network upgrade pricing document.

## Scope of Work

The following Scope of Work details the major steps involved in the completion of the recommended services included in this proposal

- Prep 2 Dell R630 Server with firmware upgrades, iDrac alert notification and physical redundancy using best practices.
- Installation of Dell Open Manage for ESX Hardware monitoring
- Rack Equipment and perform physical installation of cables and interconnects in City Hall Rack
- Install and Configure VMware vSphere 6.0 essentials plus virtualization software with latest patches using VMware best practices.
- Configure VMware virtual Switches
- Configured Dedicated Luns with Access Security for host server access.
- Physical redundant connection with Multi patch to SAN
- Create up to 6 Virtual Machine servers and complete Physical to Virtual migration of the following servers:
  - CITYHALL01-DC
  - CITYHALL03
  - CITYHALL04
  - CITYHALL06
  - LINCPLUS
  - COT-CAMERA02
- Install VMWare integration tools
- Configure HA Restart priority
- Configure VMFS Storage for optimal IO distribution
- Perform failure testing within the systems.
- Provide documentation of Logical and Physical configuration of the sytem.
- Upgrade the following Windows Server 2003 Operating systems to Windows Server 2012 R2:
  - CITYHALL03
  - CITYHALL04
  - CITYHALL06
  - LINCPLUS

- Repurpose hardware
  - CITYHALL01
    - Create management server running on ESX6, this will run vCenter and a backup domain controller.
    - Installation of vCenter Appliance, configure licensing, add host to cluster, HA, DNS, NTP, AD integration
    - Configure alarm notification
  - Promise SAN
    - Additional storage for NUUO Camera server and data backups
- Decommission legacy server hardware for the following servers:
 

○ CITYHALL02	○ CITYHALL05
○ CITYHALL03	○ CAMERA02
○ CITYHALL04	○ CITYHALL06
○ CITYHALL07	○ LINCPLUS

### Assumptions

- Tehachapi Police Dept Dispatch project has been approved and will be completed prior to or in conjunction with the City of Tehachapi network upgrade project.
- City of Tehachapi current software will support Windows Server 2012 Std software
- Additional work to be performed outside of this Statement of Work will require approval by Client and will be billed as quoted.
- All services will be provided during 8am to 5pm Monday thru Friday. If after hours or weekend service is required additional hourly charges will apply.
- Diamond Technologies staff will be allowed access to client location to complete necessary installation requirements.
- Diamond Technologies does not warranty installed hardware. All equipment installed is warranted by manufacturer and subject to manufacturing warranty policies



We have prepared a quote for you

**City of Tehachapi Server Upgrade**

Quote # 002094

Version 1

Prepared for:

**City of Tehachapi**

Ashley Whitmore

[awhitmore@tehachapicityhall.com](mailto:awhitmore@tehachapicityhall.com)

8701 Swigert Court  
Bakersfield, CA 93311  
www.diamondit.pro  
(661) 833-5600



## Hardware

Item	Description	Price	Qty	Ext. Price
210-ACXS	<p><b>PowerEdge R630 Server (210-ACXS)</b></p> <p>PowerEdge R630 Motherboard (329-BCIY)            Thank you for choosing Dell ProSupport Plus. For tech support, visit <a href="http://www.dell.com/contactdell">http://www.dell.com/contactdell</a>            Dell Hardware Limited Warranty Plus On Site Service Extended Year            Dell Hardware Limited Warranty Plus On Site Service            ProSupport Plus: Mission Critical 4-Hour 7x24 On-Site Service with Emergency Dispatch,EXT to 2 Year            ProSupport Plus: Mission Critical 4-Hour 7x24 On-Site Service with Emergency Dispatch, 3 Year            ProSupport Plus: 7x24 HW/SW Tech Support and Assistance, 5 Year            PowerEdge R630 Shipping- 8 Drive Chassis (340-AKPS)            Broadcom 5719 QP 1Gb Network Interface Card, Low Profile (540-BBHS)            Broadcom 5720 QP 1Gb Network Daughter Card (540-BBBW)            iDRAC8 Enterprise, integrated Dell Remote Access Controller, Enterprise (385-BBHO)            OpenManage Essentials, Server Configuration Management (634-BBWU)            Chassis with up to 8, 2.5" Hard Drives, 3 PCIe Slots (321-BBKL)            Fresh Air Cooling, PowerEdge R630 (384-BBDT)            Bezel 8 Drive Chassis (325-BBII)            Performance BIOS Settings (384-BBBL)            No RAID for H330/H730/H730P (1-24 HDDs or SSDs) (780-BBJC)            PERC H330 Integrated RAID Controller (405-AAEF)            Intel Xeon E5-2650 v3 2.3GHz,25M Cache,9.60GT/s QPI,Turbo,HT,10C/20T (105W) Max Mem 2133MHz (338-BFFF)            Upgrade to Two Intel Xeon E5-2650 v3 2.3GHz,25M Cache,9.60GT/s QPI,Turbo,HT,10C/20T (105W) (374-BBGM)            16GB RDIMM, 2133 MT/s, Dual Rank, x4 Data Width (370-ABUG)            2133MT/s RDIMMs (370-ABUF)            Performance Optimized (370-AAIP)            500GB 7.2K RPM SATA 6Gbps 2.5in Hot-plug Hard Drive,13G (400-AEEL)            Electronic System Documentation and OpenManage DVD Kit, PowerEdge R630 (343-BBDK)            DVD ROM SATA Internal (429-AAQM)            ReadyRails Sliding Rails With Cable Management Arm (770-BBBL)            Dual, Hot-plug, Redundant Power Supply (1+1), 750W (450-ADWS)            NEMA 5-15P to C13 Wall Plug, 125 Volt, 15 AMP, 10 Feet (3m), Power Cord, North America (450-AALV)            Internal Dual SD Module (330-BBCL)            Redundant SD Cards Enabled (385-BBCF)            16GB SD Card For IDSMD (385-BBHV)            16GB SD Card For IDSMD (385-BBHV)            VMware ESXi 6.0 Embedded Image on Flash Media (634-BDXD)            120W Heatsink for PowerEdge R630 (412-AAEE)            120W Heatsink for PowerEdge R630 (412-AAEE)</p>	\$8,844.05	2	\$17,688.10

**Subtotal: \$17,688.10**

## Software

Item	Description	Price	Qty	Ext. Price
P73-06299	<b>OLP GOVT WIN SVR STD 2012R2 NL 2PROC</b>	\$704.00	4	\$2,816.00
YZ1474	<b>VSPHERE 6 ESSLPL KIT 3 HOSTS MAX 2 PROCS PER HOST</b>	\$4,495.00	1	\$4,495.00
YZ1477	<b>PROD SNS VSPHERE 6 ESSLPL KIT 1YR</b>	\$1,124.00	5	\$5,620.00
SC5G20212EG1D	<b>StorageCraft ShadowProtect Server Virtual V5.x - US-English - Government/Education - 12pk</b>	\$994.00	1	\$994.00
NEW	<b>StorageCraft ImageManager iFTP/LAN/WAN Replication V6.x - US-English - Government/Education - 9 Pack</b>	\$915.00	1	\$915.00

**Subtotal: \$14,840.00**

## Services

Item	Description	Price	Qty	Ext. Price
	<b>Installation</b>  Labor charges based on Scope of Work and Assumptions included in the proposal provided with this pricing document. Any changes to the recommended project may affect total cost of project.	\$8,400.00	1	\$8,400.00

**Subtotal: \$8,400.00**

## City of Tehachapi Server Upgrade



**Prepared by:**

**Diamond Technologies**

Michael Leftwich  
(661) 833-5600  
Fax (661) 833-5608  
mleftwich@diamondit.pro

**Prepared for:**

**City of Tehachapi**

115 S Robinson St.  
Tehachapi, CA 93561  
Ashley Whitmore  
awhitmore@tehachapicityhall.com  
6618222200

**Quote Information:**

**Quote #: 002094**

Version: 1  
Delivery Date: 08/03/2015  
Expiration Date: 09/30/2015

## Quote Summary

Description	Amount
Hardware	\$17,688.10
Software	\$14,840.00
Services	\$8,400.00
<b>Subtotal:</b>	<b>\$40,928.10</b>
<b>Tax:</b>	<b>\$1,326.61</b>
<b>Total:</b>	<b>\$42,254.71</b>

### Terms and Conditions

The enclosed material is proprietary to Diamond Technologies Inc., and is therefore copyrighted material. This material is presented for the purpose of agreement to services and may not be disclosed in any manner to anyone other than the addressee and employees or an authorized representative of the herein addressed firm hereafter referred to as "Client".

The enclosed material is time sensitive and is therefore considered firm for 30 days from date of proposal. Diamond Technologies Inc., reserves the right to modify any of the enclosed or related details thereafter. This proposal and pricing outlined herein is only valid when purchased as a complete hardware, software, and service solution unless otherwise agreed to by the Account Manager.

#### Hardware/Software Purchases:

All hardware and software orders are prepaid and will be ordered same day as payment received

Invoices may be issued in advance of the actual performance of the service/ installation.

A 15% restocking fee will apply to any hardware/software that is returned. Returns may only occur with an RMA. RMA's may not be issued for all items.

This is a BUDGETARY price estimate. It is NOT a firm or final quote. The final pricing and configuration may need to be adjusted to include items such as: additional products, licenses, professional services, shipping or taxes. If this is a project, please budget up to a 15 percent contingency fee for any change orders necessary to complete the work. This is to ensure the project can proceed with minimal interruption. Additional information may be required from you in order to accurately prepare a formal solution quote. These may include: floorplans, network diagrams, local, long distance and Internet access bills, site surveys, etc

Please submit payment to:  
Diamond Technologies, Inc  
PO Box 9007  
Bakersfield CA 93389

Invoice/Payment Terms: Invoices for Services will be issued on a monthly basis based on actual Services performed during the previous Diamond Technologies fiscal month. Payment is due thirty (30) days from date of invoice.

Expenses: Customer will be responsible for any Service related expenses including actual, reasonable and necessary travel and living expenses Diamond Technologies incurs, as invoiced at the time of incurrence, in connection with delivering the Services.

Taxes: Diamond Technologies' pricing may not include applicable local taxes.

Scope Changes: Additional fees will apply for any; Adds/Moves or Changes, requested by client and added to the scope of the Services. Any additional work that is required outside the scope of this SOW requires written approval by Customer and Diamond Technologies as described in the Change Control Process detailed in this SOW.

Services Scheduling: Services may not be scheduled or commenced until the Purchase Order (if any) and signed SOW is received by Diamond Technologies. Upon receipt of a signed SOW and Purchase Order, a Diamond Technologies Project Manager will typically contact you within 3 business days to begin Services scheduling. Services Scheduling will be based upon Customer's schedule preferences/requirements and the availability of required resources.

Pricing: The terms offered by Diamond Technologies under this SOW (including but not limited to the pricing) shall be valid for thirty (30) days following initial delivery of this SOW to Customer. In the event this SOW is executed by Customer after such thirty (30) day period, Diamond Technologies may in its sole discretion, (i) accept the SOW on the stated terms or (ii) reject such SOW and may provide Customer with a revised SOW setting forth any necessary updates to the terms of the previous SOW.

Termination: Customer may terminate this SOW for convenience upon providing Diamond Technologies with thirty (30) days written notice. Upon any termination of this SOW or the associated Agreement, Customer shall pay all of Diamond Technologies' unpaid fees and out-of-pocket expenses accrued through the effective date of such termination. If Customer fails to perform any payment obligations hereunder and such failure remains un-remedied for fifteen (15) days, Diamond Technologies may suspend its performance until payment is received or terminate this SOW and the associated Agreement upon written notice.

