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CITY COUNCIL AGENDA

CITY HALL COUNCIL CHAMBERS
78-495 Calle Tampico, La Quinta

REGULAR MEETING ON TUESDAY, APRIL 3, 2018
3:00 P.M. CLOSED SESSION | 4:00 P.M. OPEN SESSION

CALL TO ORDER

ROLL CALL: Councilmembers: Fitzpatrick, Peña, Radi, Sanchez, Mayor Evans

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

At this time, members of the public may address the City Council on any matter not listed on the agenda. *Please complete a "Request to Speak" form and limit your comments to three minutes.* The City Council values your comments; however in accordance with State law, no action shall be taken on any item not appearing on the agenda unless it is an emergency item authorized by GC 54954.2(b).

CONFIRMATION OF AGENDA

CLOSED SESSION

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8 FOR PROPERTY LOCATED ON HIGHWAY 111 EAST OF DUNE PALMS (APN 600-020-053)
 CITY NEGOTIATOR: CHRIS ESCOBEDO, ACTING CITY MANAGER
 NEGOTIATING PARTY: SUNRIDGE HOTEL GROUP
 UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT AND/OR DISPOSITION OF THE PROPERTY IDENTIFIED

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (d) OF GOVERNMENT CODE SECTION 54956.9 (NUMBER OF POTENTIAL CASES: 1)

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8 FOR THE PROPERTIES LISTED BELOW:
 CITY NEGOTIATOR: CHRIS ESCOBEDO, ACTING CITY MANAGER
 NEGOTIATING PARTIES: OWNERS AS LISTED BELOW
 UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT
 - 46300 DUNE PALMS ROAD – ENGLISH CONGREGATION OF JEHOVAH’S WITNESSES
 - 46400 DUNE PALMS ROAD (PORTIONS) – CHIN FAMILY PROPERTIES, LIMITED
 - 46400 DUNE PALMS ROAD, UNIT 58 – LETICIA ARIAS
 - 46400 DUNE PALMS ROAD, UNIT 59 – ALEJANDRO AND MARIA PREBOT
 - 46400 DUNE PALMS ROAD, UNIT 82 – MARIA C. MARRUFO
 - 46400 DUNE PALMS ROAD, UNIT 83 – JOSE AND IMELDA BENAVIDES

RECESS TO CLOSED SESSION

RECONVENE AT 4:00 P.M.

REPORT ON ACTIONS(S) TAKEN IN CLOSED SESSION

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

At this time, members of the public may address the City Council on any matter not listed on the agenda. Please complete a "Request to Speak" form and limit your comments to three minutes. The City Council values your comments; however in accordance with State law, no action shall be taken on any item not appearing on the agenda unless it is an emergency item authorized by GC 54954.2(b).

ANNOUNCEMENTS, PRESENTATIONS AND WRITTEN COMMUNICATIONS

1. RECOGNITION – PROCLAMATION FOR DMV / DONATE FOR LIFE CALIFORNIA MONTH
2. CERTIFICATE OF APPRECIATION TO PAULA DEAL, C.E.R.T. AND POLICE VOLUNTEER

CONSENT CALENDAR

NOTE: Consent Calendar items are routine in nature and can be approved by one motion.

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PUBLIC HEARINGS – NONE

DEPARTMENTAL REPORTS

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3. CITY CLERK
4. COMMUNITY RESOURCES
5. DESIGN AND DEVELOPMENT
6. FACILITIES
7. FINANCE

MAYOR'S AND COUNCIL MEMBERS' ITEMS

REPORTS AND INFORMATIONAL ITEMS

1. CVAG COACHELLA VALLEY CONSERVATION COMMISSION (Evans)
2. CVAG ENERGY AND ENVIRONMENTAL RESOURCES COMMITTEE (Evans)
3. CVAG EXECUTIVE COMMITTEE (Evans)
4. GREATER PALM SPRINGS CONVENTION AND VISITORS BUREAU (Evans)
5. LEAGUE OF CALIFORNIA CITIES DELEGATE (Evans)
6. COACHELLA VALLEY WATER DISTRICT JOINT POLICY COMMITTEE (Evans)
7. SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (Evans)
8. ECONOMIC DEVELOPMENT SUBCOMMITTEE (Evans & Radi)
9. COACHELLA VALLEY MOUNTAINS CONSERVANCY (Fitzpatrick)
10. DESERT RECREATION DISTRICT COMMITTEE (Fitzpatrick and Radi)
11. COACHELLA VALLEY UNIFIED SCHOOL DISTRICT COMMITTEE (Fitzpatrick and Peña)
12. CHAMBER OF COMMERCE INFO EXCHANGE COMMITTEE (Fitzpatrick)
13. RIVERSIDE COUNTY TRANSPORTATION COMMISSION (Fitzpatrick)
14. SILVERROCK EVENT SITE AD HOC COMMITTEE (Fitzpatrick)
15. CANNABIS AD HOC COMMITTEE (Peña and Sanchez)
16. CVAG PUBLIC SAFETY COMMITTEE (Peña)
17. EAST VALLEY COALITION (Peña)
18. CVAG VALLEY-WIDE HOMELESSNESS COMMITTEE (Peña)
19. JACQUELINE COCHRAN REGIONAL AIRPORT AUTHORITY (Peña)

- 20. LEAGUE OF CALIFORNIA CITIES – PUBLIC SAFETY POLICY COMMITTEE (Peña)
- 21. COACHELLA VALLEY ECONOMIC PARTNERSHIP (Radi)
- 22. CVAG TRANSPORTATION COMMITTEE (Radi)
- 23. SUNLINE TRANSIT AGENCY (Radi)
- 24. CITYWIDE SECURITY CAMERAS AD HOC COMMITTEE (Radi)
- 25. DESERT SANDS UNIFIED SCHOOL DISTRICT COMMITTEE (Radi and Sanchez)
- 26. ANIMAL CAMPUS COMMISSION (Sanchez)
- 27. IID ENERGY CONSUMERS’ ADVISORY COMMITTEE (Sanchez)
- 28. LEAGUE OF CALIFORNIA CITIES/TRANSPORTATION & LABOR POLICY (Sanchez)

ADJOURNMENT

The next regular meeting of the City Council will be held on April 17, 2018, at 4:00 p.m. at the City Hall Council Chambers, 78495 Calle Tampico, La Quinta, CA 92253.

DECLARATION OF POSTING

I, Susan Maysels, City Clerk, of the City of La Quinta, do hereby declare that the foregoing Agenda for the La Quinta City Council meeting was posted on the City’s website, near the entrance to the Council Chambers at 78495 Calle Tampico, and the bulletin boards at the Stater Brothers Supermarket at 78630 Highway 111, and the La Quinta Cove Post Office at 51321 Avenida Bermudas, on March 30, 2018.

DATED: March 30, 2018

SUSAN MAYSELS, City Clerk
City of La Quinta, California

Public Notices

- The La Quinta City Council Chamber is handicapped accessible. If special equipment is needed for the hearing impaired, please call the City Clerk’s office at 777-7103, twenty-four (24) hours in advance of the meeting and accommodations will be made.
- If special electronic equipment is needed to make presentations to the City Council, arrangements should be made in advance by contacting the City Clerk’s office at 777-7103. A one (1) week notice is required.
- If background material is to be presented to the Councilmembers during a City Council meeting, please be advised that eight (8) copies of all documents, exhibits, etc., must be supplied to the City Clerk for distribution. It is requested that this take place prior to the beginning of the meeting.

- Any writings or documents provided to a majority of the City Council regarding any item(s) on this agenda will be made available for public inspection at the Community Development counter at City Hall located at 78-495 Calle Tampico, La Quinta, California, 92253, during normal business hours.



**CITY COUNCIL
MINUTES
TUESDAY, MARCH 20, 2018**

CALL TO ORDER

A regular meeting of the La Quinta City Council was called to order at 3:00 p.m. by Mayor Evans.

