



UPLAND CITY COUNCIL

AGENDA

October 8, 2018

City Council Chamber

**DEBBIE STONE, MAYOR
CAROL TIMM, MAYOR PRO TEM
GINO L. FILIPPI, COUNCILMEMBER
JANICE ELLIOTT, COUNCILMEMBER
SID ROBINSON, COUNCILMEMBER**

**BILL R. MANIS, CITY MANAGER
JAMES L. MARKMAN, CITY ATTORNEY**

DISRUPTION OF MEETINGS

Individuals who demonstrate disruptive conduct during City Council meetings that prevent the City Council from conducting its meeting in an orderly manner are guilty of a misdemeanor as stated in PC403, disrupting a public meeting, and are subject to removal from the chamber or arrest.

- 1. CALL TO ORDER AND ROLL CALL**
- 2. ADDITIONS-DELETIONS TO AGENDA**
- 3. ORAL COMMUNICATIONS**

This is a time for any citizen to comment on item listed on the closed session agenda only. Anyone wishing to address the legislative body is requested to submit a speaker card to the City Clerk at or prior to speaking. The speakers are requested to keep their comments to no more than three (3) minutes. The use of visual aids will be included in the time limit.

- 4. CLOSED SESSION None**

7:00 PM

5. INVOCATION

Pastor Jarrell Jones, 11th Street Baptist Church

6. PLEDGE OF ALLEGIANCE

7. PRESENTATIONS

Presentation of Certificates of Completion to the Upland Community Emergency Response Team (CERT)

8. CITY ATTORNEY

9. ORAL COMMUNICATIONS

This is a time for any citizen to comment on any item listed on the agenda only. Anyone wishing to address the legislative body is requested to submit a speaker card to the City Clerk at or prior to speaking. The speakers are requested to keep their comments to no more than three (3) minutes. Speakers will be given five (5) minutes during public hearings. The use of visual aids will be included in the time limit.

10. COUNCIL COMMUNICATIONS

11. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one roll call vote. There will be no separate discussion of these items unless members of the legislative body request specific items be removed from the Consent Calendar for separate action.

- A. APPROVAL OF WARRANT AND PAYROLL REGISTERS SEPTEMBER 2018
Approve the September Warrant Registers and Direct Disbursements (check numbers 22039-22484) totaling \$10,955,151.52 and Payroll Registers totaling \$1,218,022.44 (check numbers 160188-160270 and EFTs 10620-11102). (Staff Person: Londa Bock-Helms)
- B. APPROVAL OF MINUTES
Approve the Regular Meeting Minutes of September 24, 2018. (Staff Person: Jeannette Vagnozzi)
- C. TREASURER'S REPORT AUGUST 2018
Receive and file the August 2018 Treasurer's Report. (Staff Person: Londa Bock-Helms)
- D. EMERGENCY PURCHASE AND INSTALLATION OF EQUIPMENT AND PROFESSIONAL SERVICES FOR WATER SYSTEM IMPROVEMENTS
Receive and file the status update. (Staff Person: Rosemary Hoerning)
- E. AMENDMENT TO THE AGREEMENT WITH THE ZAPPIA LAW FIRM FOR LABOR AND EMPLOYMENT LAW SERVICES
Authorize the City Manager to execute an amendment to the agreement with the Zappia Law Firm for labor and employment law services. (Staff Person: Jeannette Vagnozzi)

12. PUBLIC HEARINGS

13. COUNCIL COMMITTEE REPORTS

- A. ECONOMIC DEVELOPMENT COMMITTEE MEETING, OCTOBER 1, 2018

14. BUSINESS ITEMS

A. IN-LIEU FEE ARROW VISTA VILLAGE DEVELOPMENT

Adopt a Resolution approving an in-lieu fee in satisfaction of a portion of Condition 40.5.4 concerning the extension of the box culvert of site plan 16-30 for the development of 44 apartment units on real property located on the south east corner of Arrow Route and Monte Vista Avenue. (Staff Person: Rosemary Hoerning)

B. UPDATE ON SKATE PARK

Approve maintaining the current supervised operating hours of the skate park at Memorial Park and consider allowing rental of the facility for private events. (Staff Person: Doug Story)

15. ORAL COMMUNICATIONS

This is a time for any citizen to comment on any item not listed on the agenda. Anyone wishing to address the legislative body is requested to submit a speaker card to the City Clerk at or prior to speaking. The speakers are requested to keep their comments to no more than three (3) minutes. The use of visual aids will be included in the time limit. Public comments and questions for the purpose of hearing current matters of concern in our community and to provide citizens a method for the public to hear those concerns in an open venue is encouraged. However, under the provisions of the Brown Act, the City Council is prohibited from discussion of items not listed on the agenda, and therefore, the City Council, City Manager, or City Attorney will take communications under advisement for consideration and appropriate response or discussion at a later time.

16. CITY MANAGER

17. ADJOURNMENT

The next regularly scheduled City Council meeting is Monday, October 22, 2018.

NOTE: If you challenge the public hearing(s) or the related environmental determinations in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Upland, at, or prior to, the public hearing.

All Agenda items and back-up materials are available for public review at the Upland Public Library, downstairs reference desk at 450 North Euclid Avenue, the City Clerk's Office at 460 North Euclid Avenue and the City website at www.ci.upland.ca.us, subject to staff's ability to post the documents before the meeting.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office, 931-4120. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102-35.104 ADA Title II]

POSTING STATEMENT: On October 4, 2018 a true and correct copy of this agenda was posted on the bulletin boards at 450 N. Euclid Avenue (Upland Public Library) and 460 N. Euclid Avenue (Upland City Hall).

Steven Scovill, Upland, stated he has noticed an increased police presence and as a result, a decrease in homelessness in his neighborhood. He further suggested the police department needs adequate funds and personnel.

Glenn Bozar, Upland, spoke regarding the City Manager's pension.

10. COUNCIL COMMUNICATIONS

Councilmembers announced various activities throughout the community, including providing an update on the meetings they attended.

Councilmember Timm provided a summary as voting delegate at the Annual League of California Cities Conference.

11. CONSENT CALENDAR

Mayor Stone removed Consent Calendar Item 11D for separate action. Motion by Councilmember Filippi to approve the remainder of the Consent Calendar, seconded by Councilmember Timm, and carried unanimously.

A. APPROVAL OF MINUTES

Approved the Regular Meeting Minutes of September 10, 2018.

B. BIENNIAL REVIEW OF CITY'S CONFLICT OF INTEREST CODE

Adopted Resolution No. 6468 rescinding Resolution No. 6368 in its entirety and adopting a conflict of interest code applicable to designated positions, including members and staff of the Successor Agency to the Upland Community Redevelopment Agency, Upland Public Financing Authority, and Successor Agency to the Upland Housing Authority.

C. EMERGENCY PURCHASE AND INSTALLATION OF EQUIPMENT AND PROFESSIONAL SERVICES FOR WATER SYSTEM IMPROVEMENTS

Received and filed the status update.

ITEMS REMOVED FOR SEPARATE ACTION

D. A RESOLUTION TO EXPLORE OPPORTUNITIES TO ADDRESS HOMELESSNESS

City Manager Manis answered questions posed by the City Council regarding the process for pursuing the grant funds, the types of programs the funding can be used for, and the timeline for the process.

Consultant Gavin provided information on the Homeless Emergency Aid Program and the amount of funding available statewide.

Motion by Councilmember Filippi to adopt Resolution No. 6469 to explore opportunities to more effectively address homelessness in Upland, seconded by Councilmember Timm, and carried unanimously.

12. PUBLIC HEARINGS

- A. CONTINUED PUBLIC HEARING TO ADOPT A RESOLUTION TO APPROVE ABANDONMENT FOR PARK PURPOSES OF AN APPROXIMATELY 32-ACRE PORTION OF UNDEVELOPED CITY PROPERTY REFERRED TO AS SYCAMORE PARK IN ACCORDANCE WITH GOVERNMENT CODE SECTION 38501-38510

Development Services Consultant Dukett announced that The Lewis Company had withdrawn their proposal; therefore, no action was necessary on this item.

13. COUNCIL COMMITTEE REPORTS None

14. BUSINESS ITEMS

At 7:42 p.m. Mayor Stone announced that she would abstain from Items 14A and 14B since her business is located in the project area. Mayor Stone then left the Council Chamber.

- A. AWARD OF BID FOR THE 3RD AVENUE PAVEMENT REHABILITATION AND WATER IMPROVEMENTS PROJECT (BID NO. 2018-06)

Public Works Director Hoerning presented the staff report, which is on file in the City Clerk's Office.

There was discussion on the restoration of the rock curbs, community meetings, and the project timeline.

Motion by Mayor Pro Tem Timm to approve the plans and specifications for the 3rd Avenue Pavement Rehabilitation and Water Improvements Project; award the construction contract to Vido Samarzich, Inc., in the amount of \$2,757,620; and, authorize a construction contingency in the amount of \$242,380, for a total amount of \$3,000,000, seconded by Councilmember Robinson, and carried with Mayor Stone abstaining.

At 7:47 p.m. Mayor Pro Tem Timm announced that she would abstain from 14B since her home is located in the project area. Mayor Pro Tem Timm then left the Council Chamber.

- B. AWARD OF BID FOR THE 9TH STREET PAVEMENT REHABILITATION AND WATER IMPROVEMENTS PROJECT (BID No. 2018-07)

Public Works Director Hoerning presented the staff report, which is on file in the City Clerk's Office.

Motion by Councilmember Robinson to approve the plans and specifications for the 9th Street Pavement Rehabilitation and Water Improvements Project; award the construction contract to Vido Samarzich, Inc., in the amount of \$2,578,595; and, authorize a construction contingency in the amount of \$221,405, for a total amount of \$2,800,000, seconded by Councilmember Elliott, and carried with Mayor Stone and Councilmember Timm abstaining.

Mayor Stone and Councilmember Timm returned to the Council Chamber at 7:50 p.m. and took their seats on the dais.

C. PROFESSIONAL SERVICES AGREEMENT WITH LDM ASSOCIATES TO ADMINISTER AND IMPLEMENT FEDERAL AND STATE PROGRAMS

Development Services Consultant Dukett presented the staff report, which is on file in the City Clerk's Office.

There was discussion on the scope of services, programs overseen by the contracted staff, and funding for the contract.

Motion by Councilmember Filippi to approve the Professional Service Agreement by and between the City of Upland and LDM Associates Inc. and authorize the City Manager or his designee to execute any and all necessary and related documents inclusive of Amendments to implement the Agreement, seconded by Councilmember Robinson, and carried unanimously.

D. APPROVAL OF A CHANGE ORDER WITH ALLIANCE BUILDING SOLUTIONS TO COMPLETE REPAIRS TO THE MAGNOLIA RECREATION BUILDING

Assistant City Manager Vagnozzi presented the staff report, which is on file in the City Clerk's Office.

Motion by Councilmember Timm to approve the change order for Alliance Building solutions plus project contingency in the amount of \$155,000 to complete the necessary repairs to the Magnolia Recreation Center, seconded by Councilmember Elliott, and carried unanimously.

15. ORAL COMMUNICATION (items not on the agenda)

Catherine Brown, Upland, spoke regarding traffic concerns in the area of Olivedale Park and the area around the High School.

Eric Tapia, Upland, stated opposition to the Omnitrans bus route through the Colonies neighborhood.

Alexis Bail, Upland, stated opposition to the Omnitrans bus route through the Colonies neighborhood.

Jennifer Shaw, Upland, introduced herself as the Government Relations Manager for Southern California Edison.

Nancy DeVilling, Upland, stated opposition to the bus route through the Colonies neighborhood.

Natasha Walton, Upland, stated concerns about potential future development proposals for Sycamore Park land.

Marjorie Mikels, Upland, thanked the community for their active participation in City issues and spoke regarding Proposition 1.

Karen May, Upland, requested that the City Council not file an amicus brief in the Huntington Beach lawsuit regarding SB54.

Mike Pattison, Upland, announced activities of the Upland Coalition of Concerned Citizens.

April McCormick, Upland, thanked the Police Chief for his efforts in cleaning up the bike path and spoke about the upcoming Municipal Election.

Glenn Bozar, Upland, spoke about the importance of the upcoming Municipal Election.

Edith Marquez, Upland, spoke in opposition of the bus route through the Colonies neighborhood.

Yvette Walker, Upland, introduced herself as a candidate in the upcoming Municipal Election.

16. CITY MANAGER None

17. ADJOURNMENT

Mayor Stone adjourned the meeting at 8:43 p.m. The next regularly scheduled City Council meeting is Monday, October, 8, 2018.

SUBMITTED BY



Jeannette Vagnozzi, City Clerk

APPROVED

October 8, 2018



STAFF REPORT

ITEM NO. 11.C.