Order of Precedence: This SOW, together with the Purchase Order (if any) and the Agreement, states all of the rights and responsibilities of, and supersedes all prior and contemporaneous oral and written communications between Diamond Technologies and Customer regarding this Service. The use of pre-printed forms, such as Purchase Orders, will be for convenience only, and all pre-printed terms and conditions stated on such forms will not apply to this Agreement. Should a

conflict arise between the terms of the Purchase Order, SOW and Agreement, the following order of precedence shall be followed: first, the SOW, second the Agreement, and third the Purchase Order (if any); provided, however, that any terms and conditions printed on the Purchase Order shall not apply.

Taxes, shipping, handling and other fees may apply. We reserve the right to cancel orders arising from pricing or other errors.

Diamond Technologies will perform the services outlined in this document according to our understanding of your desired results as agreed upon by both Client and Diamond Technologies, Inc.

If Diamond Technologies, Inc. encounters any configuration or migration issues outside of the scope, as defined above, we will immediately notify the Client and take the appropriate action to redefine the scope of work and adjust the time and materials required accordingly.

I have read and agree to the Terms and Conditions provided. I am an authorized agent with authority to enter into this agreement with Diamond Technologies Inc. I hereby confirm to you that the information and arrangements outlined and the terms of payment are acceptable to us. Our deposit is attached. This agreement can not be canceled or modified without written permissions. Support Services rates are subject to change with notification.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



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

# COUNCIL REPORTS

MEETING DATE: OCTOBER 5, 2015    AGENDA SECTION: DEVELOPMENT SERVICES

**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:** JOHN (JAY) SCHLOSSER, P.E., DEVELOPMENT SERVICES DIRECTOR

**DATE:** SEPTEMBER 29, 2015

**SUBJECT:** EAST TEHACHAPI TRAFFIC SIGNAL AND STREET IMPROVEMENTS PROJECT - AWARD

**BACKGROUND:**

As the Council is aware, the City of Tehachapi received authorization to proceed with construction from Caltrans Local Assistance for the above-named project. The improvements are located on Tehachapi Boulevard from Steuber Road to Monolith Street. The project consists of the installation of new traffic signals, curb, gutter, sidewalk, curb ramps, pavement widening, and new traffic signs and striping.

On August 26, 2015 advertising began for the project. Staff opened bids for this project on September 22, 2015. The results of the bid opening are listed in the table below:

Contractor Name	Bid Amount
Cal Prime, Inc	\$1,346,000.00
R.C. Becker and Son, Inc.	\$1,361,304.55
Granite Construction Company	\$1,447,861.00
Golden Vista Construction	\$1,542,208.16
Griffith Company	\$1,585,851.00

**FISCAL IMPACT:**

The initial estimated project cost at inception (including Design, Environmental, Construction, and Construction Administration) was \$1,390,000. City staff submitted a grant application for the project in June 2013 and was awarded \$1,250,900. This left a match remainder of \$139,100. City staff received notification from Caltrans in March 2015 of additional funds being offered as an incentive for early delivery of Cycle 6 HSIP projects. The City successfully obtained these funds (toll credits), totaling \$121,100. Using the low bid value

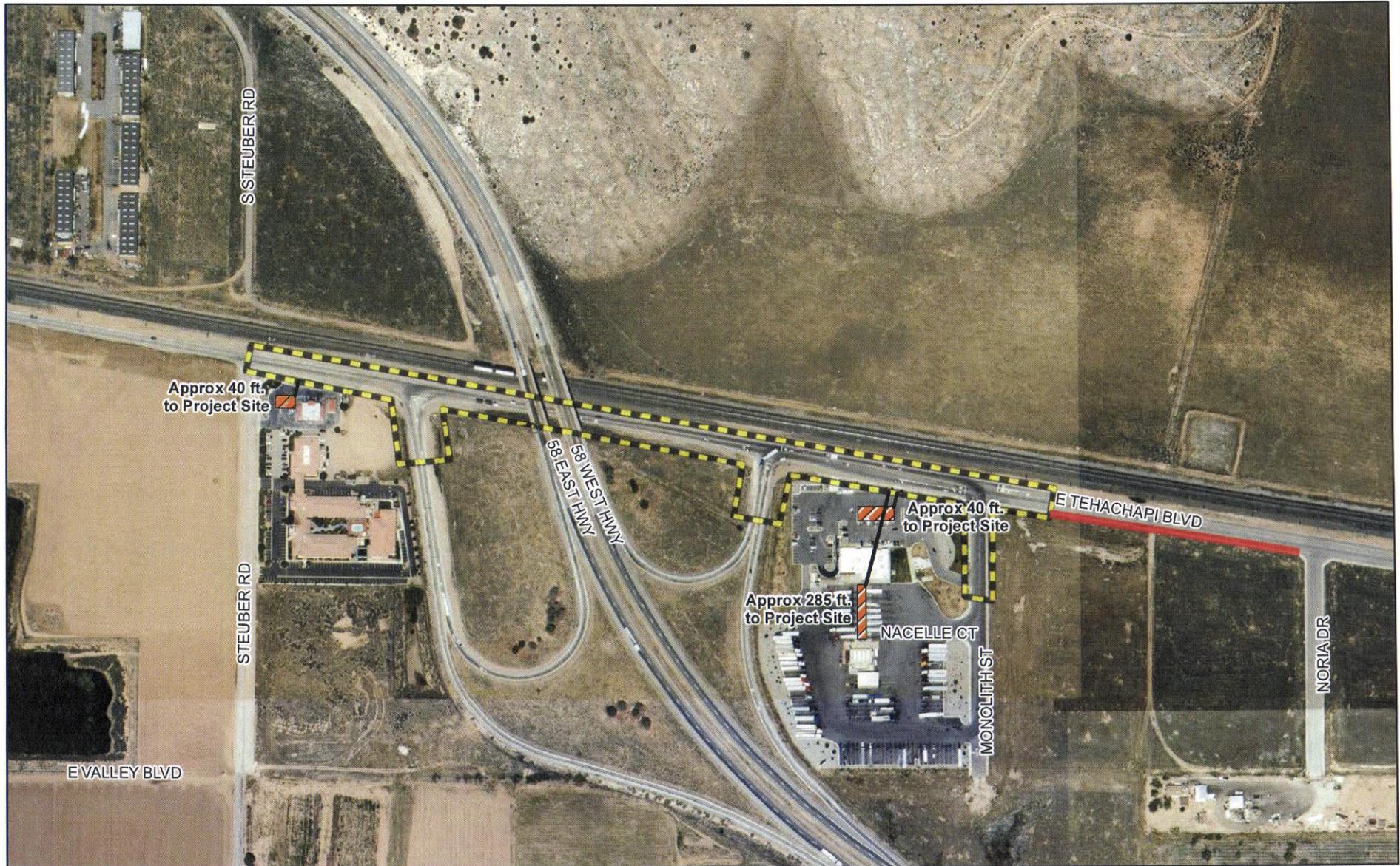
of \$1,346,000.00 from Cal Prime, Inc., the total project value has grown to approximately \$1,672,000. To maximize the available funding, City staff requested and was granted additional funds from the HSIP program of \$348,111 for a total grant budget of \$1,720,111. The City has a match component of approximately \$18,000 of funds expended before the toll credit funds were obtained. This money is to be drawn from the City's Local Traffic Fund.

**RECOMMENDATION:**

City staff has reviewed the bids as received and has deemed the proposal from Cal Prime, Inc. to be responsive.

**AWARD THE EAST TEHACHAPI TRAFFIC SIGNAL AND STREET IMPROVEMENTS PROJECT TO CAL PRIME, INC. IN THE AMOUNT OF \$1,346,000.00 AND AUTHORIZE THE CITY MANAGER TO APPROVE ANY NECESSARY CHANGE ORDERS UP TO A MAXIMUM OF 5% OF THE ORIGINAL CONTRACT (OR \$67,300.00).**

Tehachapi Blvd between Steuber Rd and Monolith St; install traffic signals, striping, and signs; construct sidewalk, gutter, curb, curb ramps; widen pavement.



Path: L:\Projects\2014\T140253\GIS\MXD\Project\_Footprint\_Map\_Measure.mxd Modified: 12/18/2014



Project Site



Fueling Stations



Staging Area



Quad Knopf

FIGURE 2



APPROVED

DEPARTMENT HEAD: 

CITY MANAGER: 

# COUNCIL REPORTS

**MEETING DATE:** OCTOBER 5, 2015    **AGENDA SECTION:** DEVELOPMENT SERVICES

---

**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:** JOHN (JAY) SCHLOSSER, P.E., DEVELOPMENT SERVICES DIRECTOR

**DATE:** SEPTEMBER 28, 2015

**SUBJECT:** CURRY STREET MEDIAN AND PINON STREET IMPROVEMENT PROJECT

---

## BACKGROUND

As the Council will recall, the City of Tehachapi entered into a contract with R.C. Becker and Sons, Inc. for the Curry Street Median and Pinon Street Improvement Project. Following a walk-through by City Staff and TUSD, and completion of all "punch list" items by the contractor, it has been determined that all contract items have been completed. At this time, a Notice of Completion must be filed in order to close the contract.

## RECOMMENDATION

**APPROVE THE NOTICE OF COMPLETION FOR THE CURRY STREET MEDIAN AND PINON STREET IMPROVEMENT 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 2<sup>nd</sup> day of June 2015, by and between the City of Tehachapi, the Owner, and R.C. Becker and Sons, Inc., the Contractor, for all work necessary to complete the Curry Street Median and Pinon Street Improvement Project, has been completed in accordance with the requirements of the plans and specifications and contract documents, and I hereby acknowledge the full completion and acceptance on the 28<sup>th</sup> day of September 2015, 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

"A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THE DOCUMENT."

Subscribed and sworn to (or affirmed)  
before me on this \_\_\_\_ day of  
\_\_\_\_\_, 2015, by

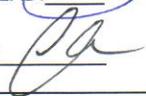
(1) \_\_\_\_\_,  
proved to me on the basis of satisfactory  
evidence to be the person who  
appeared before me.

Signature \_\_\_\_\_

Place Notary Seal Above

# COUNCIL REPORTS

APPROVED

DEPARTMENT HEAD: CITY MANAGER: **MEETING DATE:** October 5, 2015 **AGENDA SECTION:** Development Services

---

**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:** JAY SCHLOSSER, DEVELOPMENT SERVICES DIRECTOR

**DATE:** SEPTEMBER 29, 2015

**SUBJECT:** ADOPTION OF PROPOSED RESOLUTION FOR ANNEXATION NO. 84 (LAFCO PROCEEDING NO. 1684) PROPERTY TAX EXCHANGE MEMORANDA OF UNDERSTANDING

---

**BACKGROUND:**

Annexation No. 84 was approved by the City Council on June 15, 2015 and the application was submitted to LAFCO on August 19, 2015. The Memoranda of Understanding (MOU) dated March 21, 2005, relative to the distribution of property tax between the City of Tehachapi and the County of Kern does not include a tax exchange mechanism for the Kern County Fire Fund. As such, each annexation requires the City Council to adopt a resolution waiving all property tax exchange for the Fire Fund in keeping with the MOU. Therefore, a Resolution is presented to address the Fire Fund issue and keep the LAFCO process on track.

