



CITY OF DEL REY OAKS

650 CANYON DEL REY RD. • DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 • FAX (831) 394-6421

AGENDA REGULAR MEETING OF THE CITY OF DEL REY OAKS CITY COUNCIL TUESDAY, JANUARY 27, 2015 AT 6:00 P.M. CHARLIE BENSON MEMORIAL HALL, CITY HALL

1. 6:00 P.M. - ROLL CALL – *Council*
2. PLEDGE OF ALLEGIANCE
3. PRESENTATION
Regional Urban Design Guidelines for the Former Fort Ord
4. PUBLIC COMMENTS:
Anyone wishing to address the City Council on matters not appearing on the Agenda may do so now. The public may comment on any other matter listed on the Agenda at the time the matter is being considered. *There will be a time limit of not more than three minutes for each speaker. No action will be taken on matters brought up under this item and all comments will be referred to staff.*
5. CONSENT AGENDA: *Action Items*
 - A. MINUTES:
 1. December 16, 2014 City Council Meeting
 2. December 10, 2014 Planning Commission Meeting - Cancelled
 - B. MONTHLY REPORTS:
 1. Claims, December 2014
 2. Unpaid Bills Detail, All
 3. Financials, December 2014 vs. December 2013
 4. Fire Department Response Report, December 2014
 5. Police Activity Report, December 2014

6. OLD BUSINESS: None

7. NEW BUSINESS

- A. Consider Resolution 2015-01, A Resolution of the City Council of the City of Del Rey Oaks consenting to the inclusion of properties within the City's Jurisdiction in the California HERO Program to Finance Distributed Generation Renewable Energy Sources, energy and water efficiency improvements and electric vehicle charging infrastructure and approving the amendment to a certain joint powers agreement related thereto.

- B. Consider Agreement for Contract Planning Services between the City of Del Rey Oaks and BGF Planning Consultant (Brian Foucht)

- C. Consider Resolution 2015-02, An Amendment to the Classification and Salary Plan of the City of Del Rey Oaks to add the position of "Assistant to the City Manager".

8. STAFF REPORTS:

- A. City Manager Report

9. MAYOR AND COUNCIL REPORTS

10. CORRESPONDENCE:

- A. Email from Seaside Police Sergeant Nicholas Borges regarding Office Ingersoll's assistance.

11. CLOSED SESSION: As permitted by Government Code Section 54956 et. seq. the Council may adjourn to a Closed Session to consider specific matters dealing with certain litigation, personnel, or labor/real property negotiations.

- A. None

Del Rey Oaks Council Meeting Agenda – January 27, 2015

12. **SET NEXT MEETING DATE:** Establish Tuesday, **February 24, 2015**, at 6:00 P.M. as the date and time of the Council's next regular meeting.

13. **ADJOURNMENT**

Information distributed to the Council at the meeting becomes part of the public record. A copy of written material, pictures, etc. must be provided to the secretary for this purpose. All enclosures and materials regarding these agenda items are available for public review at the Del Rey Oaks City Hall, 650 Canyon Del Rey Road, Del Rey Oaks.

CITY OF DEL REY OAKS CITY COUNCIL REGULAR MEETING CONVENED AT 6:00 P.M. ON TUESDAY, DECEMBER 16, 2014 IN THE CHARLES BENSON MEMORIAL HALL, CITY HALL

Present: Council Member Ventimiglia, Cecilio, Vice Mayor Clark, and Mayor Edelen
Council Member Cecilio stepped down and Council Member Lintell took the dais at 6:20 p.m.

Absent: Council Member Allion

Also present: City Attorney Trujillo, City Manager Dawson and Deputy City Clerk Carvalho

Meeting came to order at 6:00 p.m. and roll call was taken.

PLEDGE OF ALLEGIANCE: Led by Council Member Cecilio

PUBLIC COMMENT:

Dan Turner, Monterey: With Public Water Now. Talked about CalAm increasing water fees and the manipulation of the law. Public Water Now will be filing against them with the PUC.

CONSENT AGENDA:

The Council considered the Consent Agenda:

Minutes: November 18, 2014 City Council Meeting and November 12, 2014 Draft Planning Commission Meeting.

Monthly Reports: Claims, Unpaid Bills Detail, Financials, Fire Department Response Report and Police Activity Report for November 2014

Miscellaneous: 2015 City Council and Planning Commission Calendar for Meetings and 2015 Regional Agencies Boards & Committees Representatives Appointment List

Mayor Edelen: Pulled 4.B.3. and asked the City Manager to explain 2 section.

City Manager Dawson: The negative amount in Street Opening Permit fees was because of a credit memo and the miscellaneous revenue of \$1,350,970.83 was the proceeds of the loan and is one-time revenue.

Motion to approve: Council Member Ventimiglia

Second: Vice Mayor Clark

Public Comment: None

Vote: 4-0

Old Business: None

New Business:

Mayor Edelen: Moving item 6.G. Recognition of Council Member Cecilio and item 6.F. Canvas of the vote to the top of the agenda.

The Council considered **ITEM 6.G. Recognition of Council Member Cecilio**

Mayor Edelen: He stated Council Member Cecilio (Jeff) has been diligent in his duties as a council member and we would like to present him with a proclamation. He read it into the record and stated he's known Jeff for many years and is his neighbor. He is not shy and appreciates his guts and steadfastness in looking after the City.

Council Member Ventimiglia: Known him for many years both professionally and personally. Jeff is one of the guys that will always do what he says.

Vice Mayor Clark: Thinks he has really grown and matured and become a better person and for having the heart of the City in mind.

City Attorney Trujillo: Genuine, passion and sincerity. He exemplifies what we want in a council member.

City Manager Dawson: Stated when he came here and was waiting in his hotel room for his interview he was doing a lot of research on the city and the council members but Jeff's was blank. He was really nervous and prayed that he made it through this interview and asked that he connect with one person on the council from his heart. He connected with Jeff instantaneously, they had a connection right from the start. It made his interview here what it was and he was able to be himself. This has been the most fabulous job he's ever had and Jeff is his brother from another mother. He stated he loves Jeff's family and lives vicariously through him stating he has a heart of gold and that he loves this man!

Council Member Cecilio: Thanked everyone for their comments and thanked the staff and said he will miss it here. Thanked the Mayor for being straight with him and Mike (Council Member Ventimiglia) for getting him to run in the first place. He thanked Kristin (Vice Mayor Clark) because she's taught him a lot. He stated that he and Daniel (City Manager Dawson) connected and he thanked everyone for making his tenure here really wonderful. He thanked his family for always being there and knowing what he needed when he'd come home after a council meeting.

The Council considered **ITEM 6.F., Resolution 2014-19, A Resolution of the City Council of the City of Del Rey Oaks canvassing the November 4, 2014, General Election for Two City Council seats and the Mayor's Seat.**

City Manager Dawson: This is verifying the votes that the Mayor, Council Member Allion and Council Member Lintell were elected to office.

Motion to approve: *Vice Mayor Clark*
Second: *Council Member Ventimiglia*
Public Comment: *None*
Vote: *4-0*

Mayor Edelen: Swore in Pat Lintell to the position of Council Member.
(*Council Member Lintell took the dais*)

The Council considered **ITEM 6.A.**, Resolution 2014-14, A Resolution of the City Council of the City of Del Rey Oaks Authorizing the City Manager to Execute and Agreement with Tim Meroney for Building Inspection and Plan Review Services.

AND

The Council considered **ITEM 6.B.**, Resolution 2014-15, A Resolution of the City Council of the City of Del Rey Oaks Authorizing the City Manager to Execute and Agreement with Mike Rachel for Building Inspection Services

City Manager Dawson: These two contracts are basically the same one for Tim Meroney and the other for Mike Rachel. These were created because Monterey didn't have the staff to do our plan checks and building inspections. Outside services were required. In the agreement liability insurance is required but because of the small size of the contract and because our insurance through MBASIA will cover them this requirement will be removed.

Vice Mayor Clark: Asked why we need two people?

City Manager Dawson: Stated that each of them work park time so they back each other up.

Motion to approve with change of insurance requirement: *Council Member Ventimiglia*

Second: *Vice Mayor Clark*

Public Comment: *None*

Vote: *4-0*

The Council considered **ITEM 6.C.**, Resolution 2014-16, A Resolution of the City Council of the City of Del Rey Oaks Authorizing the City Manager to Execute a Lease Agreement with Del Rey Oaks Garden Center.

City Manager Dawson: Topes decided they are not going to move forward with the project. The original team that put the plan together Mark Bordonaro and Frank Lucido have found another person interested in doing this same project. They are now working with Mr. Mori of Seaside Garden Center. Without Topes there will be no saw shop, no tree trimming services, etc. Happy to be able to move a project forward.

Mayor Edelen: If they decide to go ahead with the lease agreement they have to state that they are approving the findings of the Planning Commission and all CEQA requirements. Accepts all the conditions imposed by the Planning Commission.

Council Member Lintell: Stated she needs to recues herself because she lives too close to the project. (*She left the dais*)

Council member Ventimiglia: Nothing has really changed just the name of the owner correct?

City Manager Dawson: Correct

Vice Mayor Clark: All the traffic issues have been taken care of by the Planning Commission.

PUBLIC COMMENT:

Jeff Cecilio, Del Rey Oaks: Stated that Seaside Garden Center behind the dollar store in Fremont is really, really nice and thinks it will be a good project for Del Rey Oaks

Pat Lintell, Del Rey Oaks: Just found out tonight that it’s a whole different project. Likes the name Del Rey Oaks Garden Center. What type of product will be sold, wood, etc? Will there be delivery trucks? Between what hours? Will it be covered so it doesn’t blow off the trucks? What hours will they be operating? Will there be definite hours? How many days a week will they be open? If they have bins of product will there be trees planted to make them not so visible from Canyon Del Rey. If larger trucks will be delivering to them, how many large trucks will be coming down Rosita? Should a traffic study be done? Where will the signage be and what size will they be? Is it a 5 year lease? Topes had talked about a pathway will the new organization do the same thing? A path is very important.

City Manager Dawson: The resolution before the council will be discussing the lease. All her questions except the lease date and pathway were answered in the Planning Commission meeting on November 7th. The lease is for 5 years and a public easement will be required at least one car width wide.

Motion to approve lease agreement: *Council Member Ventimiglia*
Second: *Vice Mayor Clark*
Public Comment: *None further*
Vote: *3-0*
(Council Member Lintell: Returned to the dais)

The Council considered **ITEM 6.D.**, Resolution 2014-17, A Resolution of the City Council of the City of Del Rey Oaks canvassing the November 4, 2014, General Election for Measure R, Local Transactions and Use Tax.

AND

The Council considered **ITEM 6.E.**, Resolution 2014-18, A Resolution of the City Council of the City of Del Rey Oaks Authorizing the City Manager to Execute Agreements with the State Board of Equalization for Implementation of a local Transactions and Use Tax.

City Manager Dawson: These two items should be pretty familiar to the council because these are the same as the original 1 cent sales tax. This certifies that this tax passed and gives the County authority to collect the taxes.

Council Member Ventimiglia: When will we receive this money?

City Manager Dawson: Starts in January and will receive the first payment in April.

Mayor Edelen: He was the one person who voted against this but he was wrong and knows this was a good thing.

Motion to approve: *Council Member Ventimiglia*
Second: *Vice Mayor Clark*
Public Comment: *None*
Vote: *4-0*

STAFF REPORTS:

City Manager Dawson: Has been attending all his meetings but doesn’t have any reports.

MAYOR AND COUNCIL REPORTS

Council Member Ventimiglia: No meetings in December so nothing to report.

Vice Mayor Clark: Attended MST and the Santa’s workshop.

Mayor Edelen: Santa’s workshop was a phenomenal success. Stated the city holiday party was the best we’ve ever had it was phenomenal party and appreciates the staff’s hard work.

Vice Mayor Clark: Thanked Pat (Council Member Lintell) for being one of the volunteers at Santa’s workshop.

Jeff Cecilio, Del Rey Oaks (As former Council Member Cecilio): Attended Seaside Sanitation and Mosquito abatement nothing to report. Stated the Christmas party was awesome.

CORRESPONDENCE:

Mayor Edelen: Noted Office Olmos awards and Chief letter from Seaside. Thanked the Police Department for all their hard work.

CLOSED SESSION:

Mayor Edelen: Announced the item to be heard in closed session and opened public comment regarding this item.

- A. Conference with Legal Counsel – Anticipated Litigation
Claim against City with significant exposure to litigation pursuant to subdivision (b) of Section 54965.9: 1 Case

6:48 p.m., Adjourned to closed session

7:04 p.m. Convened into open session

City Manager Dawson: Reported that the Council rejected the claim against the city and authorized him to send the rejection letter.

7:05 p.m. Adjourned to next meeting date, Tuesday, January 27th, 2015 at 6 p.m.

Attest:

Date:



CITY OF DEL REY OAKS

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December 4, 2014

-NOTICE-

NOTICE IS HEREBY GIVEN THAT THE REGULAR
DEL REY OAKS PLANNING COMMISSION MEETING:

WEDNESDAY, DECEMBER 10, 2014 AT 6:00 P.M.

HAS BEEN CANCELLED
DUE TO A LACK OF ITEMS TO BE HEARD

THE NEXT REGULAR SCHEDULED PLANNING COMMISSION
MEETING WILL BE HELD ON:

WEDNESDAY, JANUARY 14, 2015 AT 6:00 P.M.

AT THE CHARLIE BENSON MEMORIAL HALL,
650 CANYON DEL REY ROAD, DEL REY OAKS

KAREN MINAMI
Deputy City Clerk

CITY OF DEL REY OAKS
Claims Report
December 2014

Date	Num	Name	Memo	Amount
AFLAC				
12/01/2014	14630	AFLAC	DEC 14 EMPLOYEE PAID PREMIUM INV. 0496235	281.80
12/22/2014	EFT11302017	AFLAC	VOID: JAN 15 EMPLOYEE PAID PREMIUM INV. ...	
12/22/2014	EFT11302017	AFLAC	VOID: JAN 15 EMPLOYEE PAID PREMIUM INV. ...	
12/22/2014	14676	AFLAC	JAN 15 EMPLOYEE PAID PREMIUM INV. 0496235	281.80
Total AFLAC				563.60
AT&T CAL NET 2				
12/01/2014	14631	AT&T CAL NET 2	PHONE 9/19/14-10/18/14	236.89
12/22/2014	EFT11302018	AT&T CAL NET 2	VOID: PHONE 10/19/14-11/18/14	
12/22/2014	EFT11302018	AT&T CAL NET 2	VOID: PHONE 10/19/14-11/18/14	
12/22/2014	14677	AT&T CAL NET 2	PHONE 10/19/14-11/18/14	230.16
Total AT&T CAL NET 2				467.05
BARTEL ASSOCIATIONS, LLC				
12/01/2014	14632	BARTEL ASSOCIA...		3,281.25
Total BARTEL ASSOCIATIONS, LLC				3,281.25
BROWN&BROWN INSURANCE				
12/01/2014	14633	BROWN&BROWN I...	Installment payment on Crime Policy inv. 36028 201...	500.00
Total BROWN&BROWN INSURANCE				500.00
CAJPA				
12/22/2014	EFT11302019	CAJPA	VOID: INV. 7440198	
12/22/2014	EFT11302019	CAJPA	VOID: INV. 7440198	
12/22/2014	14678	CAJPA	INV. 7440198	350.00
Total CAJPA				350.00
CALIFORNIA-AMERICAN WATER				
12/01/2014	14634	CALIFORNIA-AME...	WATER 10/21/14-11/18/14	465.08
Total CALIFORNIA-AMERICAN WATER				465.08
CALIFORNIA COMPLIANT VEHICLES				
12/01/2014	14635	CALIFORNIA COM...	TIME AND MATERIAL ON PD & PW UNITS(#61&...	744.16
Total CALIFORNIA COMPLIANT VEHICLES				744.16
CARVALHO, KIMBERLY R				
12/15/2014	14672	CARVALHO, KIMB...	Wellness Benefit	95.00
Total CARVALHO, KIMBERLY R				95.00
CENTRAL COAST TREE AND TIMBER SERV				
12/22/2014	EFT11302020	CENTRAL COAST ...	VOID:	
12/22/2014	EFT11302020	CENTRAL COAST ...	VOID:	
12/22/2014	14679	CENTRAL COAST ...		2,030.00
Total CENTRAL COAST TREE AND TIMBER SERV				2,030.00
CHEVRON				
12/22/2014	EFT11302021	CHEVRON	VOID: NOV AND DEC 2014 FUEL	
12/22/2014	EFT11302021	CHEVRON	VOID: NOV AND DEC 2014 FUEL	
12/22/2014	14680	CHEVRON	NOV AND DEC 2014 FUEL	1,795.30
Total CHEVRON				1,795.30
CHRISTINA M. TRUJILLO, ATTORNEY AT LAW				
12/01/2014	14636	CHRISTINA M. TR...	LEGAL SERVICES OCT 1-31, 2014	1,250.00
12/22/2014	EFT11302022	CHRISTINA M. TR...	VOID: LEGAL SERVICES NOV 1-30, 2014	
12/22/2014	EFT11302022	CHRISTINA M. TR...	VOID: LEGAL SERVICES NOV 1-30, 2014	
12/22/2014	14681	CHRISTINA M. TR...	LEGAL SERVICES NOV 1-30, 2014	1,250.00
Total CHRISTINA M. TRUJILLO, ATTORNEY AT LAW				2,500.00
CITY OF MONTEREY				
12/01/2014	14637	CITY OF MONTER...	INV. 61910 SEPT 2014 INSPECTION COSTS	1,148.79
12/22/2014	EFT11302023	CITY OF MONTER...	VOID:	
12/22/2014	EFT11302023	CITY OF MONTER...	VOID:	
12/22/2014	14682	CITY OF MONTER...		4,179.45
Total CITY OF MONTEREY				5,328.24
CITY OF SEASIDE				

CITY OF DEL REY OAKS
Claims Report
December 2014

Date	Num	Name	Memo	Amount
12/01/2014	14638	CITY OF SEASIDE	STREET SWEEPING OCT. & NOV. 2014	2,340.70
Total CITY OF SEASIDE				2,340.70
CLEAN AIR				
12/22/2014	EFT11302024	CLEAN AIR	VOID: SMOG INSPECTIONS ON #33,#62, #61 AN...	
12/22/2014	EFT11302024	CLEAN AIR	VOID: SMOG INSPECTIONS ON #33,#62, #61 AN...	
12/22/2014	14683	CLEAN AIR	SMOG INSPECTIONS ON #33,#62, #61 AND #60	180.00
Total CLEAN AIR				180.00
CO-POWER				
12/01/2014	14639	CO-POWER	DEC 14 DELTA DENTAL PREMIUM	1,761.96
12/22/2014	EFT11302025	CO-POWER	VOID: JAN 15 DELTA DENTAL PREMIUM	
12/22/2014	EFT11302025	CO-POWER	VOID: JAN 15 DELTA DENTAL PREMIUM	
12/22/2014	14684	CO-POWER	JAN 15 DELTA DENTAL PREMIUM	1,921.94
Total CO-POWER				3,683.90
COAST COUNTIES GLASS, INC.				
12/22/2014	EFT11302026	COAST COUNTIES ...	VOID: REPLACEMENT OF (BROKEN) LIGHT CO...	
12/22/2014	EFT11302026	COAST COUNTIES ...	VOID: REPLACEMENT OF (BROKEN) LIGHT CO...	
12/22/2014	14685	COAST COUNTIES ...	REPLACEMENT OF (BROKEN) LIGHT COVERS F...	65.00
Total COAST COUNTIES GLASS, INC.				65.00
COMCAST HIGH SPEED INTERNET				
12/01/2014	14640	COMCAST HIGH S...	T.V. AND INTERNET 9/10-10/9/14	103.92
Total COMCAST HIGH SPEED INTERNET				103.92
CYPRESS COAST FORD				
12/01/2014	14641	CYPRESS COAST F...	VEHICLE REPAIR AND MAINTENANCE INV. #61	193.93
Total CYPRESS COAST FORD				193.93
DAVID LAURITS'				
12/15/2014	14674	DAVID LAURITS'	REIM. FOR SMOG INSPECITON ON K-9 UNIT	41.75
Total DAVID LAURITS'				41.75
DENISE DUFFY & ASSOCIATES				
12/05/2014	101	DENISE DUFFY & ...	ENVIRONMENTAL CONSULTING 6/16/14-8/15/14	926.25
Total DENISE DUFFY & ASSOCIATES				926.25
EMC PLANNING GROUP, INC.				
12/05/2014	102	EMC PLANNING G...	FORT ORD PLANNING SERVICES (AS PER THE ...	16,298.54
Total EMC PLANNING GROUP, INC.				16,298.54
ENTERSECT CORPORATION				
12/01/2014	14642	ENTERSECT CORP...	POLICE ONLINE SERVICE INV. 1014EP31132	79.00
12/22/2014	EFT11302027	ENTERSECT CORP...	VOID: POLICE ONLINE SERVICE INV. 1114EP31...	
12/22/2014	EFT11302027	ENTERSECT CORP...	VOID: POLICE ONLINE SERVICE INV. 1114EP31...	
12/22/2014	14686	ENTERSECT CORP...	POLICE ONLINE SERVICE INV. 1114EP31132	79.00
Total ENTERSECT CORPORATION				158.00
FIRST AMERICAN REAL ESTATE SOLUTIONS				
12/01/2014	14643	FIRST AMERICAN ...	METRO SCAN- ADDRESS SERVICE-OCT 2014	115.00
12/22/2014	EFT11302028	FIRST AMERICAN ...	VOID: METRO SCAN- ADDRESS SERVICE-NOV ...	
12/22/2014	EFT11302028	FIRST AMERICAN ...	VOID: METRO SCAN- ADDRESS SERVICE-NOV ...	
12/22/2014	14687	FIRST AMERICAN ...	METRO SCAN- ADDRESS SERVICE-NOV 2014	115.00
Total FIRST AMERICAN REAL ESTATE SOLUTIONS				230.00
FORD MOTOR CREDIT COMPANY				
12/01/2014	14644	FORD MOTOR CRE...		3,148.42
Total FORD MOTOR CREDIT COMPANY				3,148.42
GLOBALSTAR USA				
12/01/2014	14645	GLOBALSTAR USA	SATELITE PHONE OCT 2014	54.28
12/22/2014	EFT11302029	GLOBALSTAR USA	VOID: SATELITE PHONE NOV 2014	
12/22/2014	EFT11302029	GLOBALSTAR USA	VOID: SATELITE PHONE NOV 2014	
12/22/2014	14688	GLOBALSTAR USA	SATELITE PHONE NOV 2014	54.28
Total GLOBALSTAR USA				108.56

MPD
12/22/14

CITY OF DEL REY OAKS
Claims Report
December 2014

Date	Num	Name	Memo	Amount
HAYASHI & WAYLAND, INC.				
12/01/2014	14646	HAYASHI & WAYL...	PROGRESS BILLING FOR AUDITING SERVICES	2,869.00
12/22/2014	EFT11302030	HAYASHI & WAYL...	VOID: PROGRESS BILLING FOR AUDITING SER...	
12/22/2014	EFT11302030	HAYASHI & WAYL...	VOID: PROGRESS BILLING FOR AUDITING SER...	
12/22/2014	14689	HAYASHI & WAYL...	PROGRESS BILLING FOR AUDITING SERVICES	888.75
Total HAYASHI & WAYLAND, INC.				3,757.75
HOME DEPOT CRC				
12/22/2014	EFT11302031	HOME DEPOT CRC	VOID: ACCT. # 6035 3220 0248 6219 DOG PARK S...	
12/22/2014	EFT11302031	HOME DEPOT CRC	VOID: ACCT. # 6035 3220 0248 6219 DOG PARK S...	
12/22/2014	14690	HOME DEPOT CRC	ACCT. # 6035 3220 0248 6219 DOG PARK SUPPLI...	309.27
Total HOME DEPOT CRC				309.27
I.M.P.A.C.GOVERNM'T SER				
12/22/2014	EFT11302032	I.M.P.A.C.GOVERN...	VOID: MANAGING ACCOUNT #: 4246-0445-5564-...	
12/22/2014	EFT11302032	I.M.P.A.C.GOVERN...	VOID: MANAGING ACCOUNT #: 4246-0445-5564-...	
12/22/2014	14691	I.M.P.A.C.GOVERN...	MANAGING ACCOUNT #: 4246-0445-5564-9924 N...	916.57
Total I.M.P.A.C.GOVERNM'T SER				916.57
JAMES DE CHALK				
12/22/2014	EFT11302033	JAMES DE CHALK	VOID: NOV 2014	
12/22/2014	EFT11302033	JAMES DE CHALK	VOID: NOV 2014	
12/22/2014	14692	JAMES DE CHALK	NOV 2014	300.00
Total JAMES DE CHALK				300.00
JOE PONSIANO				
12/01/2014	14647	JOE PONSIANO	REMOVE OLD IRRIGATION CONTROL UNIT AN...	175.00
Total JOE PONSIANO				175.00
KELLY-MOORE PAINT CO.INC				
12/01/2014	14648	KELLY-MOORE PA...	SUPPLIES	181.82
Total KELLY-MOORE PAINT CO.INC				181.82
MARTINS' IRRIGATION SUP				
12/22/2014	EFT11302034	MARTINS' IRRIGA...	VOID: IRRIGATION SUPPLIES INV 457514	
12/22/2014	EFT11302034	MARTINS' IRRIGA...	VOID: IRRIGATION SUPPLIES INV 457514	
12/22/2014	14693	MARTINS' IRRIGA...	IRRIGATION SUPPLIES INV 457514	60.01
Total MARTINS' IRRIGATION SUP				60.01
MINAMI, KAREN L				
12/15/2014	14673	MINAMI, KAREN L	Wellness Benefit	50.00
12/15/2014	14675	MINAMI, KAREN L	Reimbursement for Holiday decorations	103.03
Total MINAMI, KAREN L				153.03
MONTEREY AUTO SUPPLY INC.				
12/01/2014	14649	MONTEREY AUTO...	SUPPLIES #63 OCT. 2014	157.92
12/22/2014	EFT11302035	MONTEREY AUTO...	VOID: SUPPLIES #63 NOV 2014	
12/22/2014	EFT11302035	MONTEREY AUTO...	VOID: SUPPLIES #63 NOV 2014	
12/22/2014	14694	MONTEREY AUTO...	SUPPLIES #63 NOV 2014	153.12
Total MONTEREY AUTO SUPPLY INC.				311.04
MONTEREY BAY AREA INSURANCE FUND				
12/01/2014	14650	MONTEREY BAY ...	2nd half of 2014-15 liability premium, due Jan. 2015	9,511.50
12/22/2014	EFT11302036	MONTEREY BAY ...	VOID: DEC 2014 WORK COMP PREMIUM 2014-1...	
12/22/2014	EFT11302036	MONTEREY BAY ...	VOID: DEC 2014 WORK COMP PREMIUM 2014-1...	
12/22/2014	14695	MONTEREY BAY ...	DEC 2014 WORK COMP PREMIUM 2014-15 \$8,33...	11,718.24
Total MONTEREY BAY AREA INSURANCE FUND				21,229.74
MONTEREY BAY TECHNOLOGIES				
12/22/2014	EFT11302037	MONTEREY BAY T...	VOID:	
12/22/2014	EFT11302037	MONTEREY BAY T...	VOID:	
12/22/2014	14696	MONTEREY BAY T...		700.00
Total MONTEREY BAY TECHNOLOGIES				700.00
MONTEREY COUNTY SHERIFF				
12/22/2014	EFT11302038	MONTEREY COUN...	VOID: INV. 114, CRIMINAL JUSTICE INFORMATI...	
12/22/2014	EFT11302038	MONTEREY COUN...	VOID: INV. 114, CRIMINAL JUSTICE INFORMATI...	

CITY OF DEL REY OAKS
Claims Report
December 2014

Date	Num	Name	Memo	Amount
12/22/2014	14697	MONTEREY COUN...	INV. 114, CRIMINAL JUSTICE INFORMATION SY...	1,735.91
Total MONTEREY COUNTY SHERIFF				1,735.91
MONTEREY COUNTY WEEKLY CLASSIFIEDS				
12/22/2014	EFT11302039	MONTEREY COUN...	VOID: MEDICAL CANNABIS ORDINANCE	
12/22/2014	EFT11302039	MONTEREY COUN...	VOID: MEDICAL CANNABIS ORDINANCE	
12/22/2014	14698	MONTEREY COUN...	MEDICAL CANNABIS ORDINANCE	196.88
Total MONTEREY COUNTY WEEKLY CLASSIFIEDS				196.88
MONTEREY PENINSULA ENGINEERING				
12/01/2014	14651	MONTEREY PENIN...	INV 10-29 STREET REPAIRS: LOS ENCINOS, AN...	14,819.04
Total MONTEREY PENINSULA ENGINEERING				14,819.04
MONTEREY PENINSULA REGIONAL WATER AUTH.				
12/01/2014	14652	MONTEREY PENIN...	VOID: 2014-15 JPA membership contribution, they i...	
12/01/2014	14652	MONTEREY PENIN...	VOID: 2014-15 JPA membership contribution, they i...	
Total MONTEREY PENINSULA REGIONAL WATER AUTH.				
MONTEREY TIRE SERVICE				
12/01/2014	14653	MONTEREY TIRE ...	VOID: acct. 1-59724 TIRES AND WORK ON #61 & ...	
12/01/2014	14653	MONTEREY TIRE ...	VOID: acct. 1-59724 TIRES AND WORK ON #61 & ...	
Total MONTEREY TIRE SERVICE				
MRWPCA				
12/22/2014	EFT11302040	MRWPCA	VOID: MRWPCA 11/1/14-12/31/14	
12/22/2014	EFT11302040	MRWPCA	VOID: MRWPCA 11/1/14-12/31/14	
12/22/2014	14699	MRWPCA	MRWPCA 11/1/14-12/31/14	39.66
Total MRWPCA				39.66
MTRY CTY EMERGENCY SERV				
12/01/2014	14654	MTRY CTY EMER...	Q2 NGEN	3,696.19
Total MTRY CTY EMERGENCY SERV				3,696.19
NATALE'S AUTO SERVICE CENTER				
12/01/2014	14655	NATALE'S AUTO S...	#80 AIR COMPRESSOR	415.50
Total NATALE'S AUTO SERVICE CENTER				415.50
NEILL ENGINEERS CORP				
12/01/2014	14656	NEILL ENGINEERS...	RETAINER FOR 7/1/14-9/30/14	300.00
Total NEILL ENGINEERS CORP				300.00
NEWTON BROS. TIRE AND AUTO SERVICE				
12/22/2014	EFT11302041	NEWTON BROS. TL...	VOID: INV. 167955 #80	
12/22/2014	EFT11302041	NEWTON BROS. TL...	VOID: INV. 167955 #80	
12/22/2014	14700	NEWTON BROS. TL...	INV. 167955 #80	680.04
Total NEWTON BROS. TIRE AND AUTO SERVICE				680.04
NEXTEL COMMUNICATION				
12/22/2014	EFT11302042	NEXTEL COMMUN...	VOID: NEXTEL RADIO- PW/PD/CM 10/12/14-11/1/...	
12/22/2014	EFT11302042	NEXTEL COMMUN...	VOID: NEXTEL RADIO- PW/PD/CM 10/12/14-11/1/...	
12/22/2014	14701	NEXTEL COMMUN...	NEXTEL RADIO- PW/PD/CM 10/12/14-11/1/14	378.35
Total NEXTEL COMMUNICATION				378.35
OFFICE DEPOT				
12/01/2014	14657	OFFICE DEPOT		620.52
12/22/2014	EFT11302043	OFFICE DEPOT	VOID:	
12/22/2014	EFT11302043	OFFICE DEPOT	VOID:	
12/22/2014	14702	OFFICE DEPOT		236.08
Total OFFICE DEPOT				856.60
OFFICE EQUIPMENT FINANCE SERVICES				
12/01/2014	14658	OFFICE EQUIPME...	LEASE PAYMENT FOR COPIER-INV.265922658	262.56
12/22/2014	EFT11302044	OFFICE EQUIPME...	VOID: LEASE PAYMENT FOR COPIER-INV. 2680...	
12/22/2014	EFT11302044	OFFICE EQUIPME...	VOID: LEASE PAYMENT FOR COPIER-INV. 2680...	
12/22/2014	14703	OFFICE EQUIPME...	LEASE PAYMENT FOR COPIER-INV. 268006053	259.96
Total OFFICE EQUIPMENT FINANCE SERVICES				522.52