PRESENT: Councilmembers Fitzpatrick, Peña, Radi, Sanchez, Mayor Evans
ABSENT: None

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA – None

CONFIRMATION OF AGENDA

City Manager Spevacek said he would like to pull Business Session Item No. 2 from the agenda and bring it back for Council consideration at a future meeting, once all discussion items have been finalized.

Councilmember Radi said he would like to comment on Consent Calendar Item No. 7.

Councilmember Sanchez stated he has a conflict of interest and will recuse himself from discussion and vote on Closed Session Item No. 3 due to a potential business relationship and source of income.

Councilmember Sanchez said he has a conflict of interest and will abstain from discussion and vote on Consent Calendar Item No. 7 due to the project’s proximity to real property; this item will be pulled for a separate vote.

Council concurred.

CLOSED SESSION

1. **CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6; CITY DESIGNATED REPRESENTATIVE: CHRIS ESCOBEDO, COMMUNITY RESOURCES DIRECTOR; AND EMPLOYEE ORGANIZATION: LA QUINTA CITY EMPLOYEES ASSOCIATION**
2. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8 FOR PROPERTY LOCATED AT 77895 CALLE MONTEZUMA (APN 773-101-005);
CITY NEGOTIATOR: FRANK J. SPEVACEK, CITY MANAGER**

PROPERTY OWNER: STRATEGIC ACQUISITIONS, INC./DLI PROPERTIES
UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT AND/OR
DISPOSITION OF THE PROPERTY IDENTIFIED

- 3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (d) OF GOVERNMENT CODE SECTION 54956.9 (NUMBER OF POTENTIAL CASES: 1)**

COUNCIL RECESSED THE OPEN SESSION PORTION OF THE MEETING AND MOVED INTO CLOSED SESSION AT 3:03 P.M.

MAYOR EVANS RECONVENED THE OPEN SESSION PORTION OF THE CITY COUNCIL MEETING AT 4:00 P.M. WITH ALL MEMBERS PRESENT.

REPORT ON ACTION(S) TAKEN IN CLOSED SESSION:

City Attorney Ihrke reported no actions were taken in Closed Session that require reporting pursuant to Government Code section 54957.1 (Brown Act). He noted, Councilmember Sanchez recused himself from discussion and vote on Closed Session Item No. 3 and left the room due to a conflict of interest stemming from a potential source of income.

PLEDGE OF ALLEGIANCE

Mayor Pro Tem Fitzpatrick led the audience in the pledge of allegiance.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

PUBLIC SPEAKER: Mr. Edgar Castro, Public Outreach Coordinator for the Coachella Valley Mosquito and Vector Control District (CVMVCD) – said CVMVCD was hosting the 3rd annual “Fight the Bite” 5K on Saturday, March 24, 2018, at 8:00 a.m., in Rancho Mirage; the goal is to raise awareness of potential mosquito-related threats and viruses to valley residents; and asked Council for their support, participation, and assistance in promoting the race.

PUBLIC SPEAKER: Ms. Rod Wilson, La Quinta – said Griffin Ranch residents have been experiencing issues with horse manure filth flies due to unmaintained neighboring pastures at the polo grounds. He asked Council for 1) an effective and efficient corrective action plan to get the pastures cleared and to ensure they are cleared daily; and 2) a preventative action plan to ensure this situation does not happen again, and the officers inspecting the property are familiar with the City’s municipal code and are enforcing it if warranted.

PUBLIC SPEAKER: Mr. Debra Wilson, La Quinta – spoke about the issues she had experienced dealing with the filth flies surrounding her property due to the unmaintained neighboring horse pastures; and provided a verbal detailed timeline of communications between Mr. and Mrs. Wilson with the City, between July 2017 through March 2018, and the steps taken to try to resolve this issue; she asked Council for their assistance in finding a resolution.

PUBLIC SPEAKER: Garry Brooks, President of the Griffin Ranch Homeowner Association – spoke of the horse manure filth flies issue Griffin Ranch home-owners are experiencing; asked that the officers check-up visits are unannounced; thanked Council for the opportunity to speak about this issue; and urged Council for assistance in getting this matter resolved.

PUBLIC SPEAKER: Pete Dittmore, La Quinta – said a lot of his concerns were already mentioned by his neighbors, Mr. and Mrs. Wilson, and Mr. Brooks; noted that horses raised in an equestrian overlay district are to be for personal use only and asked if there is a way to verify the use of the animals at the polo property; and asked Council for assistance in getting the matter resolved.

PUBLIC SPEAKER: Shelly Jordan, Project Manager with Lennar Homes and builder of the Griffin Ranch residential community – spoke about the unmaintained horse pasture neighboring Griffin Ranch to the east; the nuisance of dealing with filth flies due to improper disposal of horse manure; potential health concerns due to the diseases the flies carry; asked Council to implement a corrective action plan to ensure that the horse pasture property to the east is in compliance with the City's equestrian overlay district regulations, particularly regulation no. 5 as it relates to manure collection and disposal; thanked staff for their efforts so far to bring the property into compliance; and asked Council to continue to put pressure on the owners of the unmaintained property until it is fully in compliance.

PUBLIC SPEAKER: Kevin Prosser, La Quinta – said he is a homeowner and also runs the Lennar sales office at the Griffin Ranch development; spoke about the filth flies issues Griffin Ranch was experiencing; and asked Council to ensure that the owners of the horse pastures to the east bring their property into compliance as soon as possible.

PUBLIC SPEAKER: Randy Rounds, La Quinta – Mayor Evans said Mr. Rounds was unable to attend the meeting, but had submitted a Request to Speak Form requesting that Simon Drive be named and dedicated to fallen Deputy Bruce Lee. Due to the contributions and involvement of the Simon family with La Quinta, including Saint Francis of Assisi, she suggested that possibly a different street in the City could be considered for this request. Mr. Rounds will speak at the next Council meeting.

ANNOUNCEMENTS, PRESENTATIONS, AND WRITTEN COMMUNICATIONS

1. PRESENT VOLUNTEER OF THE YEAR AWARD FROM CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS (CSMFO)

Mr. Isaiah Hagerman, CPA, Director of Administrative Services with the City of Rancho Mirage and Co-Chair of CSMFO, presented Finance Director Karla Campos with the 2017 CSMFO Volunteer of the Year award; he commended Mrs. Campos for her time, dedication, and leadership to promote professional development; mentorship; and succession planning in La Quinta and in many other organizations in the Coachella Valley.

2. INTRODUCE NEW LA QUINTA LIBRARY BRANCH MANAGER, ELIZABETH (LISA) BAIZ

Ms. Sue Duran, former La Quinta Library Manager spoke about the many different programs and events the library facilitated under her guidance; thanked the Council and staff for their participation and support; introduced the new La Quinta Library Branch Manager Lisa Baiz; and noted Ms. Baiz experience and qualifications.

CONSENT CALENDAR

- 1. APPROVE MINUTES OF SPECIAL MEETING OF FEBRUARY 27, 2018**
- 2. APPROVE MINTUES OF MARCH 6, 2018**
- 3. ADOPT A RESOLUTION TO CERTIFY MITIGATED NEGATIVE DECLARATION FOR THE EISENHOWER DRIVE RETENTION BASIN PROJECT NO. 2015-12B LOCATED AT THE NORTHWEST CORNER OF EISENHOWER DRIVE AND AVENIDA FERNANDO [RESOLUTION NO. 2018-010]**
- 4. AUTHORIZE OVERNIGHT TRAVEL FOR MARKETING AND COMMUNICATIONS SUPERVISOR TO ATTEND CALIFORNIA TRAVEL ASSOCIATION SUMMIT 2018 IN SAN DIEGO, CALIFORNIA, MAY 30 – JUNE 1, 2018**
- 5. APPROVE DEMAND REGISTERS DATED MARCH 2 AND 9, 2018**
- 6. RECEIVE AND FILE REVENUE AND EXPENDITURE REPORTS DATED JANUARY 31, 2018**
- 7. ACCEPT NORTH LA QUINTA PARKWAY TURF CONVERSION PROJECT LOCATED AT THE ACACIA DEVELOPMENT ON THE NORTH SIDE OF MILES AVENUE BETWEEN VIA ROSA AND NORTH HARLAND DRIVE (PROJECT NO. 2016-03B)**

8. APPROVE AMENDMENT NO. 1 TO AGREEMENT WITH JNS MEDIA SPECIALISTS FOR MARKETING SERVICES

9. EXCUSE ABSENCE FOR HOUSING COMMISSIONER DAVIDSON FROM THE HOUSING COMMISSION MEETING OF MARCH 14, 2018

Councilmember Sanchez said he has a conflict of interest and will abstain from voting on Consent Calendar Item No. 7 due to the project's proximity to real property.