**RECOMMENDATION:**

**ADOPT RESOLUTION APPROVING THE EXCHANGE OF PROPERTY TAX REVENUES UPON LOCAL AGENCY JURISDICTIONAL CHANGE: CITY OF TEHACHAPI ANNEXATION NO. 84 (LAFCO PROCEEDING NO. 1684).**

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI APPROVING THE EXCHANGE OF PROPERTY TAX REVENUES UPON LOCAL AGENCY JURISDICTIONAL CHANGE: CITY OF TEHACHAPI ANNEXATION NO. 84 (LAFCO PROCEEDING NO. 1684)**

WHEREAS, pursuant to Revenue and Taxation Code Section 99, the Kern County Local Agency Formation Commission has submitted its Notice of Filing of LAFCO Proceeding No. 1684 and the Kern County Auditor-Controller, by letter dated September 16, 1996 which is made part of this resolution, has so notified the governing bodies of the local agencies involved in the area of the proposed annexation; and

WHEREAS, the aforesaid Section 99 provides that in the event a jurisdictional change would affect the service area or service responsibility of one or more local agencies, the board of supervisors of the county or counties in which the local agencies are located shall negotiate any exchange of property tax revenues on their behalf; and

WHEREAS, the City of Tehachapi and the County of Kern have entered into a Memorandum of Understanding ("MOU") for the transfer of property tax entitlement upon annexation and this annexation proceeding falls within the criteria specified in the MOU.

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

1. Pursuant to the agreement between the County of Kern and the City of Tehachapi, property tax revenues which accrue within the tax rate areas comprising the proposed City of Tehachapi Annexation No. 84 for Fiscal Year 1999-00 and for each Fiscal Year thereafter shall be transferred to the City of Tehachapi as follows:

From the County of Kern General Fund, that portion determined by multiplying the property tax revenues received by the County of Kern General Fund from the area of the proposed annexation in the prior Fiscal Year 40.0 percent per MOU Agreement #396-2005 dated March 21, 2005.

2. Upon approval by the Kern County Local Agency Formation Commission of the proposed annexation, the Kern County Auditor-Controller is requested to effect the above determined transfer of property tax revenues.

3. The Clerk of the Board of Supervisors is requested to advise the City Council of the City of Tehachapi, the Kern County Local Agency Formation Commission, and the Kern County Auditor-Controller of the Board's approval of the determinations set forth herein by transmittal to them of certified copies of the Board's resolution approving same.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Tehachapi at a regular meeting this 5<sup>th</sup> day of October, 2015.

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
SUSAN WIGGINS, MAYOR  
City of Tehachapi, California

ATTEST:

\_\_\_\_\_  
TORI MARSH, CITY CLERK  
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 special meeting thereof held on October 5, 2015.

---

TORI MARSH, CITY CLERK  
City of Tehachapi, California



APPROVED

DEPARTMENT HEAD: \_\_\_\_\_

CITY MANAGER: \_\_\_\_\_

# COUNCIL REPORTS

MEETING DATE: OCTOBER 5, 2015    AGENDA SECTION: CITY ATTORNEY

---

**TO:**                    HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:**                TOM SCHROETER, CITY ATTORNEY

**DATE:**                OCTOBER 1, 2015

**SUBJECT:**            HANDBILL AND TRANSIENT OUTDOOR BUSINESS REGULATIONS

---

## BACKGROUND

The City's ordinances relating to peddlers and handbill distribution contain provisions either prohibiting them outright or restricting them in a way which is unconstitutional. The City's ordinances were challenged by attorneys for Kirby Company. The challenge was referred to special counsel, Richards Watson and Gershon, who confirmed that provisions in these ordinances made them unconstitutional. The attached amendments allow for peddlers to obtain business licenses but prohibit certain types of solicitation. Both peddlers and handbill distributions are prohibited where a property owner or vehicle owner displays a "No Solicitors" sign or decal.

## RECOMMENDATION

**ADOPT AN ORDINANCE AMENDING CHAPTER 8.12 OF THE TEHACHAPI MUNICIPAL CODE RELATING TO HANDBILL REGULATIONS AND AN ORDINANCE AMENDING CHAPTERS 9.130 AND 11.10 OF THE TEHACHAPI ZONING CODE RELATING TRANSIENT OUTDOOR BUSINESS REGULATIONS**

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
TEHACHAPI AMENDING CHAPTER 8.12 OF THE TEHACHAPI  
MUNICIPAL CODE RELATING TO HANDBILL REGULATION**

---

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

**Section 1.            Amendment to Section 8.12.010.**

Section 8.12.010 of the Tehachapi Municipal Code is hereby amended in its entirety to read as follows:

“8.12.010 – Definitions.

The following words, terms and phrases, when used in this chapter, have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning.

- A. ‘Handbill’ means and includes any printed or written advertising matter, any sample or device, dodger, circular, leaflet, pamphlet, newspaper, paper, booklet, or any other printed matter or literature.
- B. ‘Person’ means and includes any person, firm, partnership, association, corporation, company or organization of any kind.
- C. ‘Unsolicited handbill’ means and includes any handbill that is delivered to a private property in the absence of a subscription agreement.”

**Section 2.            Amendment to Section 8.12.030.**

Section 8.12.030 of the Tehachapi Municipal Code is hereby amended in its entirety to read as follows:

“8.12.030 – Distributing handbills – On private property – Restrictions.

- A. It is unlawful for any person, either directly or indirectly, to distribute, deposit, place, throw, scatter or cast an unsolicited handbill in or upon any yard, grounds, walk, porch, steps, mailbox, vestibule, house, residence, or building of any private property that contains a “no solicitation” or “no solicitors” sign conspicuously posted on or near the front door or entrance to such property.
- B. It is unlawful for any person, either directly or indirectly, to distribute, deposit, place, throw, scatter or cast an unsolicited handbill in or upon any yard, grounds, walk, porch, steps, mailbox, vestibule, house, residence, or building of any private property that contains an unremoved unsolicited handbill of the same publisher.”

**Section 3.**                    **Amendment to Section 8.12.040.**

Section 8.12.040 of the Tehachapi Municipal Code is hereby amended in its entirety to read as follows:

“8.12.040 – Placing handbills in vehicles.

- A. It is unlawful for any person, either directly or indirectly, to distribute, deposit, place, throw, scatter or cast an unsolicited handbill in or upon any automobile or other vehicle that contains a “no solicitation” or “no solicitors” sign conspicuously posted on such automobile or other vehicle.

B. The provisions of this section shall not be deemed to prohibit the handling, transmitting or distributing of any handbill to the owner or other occupant of any automobile or other vehicle.”

**Section 4.**                    **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 force and effect.

**Section 5.**                    **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, published and printed in the City of Tehachapi.

INTRODUCED at a regular meeting of the City Council of the City of Tehachapi, California on the 21<sup>st</sup> day of September, 2015.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi, California on the 5<sup>th</sup> day of October, 2015, by the following vote:

AYES:            Council Members: \_\_\_\_\_

NOES:            Council Members: \_\_\_\_\_

ABSTAIN:        Council Members: \_\_\_\_\_

ABSENT:         Council Members: \_\_\_\_\_

\_\_\_\_\_  
Susan Wiggins, Mayor of  
the City of Tehachapi, California

ATTEST:

\_\_\_\_\_  
City Clerk  
of the City of Tehachapi, California

I hereby certify that the foregoing Ordinance was duly and regularly adopted by the City Council of the City of Tehachapi by a regular meeting thereof held on October 5, 2015.

\_\_\_\_\_  
City Clerk  
of the City of Tehachapi, California

Published: \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
TEHACHAPI AMENDING CHAPTERS 9.130 AND 11.10 OF THE  
TEHACHAPI ZONING CODE RELATING TO TRANSIENT  
OUTDOOR BUSINESS REGULATION**

---

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

**Section 1.            Amendment to Section 9.130.020.**

Subsection B of Section 9.130.020 of the Tehachapi Zoning Code is hereby amended in its entirety to read as follows:

“B. No permit shall be issued for any prohibited transient outdoor business.”

**Section 2.            Amendment to Section 11.10.020.**

Subsections P and T of Section 11.10.020 of the Tehachapi Zoning Code are hereby amended by adding the following definitions:

“**Prohibited Transient Outdoor Business:** Any of the following transient outdoor businesses: (i) motor vehicle sales, except for recreational vehicle sales which are otherwise not prohibited by law; (ii) fireworks sales; and (iii) food and push carts. ‘Prohibited transient outdoor business’ shall not include any farmers market certified by the Kern County Agricultural Commissioner.

**Transient Outdoor Business:** Any business which is not operated for at least

five days a week for 12 consecutive weeks and which is not operated from a structure constructed on a permanent foundation. 'Transient outdoor business' does not include: (i) a peddler conducting business pursuant to a valid City of Tehachapi permit; (ii) garage sales as otherwise regulated by the Tehachapi Zoning Code or Tehachapi Municipal Code; (iii) occasional sales of non-alcoholic beverages or food stuffs by persons under the age of 18 years adjacent to the residence of the person involved in such sales; (iv) sales of beverages, food stuffs, arts and crafts or other similar products at the annual Tehachapi Mountain Festival and other similar community events sponsored in whole or in part by a local nonprofit organization or governmental entity; or (v) mobile sales from commercial vehicles where such vehicles travel from place to place on public streets during the course of a normal work day and when the sales are made primarily from the public street or by temporary access to a prospective customer's property".

**Section 3.**                    **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 force and effect.

**Section 4.**                    **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, published and printed in the City of Tehachapi.

INTRODUCED at a regular meeting of the City Council of the City of Tehachapi, California on the 21<sup>st</sup> day of September, 2015.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi, California on the 5<sup>th</sup> day of October, 2015, by the following vote:

AYES: Council Members: \_\_\_\_\_

NOES: Council Members: \_\_\_\_\_

ABSTAIN: Council Members: \_\_\_\_\_

ABSENT: Council Members: \_\_\_\_\_

\_\_\_\_\_  
Susan Wiggins, Mayor of  
the City of Tehachapi, California

ATTEST:

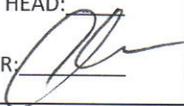
\_\_\_\_\_  
City Clerk  
of the City of Tehachapi, California

I hereby certify that the foregoing Ordinance was duly and regularly adopted by the City Council of the City of Tehachapi by a regular meeting thereof held on October 5, 2015.

\_\_\_\_\_  
City Clerk  
of the City of Tehachapi, California

Published: \_\_\_\_\_



APPROVED  
DEPARTMENT HEAD:  
CITY MANAGER: 

# COUNCIL REPORTS

**MEETING DATE:** October 5, 2015    **AGENDA SECTION:** ASSISTANT CITY MANAGER

---

**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:** CHRIS KIRK, ASSISTANT CITY MANAGER

**DATE:** OCTOBER 1, 2015

**SUBJECT:** TOBACCO RETAILER'S PERMIT REGULATIONS

---

## BACKGROUND

In 2007 the City Council adopted an ordinance adopting ordinance nos. G-7724 and G-8495 of the Board of Supervisors of the County of Kern relating to tobacco retailer's permits. In June, 2014, the Board of Supervisors amended the ordinance to include electronic smoking devices and paraphernalia. The Environmental Health Division, which is the designated agency implementing the tobacco retailer's permitting program in our jurisdiction, in order to ensure uniform policy countywide, is recommending the City amend its ordinance to include the same language. The amended ordinance would require retailers selling electronic smoking devices and paraphernalia to obtain an Environmental Health Permit. These retailers would also be included in the Division's compliance check process to ensure children are not sold tobacco products.