DATE: October 8, 2018
TO: MAYOR AND CITY COUNCIL
FROM: BILL R. MANIS, CITY MANAGER
PREPARED BY: JEANNETTE VAGNOZZI, ASSISTANT CITY MANAGER
LONDA BOCK-HELMS, FINANCE OFFICER
SUBJECT: TREASURER'S REPORT AUGUST 2018

RECOMMENDED ACTION

It is recommended that the City Council receive and file the August 2018 Treasurer's Report.

GOAL STATEMENT

The proposed action supports the City's goal to manage the City's resources in a fiscally responsible manner.

BACKGROUND

Per California Government Code Section 53646(b), the City's treasurer or fiscal officer shall render a treasurer's report to the City Council (at a minimum) on a quarterly basis. This report shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, current market value as of the date of the report, investments and moneys held by the local agency and shall additionally include a description of any of the local agency's funds, investments, or programs, that are under the management of contracted parties, including lending programs. The report shall state compliance to the City's investment policy and shall include a statement noting the City's ability to meet its expenditure requirements for the next six months.

ISSUES/ANALYSIS

The submission of the monthly Treasurer's Report is a compliance measure.

FISCAL IMPACTS

There is no fiscal impact associated with this action.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Treasurer's Report August 2018

TREASURY REPORT

City of Upland - Successor Agency - Public Financing Authority

**For Period Ended
August 31, 2018**

Investment Portfolio	Cost	Par Value	Market Value	% of Portfolio
State Local Agency Investment Fund	\$ 13,515,365	N/A	\$ 13,553,440	19.0%
Bank Accounts and Change Funds	8,817,332	N/A	8,817,332	12.4%
ABS-Corporate Paydown Securities	-	N/A	-	0.0%
Money Market Fund	2,293,673	N/A	2,293,673	3.2%
Government Agency Securities	39,218,965	39,265,000	38,735,185	54.1%
Corporate Bonds	6,501,801	6,491,000	6,452,809	9.0%
US Treasury	1,778,677	1,780,000	1,758,011	2.5%
Total Cash and Investments	\$ 72,125,812	\$ 47,536,000	\$ 71,610,449	100.0%

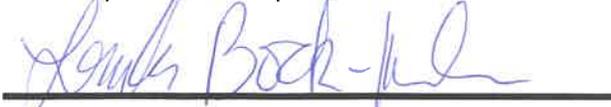
PARS Investment Portfolio	Cost	Market Value	% of Portfolio
115 Trust-OPEB Investment as of 7/31/18	1,068,178	1,068,178	27.1%
Pension Trust Investment as of 7/31/18	2,881,867	2,881,867	73.1%
Total Cash and Investments	\$ 3,950,045	\$ 3,950,045	100.0%

Weighted Average Days to Maturity	549.72
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Blended Yield:	1.940%
Benchmarks:	
LAIF	1.998%
2yr U.S. Treasury	2.620%
5yr U.S. Treasury	2.740%

Restricted Funds with Fiscal Agent	Book Value	Market Value
Water System Lease Revenue Refunding Bonds 2011	20	20
Colonies CFD Area #2 2015	2,852,160	2,852,160
Colonies CFD Area #1 2012	3,459,544	3,459,544
Upland 54 CFD 2004	304,242	304,242
Successor Agency TAN 2013 / TAN 2016- Merged Project	5,095,395	5,095,395
Total Restricted Funds	\$ 11,711,361	\$ 11,711,361

- I hereby certify that the investments are in compliance with the investment policy adopted by the City Council in March 2017.
- The City has the ability to meet its budgeted expenditures for the next six months.
- The market values for funds held in banking institutions do not change. The amounts listed as market values for these items are the same as their book values.
- The book value for the State Pool is the withdrawal value provided by the State Treasurer. The market value of funds held by the State Treasurer equates to the City's pro-rata share of the market value of the entire State Pool.
- Sources for current market valuation are Account Statements and the Wall Street Journal GNMA Mortgage rates on the last trading day of the month.
- This report meets the requirements of Government Code Section 53646.



Reviewed by Finance Officer



City Treasurer

9/19/18

Date

9/20/18

Date

TREASURY REPORT

City of Upland - Successor Agency - Public Financing Authority

State Local Agency Investment Fund

**For Period Ended
August 31, 2018**

<u>Fund or Account</u>		<u>Account Balance</u>	
City	98-36-942	13,515,365	
Successor Agency	65-36-007	-	
Upland Public Financing Authority	40-36-004	-	
	Totals	<u>\$ 13,515,365</u>	Market Value (See Note 4)
			<u>\$ 13,553,440</u>
 Yield for Period Ended	 8/31/2018	 <u>1.998%</u>	

TREASURY REPORT

City of Upland - Successor Agency - Public Financing Authority

Bank Accounts and Change Funds

For Period Ended
August 31, 2018

Account Name	Institution	Insured Deposits	Collateralized Deposits	Total Deposits
Petty Cash City of Upland	City of Upland	\$ -	\$ 9,730	\$ 9,730
City of Upland Payroll Zero Balance Account	Chase	-	-	-
City of Upland Checking Account	Chase	250,000	5,136,126	5,386,126
City of Upland Successor Agency	Chase	-	3,421,476	3,421,476
	Totals	\$ 250,000	\$ 8,567,332	\$ 8,817,332

TREASURY REPORT
City of Upland - Successor Agency - Public Financing Authority
For Period Ended
August 31, 2018

Investment	Purchased From	Cusip #	Cost	Market Value	Stated Rate	Maturity Date
<u>Government Securities</u>						
FHLB	Wells Fargo Sec LLC	3130AB2H8	1,499,595	1,499,025	1.200%	9/28/2018
FHLMC	Bnp Paribas Securities	3137EAED7	1,493,025	1,498,110	0.875%	10/12/2018
FNMA	Barclays Cptl & Morgan Stan	3135G0E58	200,019	199,744	1.125%	10/19/2018
FNMA	Deutsche Bank Sec Intl	3135G0YT4	1,508,490	1,498,095	1.625%	11/27/2018
FNMA	Deutsche Bank Sec Intl	3135G0G72	209,687	209,345	1.125%	12/14/2018
FFCB	Keybanc Capital Mkt Inc	3133EFSJ7	100,337	99,752	1.300%	12/14/2018
FHLMC	Morgan Stanley & Co	3137EADZ9	199,934	198,508	1.125%	4/15/2019
FHLB	Wells Fargo Sec LLC	313379EE5	202,912	198,818	1.625%	6/14/2019
FHCB	Keybanc Capital Mkt Inc	3133EFW52	200,854	197,912	1.150%	7/1/2019
FHLMC	Bnp Paribas Securities	3137EADK2	198,576	197,794	1.250%	8/1/2019
FHLB	Wells Fargo Sec LLC	313380FB8	101,020	98,864	1.375%	9/13/2019
FFCB	Keybanc Capital Mkt Inc	313EHKA0	1,500,000	1,481,850	1.400%	9/23/2019
FHLMC	Morgan Stanley & Co	3137EADM8	198,617	197,336	1.250%	10/2/2019
FNMA	Deutsche Bank Sec Intl	3135G0R39	1,485,675	1,474,500	1.000%	10/24/2019
FHLB	Wells Fargo Sec LLC	3130AA3R7	1,498,710	1,480,095	1.375%	11/15/2019
FHLB	Wells Fargo Sec LLC	3130A0JR2	205,698	199,582	2.375%	12/13/2019
FHLB	Federal Home Loan Bks	3130ADPX4	1,496,250	1,495,875	2.000%	3/5/2020
FHLB	Wells Fargo Sec LLC	3130A7PU3	199,088	195,638	1.200%	4/6/2020
FFCB	Wells Fargo Sec LLC	3133ECPD0	204,100	200,789	1.420%	5/13/2020
FHLB	Wells Fargo Sec LLC	313382J53	1,508,501	1,472,910	1.750%	9/2/2020
FHLB	Federal Home Loan Bks	3130ADPR7	2,500,000	2,491,875	2.500%	9/15/2020
FNMA	Deutsche Bank Sec Intl	3135G0RM7	1,499,295	1,465,920	1.630%	10/30/2020
FFCB	Federal Farm Credit Bks	3133EJMX4	1,000,000	998,490	2.680%	11/2/2020
FNMA	Deutsche Bank Sec Intl	3135G0F73	1,492,515	1,461,705	1.500%	11/30/2020
FHLB	Federal Home Loan Bks	3130ADV58	1,300,000	1,299,753	2.500%	4/12/2021
FHLMC	Morgan Stanley & Co	3134GSNS0	998,750	996,230	2.800%	6/28/2021
FFCB	Federal Farm Credit Bks	3133EHYU1	1,236,313	1,215,750	1.840%	9/13/2021
FNMA	Deutsche Bank Sec Intl	3135G0Q89	1,481,400	1,440,060	1.375%	10/7/2021
FFCB	Federal Farm Credit Bks	3133EFPT8	2,020,180	1,948,580	1.960%	11/19/2021
FFCB	Federal Farm Credit Bks	3133EJPE3	1,000,000	1,000,000	2.950%	2/15/2022
FHLMC	Morgan Stanley & Co	3134GSFS9	2,500,000	2,492,750	2.375%	9/6/2022
FFCB	Federal Farm Credit Bks	3133EHYB3	1,232,838	1,206,650	1.940%	9/12/2022
FHLB	Federal Home Loan Bks	3130ACH72	1,247,738	1,226,838	2.260%	10/4/2022
FFCB	Federal Farm Credit Bks	3133EHF73	1,248,850	1,219,525	2.280%	10/17/2022
FHLMC	Federal Home LN Corp	3134GB3A8	1,500,000	1,460,400	2.250%	11/28/2022
FHLB	Wells Fargo Sec LLC	3130ACX82	1,250,000	1,219,387	2.375%	12/5/2022
FHLMC	Morgan Stanley & Co	3134GSLT0	1,500,000	1,496,730	1.125%	5/30/2023
Government Securities Subtotal			<u>39,218,965</u>	<u>38,735,185</u>		
<u>Money Market Fund</u>						
	City of Upland					
	US Bank	31846V203	2,293,673	2,293,673	0.93%	N/A
Money Market Fund Subtotal			<u>2,293,673</u>	<u>2,293,673</u>		

TREASURY REPORT
City of Upland - Successor Agency - Public Financing Authority
For Period Ended
August 31, 2018

Investment	Purchased From	Cusip #	Cost	Market Value	Stated Rate	Maturity Date
<u>Corporate Bonds</u>						
Envision Bank		29415LAB7	250,000	249,990	1.800%	10/16/2018
Microsoft Corp		594918BF0	59,940	59,893	1.300%	11/13/2018
Dedham Instn for Svgs Mass		24367JAW5	250,000	249,970	1.800%	11/13/2018
Citizens Bk Pa Philadelphia		17417QFE8	250,000	250,020	1.950%	11/16/2018
Texas Capital Bank Na		88224PKJ7	250,000	250,020	1.950%	11/16/2018
First National Bank CD		332135HJ4	250,000	250,035	2.000%	12/13/2018
John Deere Capital Corp Note		24422ETE9	126,958	124,816	1.950%	1/8/2019
Bank of New York Note		06406HCP2	126,059	124,865	2.500%	1/15/2019
Illini St Bank II		45177RAR3	250,000	249,920	2.000%	3/25/2019
Bank of China New York City		06426WY63	250,000	250,078	2.200%	5/15/2019
Maple Bank Champlin CD		565109AZ8	250,000	250,095	2.200%	5/15/2019
Bank of India New York Branch		06279KML7	250,000	250,283	2.350%	6/5/2019
Toyota Motor Credit Corp		89236TDE2	124,825	123,976	1.400%	8/8/2019
Microsoft Note		594918BN3	119,876	118,471	1.100%	8/8/2019
Paccar Financial Corp Note		69371RN36	90,000	88,739	1.200%	8/12/2019
Safra National Bank CD		78658Q3T8	250,000	250,163	2.500%	9/16/2019
Lakeside Bank CD		51210SPT8	250,000	249,760	2.400%	10/31/2019
Wex Bank Midvale CD		92937CHF8	250,000	250,058	2.550%	12/13/2019
Ally Bank Midvale Utah		02007GDM2	250,875	250,040	2.750%	6/29/2020
State Street Bank Note		857477AS2	103,593	99,380	2.550%	8/18/2020
Comenity CAP BK CD		20033AXY7	250,000	245,658	2.000%	10/23/2020
CitiBank NA CD		17312QH93	250,000	248,883	2.750%	4/12/2021
B Bay LLC Promissory Notebal		05580ANK6	250,000	250,143	3.000%	7/13/2021
Abacus Federal CD		00257TBA3	250,000	249,248	2.900%	8/31/2021
Wells Fargo Bank CD		949763LT1	250,000	243,345	2.250%	12/8/2021
American Express CD		02587CFU9	250,000	240,905	2.400%	8/29/2022
American CD		02587DN38	249,675	239,051	2.400%	4/5/2022
Goldman Sachs CD		38148PYQ4	250,000	245,588	2.800%	2/28/2023
Sallie Mae Bank Salt Lke		795450P66	250,000	249,345	3.200%	5/9/2023
Discover Bank Greenwood Del CD		254673RF5	250,000	250,075	3.200%	5/9/2023
Corporate Bonds Subtotal			<u>6,501,801</u>	<u>6,452,809</u>		
<u>US Treasury</u>						
US T-note	Citigroup Global Mkt Inc	912828P53	199,657	198,672	0.750%	2/15/2019
US T-note	Bmo Capital Mkt Corp	912828SN1	176,798	174,221	1.500%	3/31/2019
US T-note	Jefferies LLC	912828ST8	200,157	198,570	1.250%	4/30/2019
US T-note	Citigroup Global Mkt Inc	912828SX9	203,952	203,118	1.125%	5/31/2019
US T-note	Morgan Stanley	912828TH3	197,673	197,204	0.875%	7/31/2019
US T-note	Bmo Capital Mkt Corp	912828TR1	198,118	196,836	1.000%	9/30/2019
US T-note	Barclays Capital Inc	912828G61	199,188	197,484	1.500%	11/30/2019
US T-note	Citigroup Global Mkt Inc	912828H52	202,258	196,398	1.250%	1/31/2020
US T-note	Morgan Stanley	912828UV0	200,876	195,508	1.125%	3/31/2020
US Treasury Subtotal			<u>1,778,677</u>	<u>1,758,011</u>		
Total Portfolio			<u>\$ 49,793,115</u>	<u>\$ 49,239,678</u>		