CITY OF DEL REY OAKS
Claims Report
December 2014

Date	Num	Name	Memo	Amount
P.E.R.S.-HEALTH				
12/03/2014	EFT	P.E.R.S.-HEALTH		25,065.14
12/22/2014	EFT11302045	P.E.R.S.-HEALTH	VOID: HEALTH PREMIUM JAN 2015	
12/22/2014	EFT11302045	P.E.R.S.-HEALTH	VOID: HEALTH PREMIUM JAN 2015	
12/22/2014	14704	P.E.R.S.-HEALTH	HEALTH PREMIUM JAN 2015	12,864.07
Total P.E.R.S.-HEALTH				37,929.21
PENINSULA WELDING SUPPLY				
12/01/2014	14659	PENINSULA WELD...	OXYGEN (MEDICAL SUPPLIES) acct. #00702	8.50
12/22/2014	EFT11302046	PENINSULA WELD...	VOID: OXYGEN (MEDICAL SUPPLIES) INV. 1276...	
12/22/2014	EFT11302046	PENINSULA WELD...	VOID: OXYGEN (MEDICAL SUPPLIES) INV. 1276...	
12/22/2014	14705	PENINSULA WELD...	OXYGEN (MEDICAL SUPPLIES) INV. 127666	8.00
Total PENINSULA WELDING SUPPLY				16.50
PG&E				
12/22/2014	EFT11302047	PG&E	VOID: GAS & ELECTRIC 10/23/14-11/21/14	
12/22/2014	EFT11302047	PG&E	VOID: GAS & ELECTRIC 10/23/14-11/21/14	
12/22/2014	14706	PG&E	GAS & ELECTRIC 10/23/14-11/21/14	2,637.53
Total PG&E				2,637.53
PG&E-GJM&218				
12/01/2014	14660	PG&E-GJM&218	6817283169-2	50.05
Total PG&E-GJM&218				50.05
PITNEY BOWES-QTLY INV				
12/01/2014	14661	PITNEY BOWES-Q...	postage machine rental invoice #5427068-OT14	192.69
Total PITNEY BOWES-QTLY INV				192.69
PITNEY BOWES PURCHASE POWER				
12/01/2014	14662	PITNEY BOWES P...	POSTAGE ACCT. 8000900003463050 OCT 2014	210.92
Total PITNEY BOWES PURCHASE POWER				210.92
PURE WATER				
12/01/2014	14663	PURE WATER		108.38
12/22/2014	EFT11302048	PURE WATER	VOID: DRINKING WATER INV. 255699	
12/22/2014	EFT11302048	PURE WATER	VOID: DRINKING WATER INV. 255699	
12/22/2014	14707	PURE WATER	DRINKING WATER INV. 255699	79.19
Total PURE WATER				187.57
QuickBooks Payroll Service				
12/08/2014		QuickBooks Payroll ...	Fee for 1 direct deposit(s) at \$1.60 each	1.60
12/08/2014		QuickBooks Payroll ...	Fee for 1 employee(s) paid	1.50
12/08/2014		QuickBooks Payroll ...	Monthly processing fee for Dec 2014	99.00
12/08/2014		QuickBooks Payroll ...	No state fee for CA for Dec 2014	
12/08/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/05/2014	559.00
12/08/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/05/2014	67.13
12/08/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/05/2014	67.13
12/08/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/05/2014	197.38
12/08/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/05/2014	46.29
12/08/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/05/2014	3,759.21
12/11/2014		QuickBooks Payroll ...	Fee for 3 direct deposit(s) at \$1.60 each	4.80
12/11/2014		QuickBooks Payroll ...	Fee for 4 employee(s) paid	6.00
12/11/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	411.00
12/11/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	92.98
12/11/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	92.98
12/11/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	105.98
12/11/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	29.14
12/11/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	5,024.12
12/12/2014		QuickBooks Payroll ...	Fee for 10 direct deposit(s) at \$1.60 each	16.00
12/12/2014		QuickBooks Payroll ...	Fee for 11 employee(s) paid	16.50
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	1.88
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	4,451.00
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	539.68
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	539.68
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	19.38
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	19.38
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	1,534.00

CITY OF DEL REY OAKS
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<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	251.32
12/12/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/10/2014	26,564.41
12/30/2014		QuickBooks Payroll ...	Fee for 13 direct deposit(s) at \$1.60 each	20.80
12/30/2014		QuickBooks Payroll ...	Fee for 17 employee(s) paid	25.50
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	5.63
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	4,354.35
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	534.03
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	534.03
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	58.14
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	58.14
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	1,464.71
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	247.42
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	27,483.05
12/30/2014		QuickBooks Payroll ...	Fee for 3 direct deposit(s) at \$1.60 each	4.80
12/30/2014		QuickBooks Payroll ...	Fee for 3 employee(s) paid	4.50
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	92.00
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	32.61
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	32.61
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	16.64
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	12.31
12/30/2014		QuickBooks Payroll ...	Created by Payroll Service on 12/29/2014	2,095.80
Total QuickBooks Payroll Service				81,595.54
RYAN RANCH PRINTERS				
12/01/2014	14664	RYAN RANCH PRI...	LETTERHEAD ENVELOPES INV. 16258	174.72
Total RYAN RANCH PRINTERS				174.72
SHELL OIL COMPANY				
12/22/2014	EFT11302049	SHELL OIL COMPA...	VOID: FUEL NOV 2014	
12/22/2014	EFT11302049	SHELL OIL COMPA...	VOID: FUEL NOV 2014	
12/22/2014	14708	SHELL OIL COMPA...	FUEL NOV 2014	315.76
Total SHELL OIL COMPANY				315.76
SHRED-IT				
12/01/2014	14665	SHRED-IT	INV 9404331007 ON ACCT 11568233	78.11
12/22/2014	EFT11302050	SHRED-IT	VOID: ACCT 11568233	
12/22/2014	EFT11302050	SHRED-IT	VOID: ACCT 11568233	
12/22/2014	14709	SHRED-IT	ACCT 11568233	10.04
Total SHRED-IT				88.15
SPCA OF MONTEREY COUNTY				
12/01/2014	14666	SPCA OF MONTER...	OCT 2014 ANIMAL SERVICES	1,028.32
Total SPCA OF MONTEREY COUNTY				1,028.32
STATE WATER RESOURCE CONTROL BOARD				
12/01/2014	14667	STATE WATER RE...	Annual fee 7/1/14-6/30/15	5,826.00
Total STATE WATER RESOURCE CONTROL BOARD				5,826.00
TERMINIX				
12/01/2014	14668	TERMINIX	6099531	65.00
Total TERMINIX				65.00
TIMOTHY J. MERONEY				
12/22/2014	EFT11302051	TIMOTHY J. MERO...	VOID: NOV 2014 PLAN CHECK SERVICES	
12/22/2014	EFT11302051	TIMOTHY J. MERO...	VOID: NOV 2014 PLAN CHECK SERVICES	
12/22/2014	14710	TIMOTHY J. MERO...	NOV 2014 PLAN CHECK SERVICES	270.00
Total TIMOTHY J. MERONEY				270.00
UNION BANK Charges				
12/31/2014	EFT12312014	UNION BANK Char...	Bank Monthly Charges	194.83
Total UNION BANK Charges				194.83
VSP				
12/01/2014	14669	VSP	VISION SERVICE PLAN NOV 2014	172.90
12/22/2014	EFT11302052	VSP	VOID: VISION SERVICE PLAN DEC 2014	
12/22/2014	EFT11302052	VSP	VOID: VISION SERVICE PLAN DEC 2014	
12/22/2014	14711	VSP	VISION SERVICE PLAN DEC 2014	172.90

CITY OF DEL REY OAKS
Claims Report
December 2014

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
Total VSP				<u>345.80</u>
TOTAL				<u><u>228,462.16</u></u>

CITY OF DEL REY OAKS
Unpaid Bills Detail
 All Transactions

11:28 AM
 01/21/15
 Accrual Basis

Date	Name	Memo	Account	Class	Amount	Balance	Due Date
CHEVRON							
01/11/2015	CHEVRON	#33 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	311 PUB WKS...	79.34	79.34	02/10/2015
01/11/2015	CHEVRON	#64 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	172 POLICE	13.40	92.74	02/10/2015
01/11/2015	CHEVRON	#73 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	172 POLICE	80.11	172.85	02/10/2015
01/11/2015	CHEVRON	#63 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	172 POLICE	464.11	636.96	02/10/2015
01/11/2015	CHEVRON	#61 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	172 POLICE	361.14	998.10	02/10/2015
01/11/2015	CHEVRON	#80 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	172 POLICE	303.41	1,301.51	02/10/2015
01/11/2015	CHEVRON	#31 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	311 PUB WKS...	80.90	1,382.41	02/10/2015
01/11/2015	CHEVRON	#62 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	172 POLICE	63.79	1,446.20	02/10/2015
01/11/2015	CHEVRON	#60 DEC 2014-JAN 2015 FUEL	60720 · AUTO OPS - FUEL	172 POLICE	262.13	1,708.33	02/10/2015
	Total CHEVRON				1,708.33	1,708.33	
GOLDFARB & LIPMAN							
03/19/2013	GOLDFARB & LIPMAN	INV -107918, CURRENT FEES THROUGH 2/28/13	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	25,042.49	25,042.49	03/29/2013
04/17/2013	GOLDFARB & LIPMAN	INV #108082-FEES THROUGH 3/31/13	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	38,874.26	63,916.75	04/27/2013
11/18/2013	GOLDFARB & LIPMAN	INV - 110408 CURRENT FEES 10/1/13-10/31/13	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	244.25	64,161.00	12/18/2013
12/16/2013	GOLDFARB & LIPMAN	INV - 110736 CURRENT FEES 11/21/13	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	225.00	64,386.00	01/15/2014
12/16/2013	GOLDFARB & LIPMAN	INV - 110737 CURRENT FEES 11/1/13-11/30/13	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	3,098.59	67,484.59	01/15/2014
02/19/2014	GOLDFARB & LIPMAN	INV - 111339 CURRENT FEES THROUGH 1/31/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	1,850.00	69,334.59	03/21/2014
02/19/2014	GOLDFARB & LIPMAN	INV - 111390 CURRENT FEES THROUGH 1/31/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	1,354.50	70,689.09	03/21/2014
03/18/2014	GOLDFARB & LIPMAN	INV 111623 -CURRENT FEE THROUGH 2/28/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	1,475.00	72,164.09	04/17/2014
04/14/2014	GOLDFARB & LIPMAN	INV 112024 -CURRENT FEE THROUGH 3/31/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	3,770.78	75,934.87	05/14/2014
04/14/2014	GOLDFARB & LIPMAN	INV 112023 -CURRENT FEE THROUGH 3/31/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	1,773.60	77,708.47	05/14/2014
05/19/2014	GOLDFARB & LIPMAN	INV 112325 -CURRENT FEE THROUGH 4/30/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	2,675.00	80,383.47	06/18/2014
05/19/2014	GOLDFARB & LIPMAN	INV 112326 -CURRENT FEE THROUGH 4/30/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	7,182.51	87,565.98	06/18/2014
06/19/2014	GOLDFARB & LIPMAN	INV 112700 -CURRENT FEE THROUGH 5/31/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	7,595.19	95,161.17	07/19/2014
06/19/2014	GOLDFARB & LIPMAN	INV 112699 -CURRENT FEE THROUGH 5/31/14 (...	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	1,350.00	96,511.17	07/19/2014
07/15/2014	GOLDFARB & LIPMAN	INV 112876 - CURRENT FEES THROUGH 6/30/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	2,174.00	98,685.17	08/14/2014
08/19/2014	GOLDFARB & LIPMAN	INV 113221 - CURRENT FEES THROUGH 7/31/14	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	2,253.08	100,938.25	09/18/2014
08/19/2014	GOLDFARB & LIPMAN	INV 113222-6- CURRENT FEES THROUGH 7/31/14 ...	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	2,610.00	103,548.25	09/18/2014
08/19/2014	GOLDFARB & LIPMAN	INV 113222-6- CURRENT FEES THROUGH 7/31/14 ...	16020 · DUE FROM DEVELOPER (DUE FROM D...	General Gover...	52.00	103,600.25	09/18/2014
11/17/2014	GOLDFARB & LIPMAN	INV 114124 CURRENT FEES THROUGH 10/31/14	60655 · CONTRL RETAINER LEGAL	General Gover...	595.27	104,195.52	12/17/2014
	Total GOLDFARB & LIPMAN				104,195.52	104,195.52	
TOTAL					105,903.85	105,903.85	

CITY OF DEL REY OAKS
FISCAL YEAR TO DATE 2014/2015 BUDGET VS. ACTUAL
 July through December 2014

		Jul - Dec 14	Budget	% of Budget
Ordinary Income/Expense				
Income				
40100 · PROPERTY TAXES				
	40110 · P/T-SECURED	209,368.98	350,000.00	59.82%
	40120 · P/T-UNSECURED	14,185.66	13,500.00	105.08%
	40130 · P/T-PRIOR SECURED	2,547.05	5,000.00	50.94%
	40150 · P/T-UNITARY TAX	3,436.43	6,500.00	52.87%
	40160 · P/T-SB813	3,242.65	6,000.00	54.04%
	40170 · PROPERTY TAX - VLF	59,927.50	114,000.00	52.57%
	40180 · P/T-INT/PENAL	91.30	200.00	45.65%
	40190 · P/T - ADMINISTRATIVE FEE		(5,000.00)	
Total 40100 · PROPERTY TAXES		292,799.57	490,200.00	59.73%
40200 · OTHER TAXES				
	40210 · SALES TAX	122,999.84	295,000.00	41.7%
	40220 · SALES TAX - ADD ON	197,594.85	475,000.00	41.6%
	40230 · SALES TAX IN LIEU - 3-FLIP	34,614.59	82,000.00	42.21%
	40240 · COP MONIES	47,896.69	100,000.00	47.9%
	40250 · PROPERTY TRANSFER TAX	5,108.94	4,500.00	113.53%
	40260 · GAS FRANCHISES		4,500.00	
	40265 · ELECTRIC FRANCHISES		17,000.00	
	40270 · GARBAGE FRANCHISES	18,890.58	40,000.00	47.23%
	40275 · CABLE TV FRANCHISES	12,503.35	30,000.00	41.68%
	40280 · WATER FRANCHISES		13,000.00	
	40290 · SEWER IMPACT		8,500.00	
Total 40200 · OTHER TAXES		439,608.84	1,069,500.00	41.1%
40300 · LICENSES & PERMITS				
	40310 · BUSINESS LICENSES	166,693.99	185,000.00	90.11%
	40320 · BUILDING PERMITS	12,853.75	18,000.00	71.41%
	40330 · PLAN CHECK FEES	5,819.42	10,000.00	58.19%
	40340 · STREET OPENING PERMITS FEES	975.00	2,000.00	48.75%
	40350 · PLUMBING PERMITS	240.00	1,500.00	16.0%
	40360 · ELECTRICAL PERMITS	600.00	1,000.00	60.0%
	40380 · SB 1473 STATE SURCHG ON PERMITS	24.00		100.0%
	40390 · OTHER LICENSES/PERMITS	579.15	600.00	96.53%
	40786 · DEVELOPER PYMT FEES/PERMITS	103,407.10		
	40300 · LICENSES & PERMITS - Other	120.00		
Total 40300 · LICENSES & PERMITS		291,312.41	218,100.00	133.57%
40500 · FINES & FORFEITURES				
	40510 · VEHICLE CODE FINES	5,968.98	14,000.00	42.64%
Total 40500 · FINES & FORFEITURES		5,968.98	14,000.00	42.64%

CITY OF DEL REY OAKS
FISCAL YEAR TO DATE 2014/2015 BUDGET VS. ACTUAL
 July through December 2014

		Jul - Dec 14	Budget	% of Budget
	40700 · OTHER AGENCY REVENUE			
	40600 · INTEREST EARNED	85.26	100.00	85.26%
	40710 · MOTOR VEHICLE LICENSE FEE(MVLF)		1,000.00	
	40730 · HOPTR	332.24	1,200.00	27.69%
	40740 · VEHICLE LICENSE COLLECTION	682.36	800.00	85.3%
	40750 · PROP 172	7,613.56	10,000.00	76.14%
	40760 · GRANTS	4,329.71	8,000.00	54.12%
	40770 · TRAFFIC CONGESTION RELIEF-AB438		4,500.00	
	40783 · GRANT OTHER AGENCIES	26,516.00		100.0%
	Total 40700 · OTHER AGENCY REVENUE	39,559.13	25,600.00	154.53%
	40800 · CURRENT SERVICES			
	40805 · USE PERMITS	8,725.00	12,500.00	69.8%
	40810 · MAPS/PUBLICATIONS		250.00	
	40815 · RENTAL INCOME FORMER GOLF RANGE	2,100.00	5,000.00	42.0%
	40820 · POLICE REPORTS	940.00	1,200.00	78.33%
	40825 · PROPERTY INSPECTIONS	1,800.00	3,000.00	60.0%
	40830 · POLICE SERVICES	7,650.00	6,000.00	127.5%
	40835 · PUBLIC EVENTS	15,300.00	65,000.00	23.54%
	40840 · MISCELLANEOUS SERVICES	19,311.72	6,500.00	297.1%
	40845 · MISC REVENUE	1,350,970.83		100.0%
	40850 · PD DONATIONS	1,596.87	5,000.00	31.94%
	Total 40800 · CURRENT SERVICES	1,408,394.42	104,450.00	1,348.39%
	40900 · PARKS/RECREATION			
	40910 · PARK RENTAL	2,200.00	5,200.00	42.31%
	40920 · RV RENTAL PARKS	15,790.00	31,000.00	50.94%
	40900 · PARKS/RECREATION - Other	(100.00)		
	Total 40900 · PARKS/RECREATION	17,890.00	36,200.00	49.42%
	41000 · OTHER			
	41010 · GAS TAX 2103	9,496.80	15,000.00	63.31%
	41020 · GAS TAX 2105	5,289.91	6,000.00	88.17%
	41030 · GAS TAX 2106	4,660.14	6,250.00	74.56%
	41040 · GAS TAX 2107	6,511.49	9,000.00	72.35%
	41050 · GAS TAX 2107.5	2,000.00	1,000.00	200.0%
	Total 41000 · OTHER	27,958.34	37,250.00	75.06%
	42100 · Uncategorized Income	2,400.00		
	Total Income	2,525,891.69	1,995,300.00	126.59%

CITY OF DEL REY OAKS
FISCAL YEAR TO DATE 2014/2015 BUDGET VS. ACTUAL
 July through December 2014

Expense		Jul - Dec 14	Budget	% of Budget
60100 · PAYROLL & BENEFITS				
	60105 · PAYROLL	475,908.71	780,000.00	61.01%
	60110 · OVERTIME	3,298.70	15,000.00	21.99%
	60115 · COUNCIL MEMBER STIPEND	3,000.00	6,000.00	50.0%
	60120 · RESERVES PAYROLL	4,477.17	20,000.00	22.39%
	60125 · PERS	74,052.40	165,000.00	44.88%
	60130 · MEDICARE	7,340.41	13,000.00	56.47%
	60135 · DENTAL EXPENSE	10,791.74	23,000.00	46.92%
	60140 · HEALTH INS	74,883.66	160,000.00	46.8%
	60145 · VISION INS	1,037.40	2,000.00	51.87%
	60150 · WORKERS COMP	70,820.44	159,440.00	44.42%
	60155 · WELLNESS PROGRAM	2,270.48	8,000.00	28.38%
	60160 · UNIFORM ALLOWANCE	2,000.00	5,500.00	36.36%
	60172 · GF PAYROLL/COPS GRANT	20,051.38		100.0%
	60195 · Reimbursements - Exp	13.00		100.0%
	Total 60100 · PAYROLL & BENEFITS	749,945.49	1,356,940.00	55.27%
	60200 · PAYROLL EXPENSES	1,203.92	7,500.00	16.05%
	60300 · BANK SERVICE CHARGES	618.85	2,500.00	24.75%
	60400 · SUPPLIES			
	60410 · MATERIALS/SUPPLY	12,850.35	17,500.00	73.43%
	60430 · OFFICE SUPPLIES	6,524.73	15,000.00	43.5%
	60440 · SPECIAL SUPPLY POLICE	18,391.42	40,000.00	45.98%
	Total 60400 · SUPPLIES	37,766.50	72,500.00	52.09%
	60500 · UTILITIES & SERVICES			
	60505 · REPAIR/MAINTENANCE	24,501.33	30,000.00	81.67%
	60510 · STREET SWEEPING	8,970.70	27,000.00	33.23%
	60515 · GABILAN CREW	3,389.40	9,000.00	37.66%
	60520 · UTILITIES/PGE	5,992.20	10,000.00	59.92%
	60525 · UTILITIES/WATER	2,524.22	7,500.00	33.66%
	60530 · TELEPHONE / INTERNET	5,195.01	9,000.00	57.72%
	60535 · WEBSITE DESIGN & MAINTENANCE	3,019.00	500.00	603.8%
	60540 · POSTAGE / SHIPPING	1,672.33	3,000.00	55.74%
	60545 · TRAVEL/CONFERENCE	4,689.48	9,000.00	52.11%
	60550 · MEMBER/DUES/CONTRIBUTIONS	12,035.29	52,000.00	23.15%
	60555 · AD/PROMOTION CITY CNCL	750.00	7,500.00	10.0%
	60560 · LEGAL ADVERT NON-DEPT	636.83	1,000.00	63.68%
	60565 · BOOK/PERIODICAL	23.88	150.00	15.92%
	60570 · MEETING CITY CNCL	794.47	1,000.00	79.45%
	60575 · PRINTING / PUBLICATIONS	1,408.41		100.0%
	60500 · UTILITIES & SERVICES - Other	57.75		100.0%
	Total 60500 · UTILITIES & SERVICES	75,660.30	166,650.00	45.4%
	60600 · OUTSIDE SERVICES			
	60605 · TRAINING POLICE	200.00	12,000.00	1.67%
	60610 · OTHER PERMITS PW/ENGR	600.00	5,000.00	12.0%

CITY OF DEL REY OAKS
FISCAL YEAR TO DATE 2014/2015 BUDGET VS. ACTUAL
 July through December 2014

			Jul - Dec 14	Budget	
				% of Budget	
		60620 · LIABILITY/PROP NON-DPT	22,975.00	38,045.00	60.39%
		60625 · CONTRACTUAL AUDIT	21,781.40	30,000.00	72.61%
		60635 · DATA PROCESSING	3,002.30	5,000.00	60.05%
		60640 · CONTRACTUAL SVCS PLANNING	23,959.82	12,500.00	191.68%
		60650 · CONTRACTUAL SVCS - LEGAL	33,527.58	25,000.00	134.11%
		60655 · CONTRL RETAINER LEGAL	6,845.27	15,000.00	45.64%
		60660 · JANITORIAL FUND	1,950.00	3,500.00	55.71%
		60665 · RADIO DISPATCH POLICE	47,312.39	47,000.00	100.67%
		60670 · COMM HUM SERV NON-DEPT	3,300.00	3,200.00	103.13%
		Total 60600 · OUTSIDE SERVICES	165,453.76	196,245.00	84.31%
		60700 · AUTO OPERATION			
		60710 · AUTO OPS - SUPPLIES / EQUIP	1,237.16	1,000.00	123.72%
		60720 · AUTO OPS - FUEL	13,479.22	22,000.00	61.27%
		60730 · AUTO REPAIR/MAINTENANCE	1,336.92	9,000.00	14.86%
		60740 · AUTO LEASE PAYMENTS	7,680.18	14,800.00	51.89%
		Total 60700 · AUTO OPERATION	23,733.48	46,800.00	50.71%
		60800 · POLICE AND FIRE			
		60810 · FIRE SEASIDE	75,000.00	120,000.00	62.5%
		60820 · ANIMAL REGULATION FIRE	3,315.20	3,500.00	94.72%
		60830 · FUND JAIL & PRISONER	2,694.00	1,000.00	269.4%
		60840 · ACJIS SYSTEM POLICE	2,754.14	4,000.00	68.85%
		Total 60800 · POLICE AND FIRE	83,763.34	128,500.00	65.19%
		60900 · STREETS & STORM WATER			
		60910 · STREET LIGHTING	7,679.48	13,000.00	59.07%
		60920 · STORM WATER PROJECT - PHASE 4	5,944.98	8,000.00	74.31%
		60930 · S.M.L.P.	75.42	150.00	50.28%
		60940 · SB 1473	27.00		100.0%
		60900 · STREETS & STORM WATER - Other	435.89		
		Total 60900 · STREETS & STORM WATER	14,162.77	21,150.00	66.96%
		69800 · Uncategorized Expenses (Expenses not categorized elsewhere)	213.58		
		70100 · MISC EXPENSES			
		70110 · RECONCILATION DISCREPENCIES	(65.00)		
		70100 · MISC EXPENSES - (CDBG Loan payback)	43,175.00		
		Total 70100 · MISC EXPENSES	43,110.00		100.0%
		Total Expense	1,195,631.99	1,998,785.00	59.82%
		Total Revenue	2,525,891.69	1,995,300.00	127%
		Total Expenditures	1,195,631.99	1,998,785.00	60%
		Total Operating Revenue Less Expenditures this fiscal year to date	1,330,259.70	(3,485.00)	67%

CITY OF DEL REY OAKS
CASH BALANCES
 As of December 31, 2014

			Dec 31, 14
ASSETS			
Current Assets			
Checking/Savings			
		10100 · GENERAL CHECKING	472,524.74
		10110 · LAIF CITY - 246	15,578.54
		10180 · DEV - MONTEREY PENINSULA PARTNE	82,775.21
		Total Checking/Savings	570,878.49
		Total Current Assets	570,878.49
TOTAL ASSETS			570,878.49

CITY OF DEL REY OAKS
FISCAL YEAR TO DATE 2013/2014 BUDGET VS. ACTUAL
 July through December 2013

Ordinary Income/Expense	Jul - Dec 13	Budget	% of Budget
Income			
40100 · PROPERTY TAXES			
40110 · P/T-SECURED	195,161.53	335,000.00	58.3%
40120 · P/T-UNSECURED	12,838.76	13,500.00	95.1%
40130 · P/T-PRIOR SECURED	3,208.15	6,000.00	53.5%
40150 · P/T-UNITARY TAX	3,292.41	6,100.00	54.0%
40160 · P/T-SB813	2,922.84	5,000.00	58.5%
40170 · PROPERTY TAX - VLF	57,217.50	112,000.00	51.1%
40180 · P/T-INT/PENAL		200.00	
40190 · P/T - ADMINISTRATIVE FEE		(5,000.00)	
Total 40100 · PROPERTY TAXES	274,641.19	472,800.00	58.1%
40200 · OTHER TAXES			
40210 · SALES TAX	115,517.76	285,000.00	40.5%
40220 · SALES TAX - ADD ON	190,716.90	445,000.00	42.9%
40230 · SALES TAX IN LIEU - 3-FLIP	38,390.62	82,000.00	46.8%
40240 · COP MONIES	42,232.33	100,000.00	42.2%
40250 · PROPERTY TRANSFER TAX	5,416.67	4,500.00	120.4%
40260 · GAS FRANCHISES		4,500.00	
40265 · ELECTRIC FRANCHISES		17,000.00	
40270 · GARBAGE FRANCHISES	14,371.41	40,000.00	35.9%
40275 · CABLE TV FRANCHISES	12,424.65	25,000.00	49.7%
40280 · WATER FRANCHISES		12,000.00	
40290 · SEWER IMPACT	11,370.83	8,500.00	133.8%
Total 40200 · OTHER TAXES	430,441.17	1,023,500.00	42.1%
40300 · LICENSES & PERMITS			
40310 · BUSINESS LICENSES	182,958.63	185,000.00	98.9%
40320 · BUILDING PERMITS	9,805.51	18,000.00	54.5%
40330 · PLAN CHECK FEES	5,094.84	10,000.00	50.9%
40340 · STREET OPENING PERMITS FEES	2,540.00	2,000.00	127.0%
40350 · PLUMBING PERMITS	1,080.00	1,500.00	72.0%
40360 · ELECTRICAL PERMITS	840.00	1,000.00	84.0%
40380 · SB 1473 STATE SURCHG ON PERML...	18.50		100.0%
40390 · OTHER LICENSES/PERMITS	444.58	600.00	74.1%
Total 40300 · LICENSES & PERMITS	202,782.06	218,100.00	93.0%
40500 · FINES & FORFEITURES			
40510 · VEHICLE CODE FINES	6,463.22	14,000.00	46.2%
Total 40500 · FINES & FORFEITURES	6,463.22	14,000.00	46.2%
40600 · INTEREST EARNED			
40600 · INTEREST EARNED	475.12	100.00	475.1%
40700 · OTHER AGENCY REVENUE			
40710 · MOTOR VEHICLE LICENSE FEE(M...		1,000.00	
40730 · HOPTR	685.00	1,200.00	57.1%
40740 · VEHICLE LICENSE COLLECTION		800.00	
40750 · PROP 172	5,981.01	10,000.00	59.8%
40760 · GRANTS		8,000.00	
40770 · TRAFFIC CONGESTION RELIEF-AB...		4,500.00	
Total 40700 · OTHER AGENCY REVENUE	6,666.01	25,500.00	26.1%
40800 · CURRENT SERVICES			
40805 · USE PERMITS	5,450.00	8,500.00	64.1%
40810 · MAPS/PUBLICATIONS	9.20	250.00	3.7%
40815 · RENTAL INCOME	2,995.00	20,000.00	15.0%
40820 · POLICE REPORTS	545.00	1,200.00	45.4%
40825 · PROPERTY INSPECTIONS	2,100.00	3,000.00	70.0%
40830 · POLICE SERVICES	4,500.00	22,000.00	20.5%
40835 · PUBLIC EVENTS	40,700.00	65,000.00	62.6%
40840 · MISCELLANEOUS SERVICES	3,058.59	22,000.00	13.9%
40850 · PD DONATIONS	7,373.41	5,000.00	147.5%
Total 40800 · CURRENT SERVICES	66,731.20	146,950.00	45.4%

CITY OF DEL REY OAKS
FISCAL YEAR TO DATE 2013/2014 BUDGET VS. ACTUAL
 July through December 2013

	Jul - Dec 13	Budget	% of Budget
40900 · PARKS/RECREATION			
40910 · PARK RENTAL	2,050.00	5,200.00	39.4%
40920 · RV RENTAL PARKS	16,000.00	31,000.00	51.6%
Total 40900 · PARKS/RECREATION	18,050.00	36,200.00	49.9%
41000 · OTHER			
41010 · GAS TAX 2103	11,558.79	15,000.00	77.1%
41020 · GAS TAX 2105	3,720.54	6,000.00	62.0%
41030 · GAS TAX 2106	4,198.17	6,250.00	67.2%
41040 · GAS TAX 2107	5,960.85	9,000.00	66.2%
41050 · GAS TAX 2107.5	1,000.00	1,000.00	100.0%
Total 41000 · OTHER	26,438.35	37,250.00	71.0%
Total Income	1,032,688.32	1,974,400.00	52.3%
Gross Profit	1,032,688.32	1,974,400.00	52.3%
Expense			
60100 · PAYROLL & BENEFITS			
60172 · GF PAYROLL/COPS GRANT	13,141.24		
60105 · PAYROLL	437,076.88	730,000.00	59.9%
60110 · OVERTIME	7,755.35	25,000.00	31.0%
60115 · COUNCIL MEMBER STIPEND	3,000.00	6,000.00	50.0%
60120 · RESERVES PAYROLL	14,894.15	23,356.00	63.8%
60125 · PERS	37,446.95	154,296.00	24.3%
60130 · MEDICARE	6,892.43	13,000.00	53.0%
60135 · DENTAL EXPENSE	10,534.58	20,000.00	52.7%
60140 · HEALTH INS	76,387.90	170,000.00	44.9%
60145 · VISION INS	974.88	2,000.00	48.7%
60150 · WORKERS COMP	99,450.66	157,260.00	63.2%
60155 · WELLNESS PROGRAM	3,003.39	5,500.00	54.6%
60160 · UNIFORM ALLOWANCE	4,050.00	8,000.00	50.6%
Total 60100 · PAYROLL & BENEFITS	714,608.41	1,314,412.00	54.4%
60200 · PAYROLL EXPENSES	5,880.20	2,750.00	213.8%
60300 · BANK SERVICE CHARGES	1,330.10	2,000.00	66.5%
60400 · SUPPLIES			
60410 · MATERIALS/SUPPLY	11,249.61	15,000.00	75.0%
60420 · AMMUNITION	8.02		100.0%
60430 · OFFICE SUPPLIES	5,220.64	10,000.00	52.2%
60440 · SPECIAL SUPPLY POLICE	23,407.14	40,000.00	58.5%
60400 · SUPPLIES - Other	138.03		
Total 60400 · SUPPLIES	40,023.44	65,000.00	61.6%
60500 · UTILITIES & SERVICES			
60505 · REPAIR/MAINTENANCE	9,650.29	30,000.00	32.2%
60510 · STREET SWEEPING	5,255.58	27,000.00	19.5%
60515 · GABILAN CREW	1,125.00	4,000.00	28.1%
60520 · UTILITIES/PGE	5,488.79	10,000.00	54.9%
60525 · UTILITIES/WATER	3,434.51	7,500.00	45.8%
60530 · TELEPHONE / INTERNET	5,276.06	9,000.00	58.6%
60535 · WEBSITE DESIGN & MAINTENANCE	506.25	500.00	101.3%
60540 · POSTAGE / SHIPPING	1,821.72	3,000.00	60.7%
60545 · TRAVEL/CONFERENCE	5,919.86	5,000.00	118.4%
60550 · MEMBER/DUES/CONTRIBUTIONS	12,373.79	52,000.00	23.8%
60555 · AD/PROMOTION CITY CNCL	750.00	7,500.00	10.0%
60560 · LEGAL ADVERT NON-DEPT	217.52	1,000.00	21.8%
60565 · BOOK/PERIODICAL		150.00	
60570 · MEETING CITY CNCL		1,000.00	
60500 · UTILITIES & SERVICES - Other	65.22		
Total 60500 · UTILITIES & SERVICES	51,884.59	157,650.00	32.9%

CITY OF DEL REY OAKS
FISCAL YEAR TO DATE 2013/2014 BUDGET VS. ACTUAL
 July through December 2013

	<u>Jul - Dec 13</u>	<u>Budget</u>	<u>% of Budget</u>
60600 · OUTSIDE SERVICES			
60605 · TRAINING POLICE	8,025.00	5,000.00	160.5%
60610 · OTHER PERMITS PW/ENGR	300.00	5,000.00	6.0%
60620 · LIABILITY/PROP NON-DPT	14,916.95	35,000.00	42.6%
60625 · CONTRACTUAL AUDIT	27,593.75	25,000.00	110.4%
60635 · DATA PROCESSING	3,956.78	3,500.00	113.1%
60640 · CONTRACTUAL SVCS PLANNING	5,147.52	12,500.00	41.2%
60650 · CONTRACTUAL SVCS - LEGAL	19,535.25	30,000.00	65.1%
60655 · CONTRL RETAINER LEGAL	6,699.87	13,000.00	51.5%
60660 · JANITORIAL FUND	2,025.00	3,500.00	57.9%
60665 · RADIO DISPATCH POLICE	43,407.00	42,000.00	103.4%
60670 · COMM HUM SERV NON-DEPT	3,200.00	3,200.00	100.0%
Total 60600 · OUTSIDE SERVICES	<u>134,807.12</u>	<u>177,700.00</u>	<u>75.9%</u>
60700 · AUTO OPERATION			
60710 · AUTO OPS - SUPPLIES / EQUIP	214.14	1,000.00	21.4%
60720 · AUTO OPS - FUEL	10,818.88	27,500.00	39.3%
60730 · AUTO REPAIR/MAINTENANCE	3,033.78	9,000.00	33.7%
60740 · AUTO LEASE PAYMENTS	(187.64)	14,800.00	(1.3)%
60700 · AUTO OPERATION - Other	2,023.47		
Total 60700 · AUTO OPERATION	<u>15,902.63</u>	<u>52,300.00</u>	<u>30.4%</u>
60800 · POLICE AND FIRE			
60810 · FIRE SEASIDE	60,085.32	120,000.00	50.1%
60820 · ANIMAL REGULATION FIRE	3,305.20	3,000.00	110.2%
60830 · FUND JAIL & PRISONER	40.00	1,000.00	4.0%
60840 · ACJIS SYSTEM POLICE	2,843.87	4,000.00	71.1%
Total 60800 · POLICE AND FIRE	<u>66,274.39</u>	<u>128,000.00</u>	<u>51.8%</u>
60900 · STREETS & STORM WATER			
60910 · STREET LIGHTING	6,924.39	15,000.00	46.2%
60920 · STORM WATER PROJECT - PHASE 4	8,152.92	8,000.00	101.9%
60930 · S.M.I.P.	35.87	150.00	23.9%
60940 · SB 1473	21.15		100.0%
Total 60900 · STREETS & STORM WATER	<u>15,134.33</u>	<u>23,150.00</u>	<u>65.4%</u>
70100 · MISC EXPENSES	<u>164.09</u>		<u>100.0%</u>
Total Expense	<u>1,046,009.30</u>	<u>1,922,962.00</u>	<u>54.4%</u>
Net Ordinary Income	<u>(13,320.98)</u>	<u>51,438.00</u>	<u>(25.9)%</u>
Net Income	<u>(13,320.98)</u>	<u>51,438.00</u>	<u>(25.9)%</u>

CITY OF DEL REY OAKS
CASH BALANCES
As of December 31, 2013

ASSETS

Current Assets

Checking/Savings

10100 · GENERAL CHECKING \$108,249.81

10110 · LAIF CITY - 246 \$40,804.69

10190 · DEV - BRANDENBURG \$2,920.16

Total Checking/Savings \$151,974.66

Total Current Assets \$151,974.66

TOTAL ASSETS \$151,974.66



FIRE DEPARTMENT

1635 Broadway Avenue
Seaside, CA 93955

Telephone (831) 899-6790
FAX (831) 899-6261

January 2, 2015

Chief Langford
Del Rey Oaks City Hall
650 Canyon Del Rey
Del Rey Oaks, CA 93940

Dear Chief Langford:

Enclosed is a copy of the response reports for the Seaside Fire Department response to Del Rey Oaks for the period of December 1, 2014 through December 31, 2014.