## RECOMMENDATION

**ADOPT AN ORDINANCE AMENDING ORDINANCE NO. 687 AND CHAPTER 8.52 OF THE TEHACHAPI MUNICIPAL CODE TO ADOPT ORDINANCE NOS. G-7724 AND G-8495 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA AMENDING CHAPTER 8.60 TO TITLE 8 OF THE KERN COUNTY ORDINANCE CODE RELATING TO TOBACCO RETAILER'S PERMITS**

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI AMENDING ORDINANCE NO. 687 AND CHAPTER 8.52 OF THE TEHACHAPI MUNICIPAL CODE TO ADOPT ORDINANCE NOS. G-7724 AND G-8495 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA AMENDING CHAPTER 8.60 TO TITLE 8 OF THE KERN COUNTY ORDINANCE CODE RELATING TO TOBACCO RETAILER'S PERMIT**

---

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

**Section 1.                    AMENDMENTS.**

A.        Section 8.52.025 is hereby added to Chapter 8.52 of the Tehachapi Municipal Code as follows:

          "8.52.025        Incorporation by Reference.

          "Pursuant to Government Code Section 50022.1 et seq., Ordinance Numbers G-7724 and G-8495 of the Board of Supervisors of the County of Kern of the State of California relating to the requirement for a tobacco retailer's permit and each and every term, provision, rule, and regulation therein are hereby incorporated by this reference as if fully set forth herein verbatim which provide for the following: replacing Subsections D and F and adding Subsections I, J, and K to Section 8.60.010 of the Kern County Ordinance Code and replacing Subsection 2 of Section 8.60.090.B and Subsection D of Section 8.60.100."

B.        Ordinance No. 687 and Tehachapi Municipal Code Subsection D of Section 8.52.040 is hereby replaced with the following:

          "D.        When this chapter allows the director to impose an administrative penalty, the following penalty may be imposed:

"3. For the third and each subsequent violation within one (1) year from the date of the first violation, a penalty not to exceed one thousand dollars (\$1,000.00)."

**Section 2.**                    **SEVERABILITY.**

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is held to be invalid or unconstitutional such decision shall not affect the validity of the remaining portions of this Ordinance.

**Section 3.**                    **EFFECTIVE DATE.**

This Ordinance shall take effect 30 days after the date of its passage and within 15 days of its passage shall be published in the 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 on the 21<sup>st</sup> day of September, 2015.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi on the 1<sup>st</sup> of October, 2015, by the following votes:

AYES:                    Councilpersons \_\_\_\_\_

NOES:                    Councilpersons \_\_\_\_\_

ABSTAIN:                Councilpersons \_\_\_\_\_

ABSENT:                 Councilpersons \_\_\_\_\_

\_\_\_\_\_  
SUSAN WIGGINS, Mayor of  
the City of Tehachapi, California

ATTEST:

\_\_\_\_\_  
TORI MARSH, City Clerk  
of the City of Tehachapi, California

Published: \_\_\_\_\_



APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____

# COUNCIL REPORTS

**MEETING DATE:** OCTOBER 5, 2015    **AGENDA SECTION:** CITY MANAGER

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**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:** GREG GARRETT, CITY MANAGER

**DATE:** SEPTEMBER 24, 2015

**SUBJECT:** AMENDING 457 RETIREMENT PLAN TO PERMIT LOANS

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**BACKGROUND**

The 457 plan is a type of qualified tax advantaged deferred-compensation retirement plan that is available for governmental and certain non-governmental employees in the United States. The employer provides the plan and the employee defers compensation into it on a pre-tax basis.

The Council approved a 457 deferred compensation plan for City employees on April 6, 1998 by adopting the Resolution 21-98. Although a loan program was available to offer to employees at that time, the City did not permit the loan program.

Making a loan program available in the 457 plan will provide eligible plan participants the ability to borrow money from their own accounts. The maximum amount a participant can borrow is up to 50% of participant's balance but not more than \$50,000. By allowing the loan program, it will only benefit employees with no adverse effects to the City.

**FISCAL IMPACT**

There is no cost to the City. The employee will pay all fees associated with the loan.

**OPTIONS**

1. Allow the loan program under the 457 plan
2. Do not allow the loan program under the 457 plan

**RECOMMENDATION**

Staff recommends that Council allow the 457 loan program by adopting the resolution.



# Loan Implementation Package for 457/401 Plan Sponsors

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## Introduction and Summary Instructions for 457 and 401 Plan Sponsors

Making a loan program available in your retirement plan will provide eligible plan participants with the ability to borrow money from their accounts. As the administrator of your loan program, ICMA-RC will attempt to minimize the amount of resources you need to devote to the program. However, there are administrative and fiduciary responsibilities associated with offering loans which, as a practical matter, cannot be delegated to ICMA-RC.

Please review all of the information in this packet carefully prior to submitting the applicable forms to implement the loan program in your plan.

The below instructions provide you with easy-to-follow steps to implement a loan program in your ICMA-RC 457 or 401 plan.

**STEP 1:** Review the Loan Guidelines Agreement Instructions carefully prior to returning the required forms to implement your plan's loan program.

**STEP 2:** Complete the *Loan Guidelines Agreement*.

**STEP 3:** Determine whether any formal action is required by your legislative body and/or plan administrative committee to implement a loan program. If formal action is required, you may want to use the suggested resolution in this packet.

**STEP 4:** Complete the following documents (*if applicable*)

- **457 Plan Loan Administration Agreement** — If you have multiple 457 plan providers, you must complete and return this document to ICMA-RC.
- **Loan Amendment (401 Plans Only)** — If you are amending your existing 401 plan to add loan provisions, you must complete and return this document to ICMA-RC.

**STEP 5:** Return copies of the following documents to ICMA-RC (please be sure to submit all pages and retain the originals for your records):

- *Loan Guidelines Agreement*
- Loan Amendment to the 401 Plan Adoption Agreement (*if applicable*)
- 457 Plan Loan Administration Agreement (*if applicable*)
- Suggested Resolution (*if applicable*)

**FAX TO:**  
Workflow Management Team  
202-682-6439

**OR**

**MAIL TO:**  
ICMA-RC  
ATTN: Workflow Management Team  
P.O. Box 96220  
Washington, DC 20090-6220

**STEP 6:** Please allow 5–7 business days for ICMA-RC to establish your plan's loan program.

*Please retain original copies of any documents you return to ICMA-RC for your records.*

*If you have any questions relating to the adoption process, please contact your Plan Sponsor Services team at 800-326-7272.*

# Loan Guidelines Agreement Instructions

The information in this packet is intended to assist you with implementing a loan program within your ICMA-RC 457 or 401 plan(s). The packet provides an overview of the issues and complexities of establishing and maintaining a loan program under the most common types of retirement plan arrangements. It is not intended to be all inclusive. Special situations and/or solutions not discussed in this document will need to be reviewed on a case-by-case basis.

The instructions contain information that will help you understand the decisions you will need to make when you establish your loan program and help you complete the *Loan Guidelines Agreement*. Please carefully review the information in this section and complete all applicable sections of the *Loan Guidelines Agreement*.

Here are a few of the elections that you will need to make:

- Will loans be available for all purposes or only in hardship situations?
- How many loans will participants be allowed to have outstanding at one time? (up to five)
- How long will participants have to repay a loan used to purchase a new primary residence? (up to 30 years)
- How will participants repay their loans? (payroll deduction, ACH payments from their bank accounts, or both)

In order to offer loans within your retirement plan, the Internal Revenue Code requires that you establish written guidelines that govern the Plan's loan program. You may elect to use the *Loan Guidelines Agreement* to serve this purpose for your Plan.

If you have any questions relating to the process of implementing a loan program, please contact your Plan Sponsor Services team at 800-326-7272.

## Section I: Employer Plan Information

Enter the name of your employer plan. Also specify the plan type and your ICMA-RC plan number.

## Section II: Eligibility & Loan Source

Loans are available to all active employees, except those with an existing loan in default.

**Loan Source** — Use this section to specify the sources that will be available for participant loans.

## Section III: Loan Purpose

Specify whether loans may be taken for (A) all purposes or (B) only in the case of hardship. If you choose the "all purposes" option, more of your employees are likely to request loans than if you select the "hardship only" option.

(A) All Purposes

(B) Hardship Only

**401 Plans:** Under the Code, only employers can authorize a loan for hardship purposes. Generally, for loan purposes, the IRS defines "hardship" situations for these purposes to include, but not to be limited to: unreimbursed medical expenses, buying or rehabilitating the participant's principal residence, and paying for college education for the participant or his/her qualified dependents. Car loan, car repairs, and the purchase or repair of a vacation or rental property would not be included in the hardship definition. Employers have the ability to make their plan's loan program more restrictive under both of the above options.

## Section IV: Application Process

No action is required in this section. The application process available to participants will vary depending on the option you select in Section III (Loan Purpose).

## Section V: Maximum Number of Loans

Specify whether participants may have only one (1) or up to five (5) loans outstanding at one time. The option you choose in this section will have a significant impact on the number of loans made from your plan. Regardless of your election, a participant may receive a maximum of one (1) loan per calendar year.

**Note:** If you select Payroll Deduction as a repayment option for your participants in Section VIII, each loan repayment for each pay period must be accounted for separately. As such, repayments of multiple loans are a much larger burden on your payroll system (and personnel) than a repayment of a single loan.

## Section VI: Loan Amount

No action is required in this section. The Maximum Loan Amount Worksheet includes instructions you can use to calculate the maximum loan amount for a participant. The loan modeling option on ICMA-RC's Account Access website can also be used to calculate a participant's maximum loan amount.

## Section VII: Length of Loan

Loans must be repaid in substantially equal installments of principal and interest over a period that does not exceed five (5) years. However, if the participant will be using the loan to purchase a principal residence, the five (5) year time limit may not apply. In this section of the form, you specify the maximum repayment period for principal residence loans, with 30 years being the maximum term.

In determining the maximum repayment period for residential loans, you should be mindful that the loan term may extend beyond the period the participant is employed by you. If you allow employees to continue to pay their loans after they separate from service (see the Acceleration section), repayments would continue by the participant, through you, for the entire term of the loan (e.g., 30 years). Every payroll period, the participant (former employee) will be required to give you a check for the periodic loan repayment amount. You then include this amount with your next contribution submittal to ICMA-RC. *Loan repayments may not be made directly to ICMA-RC by the participant, unless you choose ACH debit as a repayment option in Section VIII.*

## Section VIII: Loan Repayment Process

Specify the repayment method(s) and repayment frequency your plan will use.

**Repayment Method** — You can allow repayments to be made via payroll deduction and/or ACH payments from a participant's bank account.

- (1) **Payroll Deduction** — With this option, you will include the loan repayment detail when you remit contribution detail to ICMA-RC via the EZLink website.

### *Initiating Payroll Deduction*

Payroll deduction should begin within two payroll cycles following the employee's receipt of the loan. Employees using this method must notify the Employer immediately so that repayments will begin as soon as practicable, on a date determined by the Employer's payroll cycle. Failure to begin payroll deduction in a timely manner could lead to the employee's loan entering delinquency status.

- (2) **ACH** — With this option, participants authorize ICMA-RC to debit loan repayments directly from the participant's bank account via Automated Clearing House (ACH). This feature frees you of the burden of establishing and monitoring loan repayments via payroll deduction.

## ADDITIONAL LOAN REPAYMENTS AND EARLY PAY-OFF

A participant may pay off all or a portion of the principal and interest early without penalty or additional fee. Extra payments are applied forward to both principal and interest as specified in the original repayment schedule, unless the additional payment is for the full balance due. Please note that no payment date may be "skipped" even if the employee has made a large payment or submitted multiple payments.