TREASURY REPORT

City of Upland - Successor Agency - Public Financing Authority

For Period Ended	Market Value	Availability	No. of	weight	days to maturity	Total by
August 31, 2018		08/31/18	days until		weighted average	maturity
		09/01/18	maturity			
Petty Cash	9,730	09/01/18	1	0.0%	0.00	
Checking Account	5,386,126	09/01/18	1	7.5%	0.08	
Successor Agency	3,421,476	09/01/18	1	4.8%	0.05	8,817,332
Total Bank Accounts	8,817,332					
State Local Agency Investment Fund	13,553,440	09/01/18	1	18.9%	0.19	13,553,440
US Bank	2,293,673	09/01/18	1	3.2%	0.03	2,293,673
Total Money Market Accounts	2,293,673					
Wells Fargo Sec LLC	1,499,025	09/28/18	28	2.1%	0.59	1,499,025
Government Securities	1,499,025					
						26,163,469 1 - 30 days
Bnp Paribas Securities	1,498,110	10/12/18	42	2.1%	0.88	
Barclays Cptl & Morgan Stan	199,744	10/19/18	49	0.3%	0.14	1,697,854
Government Securities	1,697,854					
Envision Bank	249,990	10/16/18	46	0.3%	0.16	249,990
Corporate Bonds	249,990					
						1,947,844 31 - 60 days
Deutsche Bank Sec Intl	1,498,095	11/27/18	88	2.1%	1.84	
Deutsche Bank Sec Intl	209,345	12/14/18	105	0.3%	0.31	
Keybanc Capital Mkt Inc	99,752	12/14/18	105	0.1%	0.15	1,807,192
Government Securities	1,807,192					
Microsoft Corp	59,893	11/03/18	64	0.1%	0.05	
Dedham Instn for Svgs Mass	249,970	11/13/18	74	0.3%	0.26	
Citizens Bk Pa Philadelphia	250,020	11/16/18	77	0.3%	0.27	
Texas Capital Bank Na	250,020	11/16/18	77	0.3%	0.27	
First National Bank CD	250,035	12/13/18	104	0.3%	0.36	1,059,938
Corporate Bonds	1,059,938					
						2,867,130 61 - 120 days
John Deere Capital Corp Note	124,816	01/08/19	130	0.2%	0.23	
Bank of New York Note	124,865	01/15/19	137	0.2%	0.24	249,681
Corporate Bonds	249,681					
Citigroup Global Mkt Inc	198,672	02/15/19	168	0.3%	0.47	198,672
US Treasury	198,672					
						448,353 121 - 180 days
Morgan Stanley & Co	198,508	04/15/19	227	0.3%	0.63	
Wells Fargo Sec LLC	198,818	06/14/19	287	0.3%	0.80	
Keybanc Capital Mkt Inc	197,912	07/01/19	304	0.3%	0.84	
Bnp Paribas Securities	197,794	08/01/19	335	0.3%	0.93	793,032
Government Securities	793,032					
Illini St Bank II	249,920	03/25/19	206	0.3%	0.72	
Bank of China New York City	250,078	05/15/19	257	0.3%	0.90	
Maple Bank Champlin CD	250,095	05/15/19	257	0.3%	0.90	
Bank of India New York Branch	250,283	06/05/19	278	0.3%	0.97	
Toyota Motor Credit Corp	123,976	08/08/19	342	0.2%	0.59	
Microsoft Note	118,471	08/08/19	342	0.2%	0.57	
Paccar Financial Corp Note	88,739	08/12/19	346	0.1%	0.43	1,331,562
Corporate Bonds	1,331,562					
Bmo Capital Mkt Corp	174,221	03/31/19	212	0.2%	0.52	
Jefferies LLC	198,570	04/30/19	242	0.3%	0.67	
Citigroup Global Mkt Inc	203,118	05/31/19	273	0.3%	0.77	
Morgan Stanley	197,204	07/31/19	334	0.3%	0.92	773,113
US Treasury	773,113					
						2,897,707 181 - 1 year
Wells Fargo Sec LLC	98,864	09/13/19	378	0.1%	0.52	
Keybanc Capital Mkt Inc	1,481,850	09/23/19	388	2.1%	8.03	
Morgan Stanley & Co	197,336	10/02/19	397	0.3%	1.09	
Deutsche Bank Sec Intl	1,474,500	10/24/19	419	2.1%	8.63	
Wells Fargo Sec LLC	1,480,095	11/15/19	441	2.1%	9.11	
Wells Fargo Sec LLC	199,582	12/13/19	469	0.3%	1.31	
Federal Home Loan Bks	1,495,875	03/05/20	552	2.1%	11.53	
Wells Fargo Sec LLC	195,638	04/06/20	584	0.3%	1.60	
Wells Fargo Sec LLC	200,789	05/13/20	621	0.3%	1.74	
Government Securities	6,824,529					

TREASURY REPORT

City of Upland - Successor Agency - Public Financing Authority

For Period Ended	Market Value	Availability	No. of	weight	days to maturity	Total by
August 31, 2018		08/31/18	days until		weighted average	maturity
		09/01/18	maturity			
Safra National Bank CD	250,163	09/16/19	381	0.3%	1.33	
Lakeside Bank CD	249,760	10/31/19	426	0.3%	1.49	
Wex Bank Midvale CD	250,058	12/13/19	469	0.3%	1.64	
Ally Bank Midvale Utah	250,040	06/29/20	668	0.3%	2.33	
State Street Bank Note	99,380	08/18/20	718	0.1%	1.00	1,099,400
Corporate Bonds	1,099,400					
Bmo Capital Mkt Corp	196,836	09/30/19	395	0.3%	1.09	
Barclays Capital Inc	197,484	11/30/19	456	0.3%	1.26	
Citigroup Global Mkt Inc	196,398	01/31/20	518	0.3%	1.42	
Morgan Stanley	195,508	03/31/20	578	0.3%	1.58	786,226
US Treasury	786,226					
						8,710,155 1- 2 years
Wells Fargo Sec LLC	1,472,910	09/02/20	733	2.1%	15.08	
Federal Home Loan Bks	2,491,875	09/15/20	746	3.5%	25.96	
Deutsche Bank Sec Intl	1,465,920	10/30/20	791	2.0%	16.19	
Federal Farm Credit Bks	998,490	11/02/20	794	1.4%	11.07	
Deutsche Bank Sec Intl	1,461,705	11/30/20	822	2.0%	16.78	
Federal Home Loan Bks	1,299,753	04/12/21	955	1.8%	17.33	
Morgan Stanley & Co	996,230	06/28/21	1,032	1.4%	14.36	10,186,883
Government Securities	10,186,883					
Comenity CAP BK CD	245,658	10/23/20	784	0.3%	2.69	
CitiBank NA CD	248,883	04/12/21	955	0.3%	3.32	
B Bay LLC Promissory Notebal	250,143	07/13/21	1,047	0.3%	3.66	744,683
Corporate Bonds	744,683					
						10,931,566 2- 3 years
Federal Farm Credit Bks	1,215,750	09/13/21	1,109	1.7%	18.83	
Deutsche Bank Sec Intl	1,440,060	10/07/21	1,133	2.0%	22.78	
Federal Farm Credit Bks	1,948,580	11/19/21	1,176	2.7%	32.00	
Federal Farm Credit Bks	1,000,000	02/15/22	1,264	1.4%	17.65	5,604,390
Government Securities	5,604,390					
Abacus Federal CD	249,248	10/04/22	1,495	0.3%	5.20	
Wells Fargo Bank CD	243,345	12/08/21	1,195	0.3%	4.06	
American Express CD	240,905	08/29/22	1,459	0.3%	4.91	
American CD	239,051	04/05/22	1,313	0.3%	4.38	972,548
Corporate Bonds	972,548					
						6,576,938 3- 4 years
Morgan Stanley & Co	2,492,750	09/06/22	1,467	3.5%	51.07	
Federal Farm Credit Bks	1,206,650	09/12/22	1,473	1.7%	24.82	
Federal Home Loan Bks	1,226,838	10/04/22	1,495	1.7%	25.61	
Federal Farm Credit Bks	1,219,525	10/17/22	1,508	1.7%	25.68	
Federal Home LN Corp	1,460,400	11/28/22	1,550	2.0%	31.61	
Wells Fargo Sec LLC	1,219,387	12/05/22	1,557	1.7%	26.51	
Morgan Stanley & Co	1,496,730	05/30/23	1,733	2.1%	36.22	10,322,280
Government Securities	10,322,280					
Goldman Sachs CD	245,588	02/28/23	1,642	0.3%	5.63	
Sallie Mae Bank Salt Lke	249,345	05/09/23	1,712	0.3%	5.96	
Discover Bank Greenwood Del CD	250,075	05/09/23	1,712	0.3%	5.98	745,008
Corporate Bonds	745,008					
						11,067,287 4- 5 years
Total Investments	\$ 71,610,449			100.00%	549.72	\$ 71,610,449
	Average Maturity in Days		549.72			
	Average Maturity in Years:		1.506			
LAIF Amortized Cost	\$ 86,197,469,948					
LAIF Fair Value	\$ 86,440,302,800					
Check:	1.002817169					