The Seaside Fire Department responded to the following incidents in the month of December:

Incident #

14-2366
14-2381
14-2452
14-2458
14-2466
14-2548

There are a total of six (6) fire calls for the month of December. If you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa Failauga".

Melissa Failauga
Office Assistant
CC: File



Del Rey Oaks Police Department
Monthly Report of Activity
DEC- 2014
Completed By: Ron Langford, COP

ARRESTS:

YEAR END

<i>Felony Arrests</i>	1	
<i>Misdemeanor Arrests</i>	4	
<i>Warrant Arrests (OJ)</i>		
TOTAL ARRESTS	05	80

ASSAULTS:

YEAR END

<i>Simple Assault</i>	0	
<i>Domestic Violence</i>		
<i>Weapon Involved</i>		
TOTAL ASSAULTS	0	08

REPORTS FILED:

22	235
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TRAFFIC ACCIDENTS:

<i>Non-Injury Accidents</i>	3	
<i>Injury Accidents</i>		
TOTAL ACCIDENTS	03	32

BURGLARIES:

<i>Residential</i>		
<i>Commercial</i>		
<i>From Locked Vehicle</i>		
<i>Other</i>		
TOTAL BURGLARIES	00	09

TOWED & STORED VEHICLES:

00	21
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GRAND & PETTY THEFTS:

<i>Residential</i>		
<i>Commercial</i>		
<i>Shoplifting</i>		
<i>From Motor Vehicle</i>	1	
<i>Other</i>	2	
TOTAL THEFTS	03	31

ALARMS:

<i>Residential</i>		
<i>Commercial</i>		
TOTAL ALARMS	00	00

DUI ENFORCEMENT:

03	28

CITATIONS ISSUED:

<i>Traffic Citations Issued</i>	41	
<i>Parking Citations Issued</i>		
<i>Admin Citations Issued</i>		
TOTAL CITATION ISSUED	41	502

AGENDA ITEM No. 7.A.

DATE: January 27, 2015

TO: City Council

SUBJECT: Adopt Resolution 2015-01 Consenting to the Inclusion of Properties within the City's Jurisdiction in the California HERO Program to Finance Distributed Generation Renewable Energy Sources, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure and Approving an Amendment to a Certain Joint Powers Agreement Related Thereto.

BACKGROUND:

Assembly Bill (AB) 811 was signed into law on July 21, 2008, and AB 474, effective January 1, 2010, amended Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California ("Chapter 29") and authorizes a legislative body to designate an area within which authorized public officials and free and willing property owners may enter into voluntary contractual assessments to finance the installation of distributed generation renewable energy sources, energy efficiency, and/or water conservation improvements that are permanently fixed to real property, as specified.

The HERO Program has been very successful in Western Riverside County, since its launch in late 2011; the Program has approved over 2 billion in applications and has funded over \$440 million in projects. Because of its success, the California HERO Program was developed as a turnkey program to save other California jurisdictions time and resources in developing a standalone program. Jurisdictions only need to adopt the form of resolution accompanying this staff report and approve an amendment to the joint exercise of powers agreement related to the California HERO Program attached to such resolution to begin the process.

ANALYSIS:

The California HERO Program is being offered to allow property owners in participating cities and counties to finance renewable energy, energy water efficiency improvements and electric vehicle charging infrastructure on their property. If a property owner chooses to participate, the improvements to be installed on such owner's property will be financed by the issuance of bonds by a joint power authority, Western Riverside Council of Governments ("WRCOG"), secured by a voluntary contractual assessment levied on such owner's property. Participation in the program is 100% voluntary. Property owners who wish to participate in the program agree to repay the money through the voluntary contractual assessment collected together with their property taxes.

The benefits to the property owner include:

- Eligibility: In today's economic environment, alternatives for property owners to finance renewable energy/energy efficiency/water efficiency improvements or electric vehicle charging

infrastructure may not be available. As such many property owners do not have options available to them to lower their utility bills.

- Savings: Energy prices continue to rise and selecting in energy efficient, water efficient and renewable energy models lower utility bills.
- 100% voluntary. Property owners can choose to participate in the program at their discretion.
- Payment obligation stays with the property. Under Chapter 29, a voluntary contractual assessment stays with the property upon transfer of ownership. Even if there were private enterprise alternatives, most private loans are due on sale of the benefited property, which makes it difficult for property owners to match the life of the repayment obligation with the useful life of the financed improvements. Certain mortgage providers will, however, require the assessment be paid off at the time the property is refinanced or sold.
- Prepayment option. The property owner can choose to pay off the assessments at any time, subject to applicable prepayment penalties.
- Customer oriented program. Part of the success of the program is the prompt customer service.

The benefits to the City include:

- Increase local jobs.
- An increase in housing prices (higher efficient homes are worth more money).
- An increase in sales, payroll and property tax revenue
- As in conventional assessment financing, the City is not obligated to repay the bonds or to pay the assessments levied on the participating properties.
- All California HERO Program and assessment administration, bond issuance and bond administration functions are handled by California HERO. Little, if any, City staff time is needed to participate in the California HERO Program.
- The City can provide access for its residents to the California HERO Program without the higher staff costs that an independent program established by the City would require.

The proposed resolution enables the California HERO Program to be available to owners of property within our City to finance renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure. The resolution approves an Amendment to the WRCOG Joint Powers Agreement to add the City as an Associate Member in order that the California HERO Program may be offered to the owners of property located within the City who wish to participate in the California HERO Program.

FISCAL AND STAFF IMPACTS:

There is no negative fiscal impact to the City's general fund incurred by consenting to the inclusion of properties within the City limits in the California HERO Program. All California HERO Program administrative costs are covered through an initial administrative fee included in the property owner's voluntary contractual assessment and an annual administrative fee which is also collected on the property owner's tax bill.

RECOMMENDED ACTION:

Adopt the attached Resolution authorizing the City's participation in the California HERO Program, which will enable property owners to finance permanently fixed renewable energy, energy and water efficiency improvements and electric vehicle charging infrastructure on their properties.

ATTACHMENTS:

1. Resolution 2015-01

RESOLUTION NO. 2015-01

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS, CALIFORNIA, CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HERO PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING THE AMENDMENT TO A CERTAIN JOINT POWERS AGREEMENT RELATED THERETO

WHEREAS, the Western Riverside Council of Governments ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, Authority intends to establish the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Del Rey Oaks (the "City") is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the California HERO Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Improvements; and

WHEREAS, Authority has authority to establish the California HERO Program, which will be such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement Adding the City of Del Rey Oaks as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the City (the "JPA Amendment"), by and between Authority and the City, a copy of which is attached as Exhibit "A" hereto, to assist property owners within the incorporated area of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the California HERO Program to finance the installation of Improvements.

2. This City Council consents to inclusion in the California HERO Program of all of the properties in the incorporated area within the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent and be secured by such contractual assessments.

4. This City Council hereby approves the JPA Amendment and authorizes the execution thereof by appropriate City officials.

5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the City, and report back periodically to this City Council on the success of such program.

6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

PASSED AND ADOPTED this 27th day of January, 2015 by the following vote:

Aye: Council Members:
Noe: Council Members:
Absent: Council Members:

Attest

Jerry B. Edelen, Mayor

Daniel J. Dawson, City Clerk

**AMENDMENT TO THE JOINT POWERS AGREEMENT
ADDING CITY OF DEL REY OAKS AS
AS AN ASSOCIATE MEMBER OF THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PROPERTY ASSESSED CLEAN
ENERGY (PACE) PROGRAM SERVICES WITH SUCH CITY**

This Amendment to the Joint Powers Agreement (“JPA Amendment”) is made and entered into on the 27th day of January, 2015, by City of Del Rey Oaks (“City”) and the Western Riverside Council of Governments (“Authority”) (collectively the “Parties”).

RECITALS

WHEREAS, Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the “Joint Exercise of Powers Act”) and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the “Authority JPA”); and

WHEREAS, as of October 1, 2012, Authority had 18 member entities (the “Regular Members”).

WHEREAS, Chapter 29 of the Improvement Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”) authorizes cities, counties, and cities and counties to establish voluntary contractual assessment programs, commonly referred to as a Property Assessed Clean Energy (“PACE”) program, to fund certain renewable energy sources, energy and water efficiency improvements, and electric vehicle charging infrastructure (the “Improvements”) that are permanently fixed to residential, commercial, industrial, agricultural or other real property; and

WHEREAS, Authority intends to establish a PACE program to be known as the “California HERO Program” pursuant to Chapter 29 as now enacted or as such legislation may be amended hereafter, which will authorize the implementation of a PACE financing program for cities and county throughout the state; and

WHEREAS, City desires to allow owners of property within its jurisdiction to participate in the California HERO Program and to allow Authority to conduct proceedings under Chapter 29 to finance Improvements to be installed on such properties; and

WHEREAS, this JPA Amendment will permit City to become an Associate Member of Authority and to participate in California HERO Program for the purpose of facilitating the implementation of such program within the jurisdiction of City; and

WHEREAS, pursuant to the Joint Exercise of Powers Act, the Parties are approving this JPA Agreement to allow for the provision of PACE services, including the operation of a PACE financing program, within the incorporated territory of City; and

WHEREAS, the JPA Amendment sets forth the rights, obligations and duties of City and Authority with respect to the implementation of the California HERO Program within the incorporated territory of City.

MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

A. JPA Amendment.

1. The Authority JPA. City agrees to the terms and conditions of the Authority JPA, attached.

2. Associate Membership. By adoption of this JPA Amendment, City shall become an Associate Member of Authority on the terms and conditions set forth herein and the Authority

JPA and consistent with the requirements of the Joint Exercise of Powers Act. The rights and obligations of City as an Associate Member are limited solely to those terms and conditions expressly set forth in this JPA Amendment for the purposes of implementing the California HERO Program within the incorporated territory of City. Except as expressly provided for by the this JPA Amendment, City shall not have any rights otherwise granted to Authority's Regular Members by the Authority JPA, including but not limited to the right to vote on matters before the Executive Committee or the General Assembly, the right to amend or vote on amendments to the Authority JPA, and the right to sit on committees or boards established under the Authority JPA or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee. City shall not be considered a member for purposes of Section 9.1 of the Authority JPA.

3. Rights of Authority. This JPA Amendment shall not be interpreted as limiting or restricting the rights of Authority under the Authority JPA. Nothing in this JPA Amendment is intended to alter or modify Authority Transportation Uniform Mitigation Fee (TUMF) Program, the PACE Program administered by Authority within the jurisdictions of its Regular Members, or any other programs administered now or in the future by Authority, all as currently structured or subsequently amended.

B. Implementation of California HERO Program within City Jurisdiction.

1. Boundaries of the California HERO Program within City Jurisdiction. City shall determine and notify Authority of the boundaries of the incorporated territory within City's jurisdiction within which contractual assessments may be entered into under the California HERO Program (the "Program Boundaries"), which boundaries may include the entire incorporated territory of City or a lesser portion thereof.

2. Determination of Eligible Improvements. Authority shall determine the types of distributed generation renewable energy sources, energy efficiency or water conservation improvements, electric vehicle charging infrastructure or such other improvements as may be authorized pursuant to Chapter 29 (the "Eligible Improvements") that will be eligible to be financed under the California HERO Program.

3. Establishment of California HERO Program. Authority will undertake such proceedings pursuant to Chapter 29 as shall be legally necessary to enable Authority to make contractual financing of Eligible Improvements available to eligible property owners within the Program Boundaries.

4. Financing the Installation of Eligible Improvements. Authority shall develop and implement a plan for the financing of the purchase and installation of the Eligible Improvements under the California HERO Program.

5. Ongoing Administration. Authority shall be responsible for the ongoing administration of the California HERO Program, including but not limited to producing education plans to raise public awareness of the California HERO Program, soliciting, reviewing and approving applications from residential and commercial property owners participating in the California HERO Program, establishing contracts for residential, commercial and other property

owners participating in such program, establishing and collecting assessments due under the California HERO Program, adopting and implementing any rules or regulations for the California HERO Program, and providing reports as required by Chapter 29.

City will not be responsible for the conduct of any proceedings required to be taken under Chapter 29; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

6. Phased Implementation. The Parties recognize and agree that implementation of the California HERO Program as a whole can and may be phased as additional other cities and counties execute similar agreements. City entering into this JPA Amendment will obtain the benefits of and incur the obligations imposed by this JPA Amendment in its jurisdictional area, irrespective of whether cities or counties enter into similar agreements.

C. Miscellaneous Provisions.

1. Withdrawal. City or Authority may withdraw from this JPA Amendment upon six (6) months written notice to the other party; provided, however, there is no outstanding indebtedness of Authority within City. The provisions of Section 6.2 of the Authority JPA shall not apply to City under this JPA Amendment. City may withdraw approval for conduct of the HERO Program within the jurisdictional limits of City upon thirty (30) written notice to WRCOG without liability to the Authority or any affiliated entity. City withdrawal shall not affect the validity of any voluntary assessment contracts (a) entered prior to the date of such withdrawal or (b) entered into after the date of such withdrawal so long as the applications for such voluntary assessment contracts were submitted to and approved by WRCOG prior to the date of City's notice of withdrawal.

2. Mutual Indemnification and Liability. Authority and City shall mutually defend, indemnify and hold the other party and its directors, officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of the willful misconduct or negligent acts, errors or omissions of the indemnifying party or its directors, officials, officers, employees and agents in connection with the California HERO Program administered under this JPA Amendment, including without limitation the payment of expert witness fees and attorneys fees and other related costs and expenses, but excluding payment of consequential damages. Without limiting the foregoing, Section 5.2 of the Authority JPA shall not apply to this JPA Amendment. In no event shall any of Authority's Regular Members or their officials, officers or employees be held directly liable for any damages or liability resulting out of this JPA Amendment.

3. Environmental Review. Authority shall be the lead agency under the California Environmental Quality Act for any environmental review that may required in implementing or administering the California HERO Program under this JPA Amendment.

4. Cooperative Effort. City shall cooperate with Authority by providing information and other assistance in order for Authority to meet its obligations hereunder. City recognizes that one of its responsibilities related to the California HERO Program will include any permitting or inspection requirements as established by City.

5. Notice. Any and all communications and/or notices in connection with this JPA Amendment shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

Authority:

Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor. MS1032
Riverside, CA 92501-3609
Att: Executive Director

City:

City of Del Rey Oaks
650 Canyon Del Rey Road
Del Rey Oaks, CA 93940
Attn: City Manager

6. Entire Agreement. This JPA Amendment, together with the Authority JPA, constitutes the entire agreement among the Parties pertaining to the subject matter hereof. This JPA Amendment supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

7. Successors and Assigns. This JPA Amendment and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this JPA Amendment with prior written approval of the other Party, which approval shall not be unreasonably withheld.

8. Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorney's fees and costs.

9. Governing Law. This JPA Amendment shall be governed by and construed in accordance with the laws of the State of California, as applicable.

10. No Third Party Beneficiaries. This JPA Amendment shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this JPA Amendment to maintain a suit for personal injuries or property damages under the provisions of this JPA Amendment. The duties, obligations, and responsibilities of the Parties to this JPA Amendment with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

11. Severability. In the event one or more of the provisions contained in this JPA Amendment is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this JPA Amendment and the remaining parts of this JPA

Amendment shall remain in full force and effect as though such invalid, illegal, or unenforceable portion had never been a part of this JPA Amendment.

12. Headings. The paragraph headings used in this JPA Amendment are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

13. Amendment. This JPA Amendment may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this JPA Amendment shall be of no effect.

14. Effective Date. This JPA Amendment shall become effective upon the execution thereof by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this JPA Amendment to be executed and attested by their officers thereunto duly authorized as of the date first above written.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: _____
Executive Committee Chair
Western Riverside Council of Governments

Date: _____

CITY OF DEL REY OAKS

By: _____
Daniel J. Dawson
City Manager

Date: _____



PROGRAM REPORT

CITIES OF ALHAMBRA, AMERICAN CANYON, ANAHEIM, ARCADIA, ARVIN, ATWATER, AZUSA, BALDWIN PARK, BENICIA, BELLFLOWER, BRADBURY, BRAWLEY, BREA, BUENA PARK, CALIFORNIA CITY, CALISTOGA, CARLSBAD, CARSON, CITRUS HEIGHTS, CLAREMONT, CLOVIS, CORONADO, COSTA MESA, COVINA, CYPRESS, DELANO, DIAMOND BAR, EL CAJON, EL CENTRO, EL MONTE, EL SEGUNDO, ENCINITAS, ESCONDIDO, FRESNO, GARDEN GROVE, GARDENA, GLENDORA, HAWTHORNE, HERMOSA BEACH, HUNTINGTON BEACH, IMPERIAL BEACH, INDUSTRY, INGLEWOOD, IRWINDALE, KINGSBURG, LA CANADA FLINTRIDGE, LA MESA, LA PALMA, LA VERNE, LAGUNA HILLS, LANCASTER, LAWNSDALE, LEMON GROVE, LEMOORE, LOMITA, LOMPOC, MAMMOTH LAKES, MCFARLAND, MENLO PARK, MODESTO, MONROVIA, MONTEBELLO, MONTEREY PARK, NEWMAN, NEWPORT BEACH, OAKDALE, OCEANSIDE, PALMDALE, PLACENTIA, POMONA, RANCHO CORDOVA (COMMERCIAL ONLY), RANCHO PALOS VERDES, REEDLEY, RIDGECREST, ROLLING HILLS, ROLLING HILLS ESTATES, ROSEMEAD, SAN DIMAS, SAN GABRIEL, SAN DIEGO, SAN JOSE, SAN MARCOS, SAN MARINO, SANGER, SANTA ANA, SANTA MONICA, SCOTTS VALLEY, SOLANO BEACH, SOUTH EL MONTE, SOUTH PASADENA, STANTON, STOCKTON, TAFT, TEMPLE CITY, TORRANCE, TRACY, TURLOCK, TUSTIN, VACAVILLE, VALLEJO, VISALIA, VISTA, WASCO, WATERFORD, WEST COVINA, WESTMINSTER, YOUNTVILLE, AND THE UNINCORPORATED COUNTIES OF IMPERIAL, KERN, MADERA, MERCED, MONO, MONTEREY, NAPA, SAN DIEGO, SANTA CRUZ, AND SOLANO.

ADOPTED JUNE 3, 2013 - REVISED JULY 15, 2013 - REVISED AUGUST 5, 2013
REVISED SEPTEMBER 9, 2013 - REVISED NOVEMBER 4, 2013 - REVISED DECEMBER 2, 2013
REVISED JANUARY 6, 2014 - REVISED FEBRUARY 3, 2014 - REVISED MARCH 3, 2014
REVISED APRIL 7, 2014 - REVISED MAY 5, 2014
REVISED JUNE 2, 2014 – AMENDED JUNE 9, 2014 – REVISED JULY 7, 2014 – REVISED AUGUST 4, 2014

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I. PROGRAM INTRODUCTION

This California HERO Program Report (this "Program Report") provides an overview of a property assessed clean energy ("PACE") municipal financing program called the California HERO Program (the "California HERO Program", "HERO" or "Program") for cities and counties that elect to participate in the California HERO Program.

A Residential Program Handbook and a Commercial Program Handbook (collectively "Handbooks") are incorporated herein by reference into this Program Report and supplement and provide further details on the Program.

1.1 PURPOSE OF THE CALIFORNIA HERO PROGRAM

The Western Riverside Council of Governments ("WRCOG" or "Agent") is making the California HERO Program available to every city and county in California to encourage installation of distributed generation renewable energy sources, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure for residential and commercial property owners. The Agent has partnered with Renovate America and SAMAS Capital to make HERO available throughout the State.

The California HERO Program is an economic development program available at no cost to participating cities and counties. HERO finances improvements which decrease energy, create clean renewable energy, or decrease water consumption. In addition to these direct benefits, HERO helps create local jobs, save money, increase property values and lower greenhouse gas emissions.

HERO first launched its residential program in western Riverside County in December 2011 and has received several awards across the state. HERO for commercial properties launched in December 2012.



Southern California Association of Governments
2012 President's Award for Excellence (Highest Honor)
<http://www.compassblueprint.org/toolbox/videos/12awards/wrcog>



U.S. Green Building Council
2012 Best Residential Partnership Program in California
<http://www.usgbc.org/ShowFile.aspx?DocumentID=18852>



Urban Land Institute
2012 Best of the Best

1.2 HERO FINANCING

In July, 2008, the California Legislature approved Assembly Bill 811 amending Chapter 29 of the Improvement Act of 1911 (Streets and Highways Code Section 5898.12 and following) ("Chapter 29"), authorizing cities and counties to establish voluntary contractual assessment programs to fund an array of conservation and renewable energy projects proposed by property owners. Assembly Bill 474 was subsequently passed in October 2009 to further amend Chapter 29 to add water efficiency improvements to the list of eligible improvements. Finally, SB 1340 was enacted in 2010 to amend Chapter 29 to authorize the installation of electric vehicle charging infrastructure.

Under the California HERO Program, a contractual assessment is entered into between the property owner and the Agent. Participation by a property owner in such a contractual assessment is 100% voluntary. The contractual assessment is memorialized in a contract between the participating property owner and WRCOG (an "Assessment Contract"). The separate forms of Assessment Contract for Residential properties, i.e., a property developed for a single family home or fewer than four (4) residential dwelling units, or Commercial properties, i.e., all non-residential properties, including apartment buildings with five (5) units or more, are set forth in substantially the forms attached to this Program Report as Appendix E. The amount of the contractual assessment is equal to the cost to pay for the eligible improvements ("Eligible Products"), the costs to pay for the issuance of the bonds that will finance the Program, and the costs to administer the Program. Like most assessments, the amounts are billed and collected on the County property tax bill. If the property is sold, the obligation to make the remaining payments on the assessment may remain on the property or may be required to be paid off when the primary mortgage is refinanced or when the property is sold. Additionally, if a property owner fails to pay the annual contractual assessment installments, the Agent is obligated to strip the delinquent installments off the property tax bill and commence judicial proceedings to foreclose the lien of the delinquent installments. This is an expedited procedure that can result in the public sale of the property in less than a year. This process is disclosed to the property owner in the applicable Assessment Contract.

1.3 PURPOSE OF THE PROGRAM REPORT

This Program Report is prepared pursuant to Sections 5898.22 and 5898.23 of the California Streets and Highways Code in connection with the establishment of the California HERO Program. This Program Report is supplemented by separate handbooks prepared for the residential and the commercial programs (each, a "Handbook") which are incorporated in this Program Report by reference. This is the document, together with the Handbooks, that establish the parameters of the Program and the requirements for property owner participation in the California HERO Program and fulfills the requirements of Sections 5898.22 and 5898.23. The California HERO Program is offered to property owners in participating Cities and Counties. Cities and the County can make HERO available to their constituents by adopting a resolution and entering into an amendment to the WRCOG joint exercise of powers agreement (the "JPA Amendment") pursuant to which such City or County becomes an Associate Member of WRGOG authorizing the Agent to offer the California HERO Program within the respective boundaries of such Cities and Counties. The Associate Members within which the California HERO Program may be implemented are set forth in Exhibit "B" hereto which delineates the boundaries of the territory within which voluntary contractual assessments may be offered pursuant to the California HERO Program.

II. RESIDENTIAL AND COMMERCIAL PROGRAM REQUIREMENTS

This section identifies the California HERO Program requirements relating to improvements made on residential and commercial properties.

2.1 *ELIGIBLE PROPERTY OWNERS AND ELIGIBLE PROPERTIES*

In order for properties to be eligible to participate in the California HERO Program, the applicant must meet the eligibility requirements listed below. The Handbooks provides additional detail on each criteria.

- a. Applicant. Applicant(s) must be the property owner(s) of record.
- b. Address. The applicant's property must be located within the boundaries of the California HERO Program. If a property is located in a city, the city must adopt a resolution and enter into the JPA Amendment authorizing the Agent to offer the California HERO Program within its boundaries. If a property is located within the unincorporated territory of a County, the County must adopt a resolution and enter into the JPA Amendment authorizing the Agent to offer the Program within its boundaries. A map showing the areas within which the California HERO Program may be offered is attached hereto as Appendix B.
- c. Property Taxes. The property owners must be current on their property taxes within the time period specified in the applicable Handbook.
- d. Involuntary Liens. The property must not be subject to involuntary liens, judgments or defaults or judgments in excess of the amount identified in the applicable Handbook.
- e. Mortgage Debt. The mortgage debt on the property must not exceed that certain percentage of the value of the property as set forth in the applicable Handbook.
- f. Annual Property Taxes. The total annual property tax and assessments, including the contractual assessment, on the property must not exceed 5% of the property's market value, as determined at the time of approval of the Assessment Contract.
- g. Bankruptcy. The property owner must not have declared bankruptcy within the time period specified in the applicable Handbook.

2.2 *ELIGIBLE PRODUCTS, CONTRACTORS AND COSTS*

Eligible Products

Property owners are responsible for installation, operation, and maintenance of the Eligible Products installed on their property. Property owners must address performance and other system-related issues directly with the contractor installing the Eligible Products according to the terms of the contract between the property owner and the contractor. The California HERO Program is a financing program only. Neither the Agent or the City or the County in which the property is located, nor their employees or agents are responsible for the Eligible Products, their installation or their performance.

The California HERO Program affords property owners the opportunity to take advantage of a wide range of eligible renewable energy, energy-saving, and water conservation/efficiency products that are included among the Eligible Products, consistent with the following provisions:

- a. The California HERO Program is intended principally to encourage the adoption of renewable energy, energy efficiency and water efficiency measures.
- b. The California HERO Program provides financing only for Eligible Products that are permanently affixed to real property.
- c. The California HERO Program provides financing only for Eligible Products specified in Appendix A of the report. The list of Eligible Products will be updated from time to time and published in the Handbooks. Broadly, these include:
 - a. Water Conservation/Efficiency Products
 - b. Energy Efficiency Products
 - c. Renewable Energy Systems
 - d. Electric vehicle charging infrastructure
 - d. Custom Products
- d. The property owner must ensure that any and all permits and inspections required by the jurisdiction within which such property is located for the installation of the Eligible Products are obtained.
- e. Financing is also available for projects that combine Eligible Products, such as bundling of water conservation/efficiency, energy efficiency, and renewable energy improvements. For instance, a property owner may choose to replace an aging and inefficient furnace, install weather stripping, install low flow toilets, and install a photovoltaic system as part of a single project.

Contractors

The cost of installation of Eligible Products shall be eligible to be financed under the California HERO Program only if such installation is completed by a contractor that is registered with the Program or by the property owner if self-installing such Eligible Products. A list of contractors that are registered with the Program shall also be located on the Program website. Registration of a contractor with the Program is neither a recommendation of such contractor nor a guaranty of or acceptance of responsibility for work of such contractor by the Agent, Renovate America, Samas Capital or the City or County in which the property upon which the Eligible Products are installed is located or the officers, employees or agents of such entities. Neither the Agent, Renovate America, Samas Capital, or the City or County in which the property upon which the Eligible Products are installed is located, their officers, employees nor agents any have responsibility whatsoever for the selection by a property owner of a registered contractor or the work performed by such registered contractor.

Improvement Costs

Eligible costs of the improvements include the cost of equipment and installation of such equipment. Installation costs may include, but are not limited to, energy and water audit consultations, labor, design, drafting, engineering, permit fees, and inspection charges. Eligible costs do not include labor costs for property owners that elect to do the work themselves.

Property owners who elect to engage in broader projects – such as home or business remodeling – may only receive Program financing for that portion of the cost of retrofitting existing structures with Eligible Products. Repairs and/or new construction do not qualify except to the extent that the construction is required for the specific approved Eligible Products. Repairs to existing infrastructure, such as water and sewer laterals, are considered repairs and are not eligible.

Program staff will evaluate conditions in the construction and installation market for the proposed Eligible Products, including the pricing of Eligible Products, and may require the property owner to obtain additional bids to determine whether costs are reasonable. While the property owner may choose the contractor, the amount available for financing may be limited as set forth in the applicable Handbook.

Administrative Costs/Fees

The Program will cover all or a portion of its costs of establishing the Program; processing, reviewing and approving a property owner's application; processing the Assessment Contract and other related financing and contract documents and issuing the bonds that will finance the Program through an expense component to be added to the amount of the financing request as set forth in the applicable Handbook. In addition, there may be other costs that are not covered in the expense component and will be borne by the property owners as set forth in the applicable Handbook. These costs may include:

- a. Application Fee. An application fee may be required. The owner may not include this cost in the financing request. Except as otherwise provided in applicable federal or state law, the application fee is nonrefundable, unless the property owner is deemed ineligible and the unused portion of the application fee may be prorated.
- b. Title and Recording Costs. Title and recording costs, including title insurance, where required, may be paid by the property owner.
- c. Permitting Costs. Property owners are required to verify whether or not a permit and/or inspections are required by the jurisdiction in which such owner's property is located. Any such permit and/or inspection costs will be paid by the property owner and are an eligible cost to include in the financing.
- d. Ongoing Administration Costs. Annual assessment administration, collection, County treasurer-tax collector and auditor-controller and trustee costs will be added each year to the annual assessment on property tax bills and will be adjusted in subsequent years for cost of living increases using the U.S. Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for the County or region.
- e. Onsite Validation Fees. Onsite validation fees may be required for Program staff to confirm that approved Eligible Products were actually installed prior to funding; provided, however, such fee may not exceed the actual cost to undertake such validation.
- f. Multiple Disbursement Fees. The Program may offer multiple disbursements for assessments if feasible. If multiple disbursements are offered, the partial disbursement funding requests may be subject to an additional processing fee per partial disbursement as set forth in the applicable Handbook; provided, however, that such fee may not exceed the actual cost of providing such service.

g. Capitalized Interest. Because each County has established a deadline for placing the contractual assessments on such County's property tax bill, the principal component of the contractual assessment may also include an amount equal to the first tax year's contractual assessment installments if the deadline cannot be met.

h. Deposit to a Debt Service Reserve Fund. The Agent or project investors may require property owners to fund a deposit to a debt service reserve fund as set forth in the applicable Handbook. The reserve fund would be used to pay debt service on bonds issued to finance the installation of Eligible Products in the event of contractual assessment installment delinquencies.

As required pursuant to Section 5898.22 of Chapter 29, the Agent has met and consulted with the staff of the Counties of the Fresno, Imperial, Kern, Los Angeles, Madera, Merced, Mono, Monterey, Napa, Orange, Sacramento, San Diego, San Joaquin, Santa Barbara, Santa Clara, Santa Cruz, Solano, Stanislaus, and Tulare Auditor's office concerning the additional fees, if any, that will be charged to the Agent for incorporating the proposed assessment installments into the assessments of the general taxes on real property. The payment of such fees shall be included as a part of ongoing administration costs which will be added each year to the annual assessment on property tax bills.

III. APPEAL PROCESS

The Program allows for property owners to go through an appeal process if their application is denied or if the property owner or property is deemed ineligible to participate in the Program. The process is set forth in the applicable Handbook.

IV. TRACKS FOR PARTICIPATION

There are four categories of improvements under which property owners may participate in this Program. Minimum energy efficiency specifications are set at EnergyStar, California Title 24 and Title 20, and WaterSense standards, as applicable. Efficiency standards will "ratchet-up" with EnergyStar, WaterSense, California Title 24 and Title 20 standards, or other new standards as may be appropriate and as agreed upon by WRCOG Executive Committee. A complete list of Eligible Products can be found in Appendix A.