## Section IX: Loan Interest Rate

No action is required in this section. It simply describes the interest rate that will be used for participant loans.

## Section X: Security/Collateral

No action is required in this section. It simply describes the amount that will be used as collateral for participant loans.

## Section XI: Acceleration

Specify whether participants who have separated from service will be able to continue loan repayments until they have withdrawn their entire account balance from the plan, or if outstanding loans will be due and payable at the time participants separate from service.

You should consider the options in this section carefully, since your election will impact when outstanding loans become taxable to participants. If a participant does not repay the outstanding loan amount at the time it is due, the loan is "foreclosed," and the outstanding loan amount must be reported by ICMA-RC as a taxable distribution in the year of the foreclosure.

Given the burdens associated with collecting loan repayments from former employees, you may not wish to maintain a potentially long term "relationship" with former employees (especially in the case of residential loans).

## Section XII: Reamortization

No action is required in this section. It simply provides information related to the reamortization of participant loans.

## Section XIII: Refinance

No action is required in this section. It simply provides information related to the refinancing of participant loans.

## Section XIV: Reduction of Loan

No action is required in this section. It simply describes how outstanding loans will be handled in the event of a participant's death.

## Section XV: Deemed Distributions

No action is required in this section. However you should familiarize yourself with this information and note that loan repayments must be made in accordance with the plan document, plan loan guidelines, and as reflected in the promissory note signed by the participant. Failure to make loan repayments according to the loan terms will result in the outstanding loan balance being deemed distributed and taxable to the participant.

### TIMING

A loan will be deemed distributed when a scheduled payment is still unpaid at the end of the calendar quarter following the calendar quarter in which the payment was due. For example, if a participant does not make a loan payment that was scheduled to be made on February 1, the maximum cure period for the repayment is June 30. If the total amount of all delinquent payments is not received by the end of the cure period, the loan is deemed distributed.

### CONSEQUENCES OF DEEMED DISTRIBUTED LOANS (EMPLOYERS)

Employers who do not ensure proper loan repayment practices in their retirement loan programs risk not only having individual participant loans being deemed distributed, but also potentially jeopardize the tax-favored status of the entire plan. In the extreme, plans with mismanaged loan programs — a high occurrence of deemed distributed loans, and/or program participants in default, for example — may be disqualified (in the case of 401 plans) or classified as ineligible (for 457 plans) by the IRS. Disqualification results in the loss of tax-deferred status for all contributions and a possible increase in the taxable income for participating employees.

It is a plan sponsor's fiduciary obligation to properly manage the retirement plan and its benefits. Mismanagement of a loan program may be considered failure to meet this fiduciary obligation and may expose a plan sponsor to litigation, in addition to being in violation of applicable laws and regulations.

Employers, as plan sponsors and fiduciaries, have an obligation to comply with plan document and loan guideline requirements applicable to participant loans. In this regard, loan payments must be made in accordance with the plan document, plan loan guidelines, and as reflected in the promissory note signed by the participant. Employers retain this obligation if there is a loan program

associated with their retirement plan, regardless of the provisions governing the loan program.

### CONSEQUENCES OF DEEMED DISTRIBUTED LOANS (PARTICIPANTS)

The principal balance, in addition to any accrued interest, is reported as a distribution to the IRS. However, the taxable distribution is not the only event in conjunction with a deemed distribution. The following negative consequences occur as a result of deemed distribution.

- The deemed distribution is a taxable event. However, it is not an actual distribution and therefore remains an asset of the participant's account. The outstanding loan balance and accrued interest continue to be reported on the participant's account statements.
- Repayment of a deemed distribution will not change or reverse the taxable event.
- The loan continues to be considered outstanding until it is repaid or "offset" using the participant's account balance. An offset can occur only if the participant is eligible to receive a distribution from the plan as outlined in your plan document.
- Participants are required to repay any outstanding deemed distributed loan before they can become eligible for a new loan. The deemed distributed loan and any interest accrued since the date it became a taxable event is taken into account when determining the maximum amount available for a new loan.
- A participant who has had a prior deemed distribution must make repayments to a new loan through payroll deduction, or provide proof of adequate security.

## Section XVI: Fees

No action is required in this section. It simply provides that fees may be charged for various services associated with the application for and issuance of loans. Participants should review the Annual Service and Fee Disclosure notice(s) for your plan for more information on the applicable fees.

## Section XVII: Signatures

Please have an authorized plan representative sign and date this section of the agreement.

## SPECIAL CIRCUMSTANCES

### Emergency Withdrawals (457 Plans Only)

457 Plans: Loans must be coordinated with unforeseeable emergency withdrawals. The emergency withdrawal

regulations under Section 457 of the Code require that an emergency withdrawal be a resource of the "last resort." If the participant is able to take a loan or refinance a current loan from your ICMA-RC 457 plan or any other plan you sponsor, the participant has resources available to meet, or partially meet, the financial need. Therefore, a participant will be required to take or refinance a loan before taking an emergency withdrawal.

Many emergency withdrawals are not approved because the financial need, while serious, may not meet the conditions itemized in the 457 regulations. The ability to take a loan allows participants to have access to money that is not otherwise available. And the repayment process for loans ensures that participants replenish their accounts, thereby preserving their retirement savings.

### **Qualified Joint and Survivor Annuity (Applies to Some 401 Plans Only)**

If your plan uses the Qualified Joint and Survivor Annuity as the default form of payment, married participants must obtain spousal consent prior to obtaining a loan. The employee's spouse must consent, in writing, to the loan and the consent must be witnessed by a plan representative or notary public. Such consent must be received in writing by ICMA-RC no more than ninety (90) days before the loan request is submitted through Account Access. In the case of the Direct Loan Application, spousal consent should be sent along with the application.

*Please be advised, that some states recognize a status, such as a civil union or registered domestic partnership, to carry the same rights and obligations as marriage under state law.*

### **Multiple Plans/Providers**

If you have more than one retirement plan which offers loans, including "co-administered" or "co-provider" plans, ICMA-RC will administer your loan program in your plan(s) with ICMA-RC, but you will have to perform some loan verification activities. You will need to perform these activities if loans are available to your employees from several like retirement plans, such as two separate qualified plans, or if you have different types of retirement plans (e.g. Section 457 deferred compensation and section 401 qualified plan). The degree of your involvement will depend on your situation.

#### **1. MULTIPLE PLANS**

The Code sets a maximum on the aggregate of all loans from all retirement plans in which the employee participates. If you offer retirement plans through multiple plan providers, no provider will be able to calculate, by

itself, the maximum amount that a participant may borrow at any point in time. Since only you, the employer, can determine the current outstanding loan balance and the highest outstanding loan balance in the past 12 months from all loans from any retirement plans, you will have to calculate the maximum amount that may be borrowed. This will involve obtaining all loan amounts currently outstanding and repaid in the last 12 months. Please refer to the Maximum Loan Amount Worksheet for instructions you can use to calculate the maximum loan amount for a participant.

If you elect online loans, participants are asked to input all outstanding loan balances in their online worksheet so that the program can properly calculate the maximum amount. Participants are on the "honor system" when they enter other loan amounts; ICMA-RC is unable to verify any loan amounts associated with plans administered by other providers. However, if there are any outstanding loans in other plans administered by ICMA-RC, our online program will take them into account.

#### **2. SINGLE RETIREMENT PLAN/MULTIPLE PROVIDERS**

If you have adopted a single retirement plan with one master plan document under which ICMA-RC and your other administrator(s) must operate, then you may ultimately have to self-administer your loan program, unless you require:

- that the maximum that may be borrowed from any provider is 50 percent of the balance with that provider and
- that the loan must be repaid only to the provider from which the loan was made.

#### **3. MULTIPLE TYPES OF RETIREMENT PLANS/MULTIPLE PROVIDERS**

If you make loans available to your employees from all of your retirement plans (e.g. Section 457 deferred compensation plan and Section 401 qualified plan), no administrator will be able to calculate, by itself, the maximum amount that a participant may borrow at any point in time. This is because the Code sets a maximum on the aggregate of all loans from all 401 and 457 plans in which the participant participates. Since only you, the employer, can determine the current outstanding loan balance and the highest outstanding loan balance in the past 12 months from all loans from any 401 or 457 plans, you will have to calculate the maximum amount that may be borrowed. This will involve obtaining all loan amounts currently outstanding and repaid in the last 12 months. Please refer to the Maximum Loan Amount Worksheet for instructions you can use to calculate the maximum loan amount for a participant.



# LOAN GUIDELINES AGREEMENT

The purpose of this agreement is to establish the terms and conditions under which the Employer will grant loans to participants. You should consider each option carefully before making your selections because your selections will apply to all loans made while the selection is in effect. If you later change any provision, the changes will apply only to loans made after the change is adopted. Loans in existence at the time of any future changes will continue to operate under the guidelines that were in effect at the time the loan was originally made.

*Please read the instructions and carefully complete all sections of this agreement.*

New Loan Program       Amendment to Loan Program

## I. EMPLOYER PLAN INFORMATION

Name of Plan (Enter the complete Employer name, including state): City of Tehachapi, California

Plan Type:     457 Deferred Compensation Plan     401(a) Money Purchase Plan     401 Profit-Sharing Plan

ICMA-RC Plan Number: 304652

## II. ELIGIBILITY & LOAN SOURCE

Loans are available to all active employees, except those with an existing loan in default.

**401 Plans** — If your 401 plan is funded by a combination of Employer and Employee contributions, you must specify whether one or both of the following can be used as a source for participant loans. (Select one or both options below)

Employer Contribution Account (vested balances only)

Participant Contribution Accounts (pre- and post-tax, if applicable, including Employee Mandatory, Employee Voluntary, Employer Rollover, and Portable Benefits Accounts, but excluding the Deductible Employee Contribution/Qualified Voluntary Employee Contribution Account)

**Roth Assets (if applicable)** — If your 457 or 401(k) plan allows Roth contributions, a participant's Designated Roth Account balance will be included when calculating the amount a participant is eligible to borrow. However, you must specify whether or not a participant's Designated Roth Account can be used as a source for participant loans. (Select one option below)

A participant's Designated Roth Account **will not** be available as a source for loans under the plan (default option)

A participant's Designated Roth Account **will** be available as a source for loans under the Plan.

*Note: If Roth assets are available as a source for loans, a loan that is deemed distributed will not satisfy the requirements for a qualified (tax-free) distribution of Roth assets. This may result in participants paying taxes on assets that would otherwise be available tax-free.*

## III. LOAN PURPOSE

Loans are available for the following purposes and must be requested in the corresponding method (select one):

**All Purposes** — With this option, participants can request a loan for any reason. Participants will be able to request new loans or refinance existing loans using the Online Loans option.

**Hardship Only** — With this option, loans shall only be granted in the event of a participant's hardship or for the purpose of enabling a participant to meet certain specified financial situations. Participants will need to complete the loan application form for your plan and obtain your approval (Online Loans is not available).

The employer shall approve the participant's loan application after determining, based on all relevant facts and circumstances that the amount of the loan is not in excess of the amount required to relieve the financial need, as defined by the employer. For this purpose, financial need shall include, but not be limited to: unreimbursed medical expenses of the participant or members of the participant's immediate family, establishing or substantially rehabilitating the principal residence of the participant, or paying for a college education (including graduate studies) for the participant or his/her dependents.

# LOAN GUIDELINES AGREEMENT

## IV. APPLICATION PROCESS

The loan application process will vary depending on the option you selected in Section III above (Loan Purpose).