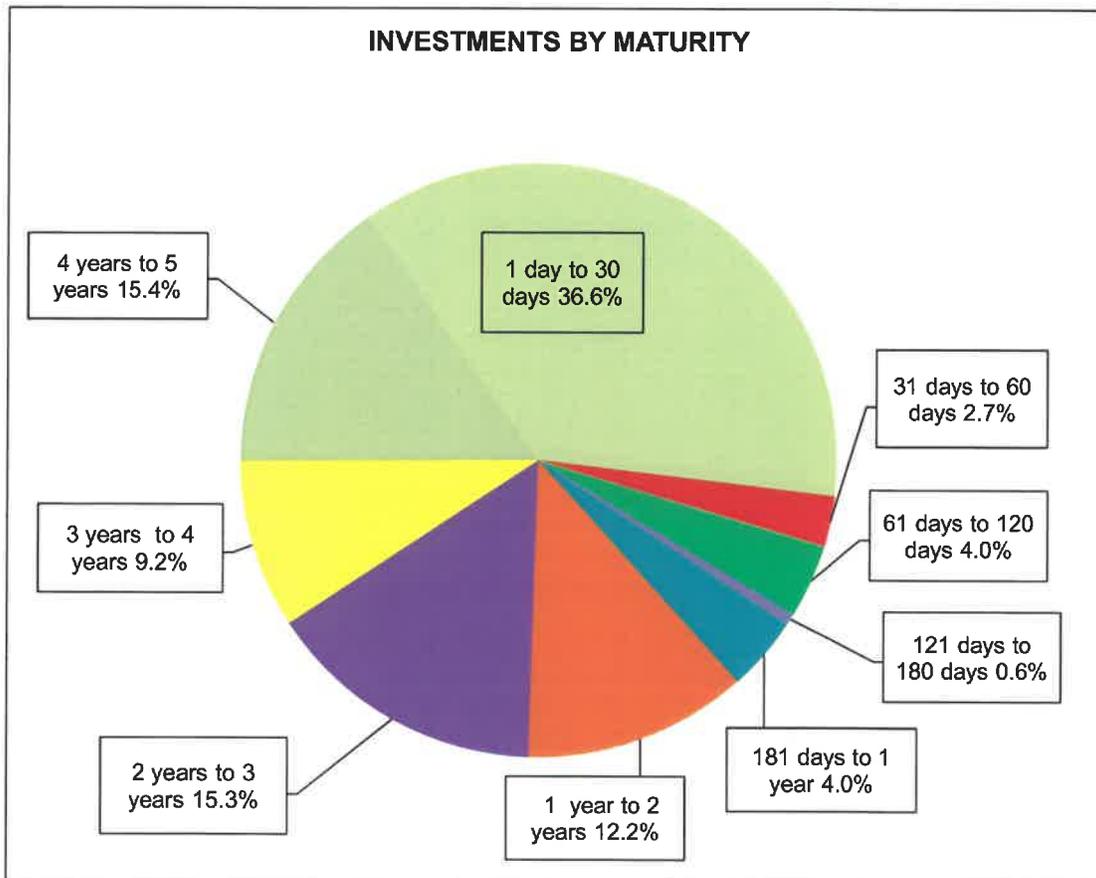
TREASURY REPORT

City of Upland - Successor Agency - Public Financing Authority

**For Period Ended
August 31, 2018**

**Par Values Maturing by Date and Type
Maturities in Thousands of Dollars**

Investment Portfolio	1 day to 30 days	31 days to 60 days	61 days to 120 days	121 days to 180 days	181 days to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years
State Local Agency Investment Fund	13,553	-	-	-	-	-	-	-	-
Bank Accounts and Change Funds	8,817	-	-	-	-	-	-	-	-
ABS	-	-	-	-	-	-	-	-	-
Government Securities	1,499	1,698	1,807	-	793	6,825	10,187	5,604	10,322
Money Market Fund	2,294	-	-	-	-	-	-	-	-
Corporate Bonds	-	250	1,060	250	1,332	1,099	745	973	745
US Treasury	-	-	-	199	773	786	-	-	-
Total Cash and Investments	26,163	1,948	2,868	448	2,898	8,710	10,932	6,577	11,067
Percentage	36.6%	2.7%	4.0%	0.6%	4.0%	12.2%	15.3%	9.2%	15.4%





STAFF REPORT

ITEM NO. 11.D.

DATE: October 8, 2018
TO: MAYOR AND CITY COUNCIL
FROM: BILL R. MANIS, CITY MANAGER
PREPARED BY: ROSEMARY HOERNING, PUBLIC WORKS DIRECTOR
KEVIN WATSON, UTILITIES OPERATION MANAGER
SUBJECT: EMERGENCY PURCHASE AND INSTALLATION OF EQUIPMENT
AND PROFESSIONAL SERVICES FOR WATER SYSTEM
IMPROVEMENTS

RECOMMENDED ACTION

It is recommended that the City Council receive and file the status update.

GOAL STATEMENT

The proposed action supports the City's goal to maintain water facilities in good operable condition in order to provide safe reliable service to the community.

BACKGROUND

On October 10, 2016, the City Council adopted a Resolution declaring an emergency condition and approved the Emergency Work Plan Phase 1. Continuing progress update reports have been provided to the City Council. At this time, the City has completed the Well 7A, Reservoir 4, Well 20, temporary measures at the existing 7.5 million gallon reservoir, and the construction documents and entitlement work needed for the replacement reservoir of the Phase I emergency work program.

The remaining involves the implementation of the Replacement Reservoir at north west corner of 17th Street and Benson Avenue.

ISSUES/ANALYSIS

Reservoir at 17th and Benson Work:

Staff has completed the project plans and specifications for a replacement 7.5 million gallon replacement reservoir; the environmental documentation and Notice of Determination; the

property appraisal, secured the Intent to Purchase a portion of the San Antonio Water Company property, and on June 1, 2017, began submitting application paperwork necessary for up to a \$16.5 million Drinking Water State Revolving Loan. Staff has submitted all of the required documents to the State for the loan request. The State Project Manager has verbally indicated the application is technically complete. Staff has been working with the State assigned Project Manager to get major elements like the environmental work. The State submitted the environmental to the State Historic Preservation Office (SHPO) in August and is awaiting their clearance.

In general, the State Revolving Fund application must be complete before the formal review begins. Typically, it takes the State approximately 6 months to complete its review effort. However, staff is working closely with the State to expedite the process if possible. Based on a recent conversation with the State staff, we are targeting completion of the loan process by the end of the year.

Once funding is secured it is anticipated the construction will take 12-18 months.

FISCAL IMPACTS

Sufficient funds are available in the FY 2018-19 budget to complete the Phase I emergency work program. Phase II, the construction is dependent upon receiving the State loan. The FY 2018-19 budget includes sufficient funds to provide construction cash flow and will require fund draws under the loan. The actual amount of the loan will be only the amount of funds required to implement the emergency work.

At this time, staff is waiting for additional instruction from the State and will periodically make progress inquiries. The City Attorney's Office will participate in the legal consultation with the State counsel to prepare the loan documents.

Staff is also exploring other possible funding opportunities. However, the State loan appears to be the most cost effective funding mechanism.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

No Attachments Available



STAFF REPORT

ITEM NO. 11.E.

DATE: October 8, 2018
TO: MAYOR AND CITY COUNCIL
FROM: BILL R. MANIS, CITY MANAGER
PREPARED BY: JEANNETTE VAGNOZZI, ASSISTANT CITY MANAGER
SUBJECT: AMENDMENT TO THE AGREEMENT WITH THE ZAPPIA LAW FIRM FOR LABOR AND EMPLOYMENT LAW SERVICES

RECOMMENDED ACTION

It is recommended that the City Council authorize the City Manager to execute an amendment to the agreement with The Zappia Law Firm for labor and employment law services.

GOAL STATEMENT

The proposed action supports the City's goal of retaining municipal legal services to ensure the City receives knowledgeable and experienced legal advice.

BACKGROUND

The Zappia Law Firm provides employment and labor law services and provides these services for the City of Upland currently, as well as in past years. In order to continue receiving professional services from The Zappia Law Firm, the existing professional services agreement must be amended.

ISSUES/ANALYSIS

The existing professional services agreement with The Zappia Law Firm was primarily for labor negotiation services with the Upland Firefighters Association and amended to include labor negotiation services, as well as other labor and employment law services on an as needed basis through June 30, 2018. Services from Mr. Zappia are still needed; therefore, an amendment to extend those services is necessary.

FISCAL IMPACTS

A budget appropriation has been included for legal services in the current approved budget for fiscal year 2018-19. No further appropriation is requested at this time.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

Amendment No. 2 Zappia Law Firm

Amendment No. 1 Zappia Law Firm

Professional Services Agreement Zappia Law Firm

**AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF UPLAND AND THE ZAPPIA LAW FIRM**

This Amendment hereby amends the Professional Services Agreement between the City of Upland and The Zappia Law Firm ("Agreement") dated May 25, 2017, and amended on August 14, 2017.

WHEREAS, the current term of the Agreement expired on June 30, 2018; and

WHEREAS, the Parties desire to continue their relationship subject to the terms and conditions as stated in the Agreement; and

WHEREAS, the Parties decide to amend certain terms of the Agreement as set forth in this Amendment; and

WHEREAS, the Parties continue to agree to extend the scope of services in Agreement to include labor negotiation services and employment legal services on an as needed basis at the hourly rate as set forth in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in the Agreement, the Parties agree as follows:

1. The Amendment to the Agreement shall expire on June 30, 2019.
2. The Zappia Law Firm will provide labor negotiations services with the City's employee associations.
3. The Zappia Law Firm may provide labor and employment legal services as approved by the City Manager on an as needed basis at the hourly rate and terms as defined in the agreement.

In WITNESS HEREOF, the Parties, through their respective undersigned authorized officers, have duly executed this Amendment as of the 8th day of October 2018.

THE ZAPPIA LAW FIRM

CITY OF UPLAND

Ed Zappia, Principal

Bill R. Manis, City Manager

Attest:

Jeannette Vagnozzi, City Clerk

Approved as to form:

James L. Markman, City Attorney

**AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF UPLAND AND THE ZAPPIA LAW FIRM**

This Amendment hereby amends the Professional Services Agreement between the City of Upland and The Zappia Law Firm ("Agreement") dated May 25, 2017.

WHEREAS, the current term of the Agreement shall expire on May 30, 2018; and

WHEREAS, the Parties desire to continue their relationship subject to the terms and conditions as stated in the Agreement; and

WHEREAS, the Parties decide to amend certain terms of the Agreement as set forth in this Amendment; and

WHEREAS, the Parties agree to extend the scope of services in Agreement to include labor negotiation services and employment legal services on an as needed basis at the hourly rate as set forth in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in the Agreement, the Parties agree as follows:

1. The Amendment to the Agreement shall expire on June 30, 2018.
2. The Zappia Law Firm will provide labor negotiations services with the City's employee associations.
3. The Zappia Law Firm may provide labor and employment legal services as approved by the City Manager on an as needed basis at the hourly rate and terms as defined in the agreement.

In WITNESS HEREOF, the Parties, through their respective undersigned authorized officers, have duly executed this Amendment as of the day and year first written above.

THE ZAPPIA LAW FIRM

CITY OF UPLAND

Ed Zappia, Principal

Martin Thouvenell, Interim City Manager

Attest:

Jeannette Vagnozzi, City Clerk

Approved as to form:

James L. Markman, City Attorney

**AGREEMENT
FOR PROFESSIONAL CONSULTANT SERVICES
The Zappia Law Firm**

THIS AGREEMENT is made and effective as of May 25, 2017, between the City of Upland, a municipal corporation ("City") and **The Zappia Law Firm, A Professional Corporation**. ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM.** This Agreement shall commence effective May 25, 2017 and shall remain and continue in effect until tasks described herein are completed, but in no event later than May 30, 2018, unless sooner terminated pursuant to the provisions of this Agreement.

2. **SERVICES.** Consultant shall perform services related to labor and employment law including labor negotiations.

3. **PERFORMANCE.** Consultant represents that it has that degree of knowledge and experience and holds all necessary licenses to practice and perform the services herein contemplated and shall at all times faithfully, competently and to the complete satisfaction of the City, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. **PREVAILING WAGES.** Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of workman needed to execute this Contract from the Director of the Department of Industrial Relations. Copies may be obtained from the California Department of Industrial Relations' Internet web site at <http://www.dir.ca.gov>. Consultant shall provide a copy of prevailing wage rates to any staff or sub-contractor hired, and shall pay the adopted prevailing wage rates as a minimum. Consultant shall comply with the provisions of Sections 1773.8, 1775, 1776, 1777.5, 1777.6, and 1813 of the Labor Code. Pursuant to the provisions of 1775 of the Labor Code, Consultant shall forfeit to the City, as a penalty, the sum of \$25.00 for each calendar day, or portion thereof, for each laborer, worker, or mechanic employed, paid less than the stipulated prevailing rates for any work done under this contract, by him or by any subcontractor under him, in violation of the provisions of the Contract.

5. **PAYMENT.**

a. The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit A, Payment Rates and Schedule, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed \$50,000 for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

b. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

The City Manager may approve additional work up to ten percent (10%) of the amount of the Agreement or fifty thousand dollars (\$5,000.00). In no event shall the total sum of the agreement (*basic agreement amount and additional work*) exceed fifty thousand dollars (\$5,000.00). Any additional work in excess of this amount shall be approved by the City Council.

c. Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted between the first and fifteenth business day of each month, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of consultant's fees it shall give written notice to Consultant within 30 days of receipt of a invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE.

a. The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the consultant at least ten (10) days' prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

b. In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City pursuant to Section 4.

7. DEFAULT OF CONSULTANT.

a. The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

b. If the City Manager or his delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, it shall serve the Consultant with written notice of the default. The Consultant shall have (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS.

a. Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records, shall give City the right to examine and

audit said books and records, shall permit City to make transcripts there from as necessary, and shall allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

b. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files containing data generated for the work, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files containing data generated for the work, Consultant shall make available to the City, upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring and printing computer files.

c. With respect to the design of public improvements, the Consultant shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Consultant.