4.1 WATER CONSERVATION/EFFICIENCY

Water Conservation/Efficiency covers a wide range of water conserving fixtures, such as low flow toilets, low flow shower heads, and irrigation controllers.

4.2 ENERGY EFFICIENCY

Energy Efficiency covers a wide range of energy efficiency fixtures such as windows and doors, attic insulation, and HVAC equipment that are EnergyStar rated. Most Eligible Products in this category must meet specified minimum efficiencies.

4.3 RENEWABLE ENERGY

Solar Photovoltaic or Solar Thermal Systems provide for solar energy generation and solar hot water systems, respectively. Small wind turbines, fuel cell systems or geothermal systems may also be eligible under this category.

4.4 CUSTOM PROJECTS

The development of technologies is encouraged by the Program as a means of diversifying the region's energy and water sources. Custom Projects will be evaluated and provided funding, if appropriate, for either innovative projects or for more complex, larger projects that require additional review.

V. PROGRAM PARAMETERS

5.1 MINIMUM FINANCING AMOUNT AND DURATION OF ASSESSMENT

Assessment Contracts are available for varying terms as set forth in the applicable Handbook.

Minimum and maximum financing amounts are set forth in the applicable Handbook.

5.2 MAXIMUM PORTFOLIO

The maximum aggregate dollar amount of contractual assessments initially authorized under the California HERO Program is \$2 billion.

5.3 ASSESSMENT INTEREST RATE

Residential Properties: The interest rate for a contractual assessment on a residential property is set at the time that the Assessment Contract is delivered to the property owner. An estimated, current rate will always be available on the Program website and any variations from that estimated rate will be based solely on market fluctuations.

Commercial Properties: The interest rate for a contractual assessment on a commercial property is set at the time the Assessment Contract is entered into.

The Program interest rate(s) will be set with the intention of creating a self-sustaining Program at rates that are competitively priced to compare to financing options available through banking or other financial institutions, balanced with the ability to remarket the bonds issued to finance the installation of Eligible Products on participating properties and encourage the future liquidity of the Program.

5.4 PROPERTY ASSESSMENT LIEN

All property owners must sign, and return the Assessment Contract within the time period specified in the notice of approval of a property owner's application. Upon completion of the project and execution of the Assessment Contract, the Agent will place a lien for the full amount of the contractual assessment on the property that secures such assessment. If the lien is recorded before the first business day in July, the assessment installment will appear on the next tax bill. For liens recorded after the first business day of July, the assessment installment will not appear on the tax bill until the following tax

year, but interest will accrue on the outstanding balance. A direct bill and/or additional tax bill or other method of payment (including capitalized interest) may be required, as determined by the Program, during the first tax year.

5.5 DELINQUENT ASSESSMENT COLLECTIONS

In general, it is expected that assessment installments will be collected on the *ad valorem* tax bills sent to property owners by the Treasurer-Tax Collector of the County in which such owner's property is located, and therefore delinquency information will generally be available from such the Treasurer-Tax Collector's office. In order to attract financing, the Agent will covenant to commence and pursue judicial foreclosure proceedings with respect to parcels that are delinquent in the payment of assessment installments. The precise terms of such a covenant will be determined at the time of bond issuance.

VI. THE FINANCIAL STRATEGIES

The Program includes the following financial strategies.

Strategy One: The Program will, at launch, utilize Renovate America to fund installations of Eligible Products for Residential properties. Renovate America will provide a revolving credit line to finance the installation of Eligible Products for such Residential properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section II above and in the Residential Handbook. In consideration for funding the installation of such Eligible Products the Agent shall issue and deliver to Renovate America one or more municipal bonds secured by the contractual assessments payable by the Residential properties to be improved.

Strategy Two: The Program will, at launch, utilize the Samas Capital to fund installations of Eligible Products for Commercial properties. Samas Capital will provide a revolving credit line to finance the installation of Eligible Products to Commercial properties. Property and other eligibility requirements will be determined pursuant to the criteria set forth in Section II above and the Commercial Handbook. In consideration for funding the installation of such Eligible Products the Agent shall issue and deliver to Samas Capital one or more municipal bonds secured by the contractual assessments payable by the Commercial properties to be improved.

Strategy Three: The Agent may establish the "Statewide PACE Financing Fund" (the "PACE Fund") and may accept funds from any available source. Repayments will be made pursuant to Assessment Contracts between the property owners and the Agent and will be collected through the property assessment mechanism in the County property tax system in which the properties of such owners are located. The Agent will manage or cause the Trustee or other qualified third party administrator to manage the PACE Fund in one enterprise fund with multiple sub-funds.

Strategy Four: For additional financing, the Agent will continue to explore funding opportunities from a number of other potential funding sources, and combinations of sources, which may include but are not limited to additional funding from any funds under the control of the Agent, the issuance of notes, bonds, or agreements with utilities or public or private lenders, other governmental entities and quasi-governmental entities such as SCERA, CALPERS, Nationwide Retirement Solutions, funding from private entities, or any financing structure allowed by law.

VII. GLOSSARY OF TERMS

ANNUAL FUEL UTILIZATION EFFICIENCY (AFUE): AFUE is the standard measurement of efficiency for gas and oil-fired furnaces. Given in percentages, this number tells you how much of your fuel is used to heat your home and how much fuel is wasted. The higher the AFUE rating, the greater the efficiency.

ASSEMBLY BILL 811: Approved in July 2008 by the California legislature, AB 811 amended Chapter 29 to authorize cities and counties to establish voluntary contractual assessment programs to fund an array of conservation and renewable energy projects proposed by property owners.

ASSEMBLY BILL 474: Approved in October 2009 by the California legislature, AB 474 amended Chapter 29 to authorize the funding of water conservation products through a voluntary contractual assessment program.

ASSESSMENT CONTRACT: A contract entered into between a property owner or property owners to provide financing for the installation of Eligible Improvements on property of such owner or owners under the California HERO Program.

BRITISH THERMAL UNITS (BTU): The amount of heat required to raise the temperature of one (1) pound of water one (1) degree Fahrenheit.

BUILDING PERFORMANCE INSTITUTE (BPI): BPI is a national standards development and credentialing organization for residential energy efficiency retrofit work – providing training through a network of training affiliate organizations, individual certifications, company accreditations and quality assurance programs. BPI certifications include building analysts (for energy audits) as well as building envelope professionals (envelope or manufactured housing) and mechanical professionals (heating or cooling).

BUILDING PERMITS: Formal approval of building plans by the designated government agency as meeting the requirements of prescribed codes. It is an authorization to proceed with the construction or reconfiguration of a specific structure at a particular site, in accordance with the approved drawings and specifications.

CALIFORNIA SOLAR INITIATIVE (CSI): The California Solar Initiative is part of the Go Solar California campaign and builds on 10 years of state solar rebates offered to customers in California's investor-owned utility territories: Pacific Gas & Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E). The California Solar Initiative is overseen by the California Public Utilities Commission.

COEFFICIENT OF PERFORMANCE (COP): The COP is the basic parameter used to report efficiency of refrigerant based systems.

COMMERCIAL: Commercial entities are defined as all non-residential properties and include, but are not limited to, apartment buildings with five units or more, industrial and agricultural properties.

CONTRACTOR: A person or business entity who contracts to erect buildings, or portions of buildings, or systems within buildings.

COOL ROOF: A cool roof reflects and emits the sun's heat back to the sky instead of transferring it to the building below. "Coolness" is measured by two properties, solar reflectance and thermal emittance. Both properties are measured from zero (0) to one (1) and the higher the value, the "cooler" the roof

COOL ROOF RATING COUNCIL (CRRC): The CRRC is an independent, non-profit organization that maintains a third-party rating system for radiative properties of roof surfacing materials.

ENERGY AUDIT: An evaluation of energy consumption, as in a home or business, to determine ways in which energy can be conserved.

ENERGY EFFICIENCY RATIO (EER): EER is a measure of how efficiently a cooling system will operate when the outdoor temperature is at a specific level (95°F). The higher the EER, the more efficient the system.

ELIGIBLE PRODUCTS: All Eligible Products as specified in the applicable Program Handbook.

ENERGYSTAR: EnergyStar is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy helping us all save money and protect the environment through energy efficient products and practices.

EXPECTED PERFORMANCE-BASED BUY-DOWN (EPBB): Under CSI, EPBB provides that solar systems smaller than 30kW in capacity can receive a one-time, up-front incentive based on expected performance, and calculated by equipment ratings and installation factors (geographic location, tilt and shading). EPBB payments are provided on a \$ per watt basis. Systems eligible for EPBB can choose to opt-in to the PBI system.

EVAPOTRANSPIRATION (ET): ET is a term used to describe the sum of evaporation and plant transpiration from the Earth's land surface to atmosphere.

HEAT SEASONAL PERFORMANCE FACTOR (HSPF): HSPF is the most commonly used measure of a heat pumps heating efficiency. The higher the HSPF, the more efficient the heat pump.

HOME ENERGY RATING SYSTEM (HERS): Based on the home's plans, the Home Energy Rater uses an energy efficiency software package to perform an energy analysis of the home's design. This analysis yields a projected, pre-construction HERS Index. Upon completion of the plan review, the rater will work with the builder to identify the energy efficiency Eligible Products needed to ensure the house will meet ENERGY STAR performance guidelines. The rater then conducts onsite inspections, typically including a blower door test (to test the leakiness of the house) and a duct test (to test the leakiness of the ducts). Results of these tests, along with inputs derived from the plan review, are used to generate the HERS Index score for the home.

INTERCONNECTION AGREEMENT: A legal document authorizing the flow of electricity between the facilities of two electric systems. Under the CSI Program, eligible renewable energy systems must be permanently interconnected and operating in parallel to the electrical distribution grid of the utility serving the customer's electrical load. Portable systems are not eligible. Proof of interconnection and parallel operation is required prior to receiving an incentive payment.

INVESTOR-OWNED UTILITY (IOU): For purposes of the Program, this refers to Southern California Edison Company, Pacific Gas & Electric Company and San Diego Gas & Electric Company.

KILOWATT (KW): A unit of electrical power equal to 1,000 watts, which constitutes the basic unit of electrical demand. The watt is a metric measurement of power (not energy) and is the rate (not the duration over which) electricity is used. 1,000 kW is equal to 1 megawatt (MW).

KILOWATT HOUR (KWH): The use of 1,000 watts of electricity for one full hour. Unlike kW, kWh is a measure of energy, not power, and is the unit on which the price of electrical energy is based. Electricity rates are most commonly expressed in cents per kilowatt hour.

MARKET VALUE: Highest estimated price that a buyer would pay and a seller would accept for an item in an open and competitive market.

MANUAL J REPORT: A report that is the accepted industry standard for the proper sizing and selection of HVAC equipment in residential applications. Manual J outlines the accurate procedure which can be used to estimate the heat loss and heat gain for conventional residential structures

MEGAWATT (MW): Unit of electrical power equal to one million watts; also equals 1,000 kW.

NET OPERATING INCOME (NOI): Net operating income is rental income of a property after operating expenses. These expenses would include all operating expenses, including maintenance, janitorial, supplies, insurance, accounting, management, etc.

PARTICIPATING JURISDICTION: A city or county that has elected to participate in the California HERO Program.

PROGRAM: The California HERO Program.

PROGRAM ADMINISTRATOR: The WRCOG Executive Director and/or his designee are designated as the Program Administrator and are authorized to enter into contractual assessments.

REAL PROPERTY: A property in the County that is subject to a real property tax.

PERFORMANCE BASED INCENTIVE (PBI): All solar systems requesting incentive payments over 30 kW must take the PBI. Any sized system can elect to take PBI. The PBI pays out an incentive, based on actual kWh production, over a period of five years. PBI payments are provided on a \$ per kilowatt-hour basis.

POWER PURCHASE AGREEMENT (PPA): PPA's are contracts between two parties, one who generates electricity for the purpose of sale (the seller) and one who agrees to purchase electricity (the buyer). Financing for the project is delineated in the contract, which also specifies relevant dates of the project coming into effect, when the project will begin commercial operation, and a termination date for which the contract may be renewed or abandoned. All sales of electricity are metered to provide both seller and buyer with the most accurate information about the amount of electricity generated and bought. Rates for electricity are agreed upon in the contract between both parties.

RENEWABLE: Electricity supplied by energy sources that are naturally and continually replenished, such as wind, solar power, geothermal, small hydropower, and various forms of biomass.

RESIDENTIAL: Single family home, fewer than four (4) residential units.

R-VALUE: R-Value is a measure of thermal resistance used in the building and construction industry, usually for insulation. The higher the R-Value, the greater the insulation qualities of the product.

SEASONAL ENERGY EFFICIENCY RATIO (SEER): SEER is most commonly used to measure the efficiency of central air conditioners and air source heat pumps. SEER measures how efficiently a cooling system will operate over an entire season. The higher the SEER, the more efficient the system.

SOLAR HEAT GAIN COEFFICIENT (SHGC): SHGC measures how well a product blocks heat by sunlight. SHGC is expressed as a number between 0 and 1. The lower the SHGC, the less solar heat is transmitted into the building.

SOLAR RATING AND CERTIFICATION CORPORATION (SRCC): The CRCC currently administers a certification, rating, and labeling program for solar collectors and a similar program for complete solar water heating systems.

TITLE 20: CCR Title 20, California regulations intended to drive down electrical energy consumption in the state, is having a noticeable impact on manufacturers, importers and retailers who produce or sell portable lamps.

TITLE 24: California Code of Regulations (CCR), Title 24, also known as the California Building Standards Code, is a compilation of three types of building standards from three different origins:

- Building standards that have been adopted by state agencies without change from building standards contained in national model codes;
- Building standards that have been adopted and adapted from the national model code standards to meet California conditions;
- Building standards, authorized by the California legislature, that constitute extensive additions not covered by the model codes that have been adopted to address particular California concerns.

Water Audit: Water Audit is a qualitative and quantitative analysis of water consumption to identify means of reducing, reusing and recycling of water.

WATERSENSE: WaterSense is a partnership program sponsored by the U.S. Environmental Protection Agency (EPA) with the goal of protecting the future of the US's water supply. By promoting and enhancing the market for water efficient products and services, WaterSense makes every drop count by leveraging relationships with key utility, manufacturer and retail partners across the U.S.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (WRCOG): A joint powers authority representing its Associate Members in establishing the California HERO Program. WRCOG is serving as Agent to facilitate funding for owners of properties in jurisdictions of its Associate Members that meet the project approval and funding criteria provided herein for participation in the California HERO Program.

Appendix A

ELIGIBLE PRODUCTS

The California HERO Program offers financing for a number of eligible equipment types, energy efficiency measures, water efficiency/conservation improvements, solar systems, and other innovative, energy-saving, water saving, and energy generation custom products for residential and commercial property owners as specified in the applicable Handbook.

Minimum energy efficiency specifications are set at EnergyStar, California Title 24 and Title 20, and WaterSense standards, as applicable. Efficiency standards will “ratchet-up” with EnergyStar, WaterSense, California Title 24 and Title 20 standards, or other new standards as may be appropriate and as agreed upon by the Agent.

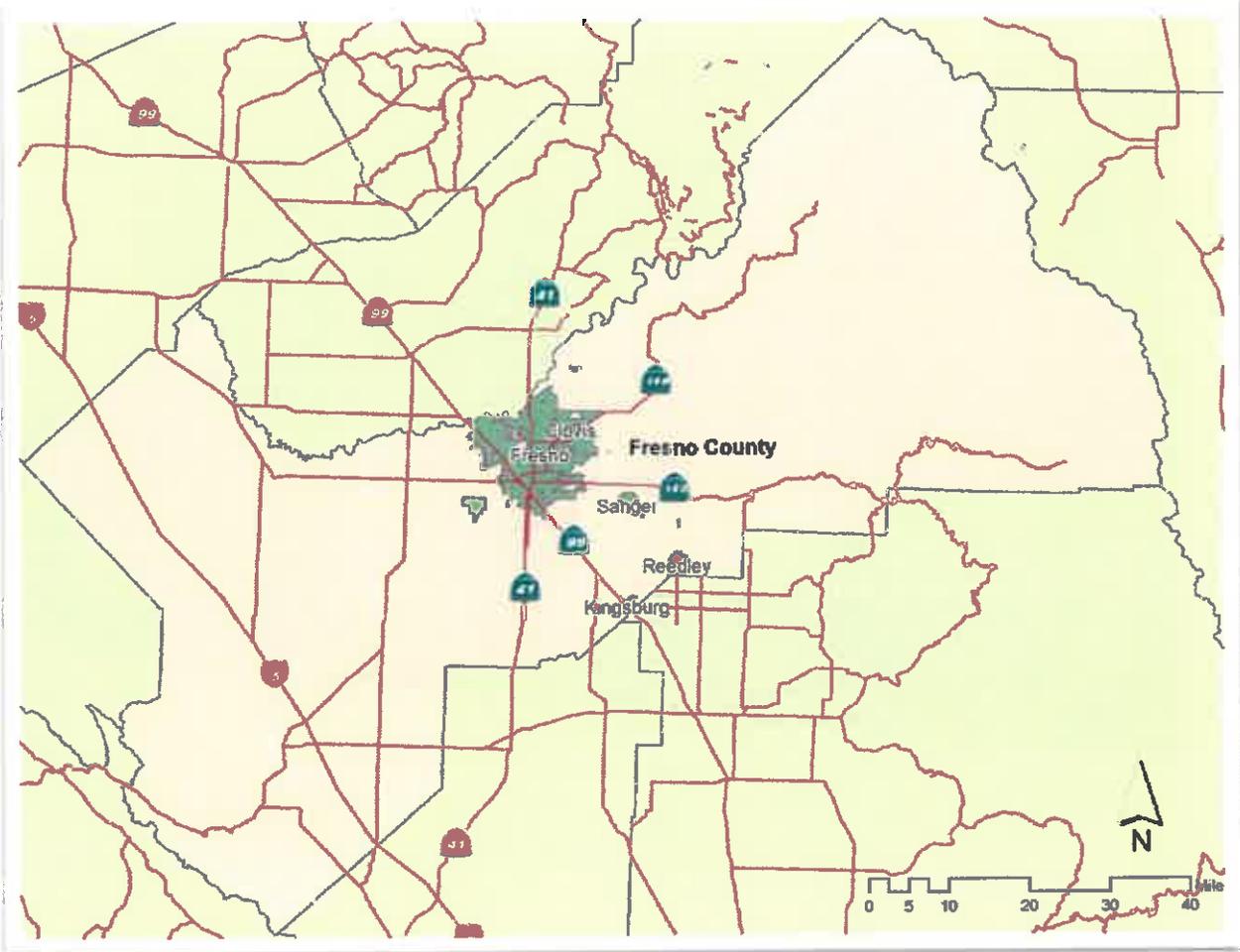
Any Solar PV system must be eligible for and participate in CSI or an equivalent utility rebate program, unless the property is not connected to the electricity grid, or such utility rebate program is not available.

Appendix B

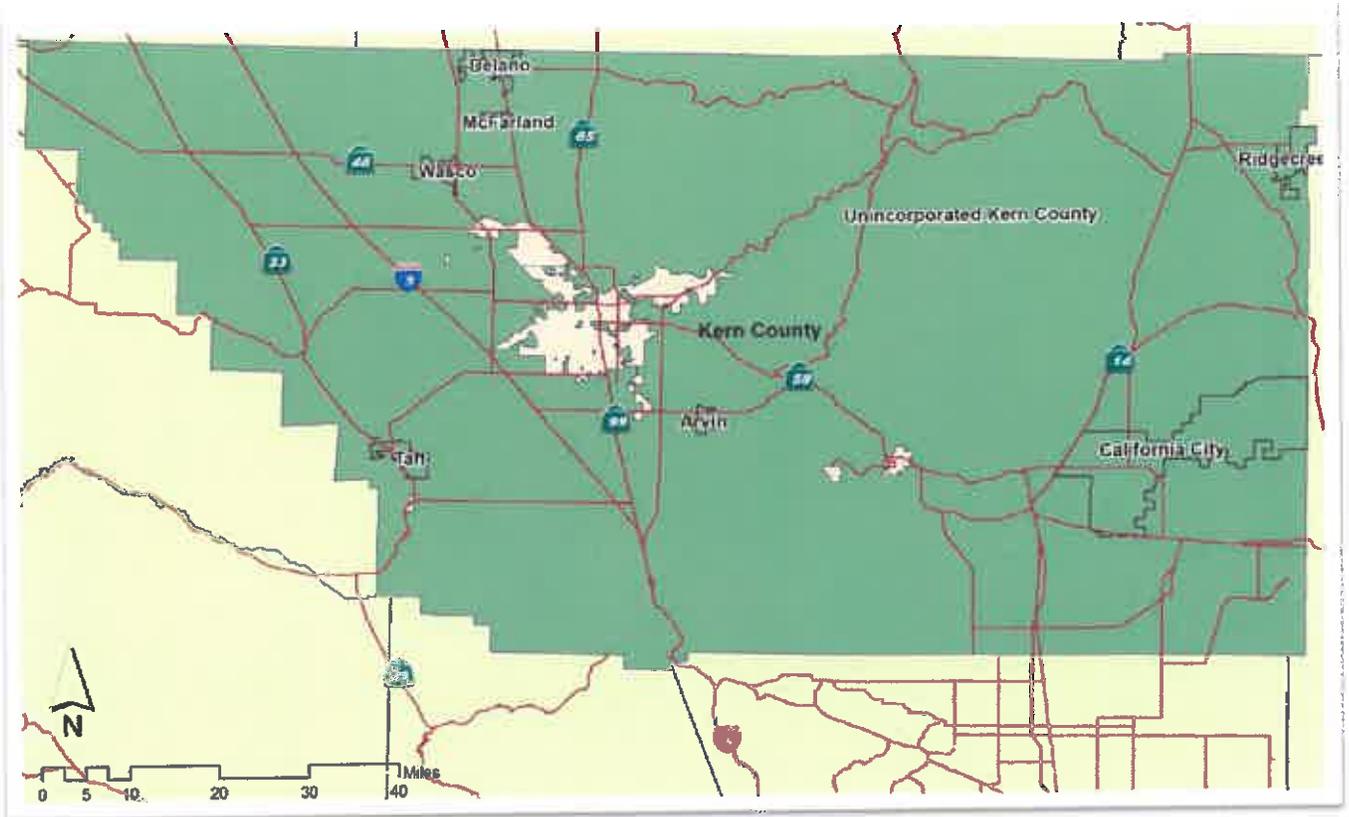
MAP OF PROGRAM AREA (AUGUST 4, 2014)

The territories within which voluntary contractual assessments are authorized to be offered pursuant to the California hero program are the jurisdictional boundaries of the Alhambra, American Canyon, Anaheim, Arcadia, Arvin, Atwater, Azusa, Baldwin Park, Benicia, Bellflower, Bradbury, Brawley, Brea, Buena Park, California City, Calistoga, Carlsbad, Carson, Citrus Heights, Claremont, Clovis, Coronado, Costa Mesa, Covina, Cypress, Delano, Diamond Bar, El Cajon, El Centro, El Monte, El Segundo, Encinitas, Escondido, Fresno, Garden Grove, Gardena, Glendora, Hawthorne, Hermosa Beach, Huntington Beach, Imperial Beach, Industry, Inglewood, Irwindale, Kingsburg, La Canada Flintridge, La Mesa, La Palma, La Verne, Laguna Hills, Lancaster, Lawndale, Lemoore, Lemon Grove, Lomita, Lompoc, Mammoth Lakes, McFarland, Menlo Park, Modesto, Monrovia, Montebello, Monterey Park, Napa, Newman, Newport Beach, Oakdale, Oceanside, Palmdale, Placentia, Pomona, Rancho Cordova (Commercial Only), Rancho Palos Verdes, Reedley, Ridgecrest, Rolling Hills, Rolling Hills Estates, Rosemead, San Diego, San Dimas, San Gabriel, San Jose, San Marcos, San Marino, Sanger, Santa Ana, Santa Monica, Scotts Valley, Solano Beach, South El Monte, South Pasadena, Stanton, Stockton, Taft, Temple City, Torrance, Tracy, Turlock, Tustin, Vacaville, Vallejo, Visalia, Vista, Wasco, Waterford, West Covina, Westminster, Yountville, and the unincorporated counties of Imperial, Kern, Madera, Merced, Mono, Monterey, Napa, San Diego, Santa Cruz, and Solano, as shown on the attached maps.

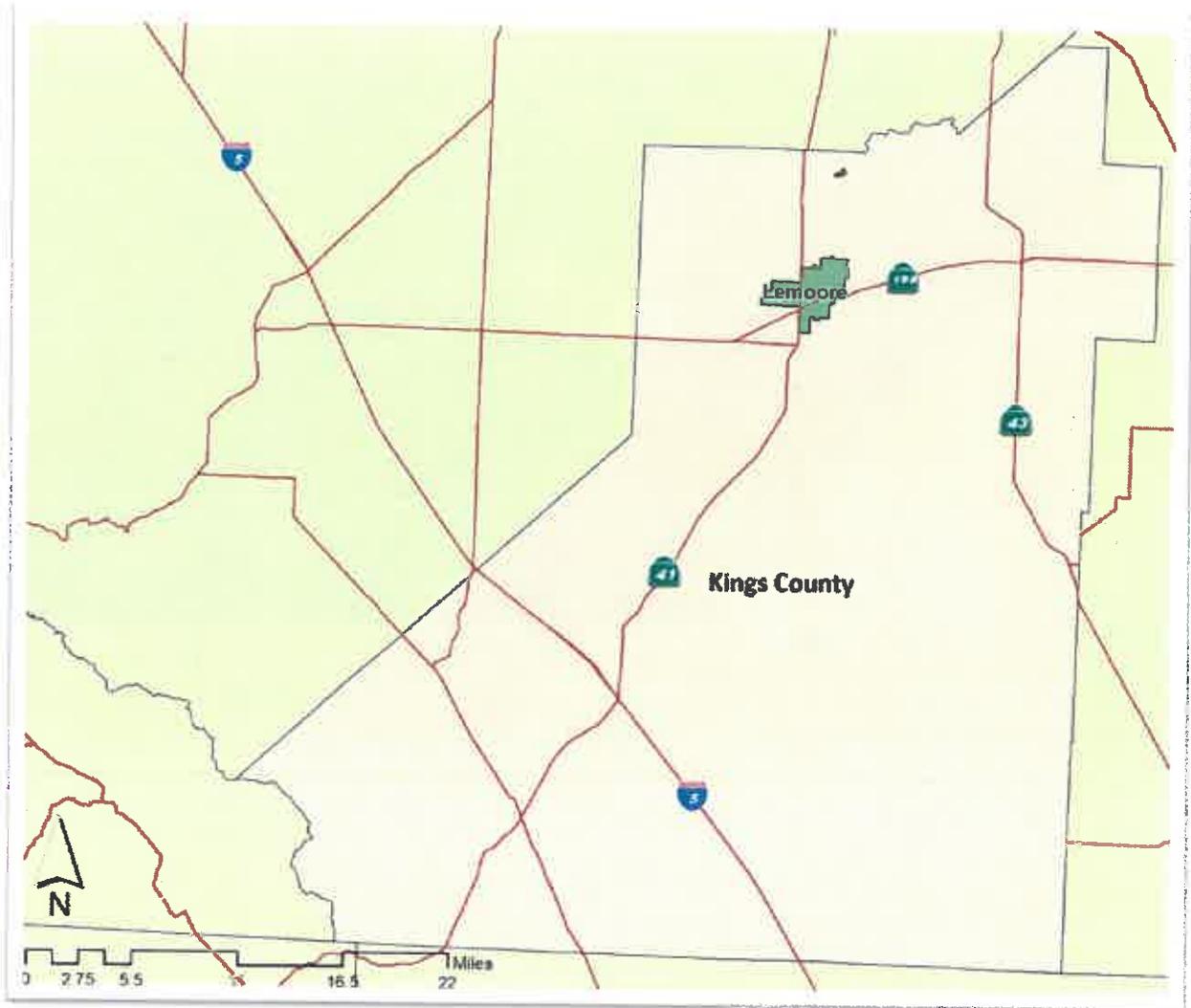
Cities of Clovis, Fresno, Kingsburg, Reedley, and Sanger, located in Fresno County, California



Cities of Arvin, California City, Delano, McFarland, Ridgecrest, Taft, and Kern County unincorporated, located in Kern County, California



City of Lemoore, located in Kings County, California



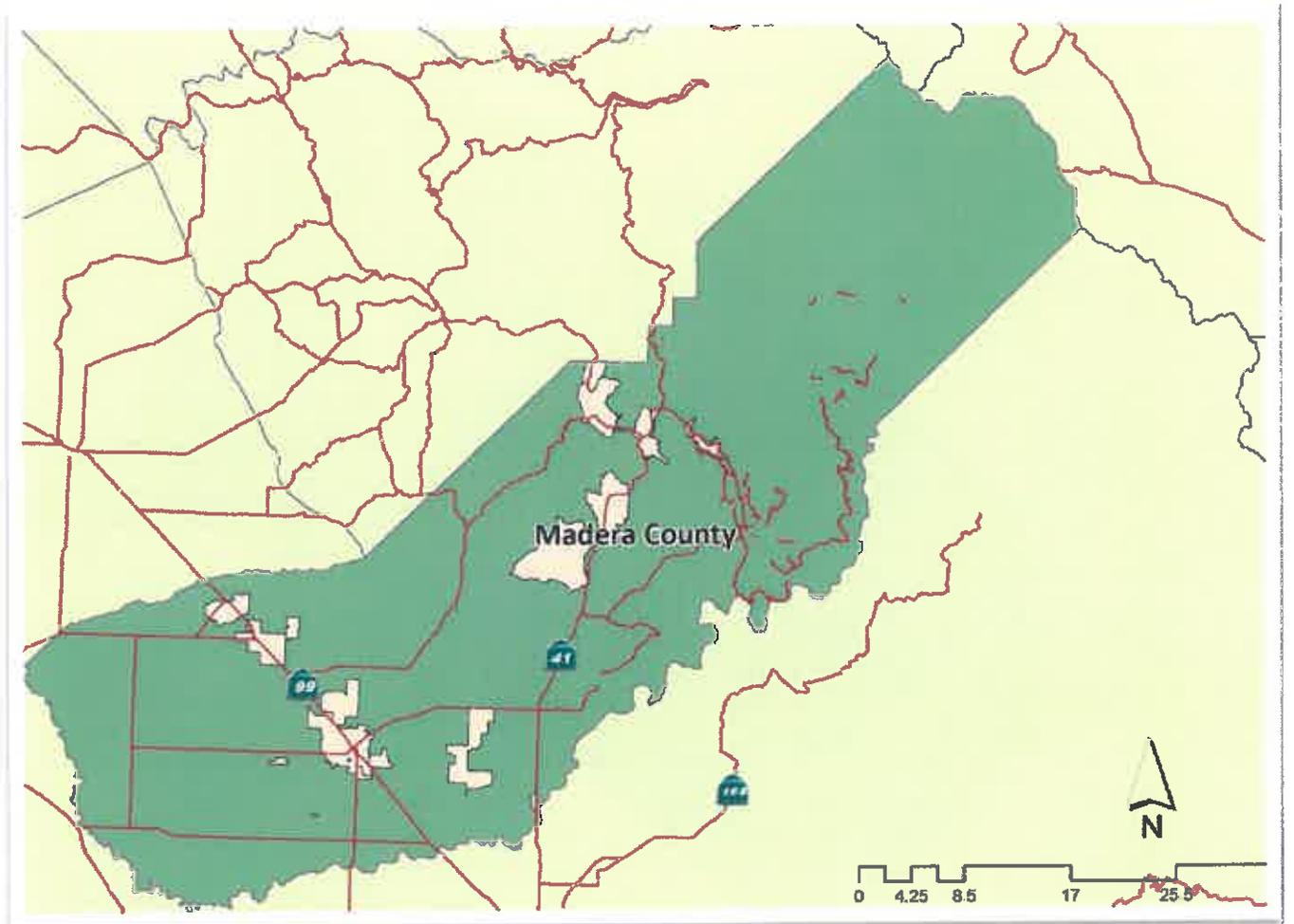
Cities of Alhambra, Arcadia, Azusa, Baldwin Park, Bellflower, Bradbury, Carson, Claremont, Covina, Diamond Bar, El Monte, El Segundo, Gardena, Glendora, Hawthorne, Hermosa Beach, Industry, Inglewood, Irwindale, La Canada Flintridge, La Verne, Lancaster, Lawndale, Lomita, Monrovia, Montebello, Monterey Park, Palmdale, Pomona, Rolling Hills, Rolling Hills Estates, Rancho Palos Verdes, Rosemead, San Dimas, San Gabriel, San Marino, Santa Monica, South El Monte, South Pasadena, Temple City, Torrance, Walnut, and West Covina, located in Los Angeles County, California.