### (A) ALL PURPOSES

- **Online Loans** — Participants can request a new loan or to refinance an existing loan using the ICMA-RC website at [www.icmarc.org](http://www.icmarc.org) (*Online Loans*).
- **Direct Check Issuance** — ICMA-RC sends loan documents with the loan check to the participant. When the participant endorses the check, that endorsement signifies acceptance of loan terms.

### (B) HARDSHIP ONLY

- **Paper Application** — A loan application must be completed, signed by the participant and approved by you, the employer.
- **Check Issuance** — Upon receipt of an approved loan application, ICMA-RC will prepare the required loan documents (i.e., the promissory note and loan disclosure statement), and send them to the employer with the loan check.
  - The loan check may not be given to the participant until the loan documents have been signed by the participant. Because the promissory note is considered a plan asset, all loan documents must be completed and preserved for at least the life of the loan. The employer should retain the original loan documents and send copies of all documents to ICMA-RC

The loan amount will generally be redeemed from the employee's account on the same day as either ICMA-RC receipt of a loan request/application (complete and in good order), if it is submitted prior to 4:00 p.m. ET on a business day. If not, the loan amount will be redeemed on the next business day following submission. The loan check for an all purpose loan is generally issued on the next business day following redemption, and will be mailed directly to the employee. The loan check for a hardship loan will be sent to the employer. The employee's presentment of the loan check for payment constitutes an acknowledgment that the employee has received and read the loan disclosure information provided by ICMA-RC and agrees to the terms therein.

## V. MAXIMUM NUMBER OF LOANS (SELECT ONE)

Participants may receive one loan per calendar year. Please specify whether participants may have only one (1) or up to five (5) loans outstanding at one time.

- One (1). Participants may have only one (1) outstanding loan at a time.
- Five (5). Participants may have up to five (5) loans outstanding at one time.
- Other. Participants may have up to 3 (enter 2, 3, or 4) loans outstanding at one time.

## VI. LOAN AMOUNT

**Maximum:** The maximum amount of all loans to a participant from the Plan *and all other plans of the Employer* that are either eligible deferred compensation plans described in section 457(b) of the Code or qualified employer plans under Section 72(p)(4) of the Code (e.g., 401(a) plans) shall not exceed *the lesser of:*

- (1) \$50,000, or
- (2) One-half of the value of the Participant's interest in all of his or her Accounts under this Plan.

When calculating the maximum amount a participant is eligible to borrow from his/her account, the lesser value of (1) or (2) above must be reduced by the participant's highest outstanding loan balance over the past 12 months.

**Minimum:** The minimum loan amount is \$1,000.

A loan cannot be issued for more than the maximum amount. The participant's requested loan amount is subject to downward adjustment without notice due to market fluctuation between the time of application and the time the loan is issued.

Loan amounts will be taken pro-rata from all of a participant's investments.

# LOAN GUIDELINES AGREEMENT

## VII. LENGTH OF LOAN

Loans must be repaid in substantially equal installments of principal and interest over a period that does not exceed five (5) years.

### Principal Residence Loans

If the participant will be using the loan to purchase a principal residence, the five (5) year time limit may not apply. Participants can repay a principal residence loan over a period of up to 30 years. Please specify the maximum repayment period for principal residence loans from your plan below.

Maximum repayment period for principal residence loans = 30 (Enter a number of years, up to 30)

## VIII. LOAN REPAYMENT PROCESS

Specify the repayment method(s) and repayment frequency your plan will use. Note that loan amounts plus interest, minus applicable fees paid to ICMA-RC, are repaid to participant accounts and not to ICMA-RC. You can allow repayments to be made via payroll deduction and/or ACH payments from a participant's bank account. Loan repayments must be made at least monthly (457) or quarterly (401).

### Repayment Method (Select One)

- Payroll deduction only.  
 ACH debit only.\*  
 Employee may choose either payroll deduction or ACH debit.\*

*\*ACH Payment Rejected Fee — If a loan repayment scheduled to be paid via ACH debit is rejected due to insufficient funds, invalid bank account information, or account closure, a fee will be charged to the participant's account. The fee is \$20 for the first occurrence and \$50 for each subsequent occurrence.*

### Repayment Frequency (Select One)

Repayments through payroll deduction will be sent via check or wire by the Employer to ICMA-RC on the following cycle (choose one):

- Weekly (52 per year)  
 Bi-weekly (26 per year)  
 Semi-monthly (24 per year)  
 Monthly (12 per year)

### Initiating Repayments:

- ACH debits from the employee's designated bank account will begin approximately one month following the date the employee's signed ACH authorization form is received and processed by ICMA-RC, or, in the case of online loans, approximately one month following the date the loan check has been cleared for payment. Debits will normally be made on a monthly basis.
- Payroll deduction should begin within two payroll cycles following the employee's receipt of the loan. Employees using this method must notify the Employer immediately so that repayments will begin as soon as practicable, on a date determined by the Employer's payroll cycle. Failure to begin payroll deduction in a timely manner could lead to the employee's loan entering delinquency status.

### Investment of Loan Repayments

All loan repayments are invested according to the instructions the participant has on file for the investment of contributions to his/her account.

### Additional Loan Repayments and Early Pay-Off

A participant may pay off all or a portion of the principal and interest early without penalty or additional fee. Extra payments are applied forward to both principal and interest as specified in the original repayment schedule, unless the additional payment is for the full balance due. Please note that no payment date may be "skipped" even if the employee has made a large payment or submitted multiple payments.

# LOAN GUIDELINES AGREEMENT

## VIII. LOAN REPAYMENT PROCESS (CONTINUED)

### Loans in Default

Participants using the ACH repayment option may default on their loans for lack of repayment more frequently than those using the payroll deduction method. For this reason, you may choose to require that certain participants use the payroll deduction repayment method.

### Multiple Loans

If a participant has multiple loans outstanding from the plan, each loan repayment must be separately reported to ICMA-RC.

### Former Employees and Leave of Absence

Former employees and employees on a leave of absence must repay their loans on the same schedule that would have applied had they continued employment.

Your plan may allow terminated employees to continue to repay their loans either through ACH, or by giving/sending you a check each repayment period (see the Acceleration section). If you allow terminated employees to repay loans by giving/sending you a check, you will include the repayment amounts in your next regular employee contribution remittance to ICMA-RC.

In certain situations, employers may suspend loan repayments for a period of time for employees on a leave of absence or military leave. Please refer to Treasury Regulation section 1.72(p)-1, Q&A-9 for more information.

### Repayments Must Continue

In implementing a loan program you should be aware that some employers have had to contend with the inability of some participants to repay their loan(s). You should be aware that you may not stop taking loan repayments from the employee's paycheck — even if the employee asks that repayments be stopped. Failure to payroll-deduct loan repayments on schedule could both jeopardize the eligibility or qualification of the entire plan as well as create a taxable event for the participant. Likewise, if an employee is repaying the loan through ACH debit of his/her bank account, and the employee fails to make payments, this could jeopardize the eligibility of your retirement plan. Employers are ultimately responsible for ensuring that loans are repaid according to the loan terms.

ICMA-RC will notify both you and the employee if a payment has not been received.

## IX. LOAN INTEREST RATE

The loan interest rates are set for non-residential loans at the prime rate plus 0.5%, and for principal residence loans at the FHA/VA rate. The interest rate for new loans fluctuates from month-to-month. The rates for the following month are determined on the last business day of the month using [www.moneycafe.com/library/primerate.htm](http://www.moneycafe.com/library/primerate.htm) (prime rate) and [www.citimortgage.com](http://www.citimortgage.com) (principal residence rate).

When a new loan is approved, the interest rate is locked in and remains constant throughout the life of the loan.

## X. SECURITY/COLLATERAL

At the time a loan is taken, 50 percent of the participant's account balance or the amount of the loan, whichever is less, will be used as collateral for the loan.

## XI. ACCELERATION (SELECT ONE)

Please specify whether participants who have separated from service will be able to continue loan repayments until they have withdrawn their entire account balance from the plan, or if outstanding loans will be due and payable at the time the participant separates from service.

All outstanding loans shall be due and payable by a participant upon:

- Separation from service. All loan repayments must stop following an employee separating from service.
- Distribution of his/her entire account balance. Employees can continue making loan repayments until they have withdrawn their entire account balance.

Outstanding loan balances that are not repaid will be reported as distributions to the participant. See the Deemed Distributions section for additional information.

# LOAN GUIDELINES AGREEMENT

## XII. REAMORTIZATION

Reamortization changes the terms of an outstanding loan (e.g., repayment period, interest rate, frequency of repayments). Any outstanding loan may be reamortized.

Reamortization cannot extend the repayment period beyond five (5) years from the date the loan was originally issued. Or, in the case of Principal Residence Loans, beyond [the number of years specified in Section VII] years from the date the loan was originally issued.

Participants can use a loan amortization form to request that an outstanding loan be reamortized. Upon processing the request, a new disclosure statement will be sent to the employer for endorsement by the participant and approval by the employer. The executed disclosure statement must be returned to the plan administrator within 10 calendar days from the date it is signed. The new disclosure statement is considered an amendment to the original promissory note; therefore a new promissory note will not be required.

*Note: A loan reamortization will not be considered a new loan for purposes of calculating the number of loans outstanding or the one loan per calendar year limit.*

## XIII. REFINANCE

Refinancing involves a new loan replacing an employee's outstanding loan. The refinanced loan must be repaid over a period that does not exceed five (5) years from the date when the original loan was issued.

Actively employed participants with one (1) outstanding loan may elect to refinance the outstanding loan for an additional amount, subject to the loan amount limitations outlined in Section VI, provided that the participant has not yet taken out a loan during the calendar year. Participants with multiple outstanding loans, and those who are no longer employed, are not eligible to refinance an existing loan.

*Note: Principal residence loans are not eligible for refinance.*

## XIV. REDUCTION OF LOAN

If a participant dies prior to full repayment of the outstanding loan(s), the outstanding loan balance(s) will be deducted from the account prior to distribution to the beneficiary(ies). The unpaid loan amount is a taxable distribution and may be subject to early withdrawal penalties. The participant's estate is responsible for taxes and penalties on the unpaid loan amount, if any. A beneficiary is responsible for taxes due on the amount he or she receives. A Form 1099 will be issued to both the beneficiary and the estate for tax reporting purposes.

## XV. DEEMED DISTRIBUTIONS

A loan will be deemed distributed when a scheduled payment is still unpaid at the end of the calendar quarter following the calendar quarter in which the payment was due. When a loan is deemed distributed, the principal balance and any accrued interest is reported to the IRS as a taxable distribution. However, since the participant received the loan amount previously, no money is actually paid to the participant as part of a deemed distribution.

The loan is deemed distributed for tax purposes, but it is not an actual distribution and therefore remains an asset of the participant's account. Interest continues to accrue. The outstanding loan balance and accrued interest are reported on the participant's account statements.

Repayment of a deemed distribution will not change or reverse the taxable event.

The loan continues to be outstanding, and to accrue interest, until it is repaid or offset using the participant's account balance. An offset can occur only if the participant is eligible to receive a distribution from the plan as outlined in the plan document. Participants are required to repay any outstanding loan which has been deemed distributed before they can be eligible for a new loan. The deemed distribution and any interest accrued since the date it became a taxable event is taken into account when determining the maximum amount available for a new loan. New loans must be repaid through payroll deduction.