9. INDEMNIFICATION.

a. The Consultant agrees to defend, indemnify, protect and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, demands, losses, defense costs or expenses, including attorney fees and expert witness fees, or liability of any kind or nature which the City, its officers, agents and employees may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property arising out of Consultant's negligent or wrongful acts or omissions arising out of or in any way related to the performance or non-performance of this Agreement, excepting only liability arising out of the negligence of the City.

b. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

10. INSURANCE REQUIREMENTS. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

a. Minimum Scope of Insurance. Coverage shall be at least as broad as:

- (1) Insurance Services Office Commercial General Liability form No. CG 00 01 11 85 or 88.
- (2) Insurance Services Office Business Auto Coverage form CA 00 01 06 92 covering Automobile Liability, code 1 (any auto). If the Consultant owns no automobiles, a non-owned auto endorsement to the General Liability policy described above is acceptable.
- (3) Worker's Compensation insurance as required by the State of California and Employer's Liability Insurance. If the Consultant has no employees while performing under this Agreement, worker's compensation insurance is not required, but Consultant shall execute a declaration that it has no employees.

- (4) Professional Liability Insurance shall be written on a policy form providing professional liability for the Consultant's profession.

b. Minimum Limits of Insurance. Consultant shall maintain limits no less than:

- (1) General Liability: One million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- (2) Automobile Liability: One million dollars (\$1,000,000) per accident for bodily injury and property damage.
- (3) Worker's Compensation as required by the State of California; Employer's Liability: One million dollars (\$1,000,000) per accident for bodily injury or disease.
- (4) Professional Liability coverage: One million (\$1,000,000) per claim and in aggregate.

c. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City Manager. At the option of the City Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

d. Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

- (1) The City, its officers, officials, employees and volunteers are to be covered as insured's as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.
- (2) For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insured maintained by the City, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
- (3) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees or volunteers.

- (4) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (5) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.
- (6) Additional Insured – All policies, except for Worker's Compensation and Professional Liability policies, shall contain endorsements naming the City of Upland and their officers, employees, agents, and volunteers as additional insured parties with respect to liabilities arising out to the performance of Work hereunder. The additional insured endorsements shall also be primary and non-contributory.
- (7) Waiver of Subrogation Rights - CONSULTANT shall require the carriers of Commercial General Liability, Automobile Liability and Worker's Compensation to waive all rights of subrogation against the City of Upland, and its officers, employees, agents and volunteers. Such insurance coverage provided shall not prohibit CONSULTANT's employees or agents from waiving the right of subrogation prior to a loss or claim. CONSULTANT hereby waives all rights of subrogation against the City of Upland.

e. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VIII, and admitted and licensed to do business in the State of California, unless otherwise acceptable to the City. Self insurance shall not be considered to comply with these insurance requirements.

f. Verification of Coverage. Consultant shall furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences. As an alternative to the City's forms, the Consultant's insurer may provide complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications.

11. INDEPENDENT CONTRACTOR.

a. Consultant is and shall at all times remain as to the City a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, agents, or volunteers shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation or liability whatever against City, or bind City in any manner.

b. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

c. **PERS Eligibility Indemnification:** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

12. LEGAL RESPONSIBILITIES. The Consultant shall keep itself informed of all local, State and Federal ordinances, laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. Consultant is responsible for compliance with the Patient Protection and Affordable Care Act (2010), and City shall not be obligated to provide any health care coverage to Consultant. The Consultant shall at all times observe and comply with all such ordinances, laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this section.

13. RELEASE OF INFORMATION.

a. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents or subcontractors, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

b. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

14. NOTICES. Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail,

certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by Notice. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

To City: City of Upland
Mailing Address:
P.O. Box 460
Upland, California 91785
460 North Euclid Avenue
Upland, California 91785
Attention: City Manager

To Consultant: The Zappia Law Firm, A Professional Corporation
One Pacific Plaza
7777 Center Avenue, Suite 625
Huntington Beach, CA 9264

15. **ASSIGNMENT.** The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Upon termination of this Agreement, Consultant's sole compensation shall be payment for actual services performed up to, and including, the date of termination or as may be otherwise agreed to in writing between the City Council and the Consultant.

16. **LICENSES.** At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

17. **GOVERNING LAW.** The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with geographic jurisdiction over the City of Upland. In the event such litigation is filed by one party against the other to enforce its rights under this Agreement, the prevailing party, as determined by the Court's judgment, shall be entitled to reasonable attorney fees and litigation expenses for the relief granted.

18. **PROHIBITED INTEREST.** No officer, or employee of the City of Upland shall have any financial interest, direct or indirect, in this Agreement, the proceeds thereof, the Consultant, or Consultant's sub-contractors for this project; during his/her tenure or for one year thereafter. The Consultant hereby warrants and represents to the City that no officer or employee of the City of Upland has any interest, whether contractual, non-contractual, financial or otherwise, in this transaction, or in the business of the Consultant or Consultant's sub-contractors on this project. Consultant further agrees to notify the City in the event any such interest is discovered whether or not such interest is prohibited by law or this Agreement.

19. **ENTIRE AGREEMENT.** This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

20. **AUTHORITY TO EXECUTE THIS AGREEMENT.** The person or persons executing this Agreement on behalf of Consultant warrants and represents that he or she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

21. **SEVERABILITY.** If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

22. **WAIVER.** The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

23. **CONSTRUCTION.** The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

24. **COSTS.** Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

25. **RESPONSIBILITY FOR ERRORS.** Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

26. **ATTORNEYS' FEES.** In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF UPLAND


Martin Thouvenell, Interim City Manager

Attest:


Jeannette Vagnozzi, Deputy City Manager

Approved As to Form:


James Markman, City Attorney

CONSULTANT

The Zappia Law Firm
A Professional Corporation
One Pacific Plaza
7777 Center Avenue, Suite 625
Huntington Beach, CA 92647

By: 
Name: Ed Zappia
Title: Principal

By: _____
Name: _____
Title: _____



EXHIBIT A

PAYMENT RATES AND SCHEDULE

Principals/Senior Counsel: \$300 per hour

Associate Attorneys: \$250 per hour

Law Clerks/Paralegals: \$120 per hour

Reasonable and customary expenses for copies and mileage.



**ECONOMIC DEVELOPMENT COMMITTEE MEETING
OCTOBER 1, 2018**

CONCLUSION/ACTION SUMMARY

In attendance: Committee Chair Timm, Committee Member Robinson, Councilmember Elliott and Economic Development Coordinator Picazo

- 1) **ORAL COMMUNICATIONS**, None.
- 2) **Economic Development Update by JLL**, consultants Erik Westedt and Blake Kaplan made a presentation on retail trends, providing an overview on four city-wide shopping centers including the Bongiovanni site, and the downtown. They also provided an update on tenant leases/negotiations within the Upland Village Center, Sycamore Hills Plaza, and the Mountain Green Shopping Center.



City of Upland
Economic Development Committee Meeting
Economic Development Update