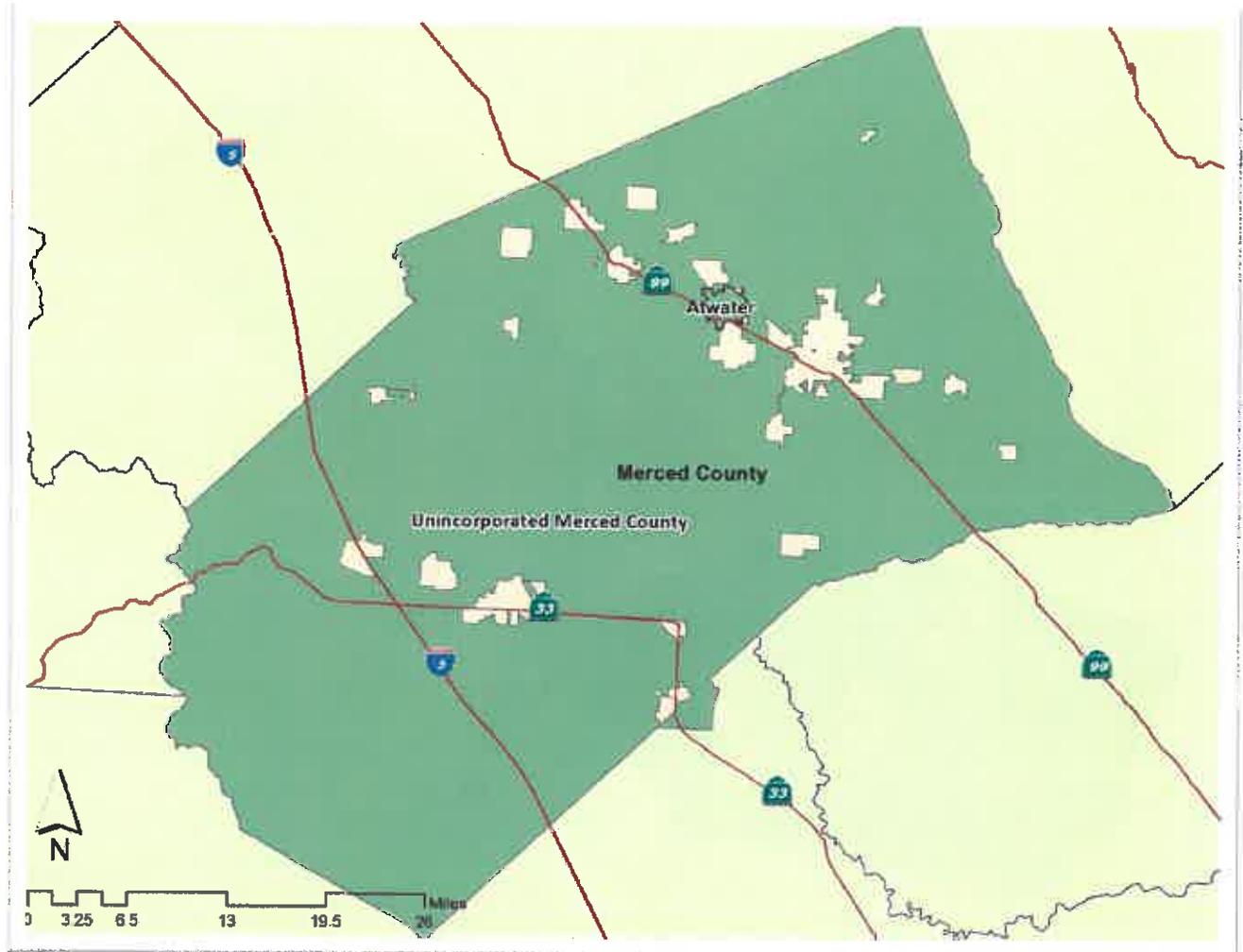
Cities of Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Garden Grove, Huntington Beach, La Palma, Laguna Hills, Newport Beach, Placentia, Santa Ana, Stanton, Tustin, and Westminster, located in Orange County, California.



Madera County unincorporated, located in Madera County, California



City of Atwater, and Merced County unincorporated, located in Merced County, California



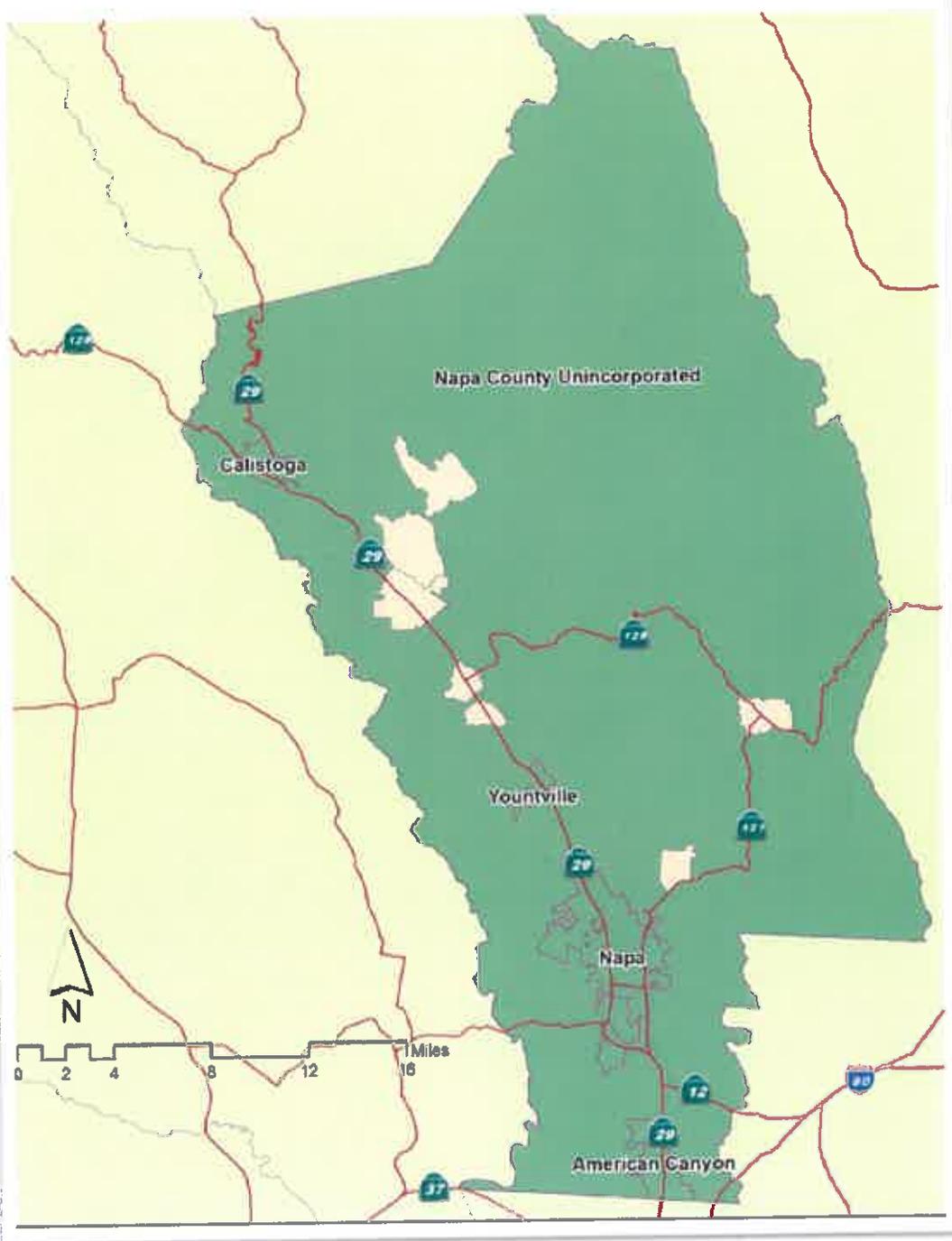
Town of Mammoth Lakes and Mono County unincorporated, located in Mono County, California



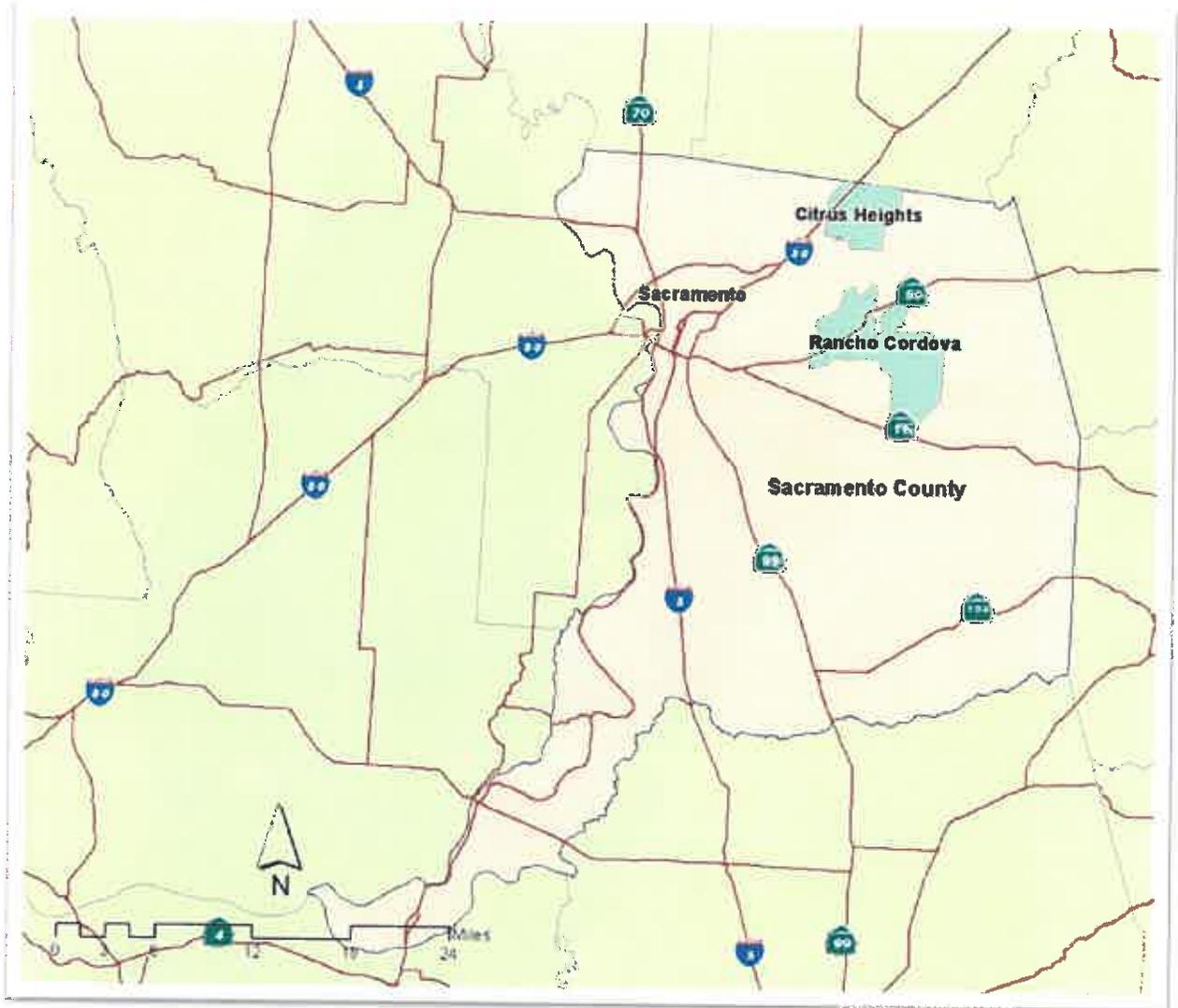
City of Monterey and Monterey County unincorporated located in Monterey County, California



Cities of American Canyon, Calistoga, Yountville, and the County of Napa unincorporated, located in Napa County, California



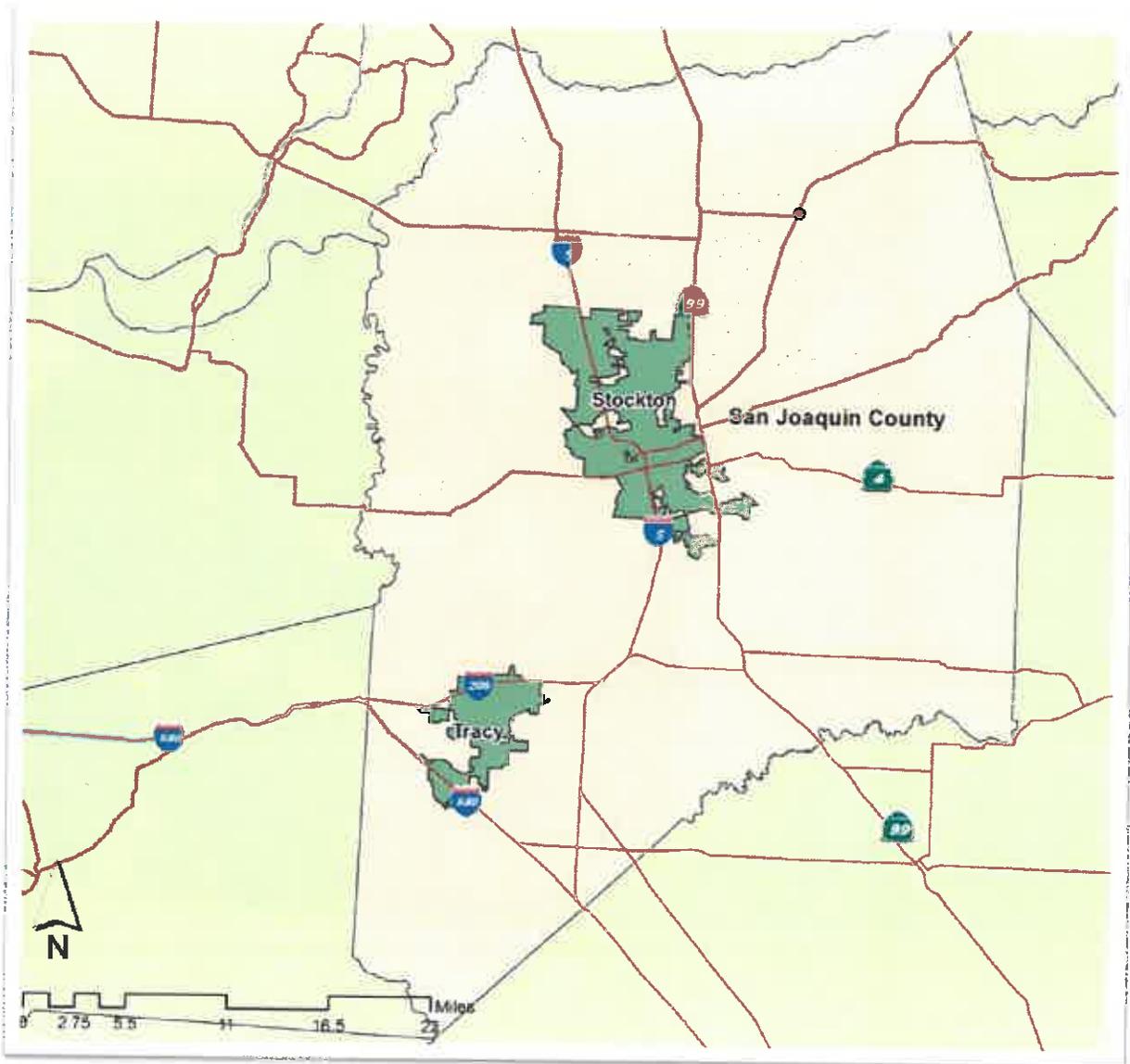
Cities of Citrus Heights and Rancho Cordova, located in Sacramento County, California



Cities of Carlsbad, Coronado, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, Oceanside, San Diego, San Marcos, Solana Beach, and Vista, San Diego County unincorporated, located in San Diego County, California



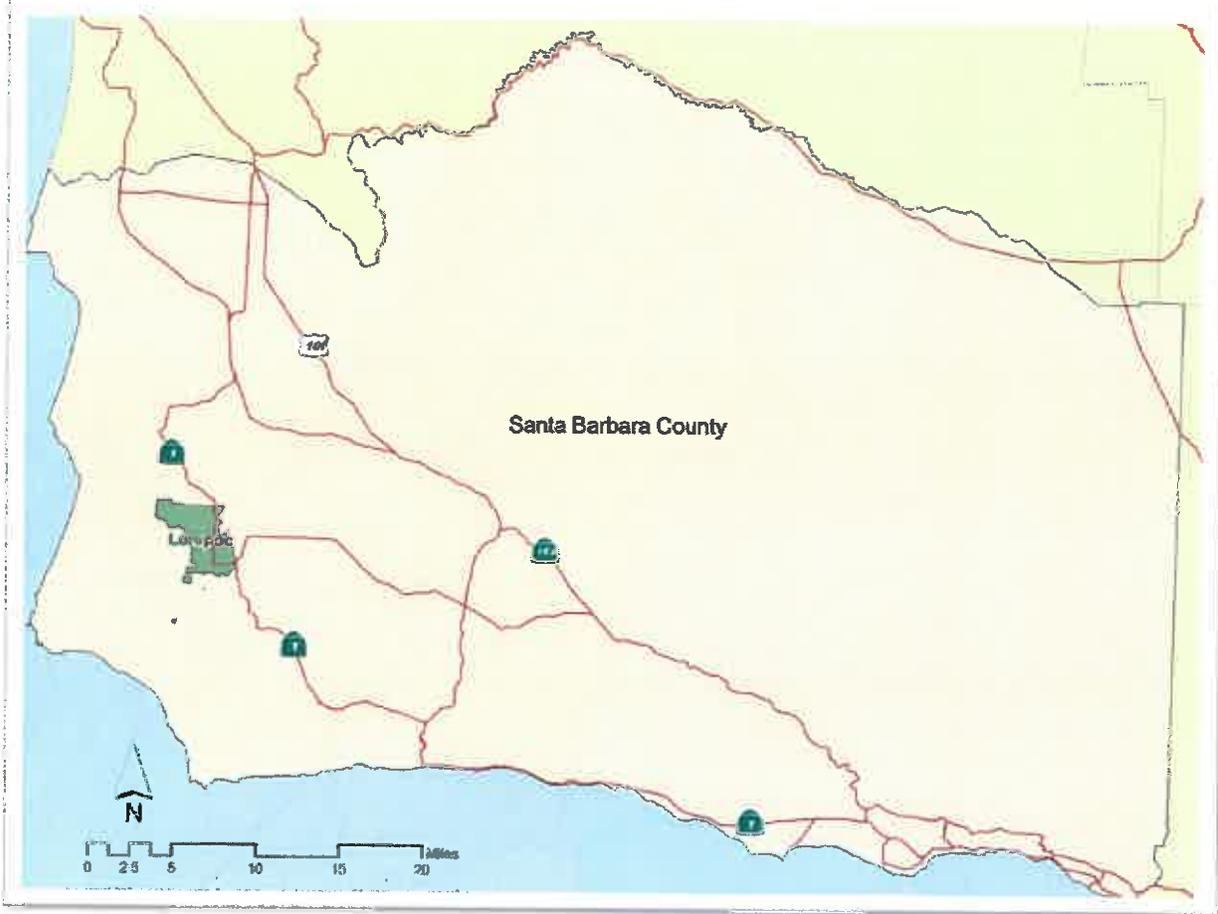
Cities of Stockton and Tracy, located in San Joaquin County, California



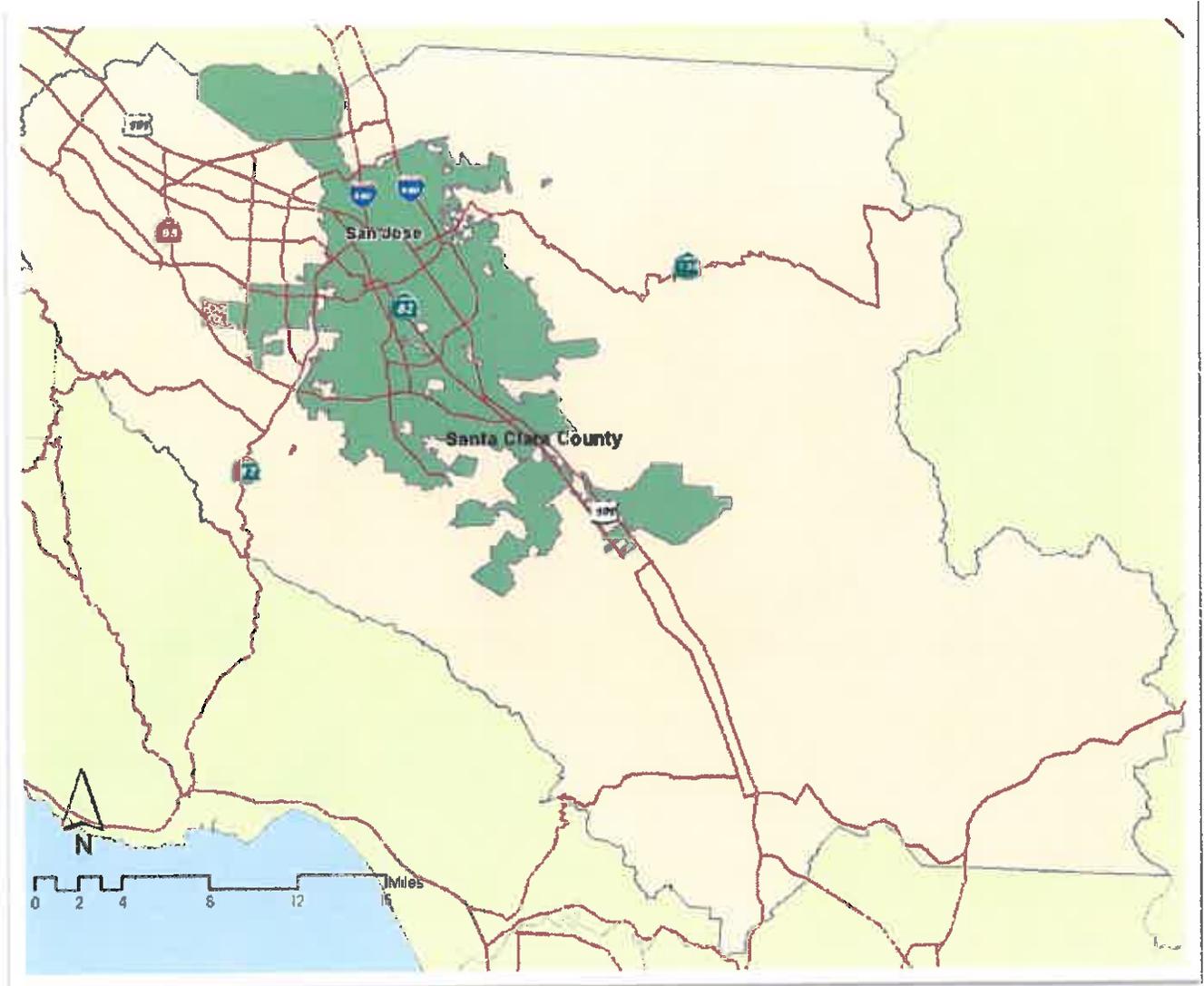
City of Menlo Park, located in San Mateo County, California



City of Lompoc, located in Santa Barbara County, California



City of San Jose, located in Santa Clara County, California



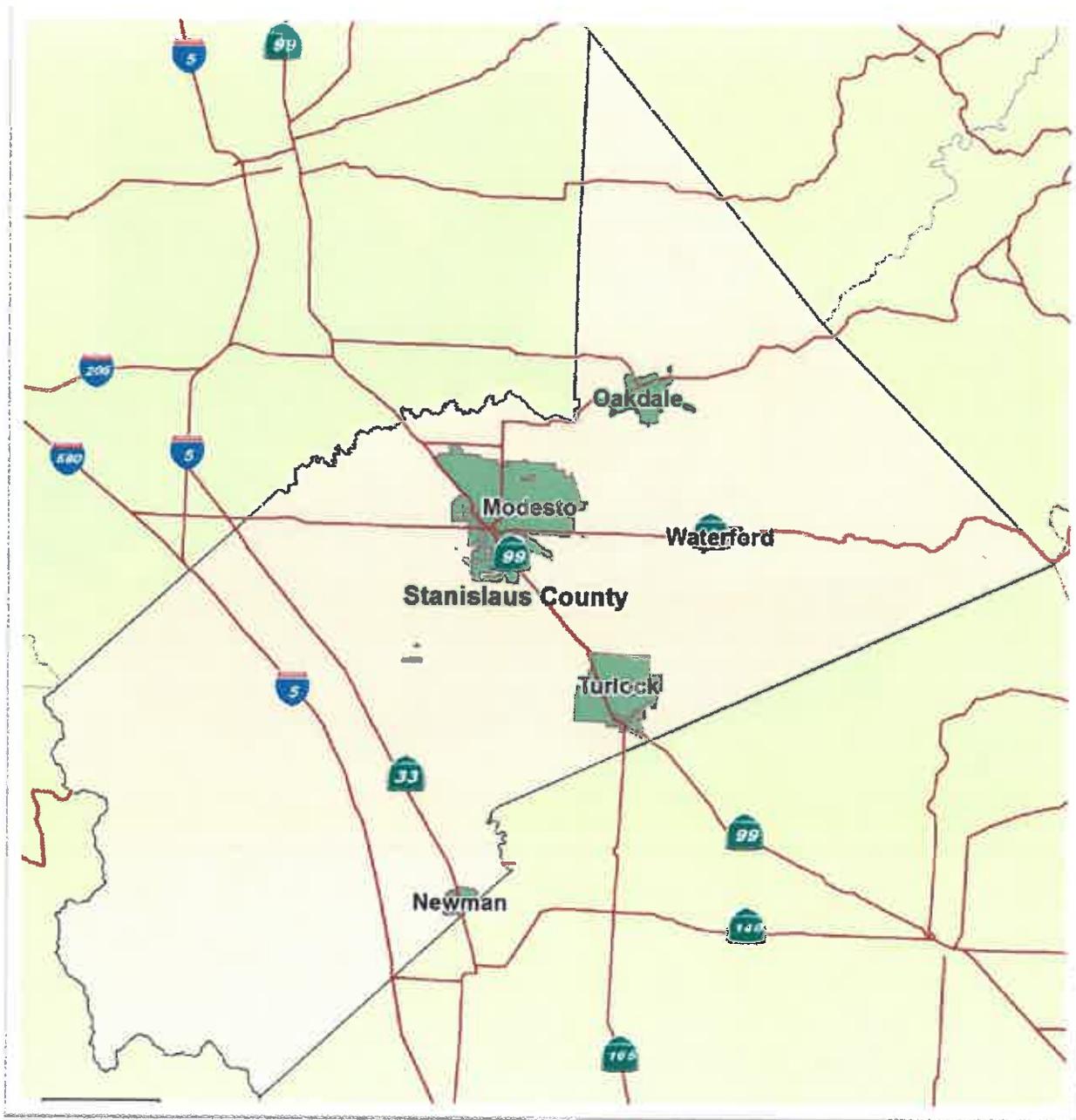
City of Scotts Valley and Santa Cruz County unincorporated area, located in Santa Cruz County, California



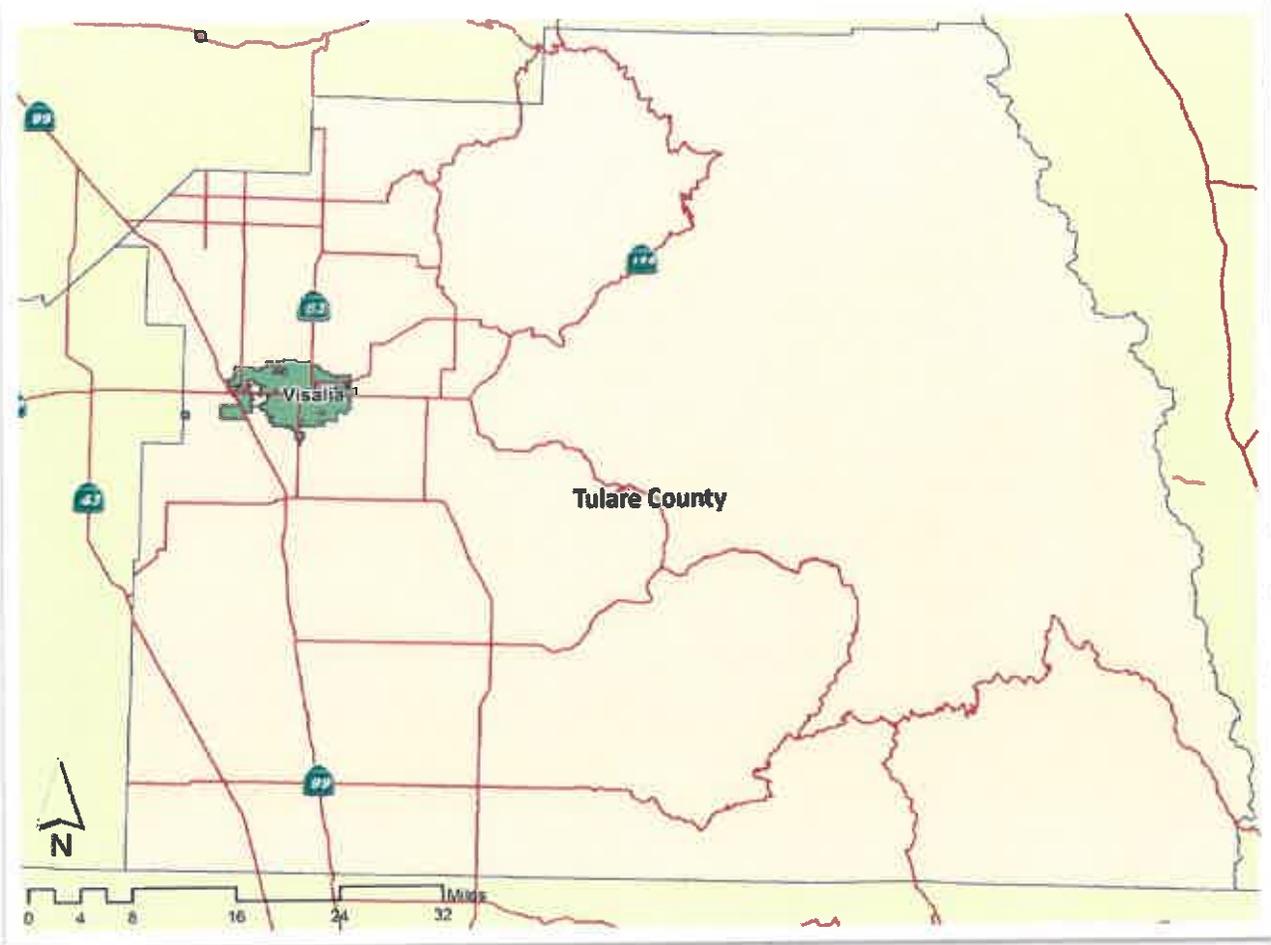
Cities of Benicia, Vacaville, Vallejo, and the Solano County unincorporated, located in Solano County, California



Cities of Modesto, Newman, Oakdale, Turlock, and Waterford, located in Stanislaus County, California



City of Visalia, located in Tulare County, California



APPENDIX C
RESIDENTIAL PROPERTIES
PROGRAM APPLICATION



HERO Financing Program™ Application

P: (858) HERO-411 F: (858) 395-0379 E: info@heroprogram.com

A: 16073 Avenue of Science Suite 200
San Diego, CA 92128

The Western Riverside Council of Governments (the "Authority") HERO Program (the "Program") finances installation of renewable energy, energy or water efficiency products, or electric vehicle charging infrastructure that are permanently fixed to a property owner's real property ("Eligible Products"). Eligible Products will be financed upon the signing of an assessment contract between the Authority and the property owner ("Assessment Contract"). The Authority has retained Renovate America, Inc. ("RA") to facilitate the Program, and you will see this name throughout the Program materials. The Authority and RA are referred to collectively therein as "Program Administrator."

Property Owner Acknowledgments

In order to participate in the Program, I understand that I need to meet the qualifications listed below. By signing this Application, I acknowledge and represent to the best of my knowledge that I and any other owner(s) of the property which is the subject of this application (the "Property") meet these qualifications and I authorize the Program Administrator to obtain a credit report for each of the property owner(s) and/or trustees whose social security number is provided on this application.

1. Applicant(s) must be the owner(s) of record of the property;
2. Mortgage-related debt on the property must not exceed 50.00% of the value of the property;
3. Property owner(s) must be current on their property taxes and there must be no more than one late payment in the past three years;
4. Property owners must be current on all property debt of the subject property at the time of application and cannot have had more than one 30 day mortgage late payment over the previous 12 months;
5. Property owner(s) must not have had any active bankruptcies within the last seven years, and the Property must not be an asset in an active bankruptcy. However, for all jurisdictions with the exception of the City of San Diego, if a bankruptcy was discharged between two and seven years prior, and the property owner(s) have not had any additional late payments more than 60 days past due in the last 24 months, the property owner may be approved; and
6. The property must not have any federal or state income tax liens, judgment liens, mechanic's liens, or similar involuntary liens on the property.

I understand that to qualify for the Program that the following requirements must be met:

- a. The amount to be financed under the Program must be less than 10% of the value of the Property.
- b. The combined amount to be financed under the Program plus the mortgage related debt must not exceed 100% of the value of the Property. For properties within the City of San Diego, all mortgage related debt plus the HERO Financing amount must not exceed 95% of the value of the property.
- c. All property owners must sign all required documentation, including but not limited to the Application, the Completion Certificate and the Assessment Contract with all other required Financing Documents.
- d. Following approval, my contractor or I must call the Program to identify the Eligible Products I would like to purchase, enter into an Assessment Contract with the Authority, and receive Notification to Proceed from the Program before beginning the installation of any Eligible Products. Products which have not been approved by the Program will not be funded.
- e. Interest rates may change from the approval date to receiving the Notification to Proceed.

By signing this Application, I hereby declare under penalty of perjury under the laws of the State of California all of the following:

1. That the information provided in this Application is true and correct as of the date set forth opposite my signature on the Application and that I understand that any intentional or negligent misrepresentation(s) of the information contained in this Application may result in civil liability and/or criminal penalties including, but not limited to, imprisonment, liability for monetary damages to the Authority, its agents, or successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I have made in this Application, or both.
2. I have the authority to authorize the Program Administrator to obtain a credit report for each of the property owner(s) and/or trustee(s) whose social security number(s) is provided on this Application.
3. I understand that it is my responsibility to receive, read and understand all documents comprising the Program, which, in addition to information on the Program website, include the following:
 - a. This Application;
 - b. Privacy Policy Notice;
 - c. Assessment Contract; and
 - d. Program Handbook.

I have had an opportunity to ask Program representatives and/or my legal counsel any questions I have regarding the documents listed above. I understand I will be asked to sign the Assessment Contract, among other documents, as a pre-condition to the closing of the financing.