*Important Note: The employer is obligated by federal regulation to comply with the loan guideline requirements applicable to participant loans, and to ensure against deemed distribution by monitoring loan repayments, regardless of the method of repayment, and by advising employees if loans are in danger of being deemed distributed. The tax-qualified status or eligibility of the entire plan may be revoked in cases of frequent repayment delinquency or deemed distribution.*

To assist plan sponsors whose plan options include loans, ICMA-RC will provide reports of participants with payments delinquent by 30 to 89 days, 90 or more days but not yet deemed, and those whose loans have been deemed distributed. ICMA-RC is committed to supporting employers who request assistance with their loan programs in order to reduce the number of delinquent loans and decrease the occurrence of deemed distributions.

# LOAN GUIDELINES AGREEMENT

## XVI. FEES

Fees may be charged for various services associated with the application for and issuance of loans. All applicable fees will be debited from the participant's account balance and/or from the participant's loan repayments prior to crediting the repayment of principal and interest to the participant's account.

## XVII. SIGNATURES

The Employer has the right to set other terms and conditions as it deems necessary for loans from the plan in order to comply with any legal requirements. Employer certifies that all terms and conditions will be administered in a uniform and non-discriminatory manner.

In Witness Whereof, the employer hereby caused these Guidelines to be executed

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
Day of the Month Month Year

EMPLOYER

By: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

# Maximum Loan Amount Worksheet

The maximum amount a participant can borrow from his or her account is \$50,000 or 50% of the account balance, whichever is less. However, the amount must be reduced by a participant's highest outstanding loan balance over the past 12 months (which, obviously, only impacts participants who have previously taken a loan from a 457 or qualified 401 plan). The minimum amount a participant can borrow is \$1,000.

## EXAMPLE 1

Michael has never taken a loan from his account before and his 457 plan account balance at the close of business yesterday was \$84,000. To calculate the maximum loan amount he is eligible to receive, we need to determine if 50% of his account balance ( $\$84,000 \times 50\% = \$42,000$ ) is greater than or less than \$50,000. In this case, 50% of his account balance is less than \$50,000, so the maximum loan amount Michael is eligible to receive is \$42,000.

## EXAMPLE 2

Kathy has never taken a loan from her account before and her 401 plan account balance at the close of business yesterday was \$240,000. In this case, 50% of Kathy's balance ( $\$240,000 \times 50\% = \$120,000$ ) is greater than \$50,000, so the maximum loan amount Kathy is eligible to receive is \$50,000 (the lesser of the two amounts).

## EXAMPLE 3

Pam took a \$15,000 loan from her account eight months ago (in the previous calendar year) and her 457 plan account balance at the close of business yesterday was \$130,000. In this case, 50% of Pam's balance ( $\$130,000 \times 50\% = \$65,000$ ) is greater than \$50,000, but that amount must also be reduced by her highest outstanding loan balance over the past 12 months, so the maximum loan amount Pam is eligible to receive is \$35,000. ( $\$65,000 - \$15,000 = \$35,000$ )

## MAXIMUM LOAN AMOUNT WORKSHEET

<b>Worksheet Template</b>		<b>Example</b> <i>(using numbers from Example 3 above)</i>
1) Enter 50% of the participant's total plan account balance.	1) \$ _____	1) \$65,000
2) Enter the answer to #1 or \$50,000, whichever is less.	2) \$ _____	2) \$50,000
3) Enter the participant's highest outstanding loan balance over the past 12 months (from all of your plans combined), if applicable.	3) - \$ _____	3) - \$15,000
4) Subtract #3 from #2 and you have the maximum amount the participant is eligible to receive as a new loan.	4) \$ _____ <i>(maximum loan amount)</i>	4) \$35,000



# SUGGESTED RESOLUTION FOR A LEGISLATIVE BODY RELATING TO AMENDING A RETIREMENT PLAN TO PERMIT LOANS

401 Money Purchase Plan # 10 \_\_\_\_\_

401 Profit-Sharing Plan # 10 \_\_\_\_\_

457 Deferred Compensation Plan # 304 6 5 2

Name of Employer: City of Tehachapi State: CA

Resolution of the above named Employer ("Employer")

WHEREAS, the Employer has employees rendering valuable services; and

WHEREAS, the Employer has established a retirement plan (the "Plan") for such employees which serves the interest of the Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that permitting participants in the retirement plan to take loans from the Plan will serve these objectives;

NOW THEREFORE BE IT RESOLVED that the Plan will permit loans.

I, \_\_\_\_\_, Clerk of the (City, County, etc.) of \_\_\_\_\_, do hereby certify that the foregoing resolution, proposed by (Council Member, Trustee, etc.) \_\_\_\_\_, was duly passed and adopted in the (Council, Board, etc.) of the (City, County, etc.) of \_\_\_\_\_ at a regular meeting thereof assembled this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, by the following vote:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
CLERK OF THE (CITY, COUNTY, ETC.)

Mail or fax copies of all completed documents to ICMA-RC.

Fax to:  
Workflow Management Team  
202-682-6439

OR

Mail to:  
ICMA-RC  
ATTN: Workflow Management Team  
P.O. Box 96220  
Washington, DC 20090-6220



# 457 PLAN LOAN ADMINISTRATION AGREEMENT

This Agreement is not required if you have 1) only one 457 plan provider or 2) more than one plan provider each with its own plan document and provisions unique to each provider. The Agreement only applies if you have adopted a single 457 plan document under which ICMA-RC and one or more other provider(s) must operate. Please refer to the Multiple Plans/Providers section of the Loan Guidelines Agreement Instructions for more details.

This Agreement shall serve as an Addendum to the Loan Guidelines established by the Employer identified below and as an Addendum to the Administrative Services Agreement (ASA) made by and between the ICMA Retirement Corporation (ICMA-RC) and the Employer.

The Employer currently sponsors a section 457 deferred compensation plan administered by two or more providers (co-provider plan). In order to ensure the efficient administration of the loan program established by the Employer, the Employer hereby agrees and declares that

- (1) For purposes of issuing loans from the plan, that portion of the plan's assets administered by ICMA-RC will be treated as though it were a separate and distinct plan.
- (2) The Employer shall calculate the amount a participant may borrow from the ICMA-RC administered portion of the plan. No loan amount may exceed the lesser of (a) the maximum loan amount specified in Internal Revenue Code section 72(p)(2)(A) or (b) 50% of the participant's ICMA-RC-administered account balance.
- (3) All loan repayments must be made to the participant's ICMA-RC-administered account for the life of the loan.

AGREED as of the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_:

Name of Employer: City of Tehachapi

State: CA

Employer Plan Number: 304 6 52

Authorized Official (Print Name): \_\_\_\_\_

Signature of Authorized Official: \_\_\_\_\_

Mail or fax copies of all completed documents to ICMA-RC.

Fax to:  
Workflow Management Team  
202-682-6439

OR

Mail to:  
ICMA-RC  
ATTN: Workflow Management Team  
P.O. Box 96220  
Washington, DC 20090-6220

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
TEHACHAPI AMENDING A 457 RETIREMENT PLAN TO PERMIT  
LOANS**

WHEREAS, the employer has employees rendering valuable services; and

WHEREAS, the Employer has established a retirement plan (the "Plan") for such employees which serves the interest of the Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that permitting participants in the retirement plan to take loans from the Plan will serve these objectives;

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

1. That the Plan will permit loans.

PASSED AND ADOPTED on the 5th day of October, 2015 at a regular meeting of the City Council of the City of Tehachapi by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

---

SUSAN WIGGINS, MAYOR  
City of Tehachapi, California

ATTEST:

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TORI MARSH, CITY CLERK  
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 October 5, 2015.

---

TORI MARSH, City Clerk  
City of Tehachapi, California



APPROVED  
DEPARTMENT HEAD: \_\_\_\_\_  
CITY MANAGER: \_\_\_\_\_

# COUNCIL REPORTS

**MEETING DATE:** OCTOBER 5, 2015    **AGENDA SECTION:** CITY MANAGER

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**TO:** HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

**FROM:** GREG GARRETT, CITY MANAGER

**DATE:** September 28, 2015

**SUBJECT:** Approval of Bond Tender Agreement ("Agreement") for Satisfaction of Delinquent Assessment District 1989-2 Assessments on Kern County APNs 223-490-02, 223-490-03, 223-490-06 AND 223-490-11 (the "Property") between the City of Tehachapi ("CITY"), on behalf of Assessment District No. 1989-2 ("District"), and Tower Investments, LLC ("Tower")

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On or about February 5, 1990, the CITY, pursuant to the provisions of the Municipal Improvement Act of 1913 and the Improvement Bond Act of 1915 formed Assessment District No. 1989-2 (the "DISTRICT"); and, thereafter, the DISTRICT levied a special assessment and imposed a special assessment lien upon all property within the DISTRICT, including the unimproved Property (referenced above). When the special assessments secured by a specific property are not paid and become delinquent, then the CITY is obligated under the bond documents to bring an action to judicially foreclose the special assessment lien on that property.

At this time, installments of DISTRICT special assessments that have been levied on the Property are delinquent and unpaid for a variety of Tax Years starting from 1991/92 through 2009/10 as more specifically set forth on the spreadsheet marked as Exhibit "A" to the proposed Bond Tender Agreement attached to this Staff Report. The CITY previously requested these installments be removed from the Kern County Tax Roll and forwarded to the CITY's foreclosure counsel to conduct foreclosure proceedings and judicial foreclosure judgments have been entered in such proceedings and recorded against the Property.

On June 4, 2001, the CITY adopted a Policy and Procedure to Facilitate Payment of Assessments and Development of Property within City of Tehachapi Assessment District No. 89-2 (the "Policy"), and the Policy was subsequently amended on January 21, 2003, and September 2, 2003. Pursuant to the Policy and State law, the CITY is authorized to permit the redemption of delinquent property within the DISTRICT through the tendering of DISTRICT bonds in lieu of enforcing foreclosure judgments through execution sales at considerable cost.

Tower, which currently owns the Property after acquiring title through County tax sales, acknowledges that the delinquencies set forth in Exhibit "A" to the proposed Agreement remain unpaid and, in lieu of a total cash payment, wishes to tender certain DISTRICT bonds in satisfaction of delinquencies in order to redeem the Property. Tower currently owns DISTRICT bonds as set forth on Exhibit "B" to the proposed Agreement, with a tender value of \$546,157.07, and of which Tower wishes to tender \$542,007.02 in satisfaction of the delinquent assessments for the Property leaving a residual credit of \$4,080.05 to be held and used for the

payment of future assessments or delinquencies. Tower will also pay \$50,000 to offset the CITY's fees and costs and Tower will pay all escrow fees, recording, title and closing costs.

Staff notes that defaulted properties like the Property cause problems for the CITY and DISTRICT bondholders. First, the bondholders are not receiving the payments they are supposed to be receiving. Also, the CITY must continue to pay administrative and judicial foreclosure costs. These costs are advanced by the CITY's General Fund. When there is a successful foreclosure sale, the bondholders are paid and costs are recouped by the CITY. However, to date, the CITY has not had a successful foreclosure against the Property and Staff sees no light at the end of the tunnel due to the PROPERTY's low property value relative to the special assessment delinquencies. Second, while burdened with the high and uncollectible delinquencies, properties lay unused, and undeveloped. This causes a problem in attracting potential business ventures due to lack of available properties. It also perpetuates the lack of payment being suffered by the bondholders.

### **OPTIONS**

1. Approve the proposed Bond Tender Agreement.
2. Not approve the proposed Bond Tender Agreement and continue to seek to judicially foreclose the assessment lien judgments against the Property.