October 1, 2018

4:00 p.m. to 6:00 p.m. - Pinky Room

1) JLL Update

- a) Retail Trends
- b) City-Wide Shopping Center Update
- c) Downtown

2) Next Meeting



Retail Briefing

Erik Westedt & Blake Kaplan

October, 2018





Retail Overview



Erik Westedt
Senior Vice President
Retail Advisory Services

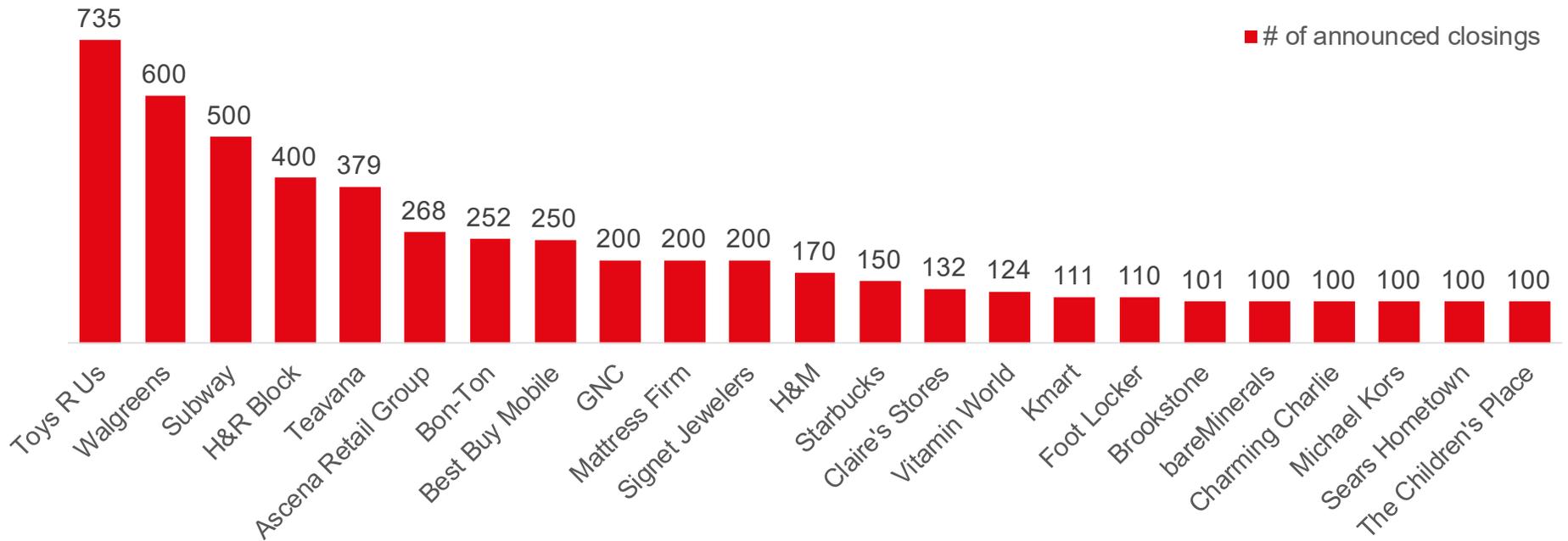


Blake Kaplan
Associate
Retail Advisory Services



Top Retail Closures

Toys “R” Us and Walgreens top the list of 2018 closures

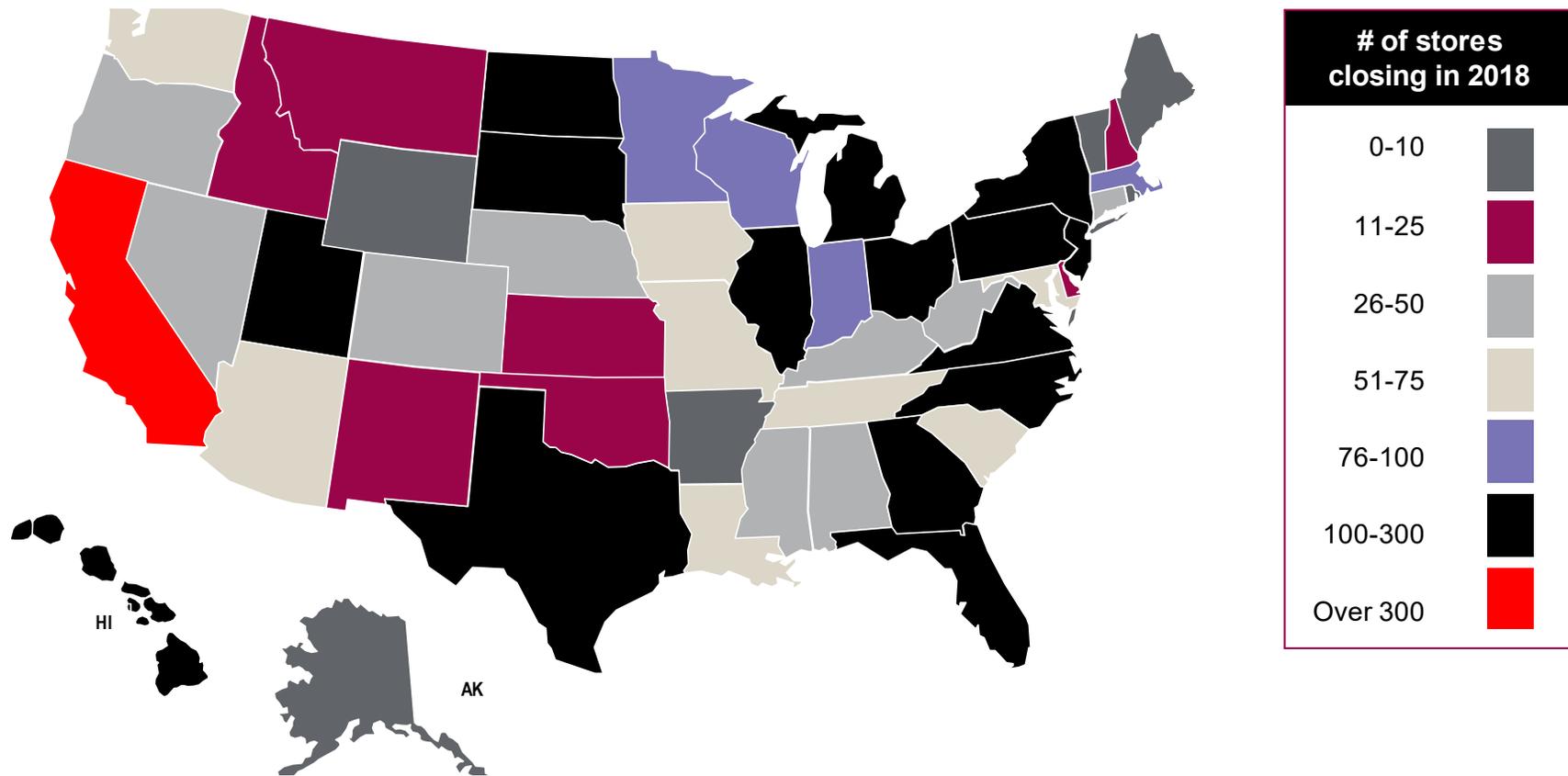


Source: PNC, CreditIntell, JLL Research



2018 Closures on the Map

California tops the states with the most expected closures in 2018 to date

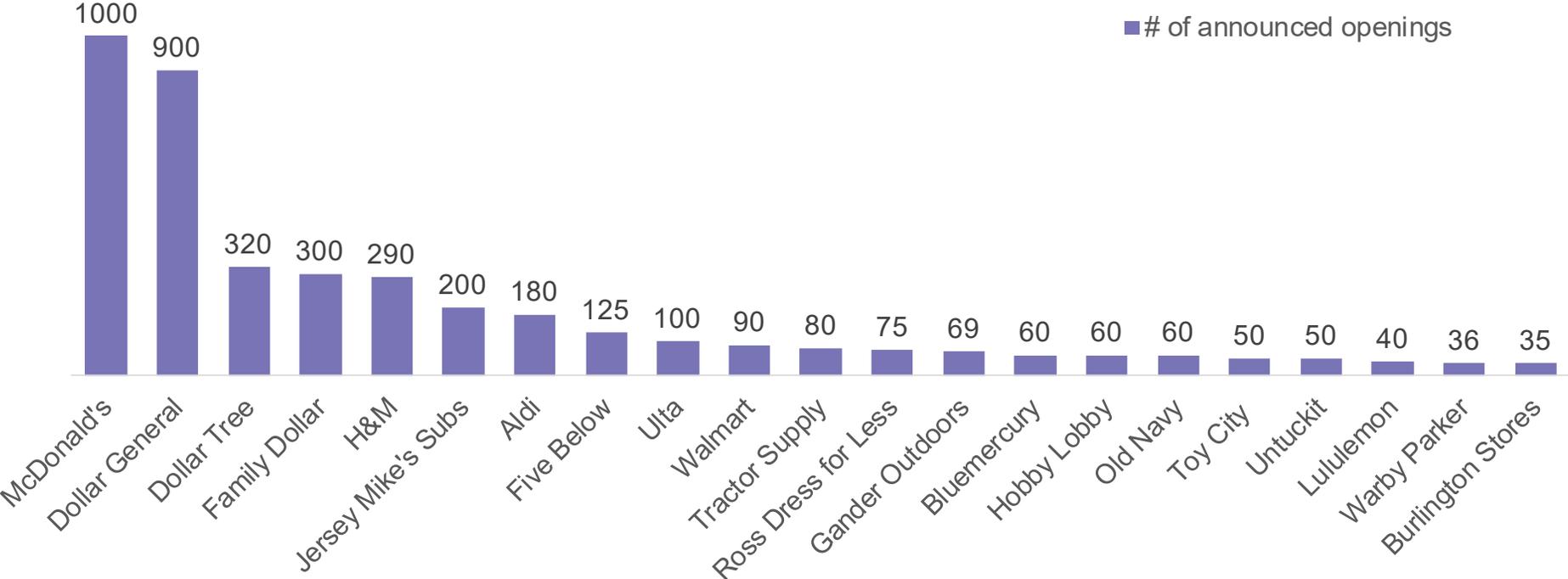


Source: CreditIntell, JLL Research



Frontrunners in the Expansion Game

Clicks-to-bricks retailers like Warby Parker, Untuckit and Indochino continue their aggressive expansion plans



Source: PNC, Coresight Research, JLL Research
*worldwide



The Real News: Retail Apoca-NOT!

- U.S. Sales are up! Pure retail (excluding food service, auto and gas) is up **4.2%**
- Amazon controls **49%** of all online retail sales (5% of all retail spend)
- Investors increase appetite for **grocery-anchored** assets

Retail Apoca-NOT



Things to Watch

- *Bankruptcy Trends*
 - Legacy retailers continued stress
- *Flight to quality*
 - Grocery anchor center vs power center
- *Emphasis on gateway cities*



Food Halls on the Rise

Number of Food Halls in U.S.: 2017 2020
118 300

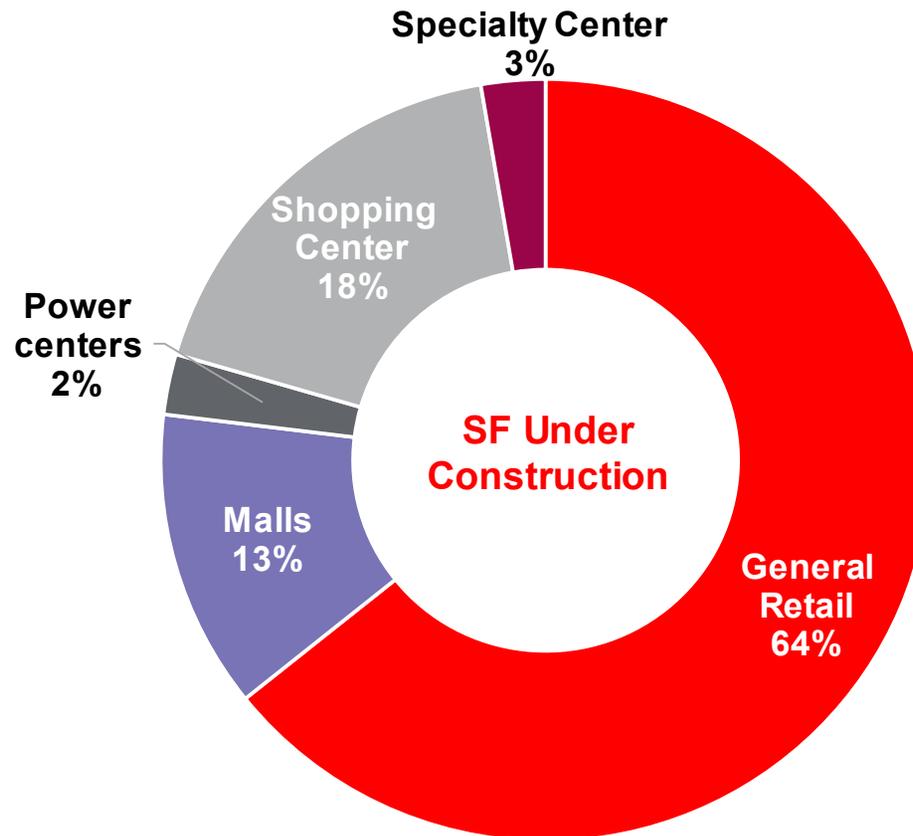
Eataly has 6 U.S. locations

Lucky Food Hall, Miami

Dekalb Market Hall, NY



General/freestanding retail dominates construction

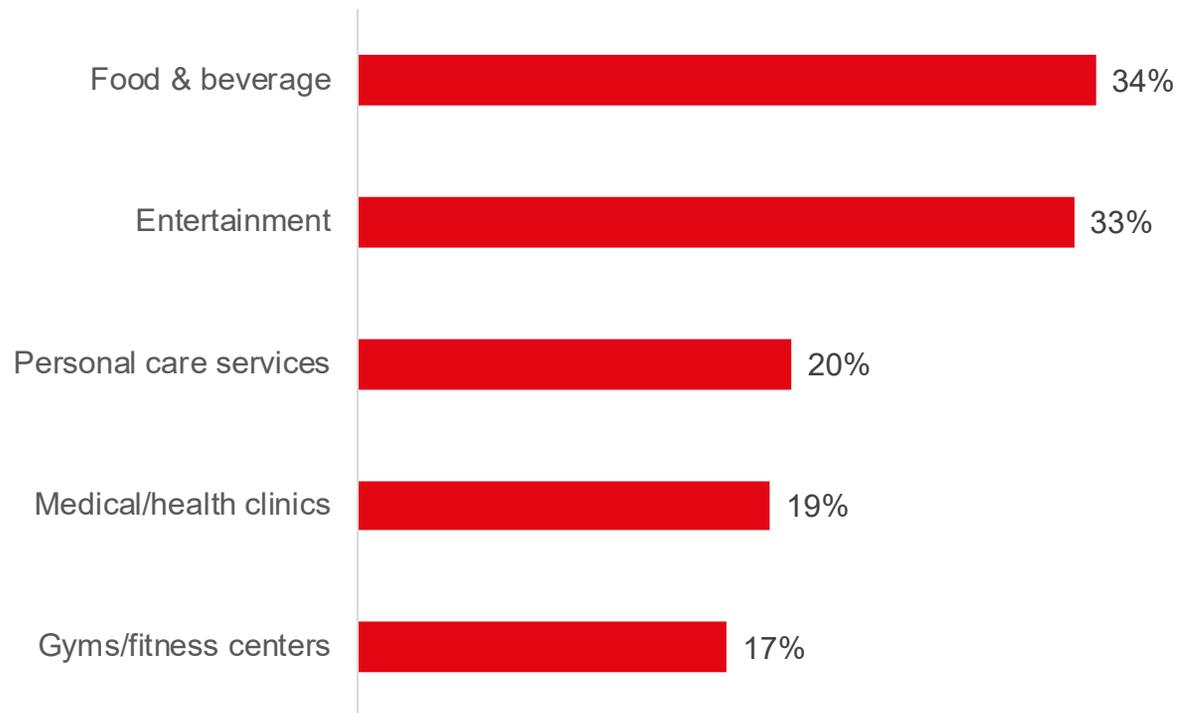


Source: CoStar, JLL



Consumers want more F&B & Entertainment Tenants

Non-retail tenants consumers want to see more of

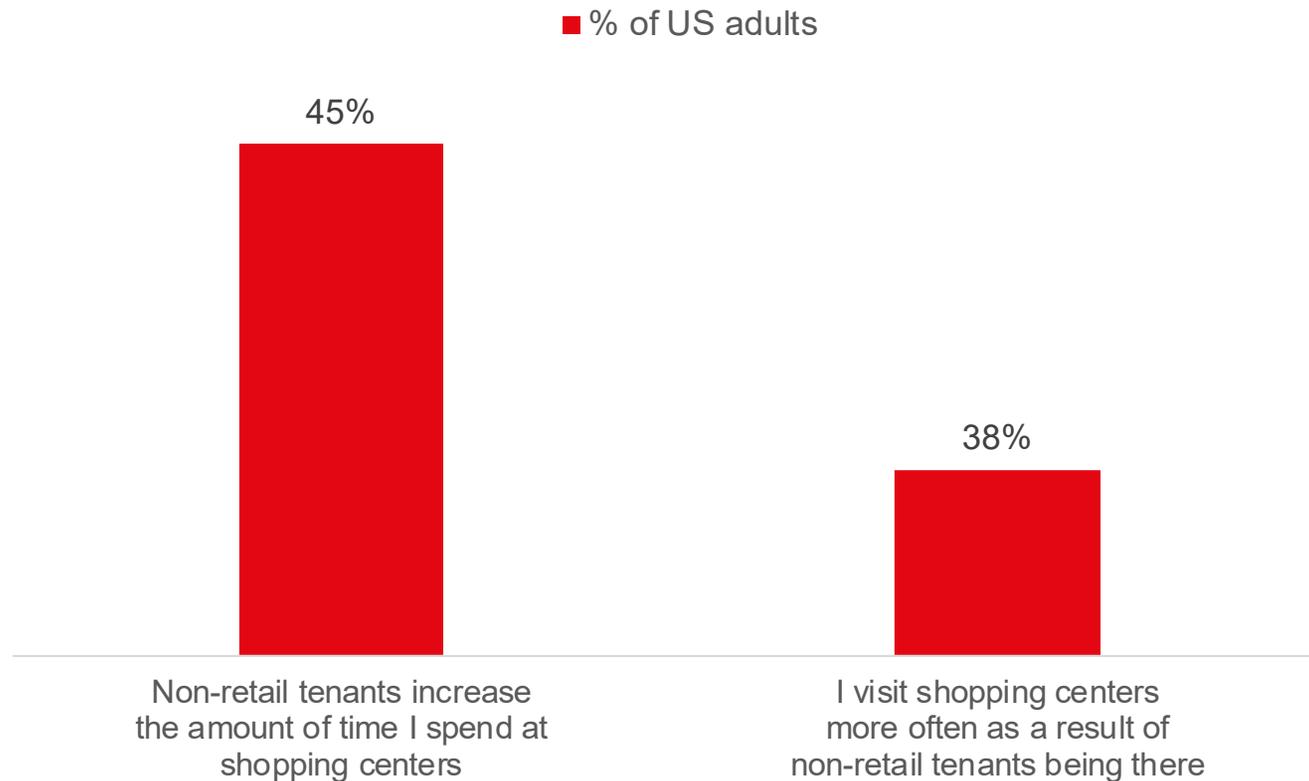


Source: ICSC, JLL



Service tenants entice shoppers to visit more often and stay longer

Non-retail tenants impact



Source: ICSC, JLL



Inland Empire Q2 Statistics

	Inventory (s.f.)	YTD total net absorption (s.f.)	Direct vacancy (s.f.)	Direct vacancy (%)	Total vacancy (%)	Average asking rent (\$ p.s.f.)	YTD completions (s.f.)	Under construction (s.f.)
Market Totals								
General Retail	62,904,956	211,114	2,186,298	3.6%	3.7%	\$ 15.27	95,086	681,885
Mall	18,407,111	156,670	1,335,462	6.0%	6.1%	\$ 10.57	-	405,810
Power Center	23,358,008	(3,892)	1,688,186	5.3%	5.3%	\$ 14.33	37,222	66,576
Shopping Center	87,322,578	476,911	8,306,939	9.7%	9.9%	\$ 17.51	307,017	602,223
Specialty Center	2,388,269	(4,382)	453,471	9.9%	9.9%	\$ 9.44	-	140,726
Total	194,380,922	836,421	13,970,356	6.9%	7.0%	\$ 13.42	439,325	1,897,220