4. I am applying to participate in the Program. I have the authority, without the consent of any third party, to execute and deliver this Application, the Assessment Contract and the various other documents and instruments referenced herein.
5. I understand that the financing provided pursuant to the Assessment Contract will be repayable through an assessment levied against the Property. I understand that an assessment lien will be recorded by the Authority against the Property in the office of the County Recorder of the County of upon execution of the Assessment Contract. The property tax bill (which will include the assessment payments) for the Property will increase by the amount of these assessment installment payments. The Assessment Contract will specify the amount of the assessment, the assessment installments and the interest on the assessment to be collected on the property tax bill for the Property each year during the term specified in the Assessment Contract. The assessment and the interest and any penalties thereon will constitute a lien against the Property until they are paid. As with all tax and assessment liens, this lien will be senior to all existing and future private liens against the Property, including mortgages, deeds of trust and other security instruments.



HERO Financing Program™ Application

T: (858) HERO-411 F: (858) 385-0370 E: info@heroprogram.com

A: 16075 Avenue of Science Suite 200
San Diego, CA 92126

Disclosures

The following describes some (but not all) characteristics and risks of participation in the Program as well as laws to which the Program is subject. A full understanding of any item listed below can be gained only by reviewing the relevant laws, policy statements, and/or the contractual documents related to the Program. The Program Administrator is committed to your understanding each of the items listed below before you enter into an Assessment Contract, and invites you to ask Program representatives any questions regarding these items or if you need copies of any document related to the Program.

1. Program Disclosures and Disclaimers.

- a. **Existing Mortgage.** The Program establishes the manner by which the Authority may finance, pursuant to Chapter 20 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5625.10), the installation of Eligible Products. Eligible Products will be financed pursuant to an Assessment Contract between you and the Authority.

BEFORE COMPLETING A PROGRAM APPLICATION, YOU SHOULD CAREFULLY REVIEW ANY MORTGAGE AGREEMENT(S) OR OTHER SECURITY INSTRUMENT(S) WHICH AFFECT THE PROPERTY OR TO WHICH YOU AS THE PROPERTY OWNER ARE A PARTY. ENTERING INTO A PROGRAM ASSESSMENT CONTRACT WITHOUT THE CONSENT OF YOUR EXISTING LENDER(S) COULD CONSTITUTE AN EVENT OF DEFAULT UNDER SUCH AGREEMENTS OR SECURITY INSTRUMENTS. DEFAULTING UNDER AN EXISTING MORTGAGE AGREEMENT OR SECURITY INSTRUMENT COULD HAVE SERIOUS CONSEQUENCES TO YOU, WHICH COULD INCLUDE THE ACCELERATION OF THE REPAYMENT OBLIGATIONS DUE UNDER SUCH AGREEMENT OR SECURITY INSTRUMENT. IN ADDITION, FANNIE MAE AND FREDDIE MAC, THE OWNER OF A SIGNIFICANT PORTION OF ALL HOME MORTGAGES, STATED THAT THEY WOULD NOT PURCHASE HOME LOANS WITH ASSESSMENTS SUCH AS THOSE OFFERED BY the Authority. THIS MAY MEAN THAT PROPERTY OWNERS WHO SELL OR REFINANCE THEIR PROPERTY MAY BE REQUIRED TO PREPAY SUCH ASSESSMENTS AT THE TIME THEY CLOSE THEIR SALE OR REFINANCING.

If your lender requires an in-pound for your property taxes, please consider notifying them of the annual assessment payment amount so they can adjust your in-pound amount.

- b. **Interest Rate.** You will be charged a fixed interest rate on your total financed amount. Your interest rate will be set at the time your financing documents are issued. Interest rates may change from the approval date to the date the Notification to Proceed is sent.
- c. **Program Administration Fee.** At the time of closing, the Authority will charge you a one-time administration fee of 0.95% of the principal amount of the assessment on the Property to cover the costs of administering the Program. This fee will be added to the assessment amount.
- d. **Recording Fee.** At the time of closing, the Authority will pass-through the assessment recording fee of approximately \$95.00 to you to cover the costs of recording the assessment. This fee will be added to the assessment amount.
- e. **Assessment Administration Fee.** Each year, an annual assessment administrative fee will be added to the assessment lien amount on your property tax bill. Currently these costs are \$35.00 and there will be adjustments in subsequent years for cost of living increases, not to exceed \$95.00.
- f. **Interest Before First Payment:** Based on the date an assessment is recorded on your property the payment of assessment installments may not begin until the following year's property tax bill. As a result interest will be added to the assessment amount for the period between your closing date and the date of your first assessment payment. The maximum amount of interest will be listed on your Final Payment Summary, which will be provided with your financing documents.
- g. **Automated Valuation Model Disclosure.** You have the right to a copy of the automated valuation model (AVM) report used in connection with your application for credit. If you want to obtain a copy, please email or write to us at the address we have provided. We must hear from you no later than 90 days after we provide you with a notice of the action taken on your application or a notice of incompleteness, or in the case of a withdrawn application, 90 days after the withdrawal. An AVM is not an appraisal. It is a computerized property valuation system that is used to derive a real property value.
- h. **Foreclosure.** Not later than October 1 each year, the Authority shall determine whether any annual assessment installment is not paid when due and shall have the right and obligation to order that any such delinquent payment, penalties, interest, and associated costs be collected by an action brought in Superior Court to foreclose the lien of such delinquent assessment installment in the manner provided and to the extent permitted by applicable law.
- i. **Prepayment.** You have the option to pay off your assessment amount at any time in full, or in any amount of at least \$2,500. A prepayment is calculated to include the principal amount of the assessment to be prepaid (Assessment Prepayment Amount) and interest on the Assessment Prepayment Amount to the earlier of March 2 or September 2 occurring at least 50 days following the date the prepayment is made.



HERO Financing ProgramSM Application

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San Diego, CA 92128

- j. **No Endorsement, Warranty or Liability.** The Authority, Renovate America, Inc., and the Program do not endorse any manufacturer, contractor, product, or system, or in any way warranty such equipment, installation, or the efficiency or production capability of any equipment. The Authority, Renovate America, Inc. and the Program make no representations and have no responsibility regarding the equipment and its installation, including the quality, safety, cost savings, efficiency or production capability of any equipment; or any compliance of the equipment or its installation with any applicable laws, regulations, codes, standards or requirements. Further, the Authority, Renovate America, Inc. and the Program shall not be in any way liable for any incidental or consequential damages resulting from the equipment or its installation.
- k. **Validation.** The Program may validate that installed Eligible Products meet Program eligibility requirements including requiring the applicant to provide additional sales receipts, contractor invoices, serial numbers or other identifying details, portions of packages or stickers originally attached to the installed Eligible Products beyond what the Program already requires to be provided. The Program reserves the right to perform independent on-site validation(s) of any Eligible Products financed by the Program even if permit inspections have already been completed. If a validation visit is required, Program staff will schedule any such on-site validation visit with the property owner, at any reasonable time and with reasonable notice. In addition, the Program reserves the right to perform online monitoring of any installed renewable energy systems' generation data, if applicable, as well the tracking of energy consumption impacts and utility usage for any installed/financed product via property utility bill data. You, by submitting this application, consent to any such on-site validations, online monitoring, and utility bill energy usage analysis. By submitting this application, you also agree to sign the authorization form to participate in utility billing energy usage analysis to measure Program impact savings and participant satisfaction.

2 Legal Disclosures

- a. **Equal Credit Opportunity Act (ECOA).** The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against Credit Applicant(s) on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant(s) income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Division of Credit Practices, Washington, D.C. 20580.
- b. **Fair Credit Reporting Act.** As part of assembling your Program application, the Authority has requested a consumer report bearing your credit worthiness, credit standing and credit capacity. This notice is given to you pursuant to the Fair Credit Reporting Act.
- c. **The Housing Financial Discrimination Act Of 1977.** It is illegal to discriminate in the provision of or in the availability of financial assistance because of the consideration of:
 - i. trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation, unless the financial institution can demonstrate in the particular case that such consideration is required to avoid an unsafe and unsound business practice; or
 - ii. race, color, religion, sex, marital status, domestic partnership, national origin or ancestry.
- d. **Patriot Act Disclosure.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: As part of applying to the Program, the Authority may be required to ask for your name, address, date of birth, and other information that will allow it to identify you. The Authority may also need a copy of the driver's license or other identifying documents from any and all borrowers and guarantors.
- e. **Communications with Legal Advisers.** If you have any questions about any agreements or security instruments which affect the Property or to which you are a party, or about your authority to execute the Program Application or enter into an Assessment Contract with the Authority without the prior consent of your existing lender(s), the Program strongly encourages you to consult with your own legal counsel and your lender(s). Program staff cannot provide you with advice about existing agreements or security instruments.
- f. **Monitoring and Recording Telephone Calls.** The Program may monitor or record telephone calls for security and customer service purposes. By applying for HERO Financing, you consent to have any phone conversations with the Program recorded or monitored.

Property Owner Signature(s)

I declare that (i) I have received, read and understand the risks and characteristics of the Program described in the Property Owner Acknowledgments and Disclosures set forth in this Application and (ii) I have been informed that I must take the sole responsibility to satisfy myself that executing the Assessment Contract, receiving financing for Eligible Products, and consenting to the assessment levied against the Property will not constitute a default under any other agreement or security instrument (specifically the terms of any mortgage on the Property) which affects the Property or to which I am a party.

		Date	Date
		Date	Date



HERO Financing Program™ Application

P: (855) HERO-411 F: (858) 388-0379 E: info@heroprogram.com

A: 16772 Avenue of Sciences, Suite 205
San Diego, CA 92128

FOR CONTRACTOR CALL IN ONLY

Property Address

Single Family Home

Property Type

Property Owner

Ownership Type:

Property Owner 2

First Name	M. Initial	Last Name
Social Security Number	Birth Date (mm/dd/yyyy)	

Property Owner Signature(s)

I declare that I have the authority, without the consent of any third party which has not been previously obtained, to execute and deliver the Application, Assessment Contract, and the various documents and instruments referenced therein.

	_____	Date	_____	Date
	_____	Date	_____	Date

If you do NOT wish to receive email communications from the Program and would prefer all communications to occur through the U.S. mail instead, please contact us

Please check this box if you do NOT want to receive newsletters or other marketing materials from the Program or Renovate America, Inc.

Appendix D
COMMERCIAL PROPERTIES
PROGRAM APPLICATION



APPLICATION DATE: _____
 (MONTH/DAY/YEAR)

FOR OFFICIAL USE ONLY
 DATE RECEIVED: ____/____/____
 FILE #: _____

CALIFORNIA COMMERCIAL HERO APPLICATION

PROPERTY OWNER QUALIFICATIONS:

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Property Owner(s) and/or Trustees are and have been current on all property debt for the past six (6) months, including no technical defaults. |
| <input type="checkbox"/> | <input type="checkbox"/> | Property Owner(s) and/or Trustees are current on property taxes with no more than one late payment during the past three (3) years. |
| <input type="checkbox"/> | <input type="checkbox"/> | Property Owner(s) and/or Trustees have no involuntary liens, defaults or judgments on the property. |
| <input type="checkbox"/> | <input type="checkbox"/> | Property Owner(s) and/or Trustees have not declared bankruptcy in the last seven (7) years and the property is not an asset in a bankruptcy. |
| <input type="checkbox"/> | <input type="checkbox"/> | Mortgage-related debt does not exceed 80% of the fair market value of the property, as defined in the Program Handbook. |
| <input type="checkbox"/> | <input type="checkbox"/> | Property has a debt service coverage ratio of 1.05 (or 105%) (calculated by dividing net operating income by total lender debt on property). |

PROPERTY ADDRESS:

 (STREET) (CITY) (STATE) (ZIP CODE)

 (ASSESSOR'S PARCEL NUMBER) OCCUPANCY TYPE: Owner-Occupied Tenant-Occupied Both

DESCRIBE OCCUPANTS' BUSINESSES: _____

PROPERTY TYPE:

Multi-Family (5+ units) Commercial Industrial Agricultural Other: _____

MAILING ADDRESS:
(if different from property address)

 (STREET/P.O. BOX) (APT/SUITE/ETC) (CITY) (STATE) (ZIP CODE)

PROPERTY OWNER TYPE:

Individual Trust Corporation Partnership Other: _____

PROPERTY OWNER #1 INFORMATION (Should be person/entity who handles all program contacts):

NAME OF PROPERTY OWNER _____ (TAX ID # OR SSN) _____ NAME OF CONTACT PERSON, IF BUSINESS ENTITY OWNER _____

(PHONE NUMBER) _____ (ADDITIONAL PHONE NUMBER) _____ (EMAIL ADDRESS) _____ % OWNERSHIP _____

PROPERTY OWNER #2 INFORMATION:
(If there are additional Property Owners or Trustees, please provide additional sheet(s) with property owner information.)

NAME OF PROPERTY OWNER _____ (TAX ID # OR SSN) _____ NAME OF CONTACT PERSON, IF BUSINESS ENTITY OWNER _____

(PHONE NUMBER) _____ (ADDITIONAL PHONE NUMBER) _____ (EMAIL ADDRESS) _____ % OWNERSHIP _____



Assets	Amount	Liabilities	Amount
Cash in Banks		Notes Payable	
Accounts Receivable		Accounts Payable	
Notes Receivable		Income Tax Payable	
Securities Owned		Other Taxes Payable	
Real Estate		Mortgages or Liens on Real Estate	
Other Assets		Other Liabilities	
Total		Total	

Property Income (Annual)	Amount	Property Expenses (Annual)	Amount
Rent		Maintenance and Repairs	
Other Income		Property Taxes	
Interest		Property Insurance	
Total		Total	

Mortgages and Liens on Commercial Real Estate							
Property ID	To Whom Payable	1 st or 2 nd Mortgage?	Monthly Payment	Current?	Security	Maturity Date	Principal Remaining

If the property is cross-collateralized or cross-defaulted, please complete this section.

Commercial Real Estate Schedule							
Address / Type of Property	Title in Name of	How Held	Cost / Year Acquired	Monthly Income	Present Market Value	Total Balance Owed	

If the property is owner-occupied, please complete this section.

Notes Payable				
Name of Debtor	Collateral	Monthly Payment	Maturity Date	Total Amount Due

OTHER CRITERIA QUESTIONS

Please explain all "yes" answers on a separate sheet.

- | | | |
|--------------------------|--------------------------|---|
| YES | NO | |
| <input type="checkbox"/> | <input type="checkbox"/> | Do(es) the Property Owner(s) have any outstanding judgment(s)? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do(es) the Property Owner(s) have any tax obligations, including payroll or real estate taxes, that are past due? |
| <input type="checkbox"/> | <input type="checkbox"/> | Is/Are the Property Owner(s) a party in any active or threatened lawsuit(s) or other legal action(s)? |
| <input type="checkbox"/> | <input type="checkbox"/> | Has(ve) the Property Owner(s) had property foreclosed or give title or deed in lieu thereof? |
| <input type="checkbox"/> | <input type="checkbox"/> | Has(ve) the Property Owner(s) compromised a debt or modified a mortgage loan in the last 12 months? |



For the listed insurance policy types, is there an active insurance policy for this property?

YES	NO	
<input type="checkbox"/>	<input type="checkbox"/>	Fire and Hazard insurance?
<input type="checkbox"/>	<input type="checkbox"/>	General Liability insurance?
<input type="checkbox"/>	<input type="checkbox"/>	Flood insurance? Please check here if not in flood zone <input type="checkbox"/>

REQUIRED ATTACHMENTS:	
<input type="checkbox"/>	Completed rent rolls form.
<input type="checkbox"/>	Signed lender consent for each mortgage on the property to be improved.
<input type="checkbox"/>	12 month payment history for each mortgage on the property to be improved (account history print out (preferred) or mortgage statements).
<input type="checkbox"/>	Profit and Loss Statements and Tax Returns for past two years.
<input type="checkbox"/>	Proposed Improvements – Contractor Bid(s) or Consultant/Engineer Proposal

APPLICANT(S) SIGNATURES			
<p>By signing this Application, the undersigned hereby declares under penalty of perjury under the laws of the State of California that all property owner(s) and/or trustees have read, understand, and agree to all sections of the Program Handbook and that all information set forth in this Application is true, accurate, and complete.</p>			
_____	_____	_____	_____
(Applicant Signature)	(Date)	(Applicant Signature)	(Date)
_____	_____	_____	_____
(Printed Name, Business Name, Title (if applicable))		(Printed Name, Business Name, Title (if applicable))	
_____	_____	_____	_____
(Applicant Signature)	(Date)	(Applicant Signature)	(Date)
_____	_____	_____	_____
(Printed Name, Business Name, Title (if applicable))		(Printed Name, Business Name, Title (if applicable))	



EXHIBIT A

PROPOSED BUILDING IMPROVEMENTS

DESCRIPTION	ESTIMATED COST
1 Description: _____ Brand: _____ Model #: _____ Quantity: _____ Efficiency Level: _____ Estimated Annual Energy Savings/ Production (# Units): _____	\$ _____
2 Description: _____ Brand: _____ Model #: _____ Quantity: _____ Efficiency Level: _____ Estimated Annual Energy Savings/ Production (# Units): _____	\$ _____
3 Description: _____ Brand: _____ Model #: _____ Quantity: _____ Efficiency Level: _____ Estimated Annual Energy Savings/ Production (# Units): _____	\$ _____
<p style="text-align: center;">ITEMIZED ESTIMATED COST OF IMPROVEMENT(S)</p> A. (i) Construction contract(s) (bid price for cost of materials and labor less any applicable rebates); and/or (ii) If self-installing, cost of equipment (less applicable rebates; do not include any labor costs): B. Energy assessment/audit costs C. Draft, engineering and/or plan preparation costs: D. Estimated Permit fees: E. Recording Fee for Assessment Lien documents and assessment contract. Set by state law and the County Recorder's Office F. Title Costs G. Other Please list (Attach separate sheet(s) explaining other costs if needed.) Other: _____ Other: _____ Requested Financing Amount: This requested amount is the maximum amount that can be funded. Loan Term (5, 10, 15, 20 years):	\$ _____ \$ _____



EXHIBIT B

Fill in all contractors or sub-contractors working on the proposed project:

CONTRACTOR OR SUB-CONTRACTOR	CONTRACTOR COMPANY	CONTRACTOR NAME	CONTRACTOR LICENSE #
1 Circle One: Contractor or Sub-Contractor	_____	_____	_____
2 Circle One: Contractor or Sub-Contractor	_____	_____	_____
3 Circle One: Contractor or Sub-Contractor	_____	_____	_____
4 Circle One: Contractor or Sub-Contractor	_____	_____	_____
5 Circle One: Contractor or Sub-Contractor	_____	_____	_____
6 Circle One: Contractor or Sub-Contractor	_____	_____	_____
7 Circle One: Contractor or Sub-Contractor	_____	_____	_____
8 Circle One: Contractor or Sub-Contractor	_____	_____	_____
9 Circle One: Contractor or Sub-Contractor	_____	_____	_____

Appendix E

Assessment Contracts

California HERO Program ASSESSMENT CONTRACT (RESIDENTIAL)

This Assessment Contract (this "Contract") is made and entered into as of this day of , 2014, by and between the Western Riverside Council of Governments, a joint exercise of powers authority (the "Authority"), and the record owner(s), , (the "Property Owner") of the fee title to the real property identified on Exhibit A (the "Property").

RECITALS

WHEREAS, the Authority is a joint exercise of powers authority the members of which include numerous cities and counties in the State of California; and

WHEREAS, the Authority has established the California HERO Program (the "HERO Program") to allow the financing of certain renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure that are permanently fixed to real property (the "Authorized Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code ("Chapter 29") and the issuance of improvement bonds under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the "1915 Act") upon the security of the unpaid contractual assessments; and

WHEREAS, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner of each lot or parcel on which an assessment is levied at the time the assessment is levied pursuant to a contract between the property owner and the public agency; and

WHEREAS, the Authority has conducted the proceedings required by Chapter 29 with respect to the territory within the boundaries of the City or County identified in Exhibit A and which has elected to participate in the HERO Program (the "Participating Entity"); and

WHEREAS, the Property is located in the boundaries of the Participating Entity, and the Participating Entity has consented to (i) owners of property within its jurisdiction (the "Participating Property Owners") participating in the HERO Program and (ii) the Authority conducting assessment proceedings under Chapter 29 and issuing bonds under the 1915 Act to finance the Authorized Improvements; and

WHEREAS, pursuant to Chapter 29, the Authority and the Property Owner wish to enter into a contract pursuant to which the Property Owner would agree to pay an assessment in order to finance the installation on the Property of the Authorized Improvements described in Exhibit A (the "Improvements") and the Authority would agree to provide financing, all on the terms set forth in this Contract;

NOW, THEREFORE, in consideration of the foregoing and the material covenants hereinafter contained, the Property Owner and the Authority formally covenant, agree and bind themselves and their successors and assigns as follows:



AGREEMENT

Section 1. Purpose. The Property Owner and the Authority are entering into this Contract for the purpose of financing the installation of the Improvements identified on Exhibit A on the Property. The Authority will not finance installation of Improvements other than those listed on Exhibit A.

Section 2. The Property. This Contract relates to the real property identified on Exhibit A. The Property Owner has supplied to the Authority current evidence of its ownership of fee title to the Property and possesses all legal authority necessary to execute this Contract on behalf of the Property Owner.

Section 3. Contract to Pay Assessment; Prepayment; Non-Completion Assessment

(a) **Payment of Assessment.** The Property Owner hereby freely and willingly agrees to pay the assessment set forth on Exhibit B (the "Assessment"). The Authority will not provide financing in an amount in excess of the Assessment.

Except as otherwise set forth in this Contract, the Assessment will be paid in the installments set forth in Exhibit B.

Interest will accrue on the Assessment at the interest rate set forth on Exhibit B beginning on the date on which the Authority issues bonds to finance the installation of the Improvements.

(b) **Administrative Expenses.** The Property Owner hereby acknowledges that, pursuant to the 1915 Act, including Sections 8682(b) and 8682.1(a), the Authority may add amounts to an annual installment of the Assessment in order to pay for the costs of collecting the Assessment (the "Additional Administrative Assessment").

(c) **Prepayment of the Assessment.** The Assessment may be prepaid, in whole or in any amount of at least \$2,500, at any time upon the payment of (a) the whole or a portion of the unpaid principal component of the Assessment, (b) and interest on the Assessment Prepayment Amount to the earlier of March 2 or September 2 occurring at least 50 days following the date the prepayment is made.

(d) **Absolute Obligation.** The Property Owner hereby agrees that the Assessment will not be subject to reduction, offset or credit of any kind in the event that the bond or bonds secured thereby are refunded or for any other reason.

Section 4. Collection of Assessment; Lien. The Assessment, the interest and penalties thereon as a result of a delinquency in the payment of any installment of the Assessment, and the Additional Administrative Assessment shall constitute a lien against the Property until they are paid and shall be collected and shall have the lien priority as set forth in Chapter 29.

The Property Owner acknowledges that if any Assessment installment is not paid when due, the Authority has the right to have such delinquent installment and its associated penalties and interest stripped off the secured property tax roll and immediately enforced through a judicial foreclosure action that could result in a sale of the Property for the payment of the delinquent installments, associated penalties and interest, and all costs of suit, including attorneys' fees. The Property Owner acknowledges that, if bonds are sold to finance the Improvements, the Authority may obligate itself, through a covenant with the owners of such bonds, to exercise its judicial foreclosure rights with respect to delinquent Assessment installments under circumstances specified in such covenant.

Section 5. Financing of the Improvements.



(a) Contract to Finance Improvements. The Authority hereby agrees to use the Assessment, together with the Additional Administrative Assessment, to finance the Improvements, including the payment of the Authority's reasonable costs of administering the HERO Program, subject to the Property Owner's compliance with the conditions for such financing established by the Authority.

(b) Assessment Installments. The Property Owner agrees to the issuance of bonds by the Authority to finance the installation of the Improvements. The interest rate used to calculate the Assessment installments set forth on Exhibit B is identified on Exhibit B. If the Authority determines in its reasonable discretion that the Assessment installments may be reduced because the applicable interest rate on the bonds issued to finance installation of the Improvements is lower than the interest rate specified in Exhibit B or if the cost of the Improvements, as shown in a final invoice provided to the Authority by the Property Owner, is less than the amount shown on Exhibit B, then, concurrently with the disbursement of funds to the Property Owner, the Authority may provide the Property Owner with a schedule of annual Assessment installments that provides for annual installments that are less than those set forth in the attached Exhibit B.

Section 6. Term: Contract Runs with the Land: Subdivision.

(a) Except as otherwise set forth in this Contract, this Contract shall expire upon the final payment or prepayment of the Assessment.

(b) This Contract establishes rights and obligations that are for the benefit of the Property and, therefore, such rights and obligations run with the land pursuant to Civil Code Section 1462.

(c) In the event the Property is subdivided while the Assessment remains unpaid, the Assessment will be assigned to the newly-created parcel on which the Improvements are located. If the Improvements no longer exist, the Assessment will be assigned to each of the newly-created parcels on a per-acre basis, unless the Authority, in its sole discretion, determines that the Assessment should be allocated in an alternate manner.

Section 7. Recordation of Documents. The Property Owner hereby authorizes and directs the Authority to cause to be recorded in the office of the County Recorder the various notices and other documents required by Chapter 29 and other applicable laws to be recorded against the Property.

Section 8. Notice. To the extent required by applicable Law, the Property Owner hereby agrees to provide written notice to any subsequent purchaser of the Property of the obligation to pay the Assessment pursuant to this Contract.

Section 9. Waivers, Acknowledgment and Contract. Because this Contract reflects the Property Owner's free and willing consent to pay the Assessment following a noticed public hearing, the Property Owner hereby waives any otherwise applicable requirements of Article XIII(D) of the California Constitution or any other provision of California law for an engineer's report, notice, public hearing, protest or ballot.

The Property Owner hereby waives its right to repeal the Assessment by initiative or any other action, or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the Authority undertaken in connection with the HERO Program. The Property Owner hereby agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Improvements. The Property Owner hereby acknowledges that the Property will be responsible for payment of the Assessment regardless of whether the Improvements are properly installed, operated or maintained as expected.



The Property Owner hereby agrees that the Authority is entering into this Contract solely for the purpose of assisting the Property Owner with the financing of the installation of the Improvements, and that the Authority and the Participating Entity has no responsibility of any kind for, and shall have no liability arising out of, the installation, operation, financing, refinancing or maintenance of the Improvements. Based upon the foregoing, the Property Owner hereby waives the right to recover from and fully and irrevocably releases the Authority, the Participating Entity and any and all agents, employees, attorneys, representatives and successors and assigns of the Authority and the Participating Entity from any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), relating to the subject matter of this Contract that the Property Owner may now have or hereafter acquire against the Authority, the Participating Entity and any and all agents, employees, attorneys, representatives and successors and assigns of the Authority or the Participating Entity.

To the extent that the foregoing waivers and agreements are subject to Section 1542 of the California Civil Code or similar provisions of other applicable law, it is the intention of the Property Owner that the foregoing waivers and agreements will be effective as a bar to any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), of whatever character, nature and kind, known or unknown, suspected or unsuspected, and Property Owner agrees to waive any and all rights and benefits conferred upon the Property Owner by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law. Section 1542 reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, OWNER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

The waivers, releases and agreements set forth in this Section 9 shall survive termination of this Contract.

Section 10. Indemnification. The Property Owner agrees to indemnify, defend, protect, and hold harmless the Authority, the Participating Entity and any and all agents, employees, attorneys, representatives and successors and assigns of the Authority or the Participating Entity, from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in

d.



connection with (i) the Property Owner's participation in the HERO Program, (ii) the Assessment, (iii) the improvements, or (iv) any other fact, circumstance or event related to the subject matter of this Contract, regardless of whether such losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) accrue before or after the date of this Contract.

The provisions of this Section 10 shall survive the termination of this Contract.

Section 11. Right to Inspect Property. The Property Owner hereby grants the Authority, its agents and representatives the right to enter at any reasonable time, upon reasonable notice, to inspect the improvements. The Property Owner further hereby grants the Authority, its agents and representatives the right to examine and copy any documentation relating to the Improvements.

Section 12. Carbon Credits. The Property Owner hereby agrees that any carbon credits attributable to the improvements shall be owned by the Authority.

Section 13. HERO Program Application. The Property Owner hereby represents and warrants to the Authority that the information set forth in the HERO Program Application submitted to the Authority in connection with its request for financing is true and correct as of the date hereof, and that the representations set forth in the HERO Program Application with respect to the Property and the Property Owner are true and correct as of the date hereof as if made on the date hereof.

Section 14. Amendment. Except as set forth in Section 5(b), this Contract may be modified only by the written agreement of the Authority and the Property Owner.

Section 15. Binding Effect; Assignment. This Contract inures to the benefit of and is binding upon the Authority, the Property Owner and their respective successors and assigns. The Authority has the right to assign any or all of its rights and obligations under this Contract without the consent of the Property Owner. The obligation to pay the Assessment set forth in this Contract is an obligation of the Property and no agreement or action of the Property Owner will be competent to impair in any way the Authority's rights, including, but not limited to, the right to pursue judicial foreclosure of the Assessment lien or the right to enforce the collection of the Assessment or any installment thereof against the Property.

Section 16. Exhibits. Exhibits A and B attached to this Contract are incorporated into this Contract by this reference as if set forth in their entirety in this Contract.

Section 17. Severability. If any provision of this Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Contract.

Section 18. Corrective Instruments. The Authority and the Property Owner agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required in order to carry out the expressed intention of this Contract.

Section 19. Governing Law; Venue. This Contract is governed by and construed in accordance with the laws of the State of California. Any legal action brought under this Contract must be instituted in the Superior Court of the County of Riverside, State of California; provided, however, actions to foreclose delinquent installments of the Assessment will be instituted in the Superior Court of the County of .



Section 20. Counterparts. This Contract may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument.

Section 21. Monitoring and Recording of Telephone Calls. The HERO Program may monitor and/or record telephone calls for security and customer service purposes. By agreeing to this Assessment Contract the Property Owner agrees to have their telephone calls with the HERO Program recorded.

Section 22. Contract Documents. Property Owner understands and acknowledges that the entire agreement between Property Owner and WRCOG includes each and every document specified in the List of Documents contained in Exhibit B to this Contract (together, the "Contract Documents").

By executing this Contract Property Owner acknowledges and agrees that:

a. Property Owner has had sufficient time to review and has reviewed each of the Contract Documents and has had the opportunity to ask any questions of WRCOG that Property Owner may have regarding such Contract Documents.

b. Property Owner has reviewed, understands and agrees to each and every additional requirement and term contained in Appendix B to the HERO Residential Program Handbook (the "Program Handbook").

c. Property Owner has reviewed, understands, agrees to and affirms each and every representation and warranty contained in the Property Owners application and the Program Handbook.

Prior to executing this Assessment Contract I have read and understand (a) the Property Owners Acknowledgments and Disclosures contained in the (a) Application, (b) this Assessment Contract, (c) the Privacy Notice and (d) the Program Handbook

Owner(s) must execute and return this Contract to WRCOG at the address set forth in the "Notice Information" section of Exhibit A hereto to that is received by WRCOG not later than . If the Property Owners(s) fail to return the signed Assessment Contract to WRCOG by the indicated date the HERO Program reserves the right to require the Property Owner(s) to enter into a new Contract. All signatures of the Owners(s) must be notarized by a duly licensed notary unless all Owner(s) have previously successfully completed the identity verification process approved by WRCOG.

IN WITNESS WHEREOF, the Authority and the Property Owner have caused this Contract to be executed in their respective names by their duly authorized representatives, all as of the Effective Date. The "Effective Date" is defined as the last date entered with the signatures of the parties below.



Owner 1:

Date: _____ **Identity Verification Code:** _____
Month/Day/Year

WRCOG: Executive Director and/or his or her designee:

Name (Please Print)

WRCOG Signature **Date of Execution by WRCOG**



EXHIBIT A

DESCRIPTION OF PROPERTY, DESCRIPTION OF THE PRODUCTS, AND NOTICE INFORMATION

Description of Property:

Property Owner(s) Name(s):

Property Address:

APN:

Participating Entity:

County:

Description of Products:

The Products include the following:

PRODUCT #1
PRODUCT #2

Or similar energy efficient product which is allowed under the Program Guide.



Notice Information:

Western Riverside Council of Governments
Attn: WRCOG HERO Program Manager
Riverside County Administrative Center Annex
4080 Lemon St., 3rd Floor, MS1032
Riverside, CA 92501-3609



EXHIBIT B

LIST OF CONTRACT DOCUMENTS, DISBURSEMENT, AND SCHEDULE OF ANNUAL ASSESSMENT INSTALLMENTS, INCLUDING PRINCIPAL, INTEREST AND ANNUAL ASSESSMENT ADMINISTRATIVE FEE

List of Contract Documents:

The Contract shall consist of the following documents:

- This Contract and the exhibits hereto;
- The Application;
- The Completion Certificate;
- The Assessment Cost and Payment Summary;
- The Notice of Assessment;
- The Payment of Contractual Assessment Required;
- The California Residential HERO Program Handbook, Version 1.2, dated July 2014; and
- The HERO Program website located at <http://www.heroprogram.com>.

Disbursement:

The Maximum Disbursement Amount is \$.

The Estimated Disbursement Date will be no later than, which date is used in the table below.

Schedule of Estimated Maximum Annual Assessment Installments:

The schedule of the estimated maximum Annual Assessment Installments is based on the following assumptions:

1. WRCOG disburses the Maximum Disbursement Amount to Owner.
2. Interest totaling a maximum of \$ will accumulate until your first Payment. That amount will be added to Owner's Maximum Disbursement Amount.
3. WRCOG disburses to Owner on the Estimated Disbursement Date.
4. The Assessment Interest Rate is %.
5. The Annual Percentage Rate (APR) of your assessment is % APR is the Effective Cost of Credit in consumer loans and real estate loans expressed as a percentage interest rate. The annual percentage rate is the interest rate the borrower actually pays, including fees required in order to participate in the program.
6. The total administrative fees, recording fees and annual assessment added to your assessment is \$.