Councilmember Radi said Consent Calendar Item No. 7 was the first section of the reconditioning of the north La Quinta parkways made possible in large part by Measure G revenues; thanked staff for their efforts and commitment in addressing residents' concerns who were now extremely pleased with the improvements; the project was completed under budget and before the proposed timeline.

MOTION – A motion was made and seconded by Councilmembers Fitzpatrick/Peña to approve the Consent Calendar Item Nos. 1-6, 8, and 9 as recommended, with Item No. 3 adopting Resolution No. 2018-010. Motion passed unanimously.

MOTION – A motion was made and seconded by Councilmembers Radi/Peña to approve the Consent Calendar Item No. 7. Motion passed: ayes 4, noes 0, abstain 1 (Sanchez).

BUSINESS SESSION

1. APPROVE AN AGREEMENT WITH VOCADEMY TO PURCHASE EQUIPMENT, CURRICULUM AND TRAINING FOR THE LA QUINTA MAKERSPACE; AND APPROVE THE FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING WITH THE COUNTY OF RIVERSIDE LIBRARY SYSTEMS FOR MAKERSPACE OPERATIONS.

Business Analyst Tustin Larson presented the staff report, which is on file in the Clerk's Office.

PUBLIC SPEAKER: Mr. Gene Sherman, founder and CEO of Vocademy – thanked the Council for their support, innovative vision, and transforming the community by bringing MakerSpace to La Quinta, the first in the Coachella Valley, a place where the millennials have an opportunity to create and make things.

Council commended Mr. Sherman's passion, enthusiasm, and commitment to this project.

Council discussed collaboration with all local teachers and offering moonlight opportunities; software and equipment to be used and associated costs; learning curve and class schedules; types of materials that can be used to print and surfacing

capabilities; no metal printing available on site; estimated annual supply cost of \$15,000, ability for the users to purchase their own, pre-approved, materials from local stores, and ability for the City to partner with local stores for material donations; nominal initial investment; differentiating between a student and a hobbyist; offering the community an opportunity to learn new skills; room configuration; 28 people maximum occupancy for the proposed space; safety precautions; age restrictions; best practices; private bookings and group events; team building; space constraints and opportunities to expand in the future; the multitude of third-party printing materials and shipping options available; and start-up user fees.

MOTION – A motion was made and seconded by Councilmembers Radi/Fitzpatrick to approve agreement with Vocademy to purchase equipment, curriculum and training for the La Quinta makerspace; approve Amendment No. 1 to the Memorandum of Understanding with the County of Riverside library services for MakerSpace operations; and authorize the City Manager to execute the agreements. Motion passed unanimously.

2. *pulled off the agenda >>>* **APPROVE THE THIRD AMENDMENT AND RESTATEMENT OF THE JOINT POWERS AGREEMENT OF THE COACHELLA VALLEY ASSOCIATIO OF GOVERNMENTS**

At Confirmation of Agenda City Manager Spevacek pulled Business Session Item No. 2 off the agenda and said it would be brought back for Council consideration at a future meeting, once all discussion items have been finalized.

3. **APPROVE AMENDED RELOCATION PLAN FOR WASHINGTON STREET APARTMENTS**

Development Consultant Jon McMillen presented the staff report, which is on file in the Clerk's Office.

In response to Councilmember Peña, Mr. McMillen said that a special rate has been negotiated with Homewood Suites, and because the tenants' stay will exceed 30 days, Transient Occupancy Tax will not be added to the rate.

MOTION – A motion was made by Councilmembers Fitzpatrick, and seconded by all remaining Councilmembers in unison to approve the Amended Relocation Plan for Washington Street Apartments; and authorize the City Manager to submit this plan to the State Department of Housing and Community Development. Motion passed unanimously.

STUDY SESSION

1. DISCUSS WELLNESS CENTER ANNUAL FITNESS MEMBERSHIP FEES

Community Resources Manager Calderon presented the report, which is on file in the City Clerk's Office.

Council discussed plans for new recreation software; extended hours of operation implemented; automatic annual renewal of membership; membership rates for residents versus non-residents; increasing non-resident membership fees; proportion of non-resident members; adjusting the \$5 daily rate; use of the Wellness Center by La Quinta Resort guests; exploring weekly, seasonal, and multi-year rates; the planned rate increases by neighboring Desert Recreation District facility; age and life of Center equipment; affordability for seniors; importance of maintaining superior quality; and, partnering with or accepting sponsorships from local hotels and country clubs.

The consensus of the Council was to increase resident rates to \$75 per year, and asked staff to return with additional information on weekly, seasonal and multi-year rates, as well as cost recovery data at which time, the Council will consider an appropriate increase to non-resident rates.

PUBLIC HEARINGS – None

DEPARTMENTAL REPORTS

All reports are on file in the City Clerk's Office.

MAYOR'S AND COUNCIL MEMBERS' ITEMS

Councilmember Radi described an American Association of Retired Persons video report about fraud and means of protection against it. He stated that this was valuable information for residents and suggested that staff arrange for the video to be aired at the Library and/or Museum in collaboration with the Police Department. Mr. Radi also reported that he attended the event honoring Mary Ellen Kelly as La Quinta's representative.

Councilmember Sanchez reported that he ran the New York City half marathon as La Quinta's representative.

Councilmember Fitzpatrick reported that she represented the Mayor at the Veterans of Foreign War Post 3699 dinner honoring a La Quinta resident, and at a High School Women's health and wellness event.

Mayor Evans displayed a crystal bowl awarded to the City by the Life Stream organization in recognition of its participation in the nine cities blood donation challenge, which will be held on July 14th this year. She also reported on attendance

at the opening of the Loma Linda Children's Clinic in Indio where she presented a proclamation from the City of La Quinta; Supervisor Perez' meet and greet at the Wellness Center; and, Cathedral City's State of the City event.

REPORTS AND INFORMATIONAL ITEMS

La Quinta's representative for 2018, Mayor Evans reported on her participation in the following organization's meeting:

- GREATER PALM SPRINGS CONVENTION AND VISITORS BUREAU

La Quinta's representative for 2018, Councilmember Fitzpatrick reported on her participation in the following organizations' meetings:

- COACHELLA VALLEY MOUNTAINS CONSERVANCY
- DESERT RECREATION DISTRICT COMMITTEE (Fitzpatrick & Radi)
- RIVERSIDE COUNTY TRANSPORTATION COMMISSION
- SILVERROCK EVENT SITE AD HOC COMMITTEE

La Quinta's representative for 2018, Councilmember Peña reported on his participation in the following organization's meeting:

- EAST VALLEY COALITION

La Quinta's representative for 2018, Councilmember Radi reported on his participation in the following organizations' meetings:

- DESERT SANDS SCHOOL DISTRICT COMMITTEE
- DESERT RECREATION DISTRICT COMMITTEE

La Quinta's representative for 2018, Councilmember Sanchez reported on his participation in the following organization's meeting:

- LEAGUE OF CALIFORNIA CITIES TRANSPORTATION & LABOR POLICY COMMITTEE

ADJOURNMENT

There being no further business, a motion was made and seconded by Councilmembers Peña/Fitzpatrick to adjourn at 6:24 p.m. Motion passed unanimously.