Inland Empire Q2 Statistics

	Inventory (s.f.)	YTD total net absorption (s.f.)	Direct vacancy (s.f.)	Direct vacancy (%)	Total vacancy (%)	Average asking rent (\$ p.s.f.)	YTD completions (s.f.)	Under construction (s.f.)
Submarkets								
Airport Area								
Total	25,568,767	131,146	1,317,369	5.2%	5.2%	\$25.12	118,604	198,942
Coachella Valley								
Total	27,270,326	404,708	2,484,739	9.1%	9.1%	\$17.85	6,004	226,224
Corona								
Total	6,562,726	129,073	295,639	4.5%	4.5%	\$22.00	37,222	62,576
East San Bernardino								
Total	30,577,591	184,682	2,627,510	8.6%	9.1%	\$14.80	9,436	482,515
North San Bernardino								
Total	18,014,709	(42,226)	1,760,520	9.8%	9.8%	\$13.81	13,286	237,187
Riverside								
Total	34,539,697	(144,505)	1,950,856	5.6%	6.3%	\$18.27	42,213	501,393
Riverside Outlying								
Total	939,543	3,795	65,936	7.0%	7.0%	\$10.94	-	-
San Bernardino Outlying								
Total	3,046,285	(39,707)	243,761	8.0%	8.0%	\$11.89	-	-
South Riverside								
Total	31,029,369	(1,972)	2,032,639	6.6%	6.6%	\$19.40	129,538	270,944
West San Bernardino								
Total	16,831,909	148,862	936,588	5.6%	6.1%	\$20.99	65,500	99,445



City of Upland



Retail Shopping Centers Overview

Bongiovanni Property



Sycamore Hills Plaza

I-210 & Baseline Rd.



PYLON SIGNAGE AVAILABLE



Current LOI's

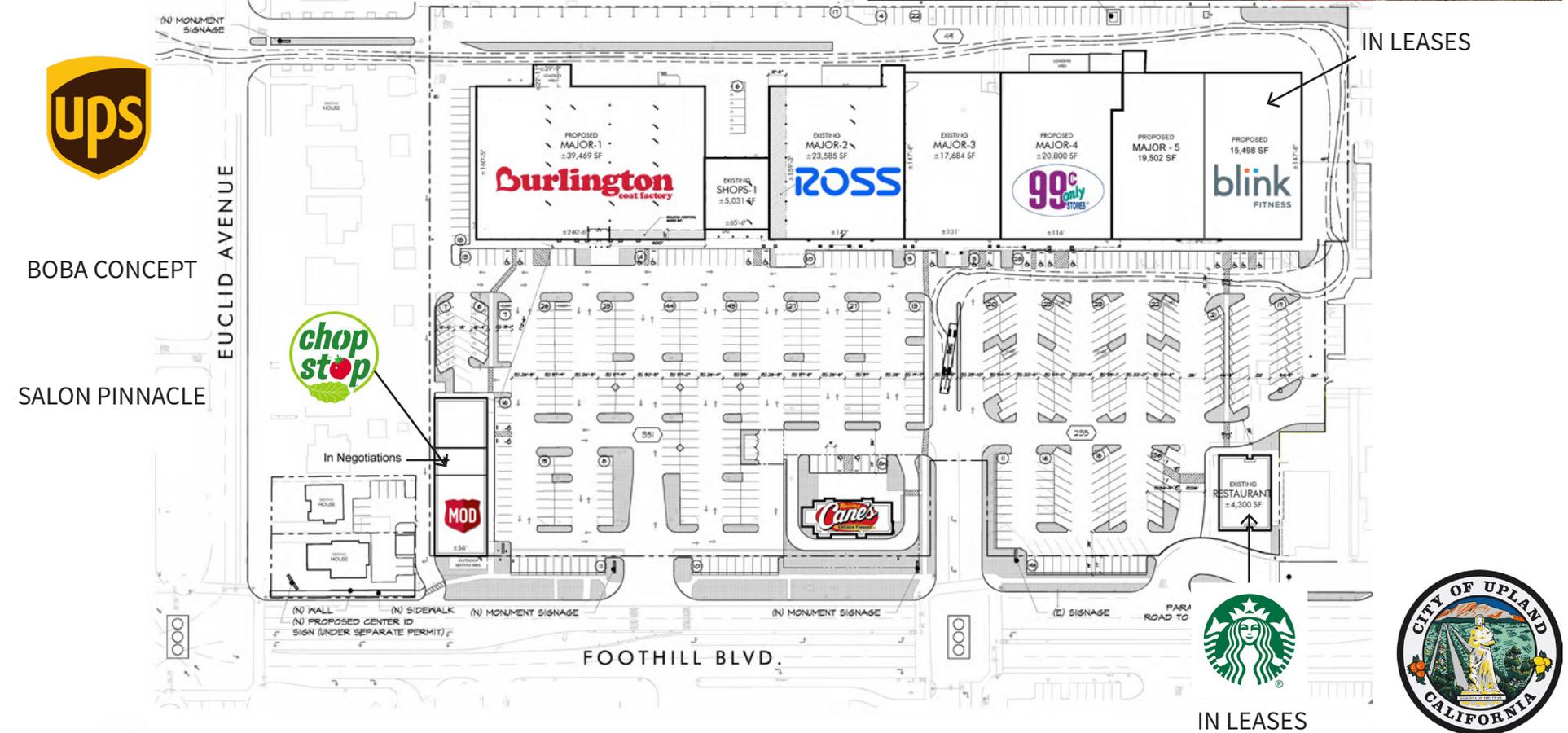


Upland Village Center

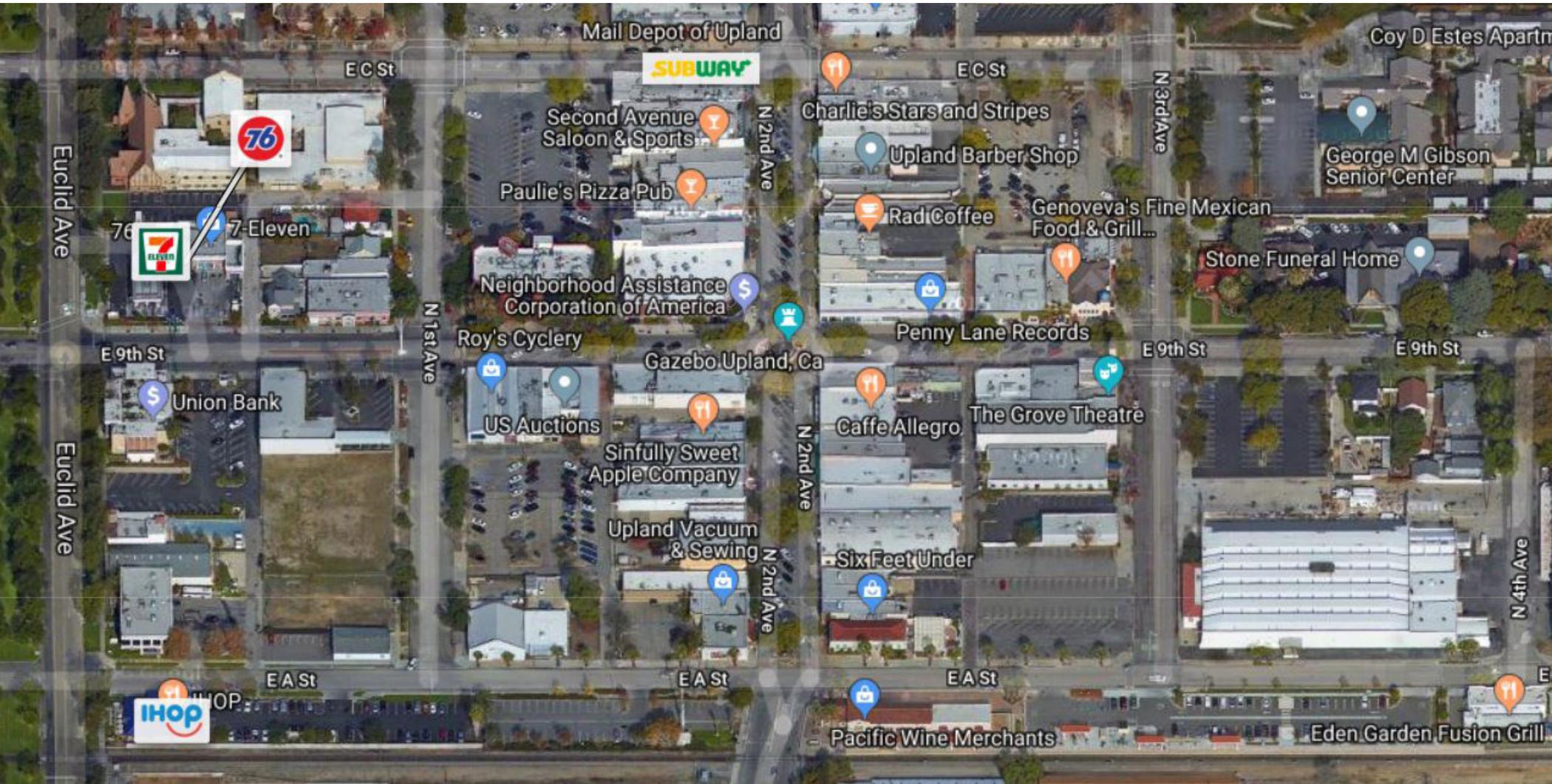
NEC Euclid Ave. & Foothill Blvd.



Current LOI's



Downtown Upland





Erik Westedt

Lic. #01372758

213 545 4500

erik.westedt@am.jll.com

Blake Kaplan

Lic. #02001158

909 702 3367

blake.kaplan@am.jll.com

Jones Lang LaSalle Brokerage, Inc.
Real Estate License #01856260



STAFF REPORT

ITEM NO. 14.A.

DATE: October 8, 2018
TO: MAYOR AND CITY COUNCIL
FROM: BILL R. MANIS, CITY MANAGER
PREPARED BY: ROSEMARY HOERNING, PUBLIC WORKS DIRECTOR
SUBJECT: IN-LIEU FEE ARROW VISTA VILLAGE DEVELOPMENT

RECOMMENDED ACTION

It is recommended that the City Council adopt a Resolution approving an in-lieu fee in satisfaction of a portion of Condition 40.5.4 concerning the extension of the box culvert of site plan 16-30 for the development of 44 apartment units on real property located on the south east corner of Arrow Route and Monte Vista Avenue.

GOAL STATEMENT

The proposed action supports the facilitation of development in an orderly, cost effective and appropriate manner for the benefit of the community.

BACKGROUND

On August 9, 2017, the Planning Commission adopted Resolution No. 4861 approving CUP 16-26 and SP 16-30 for the Arrow Vista Village, a 44 unit apartment home development located on the south east corner of Monte Vista Avenue and Arrow Route. The developer was conditioned to extend a box culvert on the San Antonio Channel to widen Arrow Route at the north east corner of the property.

The property for development extends easterly to the center line of the San Antonio Channel. The property east of the center line of the San Antonio Channel is owned by the City of Upland. The developer was conditioned to construct improvements at the San Antonio Channel facility to allow for the widening of Arrow Route. The City is responsible for the cost associated with the east half of the widening improvements, because the City owns this property and it is considered an off site condition.