Tax Year <i>Assessment Year: July 1st</i>	Interest	Principal	Total Assessment	Current Annual Administrative Assessment Fee****	Total Estimated Contractual Assessment Payment

*The Estimated Initial Tax Year shown on preceding schedule is based upon the Estimated Disbursement Date. The actual Initial Tax Year will be based upon the actual Disbursement Date.
 **** Subject to change

FOLLOWING THE DISBURSEMENT OF THE DISBURSEMENT AMOUNT, THE PROGRAM ADMINISTRATOR WILL ADJUST THE ASSESSMENT AND THE ESTIMATED MAXIMUM ANNUAL ASSESSMENT INSTALLMENTS, IF NECESSARY, TO REFLECT THE ACTUAL ASSESSMENT BASED UPON THE ACTUAL DISBURSEMENT AMOUNT, THE ACTUAL DATE OF DISBURSEMENT AND THE ACTUAL AMOUNT OF INTEREST DUE AND PAYABLE BEFORE THE FIRST PAYMENT ADDED TO THE DISBURSEMENT AMOUNT. THE ACTUAL AMOUNT OF THE ASSESSMENT AND SCHEDULE OF ANNUAL ASSESSMENT INSTALLMENTS SHALL BE SPECIFIED IN THE "PAYMENT OF CONTRACTUAL ASSESSMENT REQUIRED" TO BE RECORDED BY WRCOG IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF

Prepayment:

You have a right to pay off your assessment lien amount at any time in full, or in any amount of at least \$2,500 pursuant to Section 3(c) of the Assessment Contract. However, if you do so, you will have to pay the principal amount of the assessment to be prepaid ("Assessment Prepayment Amount") and interest on the Assessment Prepayment Amount to the earlier of March 2 or September 2 occurring at least 50 days following the date the prepayment is made.



CALIFORNIA HERO PROGRAM
ASSESSMENT CONTRACT
(Commercial Property)

This Assessment Contract ("Contract") is made and entered into as of the Effective Date (defined below) by and between the Western Riverside Council of Governments, California, ("Agent"), a joint exercise of powers authority, and [OWNER(S)] ("Owner"), the record owner of fee title to the real property identified in the "Description of Property" section of Exhibit A attached hereto and incorporated herein by this reference (the "Property"). The "Effective Date" is defined as the last date entered with the signatures of the parties below.

RECITALS

- A. The Western Riverside Council of Governments (Agent) is a joint exercise of powers authority the members of which include the County of Riverside (the "County") and numerous cities located in the County (each, a "Member Agency").
- B. Agent has established the "California HERO Program" (the "Program") pursuant to Chapter 29 of Division 7 of the Streets & Highways Code of the State of California ("Chapter 29") to allow for the financing of certain renewable energy, energy efficiency and water efficiency and electric vehicle charging infrastructure improvement products that are permanently affixed to real property ("Eligible Products").
- C. Pursuant to Chapter 29 and the Program, Agent may levy voluntary contractual assessments against developed properties in the jurisdictions of the Associate Members that have authorized Agent to implement and administer the Program within such Associate Members, with the free and willing consent of the owners of the properties on which such assessments are levied, to finance the acquisition and construction on and/or installation in the assessed properties of certain qualifying renewable energy, energy efficiency and/or water efficiency products or electric vehicle charging infrastructure. The purpose and method of administration of the assessments under the Program are described in the California HERO Program Report originally adopted by the Agent Board of Directors on June 3, 2013, as such report has been and may be amended from time to time (the "Program Report") prior to the Effective Date of this Contract.
- D. The Property is located within the jurisdiction of the Associate Member set forth in the "Description of Property" section of Exhibit A hereto and such Associate Member has consented to (i) owners of property within its jurisdiction participating in the Program and (ii) Agent conducting the assessment proceedings under Chapter 29 and issuing bonds pursuant to the Program to finance Eligible Products.
- E. Owner has submitted an application and funding request to participate in the Program (collectively, the "Application"). Agent has approved the Application pursuant to the requirements of the Report. The Application describes, among other things, the particular Eligible Products that have been acquired, constructed on and/or installed in the Property and are to be financed pursuant to the Program. In this Contract, such Eligible Products, together with their acquisition, construction and/or installation on the Property, are referred to as "the Products."
- F. Owner will acquire and construct and/or install the Products on or in the Property or will cause the acquisition and construction and/or installation of the Products on or in the Property and Owner will obtain all necessary permits and/or inspections required pursuant to this Contract and the Program necessary to enable Agent to finance the Products.

- G. Pursuant to Chapter 29 and the Program, Agent and Owner wish to enter into a contract pursuant to which Owner agrees to pay a voluntary contractual assessment in order to finance the Products including the acquisition, construction and/or installation of thereof and Agent agrees to providing financing for such purpose, all on the terms set forth in this Contract.

NOW THEREFORE, in consideration of the foregoing and the mutual material covenants contained herein and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, Owner and Agent formally covenant and agree as follows:

CONTRACT

- 1) **Purpose** The Owner and Agent are entering into this Contract for the purpose of financing the acquisition, construction and/or installation of the Products identified in Exhibit A in or on the Property.
- 2) **The Property** This Contract relates to the Property identified in Exhibit A.
- 3) **Contract Documents** This Contract shall consist of the documents listed in Exhibit B attached hereto and incorporated herein by this reference.

All such documents shall be collectively referred to herein as the "Contract Documents." All of the declarations and warranties of Owner made in the Application are incorporated in this Contract as if fully set forth herein. Owner acknowledges that Owner has received copies of each of the Contract Documents.

OWNER AGREES AND UNDERSTANDS THAT OWNER MUST EXECUTE AND RETURN THIS CONTRACT SO THAT SUCH CONTRACT IS RECEIVED BY Agent OR ITS REPRESENTATIVE ON OR BEFORE THE DEADLINE DATE SET FORTH ON THE SIGNATURE PAGE HEREOF AND THAT ALL SIGNATURES MUST BE NOTARIZED BY A DULY LICENSED NOTARY PUBLIC.

- 4) **Contract Term** The term of this Contract shall be until the Assessment defined below and all accrued interest thereon, together with any applicable penalties, costs, fees, and other charges have been paid in full.

5) **Assessment and Lien**

- a) Owner agrees that upon the execution of this Contract by the parties, the Property is subject to a voluntary contractual assessment levied against the Property pursuant to this Contract, Chapter 29 and other applicable law (the "Assessment") together with interest, and consents to levy of the Assessment on and recordation of a lien against the Property. Upon execution of this Contract, Agent will execute and cause to be recorded in the office of the County Recorder of the County within which the Property is located (the "County") (i) a notice of assessment (the "Notice of Assessment") as required pursuant to Chapter 29, together with a copy of this Contract and (ii) a Payment of Contractual Assessment Required as required pursuant to Chapter 29.
- b) The execution of this Contract by the parties constitutes the levy of the Assessment by Agent against the Property without any further action required by the parties.
- c) Upon recordation of the Notice of Assessment in the office of the County Recorder, the Assessment and each installment, together with any interest and penalties that become due on the Assessment, shall constitute a lien upon the Property until paid. Initially, as reflected in the Notice of Assessment, upon recordation of the Notice of Assessment, the Assessment shall be equal to the Disbursement Amount, as defined in Section 6 below.
- d) Failure to pay any installment of the Assessment or any interest thereon, like failure to pay any property taxes pertaining to the Property, will result in penalties and interest accruing on the amounts due. In

addition, under those circumstances, Agent has the right to judicially foreclose the lien of the Assessment, as set forth in paragraph 8(g) below.

6) **Disbursement Amount** Agent agrees to disburse monies to or on behalf of Owner pursuant to the terms of this Contract in the amount set forth in Exhibit B attached hereto and incorporated herein by this reference ("Disbursement Amount"). In the event the actual cost of the Products exceeds the Disbursement Amount, Owner shall be solely responsible for the payment of all such costs.

7) **Special Benefit to Property** Owner expressly acknowledges that the Products confer a special benefit to the Property in an amount at least equal to the Assessment.

8) **Collection of Assessment and Annual Assessment Administrative Fee on Property Tax Bill; Other Remedies**

a) The annual portion of the principal amount of the Assessment, together with the annual interest on the Assessment and the Annual Assessment Administrative Fee (defined in paragraph f) below) (collectively, the "Annual Assessment Installment"), due and payable each Tax Year (each such Tax Year being the period from July 1st through the following June 30th), shall be collected on the property tax bill pertaining to the Property. The Annual Assessment Installment coming due in any Tax Year shall be payable in the same manner and at the same time and in the same installments as the general taxes of the County on real property are payable, and the Annual Assessment Installments shall be payable and become delinquent at the same times and in the same proportionate amounts and shall bear the same penalties and interest after delinquency, and be subject to the same provisions for redemption and sale, as the general taxes on real property of the County.

b) Following disbursement of the Disbursement Amount to the Owner, the Annual Assessment Installments shall be placed on the tax roll each Tax Year, commencing with the Tax Year beginning immediately following the date of such disbursement (the "Disbursement Date"). The estimated initial Tax Year is set forth in Exhibit B attached and incorporated by this reference (the "Estimated Initial Tax Year").

The amount of interest accrued on the Assessment from the Disbursement Date through September 1st of the Initial Tax Year ("Capitalized Interest") has been included in the Disbursement Amount and is therefore included in the principal amount of the Assessment.

c) Interest shall accrue on the unpaid Assessment from the Disbursement Date at a simple interest rate fixed by Agent and set forth on Exhibit B attached hereto and incorporated herein by this reference. Interest shall be computed on the basis of a three hundred sixty (360) day year. If a court of competent jurisdiction determines the interest or other charges provided for herein in connection with the Assessment or the Annual Assessment Administrative Fee exceed the limits permitted by applicable law, then: (i) any such interest or charge shall be reduced by the amount necessary to reduce the interest or charge to such permitted limit; and (ii) any sums already collected which exceed such permitted limit will be refunded by Agent. Agent may make the refund by making a direct payment to Owner or by crediting the refund amount against the next installment or installments of the Assessment.

d) The Estimated Maximum Annual Assessment Installments that may be placed on the tax roll each Tax Year are set forth in Exhibit B. The amounts set forth on Exhibit B are based on the assumption that Agent disburses the Disbursement Amount to or on behalf of Owner on the Estimated Disbursement Date set forth in Exhibit B. Prior to the disbursement of the Disbursement Amount, Agent will adjust the Annual Assessment Installments to reflect the actual Assessment based upon the Disbursement Amount, the actual date of such disbursement and the actual amount of Capitalized Interest.

e) The lien of the Assessment shall be co-equal to and independent of the lien for general taxes, and, pursuant to Government Code Section 53936, not subject to extinguishment by the sale of the Property

on account of the nonpayment of any taxes, and prior and superior to all liens, claims and encumbrances on or against the Property except (i) the lien for general taxes, special taxes or ad valorem assessments in the nature of and collected as taxes levied by the State of California or any county, city, special district or other local agency, (ii) the lien of any special assessment or assessments the lien date of which is prior in time to the lien date of the Assessment, (iii) easements constituting servitudes upon or burdens to the Property, (iv) water rights, the record title to which is held separately from the title to the Property, and (v) restrictions of record.

- f) In addition to the Assessment, until the Assessment and the interest thereon is paid in full, Owner agrees that the Property is subject to an annual administrative fee to be included in the Annual Assessment Installment pursuant to this Contract, Chapter 29 and applicable law to pay costs incurred by Agent which result from the administration and collection of the Assessment and from the administration or registration of any associated bonds or other financing arrangement, as described in the Report, and from the administration of any reserve fund and other related funds (the "Annual Assessment Administrative Fee"). The maximum Annual Assessment Administrative Fee shall not exceed fifty dollars (\$50.00) in Tax Year commencing on July 1, 2015 and shall thereafter be adjusted annually commencing on July 1 of each subsequent Tax Year for cost of living based on the U.S. Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for all urban consumers for applicable to the County of Riverside. Agent shall annually determine the amount of the Annual Assessment Administrative Fee, not to exceed the maximum Annual Assessment Administrative Fee determined in accordance with the preceding sentence.
- g) Owner acknowledges and understands that, no later than October 1 of each year, Agent will determine whether the Property is delinquent in the payment of any Assessment Installments and, if so, will notify Agent Counsel of any such delinquencies. Agent Counsel will commence, or cause to be commenced, judicial foreclosure proceedings against the Property, including collection actions preparatory to the filing of any complaint, but will file the complaint not later than December 1 of such year. Failure of such a complaint to be filed by such December 1 shall not, however, invalidate any judicial foreclosure proceedings commenced after such date.
- 9) **Use of Proceeds** Owner shall use the Disbursement Amount for the sole purpose of paying for the reasonable costs and expenses of the Products on the Property, for the Program fees, and capitalized interest.

10) **Disbursement Procedures**

- a) Notwithstanding anything to the contrary contained herein, Agent shall have no obligation to disburse funds to Owner unless and until each of the following conditions is satisfied, or any such condition is expressly waived by Agent:
 - i) Owner has, as appropriate, executed and delivered to Agent the Contract Documents and such other documents or instruments pertaining to the Disbursement Amount or the Products as Agent may require.
 - ii) As of the Disbursement Date, Agent shall have determined that the representations of Owner contained in the Contract Documents are true and correct, and no Default (as defined in Section 18 below) shall have occurred and be continuing.
 - iii) No stop payment or mechanic's lien notice pertaining to the Products has been filed and remains in effect as of the Disbursement Date.
 - iv) Owner will, within fifteen (15) days of presentation by Agent or the representative thereof, execute any and all documents or instruments required by the Contract Documents in connection with the

disbursement of funds to Owner, other than this Contract, which must be executed by the date set forth on the Signature Page below.

b) Upon satisfaction or waiver of the conditions described in paragraph (a), above, Agent will disburse funds to or on behalf of the Owner.

11) **Prepayment of Assessment** Owner may prepay the remaining balance of the Assessment by paying the principal amount or a portion of the Assessment in increments of \$5,000 owing on the Assessment, plus the applicable prepayment premium, if any, calculated on the principal amount of the Assessment to be prepaid, processing fee and accrued interest determined by Agent in accordance with this Contract and the Report, and the amount of any delinquent installments of principal of and interest on the Assessment, together with penalties accrued to the date of prepayment. The processing fee and schedule of prepayment premiums is set forth in Exhibit B hereto.

Interest on the Assessment shall accrue until the next available redemption date for any bond or bonds issued pursuant to a financing relationship contemplated by the Report and which bond or bonds are secured by the Assessment. Such redemption date shall not exceed 180 days from the date of prepayment of the Assessment. Owner shall notify Agent in writing of Owner's determination to prepay the Assessment at least ten (10) business days prior to the date Owner intends to prepay the Assessment.

12) **Representations and Warranties of Owner** Owner promises that each representation and warranty set forth below is true, accurate and complete as of the date of this Contract. By accepting the Disbursement Amount, Owner shall be deemed to have reaffirmed each and every representation and warranty made by Owner in this Contract and in the Application, as of the date of disbursement. If Owner is comprised of the trustees of a trust, the following representations shall also pertain to the trustor(s) of the trust.

- a) **Formation:** If Owner is anything other than a natural person, it has complied with all laws and regulations concerning its organization, existence and the transaction of its business, and is in good standing in each state in which it conducts its business.
- b) **Authority:** Owner is the owner of the Property and is authorized to execute, deliver and perform its obligations under the Contract Documents, and all other documents and instruments delivered by Owner to Agent in connection therewith. The Contract Documents have, if required, been duly executed and delivered by Owner and are valid and binding upon and enforceable against Owner in accordance with their terms, and no consent or approval of any third party, which has not been previously obtained by Owner, is required for Owner's execution thereof or the performance of its obligations contained therein.
- c) **Compliance with Law:** Neither Owner nor the Property is in violation of, and the terms nor provisions of the Contract Documents conflict with, any regulation or ordinance, any order of any court or governmental entity, or any building restrictions or governmental requirements affecting the Property.
- d) **No Violation:** The terms and provisions of the Contract Documents, the execution and delivery of the Contract Documents by Owner, and the performance by Owner of its obligations contained in the Contract, will not and do not conflict with or result in a breach of or a default under any of the terms or provisions of any other agreement, contract, covenant or security instrument by which Owner or the Property is bound.
- e) **Other Information:** All reports, documents, instruments, information and forms of evidence which have been delivered to Agent related to Owner's application for the Program funding are accurate, correct and sufficiently complete to give Agent true and accurate knowledge of their subject matter.
- f) **Lawsuits:** There are no lawsuits, tax claims, actions, proceedings, investigations or other disputes pending or threatened against Owner or the Property which may impair Owner's ability to perform its

obligations hereunder, or which may impair Agent's ability to levy and collect the Assessment and Annual Assessment Installments.

- g) No Event of Default: There is no event which is, or with notice or lapse of time or both would be, a Default under this Contract.
- h) Accuracy of Declarations: The declarations of Owner contained in the Application are accurate, complete and true.

13) Owner's Covenants Owner promises:

- a) Installation and Maintenance of Products: Owner shall cause its contractor(s) to install the Products, in a good and workmanlike manner and in accordance with sound construction and installation practices. Owner shall maintain the Products in good condition and repair.
- b) Compliance with Law and Agreements: Owner shall complete all Products, or cause the Products to be completed, in conformity with all applicable laws, including all applicable federal, state, and local occupation, safety and health laws, rules, regulations, standards, and recorded instruments, covenants or agreements affecting the Property. Owner shall comply with and keep in effect all permits, licenses, and approvals required to complete installation of the Products.
- c) Site Visits: Owner grants Agent, its agents and representatives the right to enter and visit the Property at any reasonable time, after giving reasonable notice to Owner, for the purposes of observing the Products. Agent will make reasonable efforts during any site visit to avoid interfering with Owner's use of the Property. Owner shall also allow Agent to examine and copy records and other documents of Owner which relate to the Products. Any site visit, observation or examination by Agent shall be solely for the purposes of protecting Agent's rights under the Contract Documents.
- d) Protection Against Lien Claims: Owner shall promptly pay or otherwise discharge any claims and liens for labor done and materials and services furnished to the Property in connection with the Products. Owner shall have the right to contest in good faith any claim or lien, provided that it does so diligently and without delay in completing the Products.
- e) Notice to Successors in Interest: Owner agrees to provide written notice to any subsequent purchaser of the Property that the Property is subject to a Program assessment lien, and to provide any subsequent purchaser a copy of this Contract.
- f) Insurance: If the Disbursement Amount exceeds \$50,000, Owner shall provide, maintain and keep in force at all times until the Products are completed, builder's all risk property damage insurance on the Property, with a policy limit equal to the amount of the Disbursement Amount.
- g) Notices: Owner shall promptly notify Agent in writing of any Default under this Contract, or any event which, with notice or lapse of time or both, would constitute a Default hereunder.

- 14) Mechanic's Lien and Stop Notices** In the event of the filing of a stop notice or the recording of a mechanic's lien pursuant to applicable law of the State of California and relating to the Products, Agent may summarily refuse to disburse any funds to Owner, and in the event Owner fails to furnish Agent a bond causing such notice or lien to be released within ten (10) days of notice from Agent to do so, such failure shall at the option of Agent constitute a Default under the terms of this Contract. Owner shall promptly deliver to Agent copies of all such notices or liens.

15) Owner Responsibility; Indemnification

- a) Owner acknowledges that Agent has established the Program solely for the purpose of assisting the owners of property in the Agent subregion with the financing of the acquisition, construction, and installation of Eligible Products. The Program is a financing program only. Neither Agent, its officials, agents, employees, attorneys and representatives, are responsible for selection, management or supervision of the Products or of the Products' performance. Owner acknowledges and understands that any issues related to performance of the Products should be discussed with chosen contractors or installers, and the manufacturer or distributor of the Products.
- b) To the extent permitted by law, Owner shall indemnify, defend, protect, and hold harmless Agent and any and all officials, agents, employees, attorneys and representatives of Agent, the purchasers of any bonds issued to finance the installation of the Products from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in connection with, (i) the Contract Documents, (ii) disbursement of the Disbursement Amount, (iii) the Products, (iv) any breach or Default by Owner under the Contract Documents, (v) the levy and collection of the Assessment and the Annual Assessment Administrative Fee, (vi) the imposition of the lien of the Assessment, and (vii) any other fact, circumstance or event related to Agent's extension and payment of the Disbursement Amount to or on behalf of Owner or Owner's performance of its obligations under the Contract Documents (collectively, the "Liabilities"), regardless of whether such Liabilities shall accrue or are discovered before or after the Disbursement. If the Property is located in an incorporated area, this indemnity shall extend to officials, agents, employees, attorneys and representatives of the city in which the Property is located. If the Property is located in an unincorporated area, this indemnity shall extend to officials, agents, employees, attorneys and representatives of the County. This indemnity shall also extend to the purchasers of any bonds issued to finance the installation of the Products and such purchasers' officials, agents, employees, attorneys and representatives. Each of the parties to which the indemnifications provided for in this paragraph b) extend shall be referred to as the "Indemnified Parties."
- c) The indemnity obligations described in this Section shall survive the disbursement of funds to Owner, the payment of the Assessment in full, the transfer or sale of the Property by Owner, and the termination of this Contract.

16) Waivers, including Waiver of Claims

- a) Because this Contract reflects Owner's free and willing consent to enter into this Contract and to pay the Assessment and the Annual Administrative Assessment Fee, Owner hereby waives any otherwise applicable requirements for or right to the preparation of an engineer's report, notice of public hearing, public hearing, protest or opportunity to submit an assessment ballot in support of or in opposition to the Assessment pursuant to Article XIID of the California Constitution, the Proposition 218 Omnibus Implementation Act (commencing at California Government Code Section 53750) and any other provision of California law.

Owner agrees and acknowledges that the Assessment is not a "tax" as used in Section 1(e) of Article XIIC of the California Constitution and that if such Assessment is a levy, charge, or exaction of any kind by Agent, it is a charge imposed for a specific benefit conferred or privilege granted to Owner that is not provided to those not charged, and which does not exceed the reasonable costs to Agent of conferring the benefit or granting the privilege to Owner. Owner further knowing and voluntarily waives any otherwise applicable requirements for or rights granted under Article XIII A or XIIC pertaining to the Assessment.

Owner hereby waives Owner's right to repeal or reduce the Assessment by initiative or any other action, or to file any lawsuit or other proceeding, at law or in equity, to challenge the validity of the Assessment or

the proceedings of Agent, or any portion thereof, undertaken in connection with the establishment of the Program.

- b) For and in consideration of Agent's execution and delivery of this Contract, Owner, for itself and for its successors-in-interest to the Property and for any one claiming by, through, or under Owner, hereby waives the right to recover from and fully and irrevocably releases the Indemnified Parties and each of them from any and all claims, obligations, liabilities, causes of action, or damages, including attorneys' fees and court costs, that Owner may now have or hereafter acquire against any of Indemnified Parties and accruing from or related to (i) the Contract Documents, (ii) the disbursement of the Disbursement Amount, (iii) the levy and collection of the Assessment and the Annual Assessment Administrative Fee, (iv) the imposition of the lien of the Assessment, (v) the issuance and sale of any bonds or other evidences of indebtedness, or other financial arrangements entered into by Agent pursuant to the Program, (vi) the performance of the Products, (vii) the Products, (viii) any damage to or diminution in value of the Property that may result from construction or installation of the Products, (ix) any personal injury or death that may result from the construction or installation of the Products, (x) the selection of manufacturer(s), dealer(s), supplier(s), contractor(s) and/or installer(s), and their action or inaction with respect to the Products, (xi) the merchantability and fitness for any particular purpose, use or application of the Products, (xii) the amount of energy savings resulting from the Products and the Products, (xiii) the workmanship of any third parties, and (xiv) any other matter with respect to the Program. This release includes claims, obligations, liabilities, causes of action, and damages of which Owner is not presently aware or which Owner does not suspect to exist which, if known by Owner, would materially affect Owner's release of the Indemnified Parties.

OWNER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 ("SECTION 1542"), WHICH IS SET FORTH BELOW:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, OWNER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES. **Owner's Initials:** _____

The waivers and releases by Owner contained in this Section 16 shall survive the disbursement of the Disbursement Amount, the payment of the Assessment in full, the transfer or sale of the Property by Owner, and the termination of this Contract.

- 17) Further Assurances** Owner shall execute any further documents or instruments consistent with the terms of this Contract, including documents and instruments in recordable form, as Agent shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Contract and disbursing funds to Owner.

18) Events of Default

- a) Remedies with respect to the nonpayment of the Assessment or other amounts payable by Owner hereunder are governed by the provisions of Section 8 hereof and state law.

- b) The failure of any of Owner's representations or warranties to be correct in all material respects, or the failure or delay by Owner to perform any of its obligations under the terms or provisions of the Contract Documents, other than with respect to the payment of the Assessment, the Annual Assessment Administrative Fee, or other amount payable by Owner shall constitute a non monetary default hereunder ("Default"). Owner must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence, but in any event, within the time set forth in paragraph (c) below.
 - c) If a Default occurs, prior to exercising any remedies under the Contract Documents or Chapter 29, Agent shall give Owner notice of such Default. If the Default is reasonably capable of being cured within thirty (30) days, Owner shall have such period to effect a cure prior to exercise of remedies by Agent under the Contract Documents or Chapter 29. If the Default is such that it is reasonably capable of being cured, but not within such thirty (30) day period, and Owner (i) initiates corrective action within such thirty (30) day period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then Owner shall have such additional time as is reasonably necessary to cure the Default prior to exercise of any remedies by Agent. However, in no event shall Agent be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a Default, or if the Default is not cured within one hundred and twenty (120) days after the first notice of Default is given.
 - d) Subject to the provisions of paragraph (c), above, if any Default occurs Agent may exercise any or all of the rights and remedies available to it under applicable law, at equity, or as otherwise provided herein. Upon the election of Agent, if there has been no Disbursement, this Contract shall terminate and, except as otherwise expressly provided herein, the parties shall have no further obligations or rights hereunder.
 - e) Except as provided in Section 22, any and all costs and expenses incurred by Agent in pursuing its remedies hereunder shall be additional indebtedness of Owner to Agent.
 - f) Except as otherwise expressly stated in this Contract or as otherwise provided by applicable law, the rights and remedies of Agent are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise by Agent, at the same time or different times, of any other rights or remedies for the same Default or any other Default. No failure or delay by Agent in asserting any of its rights and remedies as to any Default shall operate as a waiver of any Default or of any such rights or remedies, or deprive Agent of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.
 - g) Performance of the covenants and conditions imposed upon Owner hereunder with respect to the commencement and completion of the Products shall be excused while and to the extent that, Owner, through no fault or negligence of its own, is prevented from complying therewith by war, riots, strikes, lockouts, action of the elements, accidents, or acts of God beyond the reasonable control of Owner; provided, however, that as soon as the cause or event preventing compliance is removed or ceases to exist the obligations shall be restored to full force and effect and Owner shall immediately resume installation of the Products.
- 19) Severability** Each and every provision of this Contract is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Contract or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Contract, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Contract shall be valid and shall be enforced to the extent permitted by law.
- 20) Notices** All notices and demands shall be given in writing by first class mail, postage prepaid, or by personal delivery (by recognized courier service or otherwise). Notices shall be considered given upon the earlier of (a) personal delivery or (b) two (2) business days following deposit in the United States mail, postage

prepaid. Notices shall be addressed as provided in the "Notice Information" section of Exhibit A attached hereto and incorporated herein by this reference for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice.

Notwithstanding anything set forth above, after disbursement of the Disbursement Amount to Owner, all notices regarding the assessment shall be sent only as provided by state law.

- 21) **Attorneys' Fees and Costs** In the event that any action is instituted to enforce payment or performance under this Contract, the parties agree that the non-prevailing party shall be responsible for and shall pay all costs and all attorneys' fees incurred by the prevailing party in enforcing this Contract.
- 22) **No Waiver** No disbursement of the Disbursement Amount based upon inadequate or incorrect information shall constitute a waiver of the right of Agent to receive a refund thereof from Owner.
- 23) **Governing Law** This Contract shall be governed by the substantive law of the State of California, regardless of any law of conflicts to the contrary in any jurisdiction. Any legal action brought under this Contract must be instituted in the Superior Court of the County of Riverside, State of California.
- 24) **Assignment by Agent** Agent, at its option, may (i) assign any or all of its rights and obligations under this Contract, and (ii) pledge and assign its right to receive the Assessment and the Annual Assessment Administrative Fee, and any other payments due to Agent hereunder, without obtaining the consent of Owner.
- 25) **Owner Assignment Prohibited** In no event shall Owner assign or transfer any portion of this Contract or Owner's obligations under the Contract without the prior express written consent of Agent, which consent may be granted or withheld in the sole and absolute discretion of the Agent. Sale, transfer, or rental of the Property is not an assignment or transfer of this Contract.
- 26) **Carbon Credits** Owner agrees that any carbon credits or renewable energy credits attributable to the Products shall be owned by Agent (on behalf of the Program).
- 27) **Entire Agreement; Counterparts; Amendment** This Contract, together with the other Contract Documents, is the entire agreement between the parties. Any other agreement related to the Products, and any amendment to this Contract, must be signed in writing by both parties. If there is more than one "Owner," the obligations hereunder of all Owners shall be joint and several.

This Contract may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

- 28) **Further Documents** Agent and Owner agree that they shall sign, deliver and if appropriate record any additional documents necessary to effectuate the purposes of this Contract. Upon expiration or termination of this Contract, Agent and Owner agree to shall sign and record any document reasonably necessary to cancel this Contract from the public records as to the Property.
- 29) **Special Termination** Notwithstanding anything to the contrary contained herein, this Contract shall terminate and be of no further force or effect if Owner has submitted to Agent a notice of its decision to cancel this transaction on or prior to the date and time described in the Notice of Right to Cancel which was delivered to Owner upon its execution of this Contract.
- 30) **No Third Party Beneficiary Rights** This Contract is entered into for the sole benefit of Owner and Agent and, subject to the provisions of Sections 13, 14, 15, and 25, no other parties are intended to be direct or incidental beneficiaries of this Contract and no third party shall have any right in, under or to this Contract.

31) Contract Date The date on which Agent or its representative sends this Contract to the Owner or Owners for execution shall be referred to herein as the "Contract Date."

32) Recordation of Contract Agent may file this Contract for recordation with the County Recorder of the County either as a separate instrument or as a part of the Notice of Assessment within ten (10) days after the last day entered with the signatures below.

Owner(s) must execute and return this Contract to Agent at the address set forth in the "Notice Information" section of Exhibit A hereto so that it is received by Agent not later than _____, 20__. All signatures of the Owner(s) must be notarized by a duly licensed notary.

IN WITNESS WHEREOF, Owner and Agent have entered into this Contract as of the Effective Date.			
Owner 1:		Owner 2:	
[OWNER 1 NAME]		[OWNER 2 NAME]	
<i>Owner 1 Name (Please Print)</i>		<i>Owner 2 Name (Please Print)</i>	
By:		By:	
<i>Owner 1 Signature (Must be Notarized)</i>		<i>Owner 2 Signature (Must be Notarized)</i>	
Date of Execution by Owner 1:		Date of Execution by Owner 2:	
, 20		, 20	
<i>Date</i>	<i>Year</i>	<i>Date</i>	<i>Year</i>

Agent: Executive Director and/or his or her designee
<i>Name (Please Print)</i>
By:
<i>Agent Signature (Must be Notarized)</i>
Date of Execution by Agent:

EXHIBIT A

DESCRIPTION OF PROPERTY, DESCRIPTION OF THE PRODUCTS, AND NOTICE INFORMATION,

Description of Property:

Owner(s) Name(s):

Property Address:

APN:

Associate Member:

Legal Description:

Description of Products:

The Products include the following:

Notice Information:

EXHIBIT B
LIST OF CONTRACT DOCUMENTS, DISBURSEMENT, AND
SCHEDULE OF ANNUAL ASSESSMENT INSTALLMENTS, INCLUDING PRINCIPAL,
INTEREST AND ANNUAL ASSESSMENT ADMINISTRATIVE FEE

List of Contract Documents:¹

The Contract shall consist of the following documents:

- ◆ This Contract and the exhibits hereto;
- ◆ The Application;
- ◆ The Funding Request;
- ◆ The Assessment Cost and Payment Summary;
- ◆ The Notice of Assessment;
- ◆ The Payment of Contractual Assessment Required;
- ◆ The California HERO Program Report and the Commercial HERO Program Handbook; and
- ◆ California HERO Program website located at www.wrcog.cog.ca.us.

Disbursement:

The Maximum Disbursement Amount is \$_____.

The Estimated Disbursement Date will be no later than \$_____.

Schedule of Estimated Maximum Annual Assessment Installments:

The schedule of the estimated maximum Annual Assessment Installments is based upon the following assumptions:

1. Agent disburses the Maximum Disbursement Amount to Owner.
2. Accumulated costs of funds until Owner's first payment of \$_____ will be added to Owner's Disbursement Amount.
3. WRCOG disburses to Owner on the Estimated Disbursement Date. If the actual disbursement occurs prior to July 1, 20__, the Initial Tax Year shall be 20__-20__.
4. The Assessment Interest Rate is _____%.
5. The Annual Percentage Rate (APR) of Owner's assessment is _____%. If the interest due before Owner's first payment of \$_____ was paid in cash at disbursement, Owner's APR would be _____%. APR is the Effective Cost of Credit in consumer loans and real estate loans expressed as a percentage interest rate. The APR is the interest rate the borrower actually pays, including fees required in order to participate in the Program.
6. The total administrative fees and recording fees added to Owner's assessment is \$_____.

¹ The List of Contract Documents may vary depending upon the financing plan being used for a particular parcel. In any event the terms of the Assessment Contract entered into for a particular parcel will govern if there is any conflict between such Assessment Contract and Appendix C.