Respectfully submitted,

MONIKA RADEVA, Deputy City Clerk
City of La Quinta, California

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: EXCUSE ABSENCES FOR COMMISSIONER QUILL FROM THE APRIL 9, 2018, COMMUNITY SERVICES COMMISSION MEETING AND COMMISSIONER QUILL FROM THE APRIL 10, 2018, PLANNING COMMISSION MEETING

RECOMMENDATION

Excuse absences for Commissioner Dori Quill from the April 9, 2018, Community Services Commission meeting and Commissioner Paul Quill from the April 10, 2018, Planning Commission meeting.

EXECUTIVE SUMMARY

- Commissioner Dori Quill requested to be excused from the April 9, 2018, Community Services Commission meeting due to a personal matter. She has 1 prior excused absence since her appointment in June 2016.
- Commissioner Paul Quill requested to be excused from the April 10, 2018, Planning Commission meeting. He has had no absences since being appointed in June 2016.

FISCAL IMPACT

No meeting attendance compensation is paid to absent members.

BACKGROUND/ANALYSIS

The Municipal Code states: “If any member of a board, commission, or committee absents him/herself from two consecutive regular meetings, or absents him/herself from a total of three regular meetings within any fiscal year, his/her office shall become vacant and shall be filled as any other vacancy. A board, commission, or committee member may request advance permission from the city council to be absent at one or more regular meetings due to extenuating circumstances, and/or may request the city council to excuse an absence after-the-fact where such extenuating circumstances prevented the member from seeking advance permission to be absent. If such permission or excuse is granted by the city council, the absence shall not be counted toward the above-stated limitations on absences.”

ALTERNATIVES

Council may deny this request, which would result in the absences being counted toward the commissioners’ limitation on absences as noted above.

Prepared by: Pam Nieto, Deputy City Clerk
Approved by: Susan Maysels, City Clerk

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City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: ACCEPT ART DONATION FROM MELODY COHN

RECOMMENDATION

Accept art donation from Melody Cohn.

EXECUTIVE SUMMARY

- Melody Cohn is a local artist and resident who wishes to donate an art piece to the City.
- The Community Services Commission unanimously approved the *Symphony on the Salton Sea* aluminum print, which would be placed at the Wellness Center.

FISCAL IMPACT

Site preparation costs will be approximately \$100 paid from the Art in Public Places (APP) Maintenance Account (270-0000-60683).

BACKGROUND/ANALYSIS

Melody Cohn is a local artist and La Quinta resident who approached Staff about donating an art piece. She has painted fine art for many years and her artwork can be viewed at her studio/gallery in La Quinta.

Ms. Cohn has offered to donate *Symphony on the Salton Sea* to the City's permanent APP program. The aluminum print is 23" tall and 29" wide and is placed inside a wood frame. The estimated value is \$1,500 and would be installed at the Wellness Center along with the City's other Salton Sea related art pieces.

On March 12, the Community Services Commission unanimously agreed and recommended the *Symphony on the Salton Sea* for placement at the Wellness Center. The artwork would be installed in 2 weeks.

ALTERNATIVES

Council may accept/not accept this donation.

Prepared by: Christina Calderon, Community Resources Manager

Approved by: Chris Escobedo, Acting City Manager

Attachment: 1. Photo of the art piece

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City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: WITHDRAW THE AUTHORITY FOR CITY STAFF TO PARTICIPATE IN THE PUBLIC AUCTION FOR THE FORMER SAM'S CLUB BUILDING AND RE-ALLOCATE FUNDS TO GENERAL FUND UNASSIGNED RESERVES

RECOMMENDATION

Withdraw the authority for staff to participate in the public auction sale of the former Sam's Club Property and re-allocate funds to General Fund unassigned reserves.

EXECUTIVE SUMMARY

- On January 30, 2018, Council authorized staff, by a unanimous vote, to participate in a public auction pursuant to a trustee's sale for all right, title, and interest in the property identified in Closed Session as 79315 Highway 111 (APNs: 600-340-002, 600-020-029, 600-340-003, 600-340-023, 600-020-028, 600-340-028) also formerly known as Sam's Club.
- The trustee's sale of the property formerly known as Sam's Club has been postponed multiple times with the recent being postponed until April 24, 2018.
- Council has recommended the City withdraw from participating in the public auction.

FISCAL IMPACT

Funds authorized for this auction (\$2,000,000) would be re-allocated to unassigned General Fund reserves.

BACKGROUND/ANALYSIS

On January 30, 2018, the Council authorized staff to participate in a public auction for the 138,000-square-foot empty building located at 79315 Highway 111 (former Sam's Club). The wholesale store has remained vacant since closing the doors in 2010. The trustee's sale of the property at auction has been postponed multiple times and now is scheduled for April 24, 2018.

Council has recommended the City withdraw from participating in the public auction and re-allocate the approved funds to General Fund unassigned reserves.

ALTERNATIVES

No alternatives recommended.

Prepared by: Karla Campos, Finance Director

Approved by: Chris Escobedo, Acting City Manager

[Click here to return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: APPROVE DEMAND REGISTERS DATED MARCH 16 AND 23, 2018

RECOMMENDATION Approve demand registers dated March 16 and 23, 2018.

EXECUTIVE SUMMARY – None

FISCAL IMPACT

Demand of Cash:

City	\$ 7,444,967.15
Successor Agency of RDA	\$ 145.00
Housing Authority	\$ 13,390.35
	<u>\$ 7,458,502.50</u>

BACKGROUND/ANALYSIS

Between Council meetings, routine bills and payroll must be paid. Attachment 1 details the weekly demand registers for March 16 and 23, 2018.

Warrants Issued:

117979-118041	\$ 1,162,178.54
118042-118042	\$ 3,985.84
118043-118106	\$ 4,332,903.79
Void	\$ (3,985.84)
Wire Transfers	\$ 1,744,494.77
Payroll Tax transfers	\$ 36,732.30
Payroll Chk 37321-37322 & Direct Deposit	\$ 182,193.10
	<u>\$ 7,458,502.50</u>

The most significant expenditures on the demand register are:

Vendor	Account Name	Amount	Purpose
Riverside County Sheriff	Various	\$ 1,077,889.55	Nov - Police Services
Riverside County Sheriff	Various	\$ 1,029,963.42	Dec - Police Services
Riverside County Sheriff	Various	\$ 1,023,540.26	Oct - Police Services
Riverside County Sheriff	Various	\$ 1,013,528.28	Sep - Police Services
Urban Habitat Environmental	Construction	\$ 201,456.05	North La Quinta Turf Conversion

Wire Transfers: Six transfers totaled \$1,744,494.77. Of this amount, \$36,881.05 was for CalPERS, \$163,791.89 to Landmark and \$1,536,201.34 for La Quinta Housing Authority. (See Attachment 2 for a full listing).

ALTERNATIVES

Council may approve, partially approve, or reject the demand registers.