### **RECOMMENDATION**

**Staff recommends that the Council approve the Bond Tender Agreement which provides for the waiver of all accrued DISTRICT penalties and interest and approves the satisfaction of the principal of the special assessments secured by the Property through the redemption of DISTRICT bonds with the cumulative value of \$542,007.02, on the terms set forth in the proposed Agreement. Execution of the approved Bond Tender Agreement will result in the satisfaction of all delinquent DISTRICT assessments against the PROPERTY, satisfaction of the outstanding DISTRICT judgments recorded against the Property and settlement of all judicial foreclosure actions by the DISTRICT against the Property, and will leave Tower with a residual credit of \$4,080.05 to be held and used for the payment of future DISTRICT assessments or delinquencies.**

**BOND TENDER AGREEMENT FOR SATISFACTION OF DELINQUENT  
ASSESSMENT DISTRICT 1989-2 ASSESSMENTS  
(KERN COUNTY APN'S 223-490-02, 223-490-03, 223-490-06 AND 223-490-11)**

This Agreement is made as of September 25, 2015, by and between the City of Tehachapi ("CITY") on behalf of Assessment District No. 1989-2 (hereinafter "DISTRICT"), and Tower Investments, LLC, a Delaware limited liability company, owner of Kern County Assessor's Parcel Numbers **223-490-02**, **223-490-03**, **223-490-06** AND **223-490-11** (hereinafter "OWNER"), with regard to the outstanding special assessment delinquencies on these parcels ( the "Property").

**RECITALS**

**WHEREAS**, on or about February 5, 1990, the CITY, pursuant to the provisions of the Municipal Improvement Act of 1913 and the Improvement Bond Act of 1915 formed Assessment District No. 1989-2 ("AD 89-2"); and, thereafter, the DISTRICT levied a special assessment and imposed a special assessment lien upon all property within the assessment district, including the Property which, pursuant to the CITY's obligations under the bond documents, must be foreclosed upon when delinquent; and

**WHEREAS**, on or about July 19, 1990, the DISTRICT issued the City of Tehachapi Limited Obligation Improvement Bonds, Summit Assessment District, in the amount of \$2,874,000; and

**WHEREAS**, on June 4, 2001, the CITY adopted a Policy and Procedure to Facilitate Payment of Assessments and Development of Property Within City of Tehachapi Assessment District No. 89-2 (the "Policy"), and the Policy was subsequently amended on January 21, 2003, and September 2, 2003; and

**WHEREAS**, installments of Special Assessments have been levied on the Property and are delinquent and unpaid for a variety of Tax Years starting from 1991/92 through 2009/10 as more specifically set forth on the attached spreadsheet marked as Exhibit "A" and incorporated herein by reference; and, on this basis, the CITY previously requested these installments be removed from the Kern County Tax Roll and forwarded to foreclosure counsel to conduct foreclosure proceedings and judicial foreclosure judgments have been entered in such proceedings and recorded against the Property; and

**WHEREAS**, pursuant to the Policy and State law, the CITY is authorized to permit the redemption of delinquent property within the DISTRICT in lieu of enforcing foreclosure judgments through execution sales at considerable cost; and

**WHEREAS**, OWNER acknowledges that the delinquencies set forth in Exhibit "A" remain unpaid and, in lieu of a total cash payment, wishes to tender certain AD 89-2 bonds in satisfaction of delinquencies in order to redeem the Property; and

**WHEREAS**, OWNER currently owns AD 89-2 Bonds as set forth on Exhibit "B" attached hereto and incorporated herein by reference, with a tender value of \$546,157.07, and of which OWNER wishes to tender \$542,007.02 in satisfaction of the delinquent assessments for the

Property leaving a residual credit of \$4,080.05 to be held and used for the payment of future assessments or delinquencies; and

**WHEREAS**, CITY acknowledges that, if it declines this proposed satisfaction of the delinquent AD 89-2 assessments against the Property, it will be obligated to continue to spend funds to proceed with judicial foreclosure actions against the Property, however, given the history of failed sales in such actions and the current value of the Property, execution sales of the Property are unlikely to result in satisfaction of the delinquent assessments, penalties and interest.

**NOW, THEREFORE**, finding it to be in the best interest of the Bondholders, the DISTRICT, the CITY, and the OWNER (collectively, the "Parties"), and to facilitate the satisfaction of the AD 89-2 delinquencies and the redemption of the Property from foreclosure, and in consideration of the above recitals, and the covenants, conditions and promises contained below, the Parties agree as follows:

1. The cumulative redemption price for the Property is \$542,007.02 which includes waiver of all accrued AD 89-2 penalties and interest as delineated on the spreadsheet attached hereto as Exhibit "A" and incorporated herein by this reference.
2. On or before September 30, 2015, OWNER will (i) submit the Bonds listed in Exhibit "B" to the AD 89-2 Trustee for handling, and (ii) submit a cashier's check in the amount of \$50,000.00, payable to the City of Tehachapi, along with (iii) a signed copy of this Agreement to the escrow for this transaction open with First American Title Company.
3. On or before September 30, 2015, CITY will submit (i) a signed copy of this Agreement, and (ii) Acknowledgments of Satisfaction of Judgment (partial or full) with regard to all judgments against the Property entered on behalf of the DISTRICT, to the escrow for this transaction open with First American Title Company.
4. Upon receipt of OWNER's cashier's check and the signed Agreement, and upon OWNERS' tender of the Bonds listed in Exhibit "B" as provided herein, (z) the AD 89-2 Trustee will cancel the tendered Bonds in full satisfaction of the outstanding AD 89-2 delinquencies on the Property leaving a residual credit of \$4,080.05 with the DISTRICT for the payment of future assessments or delinquencies, (y) the escrow shall release the Acknowledgments of Satisfaction of Judgment to OWNER for filing with the Court and/or recordation with the County Recorder's Office, and (x) the escrow shall release the OWNER's cashier's check to CITY.
5. OWNER shall be responsible for paying all escrow fees, recording, title and closing costs.
6. This Agreement is entered into by each of the parties without reliance upon any statement, representation, agreement, arrangement, or understanding, oral or written between and among the parties hereto, relating to the redemption of the Property which are not fully expressed herein. This Agreement constitutes the entire arrangement between the parties and supersedes any prior written or oral Agreement or understanding between or among said parties concerning the settlement of all claims between the DISTRICT and OWNER.

7. This Agreement provides for the payment and satisfaction of all delinquent AD 89-2 assessments relating to the above referenced Property, and has no effect upon, nor shall it be construed as affecting, the ad valorem property taxes or any other liens against the subject Property.

8. This Agreement shall not be amended or modified except in a writing expressly stating its amendment and signed by each of the parties affected by such amendment or modification.

9. The drafting and negotiation of this Agreement has been participated in by each of the Parties; thus, for all purposes, this Agreement shall be deemed to have been drafted jointly by each of the Parties.

10. This Agreement shall be construed in accordance with the Constitution and laws of the State of California.

11. The signature pages of this Agreement may be executed in counterparts, each of which shall be deemed to be an original, but such counterparts, when taken together, shall constitute but one Agreement.

**ACCEPTED AND AGREED TO BY:**

---

Steve Marks, Jr., Senior Vice President  
Tower Investments, LLC  
A Delaware Limited Liability Company

City of Tehachapi on behalf of Assessment District  
89-2

---

By: Greg Garrett, City Manager

Exhibit A

Tower Investments LLC  
 Tehachapi AD 89-2  
 Tower Owned Bond Valuation  
 As of: August 31, 2015

A	Tower Owned Bonds (1)			Delinquent AD 89-2 Bonds			Tower Bond Value				
	B	C	D	E	F	G	H	I	J	K	L
Certificate No.	CUSIP	Interest Rate	Maturity	Bonds Face Value	Delinquent Principal	Accrued Interest on Delinquent (2)	Bonds by Series Face Value	% Of Delinquent	Accrued Interest on Tower Bonds	Total Bond Value	Proposed Bond Tender
R-626	879019CD7	7.000%	9/2/1997	\$25,000.00	\$115,000.00	\$ 84,557.65	\$25,000.00	21.74%	\$18,382.10	\$43,382.10	\$ 43,382.10
R-652	879019CE5	7.100%	9/2/1998	50,000.00							
Bk Entry	879019CE5	7.100%	9/2/1998	10,000.00	110,000.00	159,775.18	60,000.00	54.55%	\$87,150.10	147,150.10	147,150.10
R-646	879019CF2	7.200%	9/2/1999	5,000.00							
Bk Entry	879019CF2	7.200%	9/2/1999	5,000.00	95,000.00	139,931.14	10,000.00	10.53%	\$14,729.59	24,729.59	24,729.59
Bk Entry	879019CG0	7.300%	9/2/2000	10,000.00	95,000.00	141,874.64	\$10,000.00	10.53%	\$14,934.17	24,934.17	24,934.17
R-651	879019CL9	7.550%	9/2/2004	60,000.00	90,000.00	139,010.54	\$60,000.00	66.67%	\$92,673.69	152,673.69	152,673.69
R-644	879019CN5	7.600%	9/2/2006	5,000.00							
R-645	879019CN5	7.600%	9/2/2006	5,000.00	135,000.00	209,896.71	10,000.00	7.41%	\$15,547.90	25,547.90	25,547.90
Bk Entry	879019CP0	7.600%	9/2/2007	25,000.00							
Bk Entry	879019CP0	7.600%	9/2/2007	20,000.00	95,000.00	147,705.09	45,000.00	47.37%	\$69,965.57	114,965.57	114,965.57
Bk Entry	879019CQ8	7.600%	9/2/2008	5,000.00	110,000.00	171,026.95	\$5,000.00	4.55%	\$7,773.95	12,773.95	12,773.95
R-649	879019CR6	7.600%	9/2/2009	20,000.00	195,000.00	303,184.13	\$20,000.00	10.26%	\$31,095.81	51,095.81	
Bk Entry	879019CS4	7.600%	9/2/2010	20,000.00							
Bk Entry	879019CS4	7.600%	9/2/2010	95,000.00	160,000.00	248,766.46	115,000.00	71.88%	\$178,800.89	293,800.89	
TOTAL				\$360,000.00	\$1,200,000.00		\$360,000.00		\$531,053.77	\$891,053.77	\$546,157.07

(1) Source: Tower Investments LLC

(2) Accrued and unpaid interest from date of last full interest payment 9/2/1994 through August 31, 2015

**Exhibit B**

**Tower Investments LLC  
 Tehachapi AD 89-2  
 Assessment Delinquencies on Identified Parcels  
 Through Date: August 31, 2015**

Assessor Parcel No.	A	B	C	D	E	F	Total
	Total Delinquent Assessments (1)	Late Penalties (2)	Interest through Date (3)	Total Penalties & Interest	Delinquent Penalties & Interest Due		
223-490-02	\$177,241.58	\$17,724.16	\$474,685.08	\$492,409.24	\$669,650.82		
223-490-03	121,588.52	12,158.85	309,132.20	321,291.05	442,879.57		
223-490-06	121,588.40	12,158.84	309,132.20	321,291.04	442,879.44		
223-490-11	121,588.52	12,158.85	309,132.20	321,291.05	442,879.57		
<b>Total</b>	<b>\$542,007.02</b>	<b>\$54,200.70</b>	<b>\$1,402,081.68</b>	<b>\$1,456,282.38</b>	<b>\$1,998,289.40</b>		

(1) Includes Delinquent Principal, Interest and Administration  
 (2) Penalties represent 10% of the installment amounts not paid on December 10 and April 10 of each fiscal year .  
 (3) Interest is calculated at 1.5% per month starting July 1st after delinquent tax year.  
 Source: Kern County as compiled by Willdan Financial Services