Appendix F

NOTICE OF ASSESSMENT

RECORDING REQUESTED BY AND

WHEN RECORDED MAIL TO

Secretary to Executive Committee
Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor. MS1032
Riverside, CA 92501-3609

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

(Recorded Pursuant to California Streets & Highways Code section 5898.32)

NOTICE OF ASSESSMENT

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS LIMITED OBLIGATION IMPROVEMENT BONDS (CALIFORNIA HERO PROGRAM)

The Executive Committee of the Western Riverside Council of Governments ("WRCOG"), County of Riverside, State of California, approved a report (the "Program Report") prepared by the Executive Director, in accordance with Section 5898.22 of Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code ("Chapter 29"), established the WRCOG California HERO Program (the "Program") to be implemented as provided in the Program Report, confirmed that voluntary contractual assessments may be levied against parcels within the jurisdictions of the member agencies of WRCOG participating in the Program (the "Program Area") within the parameters of the Program Report to finance certain distributed generation renewable energy sources, energy or water efficiency improvements, or electrical vehicle charging infrastructure (the "Improvements").

Pursuant to the requirements of Sections 5898.32 of the Streets and Highways Code, the undersigned Secretary of the Executive Committee of WRCOG, at the direction of such Executive Committee, HEREBY GIVES NOTICE that pursuant to Chapter 29, the Resolution, and the Program Report, as initially approved and as amended to date, WRCOG and the record owner(s) (the "Record Owners") of the real property described on Exhibit "A" to this Notice, attached hereto and incorporated herein by reference (the "Property") have entered into an assessment contract with WRCOG (the "Assessment Contract"), a copy of which is contained in Exhibit "B" to this Notice, attached and incorporated herein by this reference. Pursuant to the Assessment Contract, WRCOG is making a disbursement in the principal amount of \$ (the "Disbursement") to the Record Owners of the Property to finance the acquisition and installation and/or construction on the Property of the Improvements identified in the Assessment Contract. Pursuant to the Assessment Contract, the Record Owners agree that the Property is subject to an assessment levied against the Property pursuant to Chapter 29 in the principal amount of the Disbursement, as provided in the Assessment Contract, together with fees and interest thereon, for a total Assessment in the amount of \$ (the "Assessment") as set forth in the payment schedule on Exhibit "B" to the Assessment Contract. In addition, so long as the Assessment is unpaid, the Record Owners agree that the Property is subject to an annual administrative assessment levied against the Property to pay costs of WRCOG which result from the administration and collection of the Assessment and from the administration or registration of any associated bonds or other financing arrangement, as described in the Program Report, and

from the administration of any reserve fund and other related funds (the "Annual Administrative Assessment"). The Annual Administrative Assessment shall not exceed the amount authorized pursuant to the HERO Residential Program Handbook.

NOTICE IS FURTHER GIVEN that upon the recording of this notice in the office of the County Recorder, the Assessment shall become a lien upon the Property. In addition, the Annual Administrative Assessment shall become a lien upon the Property at the same time as property taxes upon the Property become a lien each year.

Dated:

Western Riverside Council of Governments
Program Administrator

By: _____
Authorized Officer

EXHIBIT "A"

IDENTIFICATION OF PROPERTY OWNERS AND PROPERTY DESCRIPTION

Owner(s) Names:

Address:

APN(s):

County:

Legal Description:

Appendix G

PAYMENT OF CONTRACTUAL ASSESSMENT REQUIRED

RECORDING REQUESTED BY &
WHEN RECORDED RETURN TO:

Western Riverside Council of Governments
4080 Lemon St., 3rd Floor, MS 1032
Riverside, CA 92501-3609

File No: _____

PAYMENT OF CONTRACTUAL ASSESSMENT REQUIRED

Pursuant to the requirements of Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code, as amended, commencing with Section 5898.10 (the "Act"), including without limitation Section 5898.24(d) of the Act, and in furtherance of Section 1102.6b of the California Civil Code, Western Riverside Council of Governments ("WRCOG") hereby provides notice of the levy and collection by WRCOG of a contractual assessment under the California HERO Program (the "Program"), established and authorized pursuant to the Act. Pursuant to the Act and the Program, WRCOG and the current owner(s) described below (the "Owners") of the real property (the "Property") described herein have entered into that certain assessment contract entitled, "Assessment Contract," dated as of _____, 20__, by and between WRCOG and the Owners (the "Assessment Contract"). Pursuant to the Assessment Contract and the Act, the Owners have requested and voluntarily agreed to WRCOG's imposition of a contractual assessment against the Property (the "Contractual Assessment"), which is generally collected by the County of _____, on behalf of WRCOG, through the consolidated property tax bill.

Current Owner(s): _____

Legal Description of Property and Assessor's Parcel Number: See Exhibit "A" attached hereto.
Annual Amount of Contractual Assessment: See Exhibit "B" attached hereto.

Expiration of the Contractual Assessment: The date upon which the Contractual Assessment and all accrued interest thereon, together with any applicable penalties, costs, fees and other charges, have been paid

Purpose for Which Funds Will Be Used: The funds from the Contractual Assessment to be paid to WRCOG or its designee and shall finance the acquisition and construction and/or installation on the Property of the renewable energy system(s), energy efficiency and/or water efficiency improvement(s) which are permanently affixed to the Property and identified in the Assessment Contract (the "Work").

Contact Information: More information regarding the Contractual Assessment may be obtained by contacting WRCOG at 4080 Lemon Street, 3rd Floor, Riverside, CA 92501, tel: (951) 955-7985.

Dated: _____, 20__ Program Administrator

SCHEDULE OF ASSESSMENT INSTALLMENTS, INTEREST THEREON, AND THE MAXIMUM ADMINISTRATIVE

Tax Year	Interest	Principal	Total Loan Payment	Maximum Annual Administrative Assessment Expense	Total Maximum Contractual Assessment
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

Stimulates Economy

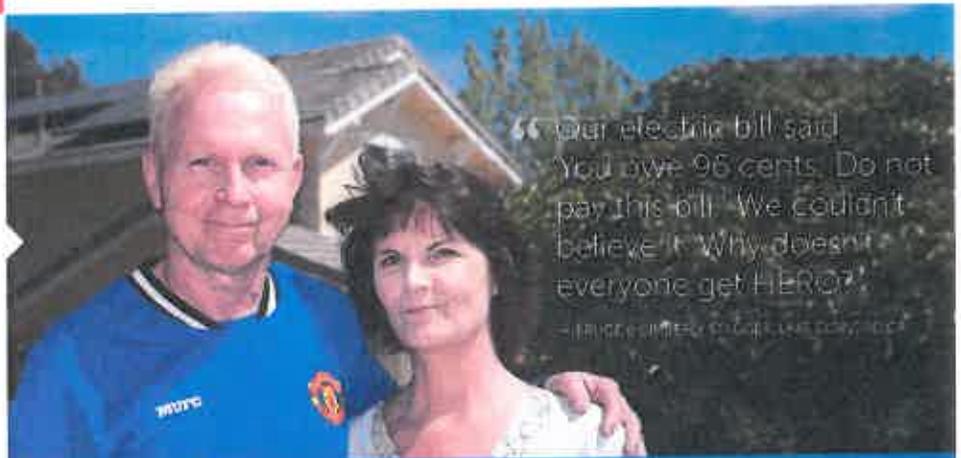


HERO Impact

As HERO spreads across the state, a wave of economic and environmental impact has followed close behind. Here are some of our successes, to date.



Saves Energy



Creates Jobs



HERO Positively Impacts Your Community

The HERO Program is a public / private partnership designed to help communities become more energy efficient and to stimulate their local economies. As the leading provider of PACE (Property Assessed Clean Energy) financing in the country, we are actively making a difference in local communities. Our turnkey solution will have your community up and running with HERO in no time!



Create
Local Jobs



Increase
Property Values



Reduce Greenhouse
Gas Emissions



Lower
Utility Bills

Bring HERO to Your Community

Start today and be up-and-
running in as few as 90 days

Step 1 YOU ADOPT

Jurisdiction adopts a resolution making HERO available to property owners.

Step 2 WE IMPLEMENT

HERO handles everything from setup through launch, including contractor training and local marketing.

Start the Conversation



Northern California

John Law | 209-602-8990 | jlaw@heroprogram.com

Southern California

Dustin Reilich | 949-237-0965 | dreilich@heroprogram.com



Awards and Recognitions



ENVIRONMENTAL AND ECONOMIC PARTNERSHIP GOVERNOR OF CALIFORNIA

Awarded California's highest honor by Governor Brown for exceptional leadership in environmental preservation and economic stimulus.



BEST RESIDENTIAL PARTNERSHIP U.S. GREEN BUILDING COUNCIL

Recognized as a Top 10 Green Building Policy in California, serving as a national model, for financing residential and commercial energy efficiency and water conservation retrofits.



BEST OF THE BEST

Urban Land Institute | Recognized for sustainable community development and organizational leadership in providing: economic value, environmental quality, and social equity.



PRESIDENTS AWARD FOR EXCELLENCE

Southern California Association of Governments | Recognized for creating successful public/private partnerships and economic stimulus through bringing private funding into local communities.



BUSINESS ACHIEVEMENT AWARD

Climate Change Business Journal | Recognized for successfully partnering with local governments to develop residential financing programs for energy efficiency and renewable energy systems.



NORTON YOUNGLOVE AWARD

Western Riverside Council of Governments | Recognized for positive environmental and economic impact created through innovative financing structure and successful public/private partnership.



How it Works For Property Owners

1 Apply for HERO

You hear about HERO and decide to call and find more about it, or search on the web. You, then, apply for HERO.

Online or Call 855-HERO-411 (855-437-6411)

heroprogram.com/apply

1

OR

1

1 Meet Contractor

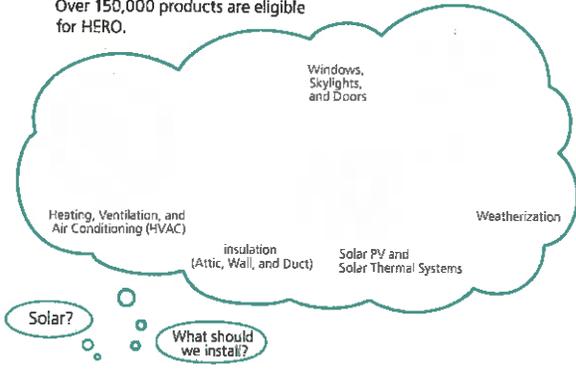
You have a contractor you want to work with. Your contractor introduces HERO.

Have you heard about HERO?

2

2 Select Project

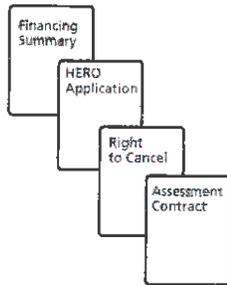
Over 150,000 products are eligible for HERO.



A complete list of eligible products at <http://heroprogram.com>

3 Sign Financing Documents

After you picked out a product(s) you would like to install, you sign Financing Documents.



Send ALL original signed documents to HERO.

4

4 Complete Project



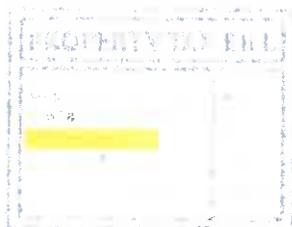
5

5 Sign Completion Certificate

After your product is installed, you and your contractor sign the Completion Certificate.



6 Pay Contractor



7

7 Make Payments

**AGREEMENT FOR CONTRACT PLANNING
SERVICES**

City of Del Rey Oaks and BGF Planning Consultants (Brian Foucht)

THIS AGREEMENT for Planning Services is made and entered into this January 27, 2015 by and between BGF Planning Consultants (Brian Foucht) (hereinafter "Contractor"), as the service provider, and the City of Del Rey Oaks, a municipal corporation (hereinafter "Del Rey Oaks").

WHEREAS, Del Rey Oaks desires to utilize Contractor for planning services, and administrative assistance related to these services, as outlined in detail in the attached Exhibit A; and

WHEREAS, Contractor is willing and qualified to provide such services to the City of Del Rey Oaks upon the terms and conditions set forth herein; and

WHEREAS, the City Council of Del Rey Oaks desires to contract with Contractor for performance of the enumerated municipal services stated herein; and

WHEREAS, Contractor the City Council finds and determined that this Contract to provide planning and administrative related services is beneficial to the public; and

WHEREAS, the City of Del Rey Oaks authorized this agreement on January 27, 2015 by the passage of Resolution No. 2015-01

NOW, THEREFORE, in consideration of the recitals and the mutual obligations of the parties as herein expressed, Contractor and Del Rey Oaks agree as follows:

1. SERVICES TO BE PROVIDED. The City of Del Rey Oaks hereby engages Contractor hereby agrees to perform, the services described in Exhibit A in conformity with the terms of this Agreement.

1.1. **FINAL DECISION AUTHORITY.** Del Rey Oaks's City Manager, or designee, shall have final decision authority over the results of the services performed on behalf of Del Rey Oaks, and all work performed by Contractor shall be to the satisfaction of Del Rey Oaks's City Manager or designee. In instances where a dispute arises over the City Manager or designee's determination, Del Rey Oaks's City Manager or designee shall render a final decision.

1.2. **DUTIES OF CONTRACTOR AND DEL REY OAKS.** See **Exhibit A.**

1.3. **EXTRA WORK.** Contractor shall not perform extra work without written authorization from Del Rey Oaks's City Manager or designee. Any extra work so authorized shall be within the general scope of work set forth in this Agreement.

2. PAYMENTS BY DEL REY OAKS. Del Rey Oaks shall pay Contractor in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this agreement.

3. TERM OF AGREEMENT.

3.1. **INITIAL TERM.** The term of this Agreement shall be from January 27, 2015 through January 1, 2018 unless sooner terminated pursuant to the terms set forth in Section 8 herein.

3.2. **EXTENSIONS.** This Agreement may be extended by consecutive one (1) year periods, or for shorter extension periods as agreed to by the parties, by written mutual agreement of both parties specifying the renewal and end dates. At the time of any extension, or at any other time during the term of the Agreement, the labor rates schedule (**Exhibit A**) may be adjusted by written agreement between the parties. Should either party decide not to extend the Agreement beyond the initial (1) year or subsequent (1) year terms, notice of such decision shall be provided to the other party no later than 30 days before the expiration date of the Agreement.

4. ADDITIONAL PROVISIONS/EXHIBITS. The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement.

Exhibit A Scope of Services/Payment Provisions

5. PERFORMANCE STANDARDS.

5.1. Contractor warrants that Contractor, and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed (if applicable) to perform the work and deliver the services required under this Agreement, and that they are not employees of Del Rey Oaks.

5.2. Contractor, his agents, employees and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.3. Contractor shall furnish all personnel necessary to carry out the specific services set forth in Exhibit A herein, except as otherwise specified in this Agreement. Contractor shall not use Del Rey Oaks's premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

5.4. Contractor shall perform all services set forth in Exhibit A in a timely manner consistent with the time Contractor would perform similar services in the community; however, City of Del Rey Oaks projects shall be given priority over private paid projects if scheduling conflicts arise.

6. EXCLUSIONS

7. PAYMENT CONDITIONS.

7.1. Payment for Contractor's services under this Agreement shall be made by Del Rey Oaks upon the monthly submission to Del Rey Oaks by Contractor of an invoice for services rendered by Contractor in the preceding month. Payment shall be made within thirty (30) days after receipt of such

invoice. Any disputed invoices shall be brought to Contractor's attention within ten (15) days of receipt or invoices will be deemed acceptable.

7.2. Del Rey Oaks and Contractor acknowledge that there may be partially completed projects at both the beginning and the end of term of this Agreement or any extensions thereof. There will therefore be cases when applicant fees have been paid to Del Rey Oaks prior to the beginning of the term of this Agreement but the project is completed during the term of this Agreement, resulting in Contractor providing services on a project during the term of this Agreement but not receiving a percentage of the fees paid to Del Rey Oaks for that project. There will also be cases when applicant fees are paid to Del Rey Oaks during the term of this Agreement or any extensions thereof, but the project is not completed during the term of the Agreement or any extensions thereof, resulting in Contractor receiving a percentage of the fees for that project but not completing the services on that project. Del Rey Oaks and Contractor agree that the payments to Contractor as provided in Exhibit A shall be deemed fair compensation for the work provided by Contractor during the term of this Agreement, regardless of the partially completed projects at the beginning and the end of the term of this Agreement or any extensions thereof.

7.3. Contractor shall receive payment for work performed pursuant to the payment provisions set forth in Exhibit A, regardless of whether Del Rey Oaks elects to charge fees. For projects subject to waivers of fees, Del Rey Oaks shall calculate the amount of fees otherwise due, and pay Contractor accordingly.

7.4. Contractor shall not receive reimbursement for travel expenses unless set forth in Exhibit A herein.

8. TERMINATION.

8.1. During the term of this Agreement, either party may terminate the Agreement for any reason by giving written notice of termination to the other party at least sixty (60) days prior to the effective date of termination. In the event of an adverse claim or litigation involving either party and related to the services of this Agreement, this Agreement may be terminated by either party giving written notice at least thirty (30) days prior to the effective date of termination. Any termination notice shall set forth the effective date of termination.

8.2. Del Rey Oaks may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of Contractor to perform the required services at the time and in the manner provided under this Agreement. If Del Rey Oaks terminates this Agreement for good cause, Del Rey Oaks may be relieved of the payment of any consideration to Contractor, and Del Rey Oaks may proceed with the work in any manner which Del Rey Oaks deems proper. The cost to Del Rey Oaks shall be deducted from any sum due Contractor under this Agreement.

8.3. Contractor may cancel and terminate this Agreement for good cause effective immediately upon written notice to Del Rey Oaks. "Good cause" includes but is not limited to failure of Del Rey Oaks to pay Contractor at the time and in the manner provided under this Agreement or failure of Del Rey Oaks to fulfill its responsibilities set forth in Exhibit A herein. Termination of this Agreement pursuant to this section shall not be construed to limit Contractor's right to obtain, by any means available at law, the amount Del Rey Oaks still owes Contractor.

9. IMMUNITY.

As it is mandated by the California Building Code and Uniform Administrative Code, when the Planner is directed through employees or deputies to perform certain tasks as described in said Codes and, when acting in accordance with said Codes, is afforded certain protection from liability.

As Del Rey Oaks's authorized representative, Contractor shall be recognized as having rights to any immunities it is entitled to. In no event shall any duties contained in Exhibit A, or otherwise herein, negate any legal protections or immunities available to the parties under state or federal law.

10. INDEMNIFICATION.

10.1. Each party shall indemnify, defend and hold harmless the other party, to the extent allowed by law and in proportion to fault, against any and all third-party liability for claims, demands, costs or judgments (direct, indirect, incidental or consequential) involving bodily injury, personal injury, death, property damage or other costs and expenses (including reasonable attorneys' fees, costs and expenses) arising or resulting from the acts or omissions of its own officers, agents, employees or representatives carried out pursuant to the obligations of this Agreement.

10.2. Each party will protect, defend, indemnify and hold harmless the other party (including their officials, employees and agents as the same may be constituted now and from time to time hereafter) from and against any and all liabilities, losses, damages, expenses or costs, whatsoever (including reasonable attorneys' fees, costs and expenses), which may arise against or be incurred by the other party as a result of or in connection with any actual or alleged breach of this Agreement by either party.

10.3. These indemnity provisions shall survive the termination or expiration of this Agreement. Further, each party will be liable to the other party for attorneys' fees, costs and expenses, and all other costs and expenses whatsoever, which are incurred by the other party in enforcing these indemnity provisions.

11. NON-DISCRIMINATION.

During the performance of this Agreement, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in Contractor's employment practices or in the furnishing of services to recipients. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. Contractor and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. INDEPENDENT CONTRACTOR In the performance of work, duties, and obligations under this Agreement, Contractor, is at all times acting and performing as an independent contractor

and not as an employee of Del Rey Oaks. No offer or obligation of permanent employment with Del Rey Oaks or particular Del Rey Oaks department or agency is intended in any manner, and Contractor shall not become entitled by virtue of this Agreement to receive from Del Rey Oaks any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits.

13. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to Del Rey Oaks's and Contractor's addresses listed below:

FOR DEL REY OAKS:

Daniel Dawson
City Manager
City of Del Rey Oaks
650 Canyon Del Rey
Del Rey Oaks, CA 93940
citymanager@delreyoaks.org

FOR BGF PLANNING CONSULTANTS (Brian Foucht)

Brian Foucht
1172 South Main St. #276
Salinas, CA 93901
brian@bgfplanning.com

14. MISCELLANEOUS PROVISIONS.

14.1 Conflict of Interest. Contractor represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

14.2 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by Del Rey Oaks and Contractor.

14.3 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by Del Rey Oaks and Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement

14.4 Contractor. The term "Contractor" or "BGF Planning Consultants (Brian Foucht)" as used in this Agreement includes BGF Planning Consultants (Brian Foucht) officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

14.5 Disputes. Contractor shall continue to perform under this Agreement during any dispute. Contractor and Del Rey Oaks hereby agree to make good faith efforts to resolve disputes as quickly as

possible. In the event any dispute arising from or related to this Agreement results in litigation or arbitration, the prevailing party shall be entitled to recover all reasonable costs incurred, including court costs, attorney fees, expenses for expert witnesses (whether or not called to testify), expenses for accountants or appraisers (whether or not called to testify), and other related expenses. Recovery of these expenses shall be as additional costs awarded to the prevailing party, and shall not require initiation of a separate legal proceeding.

14.6 Assignment and Subcontracting. Contractor shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of Del Rey Oaks. None of the services covered by this Agreement shall be subcontracted without the prior written approval of Del Rey Oaks. Notwithstanding any such subcontract, Contractor shall continue to be liable for the performance of all requirements of this Agreement.

14.7 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of Del Rey Oaks and Contractor under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

14.8 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

14.9 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

14.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

14.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

14.12 Non-exclusive Agreement. This Agreement is non-exclusive and both Del Rey Oaks and Contractor expressly reserve the right to contract with other entities for the same or similar services.

14.13 Construction of Agreement. Del Rey Oaks and Contractor agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect material ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.

14.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

14.15 Authority. Any individual executing this Agreement on behalf of Del Rey Oaks or Contractor represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

14.16 Integration. This Agreement, including the exhibits and any documents incorporated by reference, represent the entire Agreement between Del Rey Oaks and Contractor with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or

agreements, either written or oral, between Del Rey Oaks and Contractor as of the effective date of this Agreement, which is the date that Del Rey Oaks signs the Agreement.

14.17 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

14.18 Severability. If any of the provisions contained in the Contract are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability and indemnities shall survive termination of the Contract for any cause. If a part of this Contract is valid, all valid parts that are severable from the invalid part remain in effect. If a part of this Contract is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

IN WITNESS WHEREOF, Del Rey Oaks and BGF Planning Consultants (Brian Foucht) have executed this Agreement as of the day and year written on the first page herein.

CITY OF DEL REY OAKS

BGF Planning Consultants (Brian Foucht)

Daniel J. Dawson, City Manager

Brian Foucht, BGF Planning Consultants

Date

Date

EXHIBIT A
SCOPE OF SERVICES/PAYMENT PROVISIONS
PURSUANT TO CONSULTING SERVICES AGREEMENT
CITY OF DEL REY OAKS AND BGF PLANNING CONSULTANTS (BRIAN
FOUCHT)

Planning Staff Services Related to Development of approximately 73 acres of land currently owned by Monterey Peninsula Partners located on the Former Fort Ord in the City of Del Rey Oaks.

This Scope of Services is for consulting services between The City of Del Rey Oaks (“City”) and BGF Planning Consultants (Brian Foucht) (“Consultant”) Effective January 27, 2015.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in this Scope of Services. The term of these services shall begin on the Effective Date and shall end upon completion of the services described herein.

Consultant shall devote such time to the performance of services pursuant to this Scope of Services as may be reasonably necessary to satisfy Consultant’s obligations in a timely manner in accordance with the state of the art for professional planning services and in accordance with applicable local and State laws, regulations and guidelines;

Section 2. COMPENSATION. City hereby agrees to pay Consultant for services to be performed and reimbursable costs incurred pursuant to this Task Order. City agrees to compensation at the rate of ninety dollars (\$90.00) per hour and shall reimburse consultant for other reasonable direct costs, such as mileage and travel time.

Consultant shall submit invoices to City, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain, at a minimum, a summary containing tasks undertaken and time spent on each task during the billing period, total payment due for the billing period and total costs billed to- date.

Section 3. TASKS. BGF Planning Consultants (Brian Foucht) and those directly assigned and managed by BGF will provide professional planning staff services directly related to entitlements for development of approximately 73 acres of land located on the former Fort Ord in the City of Del Rey Oaks. Consultant will be responsible for all ordinary and customary tasks, and those required of City staff by applicable Federal, State and local laws and regulations, including but not limited to, the following:

1. Attend and schedule meetings with the applicant and staff of the City of City of Del Rey Oaks and other agencies as required and directed by the City Manager;

2. Attend at all Planning Commission and City Council meetings, or other agency meetings as may necessary;
3. Preparation of written material including draft and final hearing notices, memo and staff reports;
4. Provide assistance to the applicant as may necessary to establish a complete file for review and decision by the City of Del Rey Oaks Planning Commission and City Council;
5. Conduct analysis in accordance with CEQA including the Initial Study and CEQA document, if requested.
6. Lead planning staff, under direction of the City Manager, to coordinate, facilitate and direct the activities of related CEQA analysis that may be performed by others under contract with the City; administer any such contract on behalf of the City of Del Rey Oaks.
7. Advise the City Manager or designee, as necessary, verbally and in writing regarding factors that influence a staff recommendation to the Planning Commission or City Council, regarding environmental impact mitigation and development of the subject site.
8. The following are specific tasks to be completed pursuant to this task order:
 - a) Review existing file and background material;
 - b) Conduct site visit(s);
 - c) Evaluate the need for and adequacy of documentation necessary for formal acceptance for filing and to complete CEQA review. Communicate findings to the applicant verbally and in writing;
 - d) Review the proposed application for conformance with General Plan policies and Zoning Ordinance requirements;
 - e) Facilitate and conduct the interdepartmental and interagency review of the proposed development;
 - f) Prepare an Initial Study, mitigated Negative Declaration or EIR, if requested;
 - g) Complete draft and final Staff Report, Resolution, Conditions of Approval and attachments as needed for peer (City) review;
 - h) Prepare presentations for Planning Commission and City County review as needed.
 - i) Conduct mitigation monitoring and reporting following project approval.

The City of Del Rey Oaks shall provide BGF access to all available background reports, files, maps, correspondence, documents, ordinances, policies, standards, and office and clerical assistance deemed necessary by BGF and the City of Del Rey Oaks for the expeditious completion of this Scope of Services. The City shall inform and direct any other firm or individual under contract with the City of Del Rey Oaks regarding lead planning services to be performed by BGF (Brian Foucht) and the nature of services to be provided.

CITY OF DEL REY OAKS

ASSISTANT TO THE CITY MANAGER

Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are **not** intended to reflect all duties performed within the job.

DEFINITION

Under general direction from the City Manager, performs a wide variety of complex administrative and analytical duties; assists with administering the budget, manages and oversees assigned administrative processes, procedures, projects and programs; and provides information and assistance to the public regarding assigned programs and services; and performs other related tasks as assigned.

DISTINGUISHING CHARACTERISTICS

The Assistant to the City Manager is a management level classification with responsibility for assisting the City Manager with the overall management and administration of City operations and services.

SUPERVISION RECEIVED AND EXERCISED

Receives direction from the City Manager.

May exercise direct supervision over assigned staff.

ESSENTIAL FUNCTIONS *-Essential and other important responsibilities and duties may include, but are not limited to, the following:*

Assume direct responsibility for monitoring and administering a variety of programs; oversee assigned administrative support functions including budget.

Develop and implement operational, administrative, program, and other policies and procedures; assist in contract negotiations and administration.

Participate in drafting and implementing City-wide goals, policies, and procedures.

Direct the preparation and administration of assigned budget(s); maintain and monitor appropriate budgeting controls; prepare various financial reports as required.

Collect, compile, and analyze complex information from various sources on a variety of specialized topics related to assigned programs; prepare reports which present and interpret data, and identify alternatives; make and justify recommendations.

Receive and respond to complaints and questions from the general public relating to assigned programs; review problems and recommend corrective actions; prepare summary reports as required.

Participate in special projects including complex research of new programs and services, budget analysis and preparation, and feasibility analyses; prepare and present reports.

Assist in the preparation of ordinances and other supporting program documents; prepare and monitor program contracts and related proposals; monitor compliance with applicable contracts and agreements.

Prepare comprehensive technical records and analytical reports pertaining to assigned area of responsibility including resolutions and ordinances; conduct research and comprehensive data collection efforts to support analysis.

Coordinate activities with other City departments, the public and outside agencies including training, emergency preparedness drills, information forums and other communications and contacts.

Manages specific programs/projects as assigned by the City Manager

Perform related duties and responsibilities as required.

QUALIFICATIONS

Knowledge of:

Principles and practices of public administration used in the operations of local government

Methods of research, program analysis, and report preparation.

Principles and practices of Human Resources

Policies and procedures: Accounting & Personnel

Principles and practices of budget administration.

Public relations techniques and facilitation skills.

Principles and procedures of accounting and procurement practices.

English usage, spelling, grammar and punctuation.

Modern office procedures, methods including computers.

Federal, State and local laws, codes and regulations.

Perform complex administrative and analytical activities for assigned programs.

Ability to:

Understand the organization and operation of the city and outside agencies as necessary to assume assigned responsibilities.

Interpret and apply administrative policies and procedures.

Perform responsible and difficult administrative work involving the use of independent judgment and personal initiative.

Research, analyze, and evaluate programs, policies, and procedures.

Analyze problems, identify alternative solutions, project consequences of proposed actions and implement recommendations in support of goals.

Prepare clear and concise reports.

Independently prepare correspondence and memoranda.

Communicate clearly and concisely, both orally and in writing.

Establish and maintain effective working relationships with those contacted in the course of work.

Independently manage and prioritize workload, demands and time.

Use initiative and judgment within established guidelines.

Manage complex projects and programs.

Education and Experience

Any combination of education, experience and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Experience:

Five years of increasingly responsible administrative and analytical experience preferably within a local government environment.

Equivalent to a Bachelor's degree from an accredited college or university with major course work in public administration, business administration or a related field. Masters degree highly desirable.

WORKING CONDITIONS

Environmental Conditions: Office environment utilizing computers.

Physical Conditions: Essential and marginal functions may require maintaining physical condition necessary for sitting for up to three hours at a time. Ability to operate computer, telephone and copying machine.

RESOLUTION NO. 2015-02
A RESOLUTION OF THE CITY OF DEL REY OAKS REVISING RESOLUTION 2014-09
ESTABLISHING SALARIES FOR THE FISCAL YEAR 2014-2015

BE IT RESOLVED by the City Council of the City of Del Rey Oaks, as follows:
That for the fiscal year 2014-2015, commencing March 1, 2015 the following salary plan is adopted.

TITLE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
Assistant to the City Manager	5,615.40	5,896.80	6,189.75	6,499.50	6,826.05
BI-WEEKLY	2,591.72	2,721.60	2,856.81	2,999.77	3,150.48
HOURLY RATE	32.40	34.02	35.71	37.50	39.38
Deputy City Clerk	4,496.10	4,722.90	4,959.15	5,206.95	5,467.35
BI-WEEKLY	2,075.12	2,179.80	2,288.84	2,403.21	2,523.39
HOURLY RATE	25.94	27.25	28.61	30.04	31.54
Police Sergeant	5,615.40	5,896.80	6,189.75	6,499.50	6,826.05
BI-WEEKLY	2,591.72	2,721.60	2,856.81	2,999.77	3,150.48
HOURLY RATE	32.40	34.02	35.71	37.50	39.38
Police Officer	4,398.45	4,620.00	4,849.95	5,092.50	5,348.70
BI-WEEKLY	2,030.05	2,132.31	2,238.44	2,350.38	2,468.63
HOURLY RATE	25.38	26.65	27.98	29.38	30.86
Chief of Police	Per Contract				11,025.00
BI-WEEKLY					5,088.46
HOURLY RATE					63.61
City Manager	Per Contract				13,125.00
BI-WEEKLY					6,057.69
HOURLY RATE					75.73
Public Works Employee 1	3,700.20	3,885.00	4,082.40	4,286.10	4,498.20
BI-WEEKLY	1,707.78	1,793.08	1,884.18	1,978.20	2,076.09
HOURLY RATE	21.35	22.41	23.55	24.73	25.95
Temporary/Part Time Employees					
BI-WEEKLY	Up to this amount, at the discretion of the City				N/A
HOURLY RATE	Manager				50.00

1. City Council Members shall be paid the sum of \$100.00 per month for attendance at all regular and special council meetings unless previously granted a leave of absence with pay, or unless excused by the Mayor.

2. All Employees of the City pay the full seven percent (7%) contribution to each employee's PERS account.

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council duly held on June 24, 2014, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

Jerry B. Edelen, Mayor

Daniel Dawson, City Clerk

Ron Langford

From: Ron Langford
Sent: Monday, January 05, 2015 7:24 AM
To: Ron Langford
Subject: Fwd: Officer Ingersoll

Sent from my iPhone

Begin forwarded message:

From: "Nicholas Borges" <NBorges@ci.seaside.ca.us>
Date: January 3, 2015 at 12:29:00 PM PST
To: cop@delreyoaks.org
Subject: Officer Ingersoll

Chief,

I would like you to know, Officer Ingersoll assisted us with the search of a shooting suspect yesterday. He was instrumental in developing a tip from a citizen and a general location where the suspect ran. He assisted us in a detailed search for the suspect which subsequently led to the apprehension of the suspect. The suspect was taken to Juvenile Hall and there a phone call was intercepted.

The suspect was requesting a family member retrieve property he had hidden prior to being arrested. Seaside units tracked the property down and located the firearm used in the drive-by shooting. Officer Ingersoll's performance and assistance was much appreciated. I wanted you to be aware.

Respectfully,



Nicholas Borges

Sergeant

Seaside Police Department

(831) 899-6748 x6076

nborges@ci.seaside.ca.us

OUTSTANDING JOB!
GREAT WORK
A handwritten signature in blue ink, appearing to be "R" or "RB", located below the handwritten text.