Prepared by: Derrick Armendariz, Account Technician

Approved by: Rosemary Hallick, Financial Services Analyst

Attachments: 1. Demand Registers

2. Wire Transfers

Demand Register

Packet: APPKT01521 - DA 03/16/18



City of La Quinta, CA

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
Fund: 101 - GENERAL FUND					
ALLIANT INSURANCE SERVICES ..	117979	01/01/18-01/01/19- INSURANCE FOR DY0	Community Experiences	101-3003-60149	606.00
ALTA LANGUAGE SERVICES INC	117980	02/28/18- BI LINGUAL TEST	Travel & Training	101-1004-60320	50.00
AMERICAN FORENSIC NURSES ...	117981	01/31/18- BLOOD ANALYSIS/SHERIFF	Blood/Alcohol Testing	101-2001-60174	20.00
AMERIGAS	117982	02/28/18- FS #32 GAS TANK RENTAL	Utilities - Gas	101-2002-61100	107.14
CHAUDHRY, ELIZABETH	117986	03/07/18- FITPASS REIMB	Fitness Membership Reimburs...	101-1004-50252	40.00
COACHELLA VALLEY CONSERV...	117989	02/2018- MITIGATION FEE	MSHCP Mitigation Fee	101-0000-20310	25,829.75
COACHELLA VALLEY CONSERV...	117989	02/2018- MITIGATION FEE	CVMSHCP Admin Fee	101-0000-43631	-258.30
COACHELLA VALLEY WATER DI...	117990	03/07/18- WATER SERVICE	Utilities - Water -Pioneer Park	101-3005-61207	605.03
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water	101-2002-61200	568.36
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water -Monticello Pa...	101-3005-61201	725.20
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water -Fritz Burns pa...	101-3005-61204	93.76
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water -Seasons Park	101-3005-61208	18.28
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water -Community P...	101-3005-61209	185.52
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water	101-3008-61200	93.49
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water	101-2002-61200	223.61
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water -Eisenhower P...	101-3005-61203	165.08
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water -Velasco Park	101-3005-61205	46.30
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water -Desert Pride	101-3005-61206	120.65
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	PM 10 - Dust Control	101-7006-60146	36.06
DESERT SANDS UNIFIED SCHO...	117992	07/01-11/08/17- SCHOOL OFFICER BP# 1-5	School Officer	101-2001-60168	32,106.96
DESERT SANDS UNIFIED SCHO...	117992	11/09-12/16/17- SCHOOL OFFICER BP#6	School Officer	101-2001-60168	5,468.07
EISENHOWER MEDICAL CENTER	117994	12/05/17-01/26/18- EXAM LA173400036 ...	Sexual Assault Exam Fees	101-2001-60193	1,100.00
FRANCO, BIANCA	117998	03/06/18- FACILITY DEPOSIT REFUND	Miscellaneous Deposits	101-0000-22830	50.00
GAS COMPANY, THE	118000	01/19-02/20/18- FS#32 GAS SERVICE	Utilities - Gas	101-2002-61100	50.42
GAS COMPANY, THE	118000	01/25-02/27/18- FS#93 GAS SERVICE	Utilities - Gas	101-2002-61100	112.90
GAS COMPANY, THE	118000	01/19-02/20/18- CITY HALL GAS SERVICE	Utilities - Gas	101-3008-61100	509.30
GAS COMPANY, THE	118000	01/19-02/20/18- WC GAS SERVICE	Utilities - Gas	101-3008-61100	135.62
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electricity	101-2002-61101	678.05
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electric - Monticello ...	101-3005-61102	13.52
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electric - Civic Center...	101-3005-61103	1,569.87
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electric - Fritz Burns ...	101-3005-61105	1,168.06
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electric - Sports Com...	101-3005-61106	2,237.54
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERVICE	Utilities - Electric - Colonel Pai...	101-3005-61108	47.85
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERVICE	Utilities - Electric - Community...	101-3005-61109	4,457.35
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERVICE	Utilities - Electric - Adams Park	101-3005-61110	56.14
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electric - Velasco Park	101-3005-61111	14.95
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electric - Eisenhower...	101-3005-61113	21.81
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electric - Desert Pride	101-3005-61114	12.94
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERIVCE	Utilities - Electricity	101-3008-61101	7,211.61
JNS MEDIA SPECIALISTS	118006	MARKETING FOR COMMUNITY EVENTS	Community Experiences	101-3003-60149	4,818.87
JNS MEDIA SPECIALISTS	118006	FY 17/18 PRINT & DIGITAL MARKETING SE...	Marketing & Tourism Promoti...	101-3007-60461	62,783.11
MCLEAN COMPANY RENTALS	118010	03/01/18- DUPLICATE BUS. LIC REFUND	Cash Over/Short	101-0000-42300	25.00
MONICA TILE	118011	02/21/18- REFUND OVERPAYMENT	Cash Over/Short	101-0000-42300	70.00
MOYA, DANIEL	118012	03/12/18- LOT ABATEMENT 79-315 HWY ...	Lot Cleaning	101-6004-60120	60.00
MOYA, DANIEL	118012	03/07/18- LOT ABATEMENT	Lot Cleaning	101-6004-60120	250.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Consultants	101-7006-60104	13,292.50
OFFICE TEAM	118018	03/02/18- CITY CLERK TEMP	Temporary Agency Services	101-1005-60125	474.60
OLD TOWN LA QUINTA, LLC	118019	03/15/18- FIRE INSP RFND BCOM2017-00...	Fire Plan Review Deposits	101-0000-22811	614.00
OLD TOWN LA QUINTA, LLC	118019	03/15/18- FIRE INSP RFND BCOM2017-00...	Fire Plan Review Fee	101-0000-42420	-351.00
PRIORITY ONE AIR CONDITION...	118022	01/29/18- REFUND OVERPAYMENT	Mechanical Permits	101-0000-42402	39.01
PRORIDER INC	118023	02/22/18- POLICE HELMETS TAX	Sales Taxes Payable	101-0000-20304	-171.68
PRORIDER INC	118023	02/22/18- POLICE HELMETS SAFETY FAIR	Special Enforcement Funds	101-2001-60175	2,133.68
ROTO ROOTER PLUMBERS INC	118025	03/05/18-WC PLUMBING SERVICES	Maintenance/Services	101-3008-60691	1,270.00

Demand Register

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Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
SOUTH WEST CONCEPTS	118026	03/15/18- FIRE INSP RFND BCOM2017-00...	Fire Plan Review Deposits	101-0000-22811	614.00
SOUTH WEST CONCEPTS	118026	03/15/18- FIRE INSP RFND BCOM2017-00...	Fire Plan Review Fee	101-0000-42420	-351.00
STAPLES ADVANTAGE	118027	12/26/18- EOC SUPPLIES	Fire Station	101-2002-60670	53.29
SUMMIT SAFETY LLC	118028	02/27/18- SAFETY SHIRT - TREVER	Safety Gear	101-7006-60427	39.00
SUMMIT SAFETY LLC	118028	02/28/18- SAFETY SHIRTS - TREVER	Safety Gear	101-7006-60427	202.70
TRULY NOLEN INC	118033	02/09/18- PUBLIC WORKS PEST CONTROL	Pest Control	101-3008-60116	47.00
WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- WATER FILTERS	Sales Taxes Payable	101-0000-20304	-9.80
WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- CLEANING TABLETS TAX	Sales Taxes Payable	101-0000-20304	-2.28
WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- UPDATE WITH MAYOR	Travel & Training	101-1001-60320	44.38
WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- HOUSING CONFERENCE	Travel & Training	101-1001-60320	80.00
WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- COUNCIL MEETING	Travel & Training	101-1001-60320	195.75
WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- CLEANING TABLETS	Operating Supplies	101-1002-60420	28.28
WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- WATER FILTERS	Operating Supplies	101-1002-60420	121.80
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- DYO SUPPLIES TAX	Sales Taxes Payable	101-0000-20304	-1.05
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- TACOS & TEQUILA EVENT..	Sales Taxes Payable	101-0000-20304	-13.78
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- EMERGENCY BLANKETS ...	Sales Taxes Payable	101-0000-20304	-13.12
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- CEAQ GUIDLINES TAX	Sales Taxes Payable	101-0000-20304	-1.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- CSMFO CHAPTER MEETI...	Travel & Training	101-1006-60320	160.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- LINKS SUPPLIES	Travel & Training	101-1006-60320	122.99
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- GFOA AWARD REVIEW F...	Subscriptions & Publications	101-1006-60352	505.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- EXTERNAL HARDDRIVE	Office Supplies	101-1006-60400	76.11
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- EMERGENCY BLANKETS	Disaster Prep Supplies	101-2002-60406	163.07
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- EOC GUIDE MAPS	Printing	101-2002-60410	283.98
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- AMR GRANT PURCHASE	Fire Station	101-2002-60670	596.95
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- AMR GRANT CAMERA & ...	Fire Station	101-2002-60670	158.43
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- DYO SUPPLIES	Community Experiences	101-3003-60149	21.91
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- LQ ROCKET LAUNCH SUP...	Community Experiences	101-3003-60149	20.28
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- TACOS & TEQUILA EVENT..	Community Experiences	101-3003-60149	171.46
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- LQ ROCKET LAUNCH	Community Experiences	101-3003-60149	62.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- AMERICANS FOR ART M...	Membership Dues	101-3003-60351	200.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- HOTEL FOR CPRS CONF	Travel & Training	101-3005-60320	700.10
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- CPRS CONF - AMBRIZ	Travel & Training	101-3005-60320	1,070.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- 5 WATER COOLERS CITY...	Materials/Supplies	101-3008-60431	1,848.70
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- CEAQ GUIDLINES	Subscriptions & Publications	101-6002-60352	108.75
XPRESS GRAPHICS	118041	03/05/18- EVENT RACK CARDS	Printing	101-3007-60410	143.29
XPRESS GRAPHICS	118041	03/07/18- DYO SIGNS	Printing	101-3007-60410	80.15