The San Antonio Channel is owned and operated by the US ARMY Corp of Engineers. In general, the US ARMY Corp prefers to work with and permit public agencies rather than

private developers because of the governments area longevity. As such, it has been difficult for the developer to gain the necessary approvals for the work related to the street and San Antonio Channel. The developer is prepared and will complete all of the other street improvement along Arrow Route. However, the developer is requesting to pay an in-lieu fee in the amount of \$300,000 for their cost of constructing the west half of the Arrow Route widening at San Antonio Channel.

The City's Public Works Department would coordinate with the US ARMY Corp to secure permits and construct the widening of Arrow route at San Antonio Channel.

ISSUES/ANALYSIS

Recent roadway widening work at San Antonio Channel on Foothill Boulevard values escalated for inflation were used to develop the in-lieu fee for the the developer portion of the work.

The developer has agreed to pay the \$300,000 in-lieu fee at the time of first occupancy or 30 days after the City secures the US ARMY Corp permits.

Staff is comfortable with the fee amount and payment schedule and recommends City Council approve the resolution.

FISCAL IMPACTS

The in-lieu fee amount is a reasonable payment to satisfy the project condition to widen the road over the San Antonio Channel.

The developer is requesting the City accept the in-lieu fee of \$300,000 as an acceptable alternative to the Arrow Route street widening work at San Antonio Channel.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

In Lieu Fee Resolution
E-Mail From Developer
Location Map

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UPLAND APPROVING AN IN-LIEU FEE IN SATISFACTION OF A PORTION OF CONDITION 40.5.4 CONCERNING THE EXTENSION OF THE BOX CULVERT AT SAN ANTONIO CHANNEL OF SITE PLAN 16-30 FOR THE DEVELOPMENT OF 44 APARTMENT UNITS ON REAL PROPERTY LOCATED ON THE SOUTH EAST CORNER OF ARROW ROUTE AND MONTE VISTA AVENUE

Intent of the parties and findings

(i) The City Council finds that the Developer's proposed in-lieu fee of three hundred thousand dollars (\$300,000) is reasonable for the work and that the funds will be used to support the future widening of south side of Arrow Route at San Antonio Channel by the City will be more effectively completed and benefit to the community; and

(ii) The Planning Commission of the City of Upland passed Resolution No. 4861 on August 9, 2017 approving Site Plan No. 16-30 to develop the 44 apartment units on a 2.76 acre vacant parcel of real property generally located on the south east corner of Arrow Route and Monte Vista Avenue ("Development"); and

(iii) Condition 40.5.4 of Resolution No. 4861, includes the following: "Improvement along Arrow Route: Contractor shall construct concrete sidewalk, concrete curb and gutter, and drive way approaches according to City standards and as shown on the approve exhibit. Developer is also required to widen the asphalt pavement and extend the existing concrete box culvert including all appurtenant utility works necessary to comply Section B-B of the approved exhibit."; and

(iv) The Arrow Vista Village ("Developer") has requested the City approve an in-lieu fee of \$300,000 in satisfaction of a portion of Condition 40.5.4, specifically the Developers requirements to "widen the asphalt pavement and extend the existing concrete box culvert including all appurtenant utility works necessary to comply Section B-B of the approved exhibit."; and

(v) The Arrow Vista Village ("Developer") will comply with the other requirements of Condition 40.5.4 for improvements on Monte Vista Avenue and improvements of Arrow Route to include an interim guard rail transition and other related protective measures associated with acceptance of the in-lieu fee and exclusion of the requirement for the box culvert extension and appurtenants; and

(vi) The City recent performed similar contract work for roadway widening and box culvert extension over San Antonio Channel performed on Foothill Boulevard and determined \$300,000 is a reasonable amount to cover the cost of performing this work; and

(vii) The Developer is requesting the City Council accept in the alternative an in-lieu fee to satisfy the Arrow Route box culvert extension and appurtenants of the Arrow Vista Village; and

(viii) City staff has determined this work can be better coordinated with the US ARMY Corp and more effectively constructed by the City in the near future.

NOW, THEREFORE, the City Council hereby finds, determines and resolves as follows:

Section 1. All of the above recitals are true and correct and are incorporated herein by reference.

Section 2. That Conditions 40.5.4 of Site Plan 16-30 (SP 16-30) regarding the Arrow Route Widening and extension of the box culvert at San Antonio Channel may be satisfied in the alternative with the payment of an in-lieu fee of three hundred thousand dollars (\$300,000) to be used for the construction of street widening on Arrow Route by the City in the near future.

Section 3. Certification. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and ADOPTED this 8th day of October, 2018.

Debbie Stone, Mayor

I, Jeannette Vagnozzi, City Clerk of the City of Upland, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council held on the 8th day of October 2018, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

ATTEST: _____
Jeannette Vagnozzi, City Clerk

Rosemary Hoerning

From: Christopher Felix
Sent: Wednesday, September 19, 2018 4:08 PM
To: Ponce Yambot; Rosemary Hoerning
Cc: Scott Felix; Mark Richardson; Chanda Taylor
Subject: Arrow Vista Village/Box Culvert on Arrow Route

Ponce,
Thank you for your call this afternoon regarding the box culvert on the NE side of our Arrow Vista Village (AVV) community that is under construction.

In the conversation, you followed up from a number of previous conversations regarding the improvement of the box culvert and the City of Upland taking the lead with the Army Corp of Engineers in making necessary improvements to current standards and to make the culvert in line with the street improvements on the north end of our property along the south side of Arrow Route. You requested a contribution from Arrow Vista Village not to exceed \$300,000 as our ½ portion of these improvements since the City is the owner of the property to the east of the culvert, the City is responsible for the other ½ of the improvements.

I proposed AVV would pay the \$300,000 upon its first request for Certificate of Occupancy at AVV, however, if the City pulled the permit from the Army Corp prior to that time, AVV would pay the full amount to the City upon 30 days notice of the permit being pulled. I think it is fair to have a completion timeframe as part of this agreement as we will be operating an apartment community next door and do not want to have on-going construction next door for an undetermined period of time. I think this is a fair and reasonable method of payment and gives us a reasonable time to plan for this event.

I would request that you discuss with the appropriate parties at the City and confirm this proposed arrangement is agreeable. Thank you in advance for your on-going consideration.



**HUTTON
COMPANIES**

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Figure 1 – Project Location





STAFF REPORT

ITEM NO. 14.B.

DATE: October 8, 2018
TO: MAYOR AND CITY COUNCIL
FROM: BILL R. MANIS, CITY MANAGER
PREPARED BY: DOUG STORY, RECREATION SERVICES MANAGER
SUBJECT: UPDATE ON SKATE PARK

RECOMMENDED ACTION

It is recommended that the City Council approve maintaining the current supervised operating hours of the skate park at Memorial Park and consider allowing rental of the facility for private events.

GOAL STATEMENT

The proposed action supports the City's goal to promote the use and management of open space assets and to provide opportunities for recreational programs for the community.

BACKGROUND

The 10,500 square foot Upland Community Foundation Skate Park ("skate park") was built in 2002 in the southern portion of Memorial Park, located just behind the south baseball field adjacent to the parking lot of the Landecena Building. The unique features of the Upland skate park make it a sought after destination in the skateboarding community. Equipped with one of the only full vertical pipe features in California, it offers amenities for the advanced skateboard rider as well as transition, vert, street, and flat elements for those learning the sport.

Closures of the skate park began in November of 2016 when Public Works scheduled maintenance at the park. During this time, the Police Department aggressively pursued the removal of criminal activity from Memorial Park, as well as addressing the increased number of homeless individuals and families inhabiting the park. Community organizations worked in partnership with the Police Department and City personnel to address the homeless issues at Memorial Park, offering housing services to many who were staying in the park. The skate park was reopened in May of 2017 for several months, but was closed once again in late 2017.

At the City Council meeting on April 9, 2018, it was unanimously approved to reopen the skate park and to allocate funds to have part-time city staff supervise the skate park. All participants are required to sign a waiver and pay an annual one-time registration fee for entrance into the park. The skate park operates on weekends, as well as Monday, Wednesday, and Friday afterschool. Weekend operation is from 12:00 p.m. – 8:00 p.m., Monday and Friday operation is from 4:00 p.m. – 8:00 p.m., and Wednesday operation is from 3:00 p.m. – 8:00 p.m. to account for the minimum day for the school district. The staffing cost that was allocated for this option provides one Recreation Leader and one Recreation Specialist onsite during operation at a cost of approximately \$36,000 annually.

ISSUES/ANALYSIS

Since reopening the skate park as a supervised facility during operating hours, there has been a total of 131 passes purchased. Each time a pass is purchased staff ensures that a Participant Release Agreement is signed. For young participants, a parent or legal guardian must sign the release on behalf of the minor. Of the annual passes purchased, 42% are residents of Upland and 58% are non-residents.

The usage of the skate park varies with Monday and Wednesday as the least attended days. At times, the heat during the summer greatly impacted the participation at the skate park. Adjustments were made to the operating hours during the hottest days of the summer, but even with later hours it was not well attended on exceptionally hot days. Fridays and weekends continue to have a greater attendance. For the 54 days that the skate park was open from July through September, there was an average of 4 attendees per day, for a total of 220 participants. Staff also took note of 149 individuals (an average of 2.5 per day) who were turned away because they were not willing to wear pads inside the skate park. Staff supervised to ensure that Upland Municipal Codes are obeyed. Currently, we have a rental program set up with a local skate shop that allows skate park attendees to rent or purchase (at a discount) a set of pads and helmet. Recovering those participants who have been turned away to rent or purchase the pads and come back to the skate park has been a challenge.

City staff were happy to assist in the planning and execution of two successful events at the skate park. The first event was in partnership with a non-profit organization Bridge to Skate. This organization uses skateboarding to transform the lives of youth by creating dynamic new paths to self-confidence, personal empowerment, and responsibility for each other and their community. The event attracted 22 participants (all youth) to the skate park for activities, contests, BBQ, and giveaways. The second event was the End of Summer Skate Jam, a contest for adults and youth featuring two competitions (street course and vert/pipe). A total of 14 contestants competed for prizes, which were donated by community members with 50 spectators cheering on the participants. The event included free popcorn and snow cones for all in attendance. For these events, the local skate shop who rents the pads had set up on site and was able to offer pads to individuals who came to skate and did not have appropriate safety gear.

Beginning in November, the City will offer a Skateboarding for Beginners class that will be run through our contract classes. The instructor will have the class advertised in our quarterly Upland Today brochure and the classes will be offered when the skate park is currently closed.

Prior to the reopening this year, numerous calls for police/medical service at the skate park were documented. From January 1, 2015 until December 31, 2017, there were 733 calls for service. This time period accounts for a total of 36 months, the skate park was open for 26 of those months, and accounts for the approximate 10 months of closures in 2016 and 2017. These calls for service include: narcotics calls, stolen property calls, subject checks, and extra patrols for safety equipment violators, disturbance calls, etc. Each of these calls can take a

various amount of time to complete, but with the issuance of citations and or arrests the officer can be involved with a call for several hours at a time.

Since July 1, 2018, coinciding with the reopening of the skate park, there has been 12 calls for police/medical service to the skate park. These calls for service included 5 disturbance, 1 fire, 1 firework, 3 medical assistance, 1 trespassing, and 1 other. None of these calls involved any of the skate park participants, instead these calls involved park patrons who were in and around the skate park at the time of the call. There were no fights, disturbances, or injuries to any participants while the skate park was open. Part time staff have been trained by the Police Department on what issues to call for and what to observe. The presence of City staff has been beneficial for Memorial Park as a whole, as they have been able to help park visitors with minor issues as well as relay accurate information to the community regarding recreation events and policies.

The approved budgeted amount for the staff is sufficient to cover the part time salaries for workers with the current operating hours. If hours were to be expanded, additional funds would be necessary to cover staff costs. One additional budgetary need is to accommodate the requests for rentals at the skate park. Since reopening the skate park the City has received numerous requests for private reservations. Private competitions, birthday parties, and filming requests have been made and if the skate park were to remain open it appears that those requests would continue. Associated staff cost could be offset by the fees charged for the special reservations and film permits, however, there is no budget currently in place and this amount would need to be added to the part time salary account for the Recreation Division.

FISCAL IMPACTS

The adopted budget for the staff costs is sufficient to cover the part time salaries for workers during the current operating hours. It should be noted that staffing costs were used in developing the reservation fees in the approved Master Fee Schedule. Accommodating the requests for reservations would result in an estimated increase in revenue (account 1010000-4656) of \$4,000 and an increase in part time salaries (account 1014204-5112) of \$4,000.

ALTERNATIVES

Provide alternative direction to staff.

ATTACHMENTS:

No Attachments Available