Fund 101 - GENERAL FUND Total: 179,134.32

Fund: 201 - GAS TAX FUND

ELMS EQUIPMENT RENTAL INC	117995	02/13/18- EQ RENTAL	Equipment Rental	201-7003-61701	201.51
HD SUPPLY CONSTRUCTION S...	118001	02/27/18- POST BASE SIGN	Traffic Control Signs	201-7003-60429	40.00
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERVICE	Utilities - Electricity	201-7003-61101	815.50
TOPS'N BARRICADES INC	118031	02/28/18- HAZMAT SIGN	Traffic Control Signs	201-7003-60429	38.77
TOPS'N BARRICADES INC	118031	02/28/18- STOP SIGN	Traffic Control Signs	201-7003-60429	92.11
TOPS'N BARRICADES INC	118031	02/28/18- YELLOW REFLECTORS	Traffic Control Signs	201-7003-60429	57.20
TOPS'N BARRICADES INC	118031	02/28/18- YELLOW STRIPING	Traffic Control Signs	201-7003-60429	181.83
UNDERGROUND SERVICE ALERT	118034	03/01/18- DIG ALERT SERVICES 25	Materials/Supplies	201-7003-60431	49.60

Fund 201 - GAS TAX FUND Total: 1,476.52

Fund: 202 - LIBRARY & MUSEUM FUND

COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water	202-3006-61200	126.08
GAS COMPANY, THE	118000	01/19-02/20/18- LIBRARY GAS SERVICE	Utilities - Gas	202-3004-61100	144.06
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERVICE	Utilities - Electricity	202-3004-61101	2,284.89
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERVICE	Utilities - Electricity	202-3006-61101	637.30
PACIFIC WEST AIR CONDITION...	118020	02/02/18- LIBRARY HVAC PREV MAINT	HVAC	202-3004-60667	308.88
PARKOS-MARTINEZ, SHERRY A	118021	ARCHIVING SERVICES FOR LQ HISTORICAL ...	Museum Operations	202-3006-60105	3,045.00
TRULY NOLEN INC	118033	02/09/18- LIBRARY PEST CONTROL	Pest Control	202-3004-60116	74.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- MUSEUM BOOKS	Operating Supplies	202-3006-60420	642.18

Fund 202 - LIBRARY & MUSEUM FUND Total: 7,262.39

Fund: 215 - LIGHTING & LANDSCAPING FUND

BAHNSON'S MACHINE SHOP	117983	01/17/18- LAMP RINGS	Materials/Supplies	215-7004-60431	2,283.75
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Demand Register

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Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
CALIFORNIA DESERT NURSERY,...	117984	02/27/18- PLANT REPLACEMENT	Operating Supplies	215-7004-60420	484.87
COACHELLA VALLEY WATER DI...	117990	03/07/18- WATER SERVICE	Utilities - Water - Medians	215-7004-61211	415.83
COACHELLA VALLEY WATER DI...	117990	03/13/18- WATER SERVICE	Utilities - Water - Medians	215-7004-61211	4,384.44
HORIZON LIGHTING	118003	CITYWIDE LANDSCAPE LIGHTING MAINTEN...	Consultants	215-7004-60104	6,100.00
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERVICE	Utilities - Electric	215-7004-61116	5,228.34
IMPERIAL IRRIGATION DIST	118004	03/07/18- ELECTRICITY SERVICE	Utilities - Electric - Medians	215-7004-61117	2,379.99
IMPERIAL IRRIGATION DIST	118004	03/13/18- ELECTRICITY SERVICE	Utilities - Electric	215-7004-61116	502.71
IMPERIAL IRRIGATION DIST	118004	03/13/18- ELECTRICITY SERVICE	Utilities - Electric - Medians	215-7004-61117	37.50
LANDMARK GOLF MANAGEM...	118008	SILVERROCK RESORT PERIMETER LANDSC...	SilverRock Way Landscape	215-7004-60143	5,278.00
WALTERS WHOLESALE ELECTR...	118038	03/01/18- ELECTRICAL MATERIAL	Materials/Supplies	215-7004-60431	109.71
WALTERS WHOLESALE ELECTR...	118038	03/01/18- ELECTRICAL MATERIAL	Materials/Supplies	215-7004-60431	547.98
WALTERS WHOLESALE ELECTR...	118038	03/01/18- ELECTRICAL MATERIAL	Materials/Supplies	215-7004-60431	363.29
Fund 215 - LIGHTING & LANDSCAPING FUND Total:					28,116.41

Fund: 217 - DEVELOPMENT AGREEMENT

NAI CONSULTING INC	118014	FRONTIER PROPERTY WALL	Land Acquisition	217-0000-74010	145.00
Fund 217 - DEVELOPMENT AGREEMENT Total:					145.00

Fund: 224 - TUMF FUND

COACHELLA VALLEY ASSOC OF...	117988	02/2018- TUMF FEE	TUMF Payable to CVAG	224-0000-20320	163,357.29
Fund 224 - TUMF FUND Total:					163,357.29

Fund: 241 - HOUSING AUTHORITY

OFFICE TEAM	118018	02/23/18- CITY MANAGER TEMP	Temporary Agency Services	241-9101-60125	358.05
OFFICE TEAM	118018	03/02/18- CITY MANAGER TEMP	Temporary Agency Services	241-9101-60125	477.40
VINCERE INDUSTRIES, INC.	118036	03/15/18- INS DEDUCTIBLE PROPERTY 53-...	Rental Expenses	241-9103-60157	10,000.00
Fund 241 - HOUSING AUTHORITY Total:					10,835.45

Fund: 248 - SA 2004 LO/MOD BOND FUND (Refinanced in 2014)

WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- WSA MGMT MEETING	Relocation Benefits	248-9102-60159	145.00
Fund 248 - SA 2004 LO/MOD BOND FUND (Refinanced in 2014) Total:					145.00

Fund: 250 - TRANSPORTATION DIF FUND

EAST OF MADISON LLC	117993	03/15/18- ST IMPROVEMENTS AVE 54	Developer Reimbursements	250-0000-80105	40,000.00
EAST OF MADISON LLC	117993	03/15/18- RAISED LANDSCAPE IMPROVE...	Developer Reimbursements	250-0000-80105	61,818.00
EAST OF MADISON LLC	117993	03/15/18- RAISED MEDIAN IMPROVEMEN...	Developer Reimbursements	250-0000-80105	50,909.90
LENNAR HOMES OF CALIFORN...	118009	03/15/18- RAISED LANDSCAPE FRED WAR...	Developer Reimbursements	250-0000-80105	36,364.00
ND LA QUINTA PARTNERS LLC	118015	03/15/18- MADISON ST IMPROVEMENTS	Developer Reimbursements	250-0000-80105	40,000.00
ND LA QUINTA PARTNERS LLC	118015	03/15/18- AVE 52 ST & RAISED LANDSCAP...	Developer Reimbursements	250-0000-80105	65,455.00
TOLL BROS., INC.	118030	03/15/18- AVE 50 MEDIAN/CURB LANDSC...	Developer Reimbursements	250-0000-80105	47,273.00
TOLL BROS., INC.	118030	03/15/18- AVE 52 MEDIAN ISLAND IMPR...	Developer Reimbursements	250-0000-80105	25,455.00
WALMART STORES, INC C/O B...	118037	03/15/18- RAISED LANDSCAPE HWY 111 N...	Developer Reimbursements	250-0000-80105	32,727.00
Fund 250 - TRANSPORTATION DIF FUND Total:					400,001.90

Fund: 401 - CAPITAL IMPROVEMENT PROGRAMS

CNS ENGINEERS, INC	117987	CNS ENGINEERS BPMP PROJECT NO. 2017...	Technical	401-0000-60108	2,057.85
FERGUSON ENTERPRISES, INC	117997	03/01/18- CITY HALL BATHROOM MATERI...	Construction	401-0000-60188	173.95
FERGUSON ENTERPRISES, INC	117997	03/01/18- CITY HALL BATHROOM REMOD...	Construction	401-0000-60188	4,037.11
HERMANN DESIGN GROUP INC	118002	ON-CALL PROFESSIONAL SVCS	Design	401-0000-60185	3,271.25
HERMANN DESIGN GROUP INC	118002	ON-CALL PROF LANDSCAPE ARCHITECTUR...	Design	401-0000-60185	1,187.50
HERMANN DESIGN GROUP INC	118002	ON-CALL PROF LANDSCAPE ARCHITECTUR...	Design	401-0000-60185	902.50
MSA CONSULTING INC	118013	ON-CALL CONSTRUCTION SURVEYING SVC	Technical	401-0000-60108	3,900.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	1,435.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	65.00
NAI CONSULTING INC	118014	WASHINGTON ST AT FRED WARING DRIVE	Professional Services	401-0000-60103	145.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	4,219.17
NAI CONSULTING INC	118014	SB821 LQ HIGH ADA	Professional Services	401-0000-60103	290.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	2,320.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	1,015.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	4,032.50
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	2,965.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	145.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	250.00
NAI CONSULTING INC	118014	BPMP BRIDGE PREVENTATIVE MAINT PLAN	Professional Services	401-0000-60103	65.00

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Packet: APPKT01521 - DA 03/16/18

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	1,305.00
NAI CONSULTING INC	118014	CALLE TAMPICO DRAINAGE	Professional Services	401-0000-60103	1,402.50
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Professional Services	401-0000-60103	3,190.00
NAI CONSULTING INC	118014	SSAR SYS SAFETY ANALYSIS RPT	Professional Services	401-0000-60103	375.00
NAI CONSULTING INC	118014	PROFESSIONAL ENGINEERING SERVICES	Design	401-0000-60185	870.00
NEW CONSTRUCTION SOLUTI...	118016	PO#1718-0125 RETENTION 2017-03	Retention Payable	401-0000-20600	-2,742.50
NEW CONSTRUCTION SOLUTI...	118016	NEW CONSTRUCTION SOLUTIONS INC., P...	Construction	401-0000-60188	54,850.00
URBAN HABITAT ENVIRONME...	118035	PO#1718-0105 RETENTION 2016-03B	Retention Payable	401-0000-20600	-10,602.95
URBAN HABITAT ENVIRONME...	118035	NORTH LA QUINTA TURF CONVERSION - A...	Construction	401-0000-60188	212,059.00
Fund 401 - CAPITAL IMPROVEMENT PROGRAMS Total:					293,182.88
Fund: 501 - FACILITY & FLEET REPLACEMENT					
ENTERPRISE FM TRUST	117996	03/2018- FLEET LEASE CHARGES	Vehicles, Rentals & Leases	501-0000-71030	22,551.97
FUELMAN	117999	03/05/18- FUEL CHARGES	Fuel & Oil	501-0000-60674	1,292.98
INLAND POWER EQUIPMENT ...	118005	02/08/18- MOTOR OIL & FUEL	Fuel & Oil	501-0000-60674	13.03
QUINN COMPANY	118024	QUINN QAT SKID STEER LOADER	Machinery & Equipment	501-0000-80100	44,149.34
TOWER ENERGY GROUP	118032	02/26-02/28/18- UNLEAD/DIESEL FUEL	Fuel & Oil	501-0000-60674	1,179.63
Fund 501 - FACILITY & FLEET REPLACEMENT Total:					69,186.95
Fund: 502 - INFORMATION TECHNOLOGY					
TIME WARNER CABLE	118029	03/10-04/09/18- CITY HALL FIBER	Utilities - Cable	502-0000-61400	1,560.00
WELLS FARGO BUSINESS CARD	118039	02/08-02/23/18- BASECAMP	Software Licenses	502-0000-60301	50.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- CISCO SOFTWARE	Software Licenses	502-0000-60301	48.00
WELLS FARGO BUSINESS CARD	118040	01/31-02/28/18- G SUITE TRIAL	Software Licenses	502-0000-60301	180.00
Fund 502 - INFORMATION TECHNOLOGY Total:					1,838.00
Fund: 503 - PARK EQUIP & FACILITY FUND					
LANDMARK GEO-ENGINEERS &..	118007	02/08-02/21/18- CONCRETE TESTING FRIT...	Parks	503-0000-71060	910.00
Fund 503 - PARK EQUIP & FACILITY FUND Total:					910.00
Fund: 504 - INSURANCE FUND					
CALIFORNIA JOINT POWERS IN...	117985	03/12/18- REFUND OVERPYAMENT ON IN...	Claims	504-1010-60442	6,146.84
OFFICE DEPOT	118017	02/27/18-KEY BOARDS	Office Supplies	504-1010-60400	172.42
Fund 504 - INSURANCE FUND Total:					6,319.26
Fund: 601 - SILVERROCK RESORT					
CONSOLIDATED ELECTRICAL DI...	117991	02/21/18- SRR BALLAST	SilverRock Buildings	601-0000-60556	267.17
Fund 601 - SILVERROCK RESORT Total:					267.17
Grand Total:					1,162,178.54

Fund Summary

Fund	Expense Amount
101 - GENERAL FUND	179,134.32
201 - GAS TAX FUND	1,476.52
202 - LIBRARY & MUSEUM FUND	7,262.39
215 - LIGHTING & LANDSCAPING FUND	28,116.41
217 - DEVELOPMENT AGREEMENT	145.00
224 - TUMF FUND	163,357.29
241 - HOUSING AUTHORITY	10,835.45
248 - SA 2004 LO/MOD BOND FUND (Refinanced in 2014)	145.00
250 - TRANSPORTATION DIF FUND	400,001.90
401 - CAPITAL IMPROVEMENT PROGRAMS	293,182.88
501 - FACILITY & FLEET REPLACEMENT	69,186.95
502 - INFORMATION TECHNOLOGY	1,838.00
503 - PARK EQUIP & FACILITY FUND	910.00
504 - INSURANCE FUND	6,319.26
601 - SILVERROCK RESORT	267.17
Grand Total:	1,162,178.54

Account Summary

Account Number	Account Name	Expense Amount
101-0000-20304	Sales Taxes Payable	-212.71
101-0000-20310	MSHCP Mitigation Fee	25,829.75
101-0000-22811	Fire Plan Review Deposits	1,228.00
101-0000-22830	Miscellaneous Deposits	50.00
101-0000-42300	Cash Over/Short	95.00
101-0000-42402	Mechanical Permits	39.01
101-0000-42420	Fire Plan Review Fee	-702.00
101-0000-43631	CVMSHCP Admin Fee	-258.30
101-1001-60320	Travel & Training	320.13
101-1002-60420	Operating Supplies	150.08
101-1004-50252	Fitness Membership Reim...	40.00
101-1004-60320	Travel & Training	50.00
101-1005-60125	Temporary Agency Servic...	474.60
101-1006-60320	Travel & Training	282.99
101-1006-60352	Subscriptions & Publicati...	505.00
101-1006-60400	Office Supplies	76.11
101-2001-60168	School Officer	37,575.03
101-2001-60174	Blood/Alcohol Testing	20.00
101-2001-60175	Special Enforcement Funds	2,133.68
101-2001-60193	Sexual Assault Exam Fees	1,100.00
101-2002-60406	Disaster Prep Supplies	163.07
101-2002-60410	Printing	283.98
101-2002-60670	Fire Station	808.67
101-2002-61100	Utilities - Gas	270.46
101-2002-61101	Utilities - Electricity	678.05
101-2002-61200	Utilities - Water	791.97
101-3003-60149	Community Experiences	5,700.52
101-3003-60351	Membership Dues	200.00
101-3005-60320	Travel & Training	1,770.10
101-3005-61102	Utilities - Electric - Montic...	13.52
101-3005-61103	Utilities - Electric - Civic C...	1,569.87
101-3005-61105	Utilities - Electric - Fritz Bu...	1,168.06
101-3005-61106	Utilities - Electric - Sports ...	2,237.54
101-3005-61108	Utilities - Electric - Colonel...	47.85
101-3005-61109	Utilities - Electric - Comm...	4,457.35
101-3005-61110	Utilities - Electric - Adams...	56.14
101-3005-61111	Utilities - Electric - Velasco...	14.95
101-3005-61113	Utilities - Electric - Eisenh...	21.81
101-3005-61114	Utilities - Electric - Desert ...	12.94
101-3005-61201	Utilities - Water -Monticel...	725.20

Account Summary

Account Number	Account Name	Expense Amount
101-3005-61203	Utilities - Water -Eisenho...	165.08
101-3005-61204	Utilities - Water -Fritz Bur...	93.76
101-3005-61205	Utilities - Water -Velasco ...	46.30
101-3005-61206	Utilities - Water -Desert Pr..	120.65
101-3005-61207	Utilities - Water -Pioneer ...	605.03
101-3005-61208	Utilities - Water -Seasons ...	18.28
101-3005-61209	Utilities - Water -Commun...	185.52
101-3007-60410	Printing	223.44
101-3007-60461	Marketing & Tourism Pro...	62,783.11
101-3008-60116	Pest Control	47.00
101-3008-60431	Materials/Supplies	1,848.70
101-3008-60691	Maintenance/Services	1,270.00
101-3008-61100	Utilities - Gas	644.92
101-3008-61101	Utilities - Electricity	7,211.61
101-3008-61200	Utilities - Water	93.49
101-6002-60352	Subscriptions & Publicati...	108.75
101-6004-60120	Lot Cleaning	310.00
101-7006-60104	Consultants	13,292.50
101-7006-60146	PM 10 - Dust Control	36.06
101-7006-60427	Safety Gear	241.70
201-7003-60429	Traffic Control Signs	409.91
201-7003-60431	Materials/Supplies	49.60
201-7003-61101	Utilities - Electricity	815.50
201-7003-61701	Equipment Rental	201.51
202-3004-60116	Pest Control	74.00
202-3004-60667	HVAC	308.88
202-3004-61100	Utilities - Gas	144.06
202-3004-61101	Utilities - Electricity	2,284.89
202-3006-60105	Museum Operations	3,045.00
202-3006-60420	Operating Supplies	642.18
202-3006-61101	Utilities - Electricity	637.30
202-3006-61200	Utilities - Water	126.08
215-7004-60104	Consultants	6,100.00
215-7004-60143	SilverRock Way Landscape	5,278.00
215-7004-60420	Operating Supplies	484.87
215-7004-60431	Materials/Supplies	3,304.73
215-7004-61116	Utilities - Electric	5,731.05
215-7004-61117	Utilities - Electric - Media...	2,417.49
215-7004-61211	Utilities - Water - Medians	4,800.27
217-0000-74010	Land Acquisition	145.00
224-0000-20320	TUMF Payable to CVAG	163,357.29
241-9101-60125	Temporary Agency Servic...	835.45
241-9103-60157	Rental Expenses	10,000.00
248-9102-60159	Relocation Benefits	145.00
250-0000-80105	Developer Reimbursemen...	400,001.90
401-0000-20600	Retention Payable	-13,345.45
401-0000-60103	Professional Services	23,219.17
401-0000-60108	Technical	5,957.85
401-0000-60185	Design	6,231.25
401-0000-60188	Construction	271,120.06
501-0000-60674	Fuel & Oil	2,485.64
501-0000-71030	Vehicles, Rentals & Leases	22,551.97
501-0000-80100	Machinery & Equipment	44,149.34
502-0000-60301	Software Licenses	278.00
502-0000-61400	Utilities - Cable	1,560.00
503-0000-71060	Parks	910.00
504-1010-60400	Office Supplies	172.42
504-1010-60442	Claims	6,146.84

Account Summary

Account Number	Account Name	Expense Amount
601-0000-60556	SilverRock Buildings	267.17
	Grand Total:	1,162,178.54

Project Account Summary

Project Account Key	Expense Amount	
None	465,948.76	
091002P	2,320.00	
091004P	2,965.00	
111205P	4,219.17	
141517P	145.00	
151603P	4,032.50	
151612P	3,852.50	
1718CPMD	870.00	
1718PMPP	1,305.00	
201601P	250.00	
201602P	65.00	
201603CT	212,059.00	
201603D	2,090.00	
201603P	3,190.00	
201603RP	-10,602.95	
201603T	3,900.00	
201608D	3,271.25	
201701P	145.00	
201702DEV	400,001.90	
201703CT	54,850.00	
201703FFE	4,211.06	
201703RP	-2,742.50	
201705P	290.00	
201707P	65.00	
201707T	2,057.85	
201708P	375.00	
ARCHIVEE	3,045.00	
	Grand Total:	1,162,178.54



City of La Quinta, CA

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Packet: APPKT01524 - JD 3/16/18

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
Fund: 101 - GENERAL FUND					
PALMS TO PINES PRINTING	118042	3/2/18- MISSION LQ EVENT	Marketing & Tourism Promoti...	101-3007-60461	266.38
Fund 101 - GENERAL FUND Total:					266.38
Fund: 221 - AB 939 - CALRECYCLE FUND					
PALMS TO PINES PRINTING	118042	2/23/18-RECYCLING GIVEAWAY PROMO A...	AB 939 Recycling Solutions	221-0000-60127	874.17
PALMS TO PINES PRINTING	118042	2/23/18- RECYCLE GIVEAWAY PROMO AB ...	AB 939 Recycling Solutions	221-0000-60127	2,845.29
Fund 221 - AB 939 - CALRECYCLE FUND Total:					3,719.46
Grand Total:					3,985.84

Fund Summary

Fund	Expense Amount
101 - GENERAL FUND	266.38
221 - AB 939 - CALRECYCLE FUND	3,719.46
Grand Total:	3,985.84

Account Summary

Account Number	Account Name	Expense Amount
101-3007-60461	Marketing & Tourism Pro...	266.38
221-0000-60127	AB 939 Recycling Solutions	3,719.46
Grand Total:		3,985.84

Project Account Summary

Project Account Key	Expense Amount
None	3,985.84
Grand Total:	3,985.84



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Packet: APPKT01533 - DA 03/23/18

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
Fund: 101 - GENERAL FUND					
ADVANCED IMAGING SOLUTI...	118043	03/02/18-03/01/19- TYPEWRITER MAINT ...	Prepaid Expense	101-0000-13600	303.06
ADVANCED IMAGING SOLUTI...	118043	03/02/18-03/01/19- TYPEWRITER MAINT ...	Typewriters	101-1007-60663	151.52
ATCO MANUFACTURING COM...	118044	03/02/18- NITRILE GLOVES TAX	Sales Taxes Payable	101-0000-20304	-17.50
BERETTO, LUCILLA	118046	03/19/18- PILATES	Instructors	101-3002-60107	288.00
BOYS & GIRLS CLUB OF COACH...	118047	CDBG FUNDING SUB-RECIPIENT FOR 17/18...	Boys & Girls Club	101-3001-60135	8,670.00
CALPERS LONG-TERM CARE P...	118048	LONG TERM CARE	LT Care Insurance Pay	101-0000-20949	196.05
COHEN, ANN MARIE	118049	03/19/18- SUN STYLE TAI CHI	Instructors	101-3002-60107	533.40
COUNTS UNLIMITED INC	118051	ON CALL TRAFFIC DATA COLLECTION	Traffic Counts/Studies	101-7006-60145	560.00
DAIOHS FIRST CHOICE SERVICES	118052	03/12/18- CITYWIDE COFFEE SUPPLIES	Citywide Conf Room Supplies	101-1007-60403	189.55
DAIOHS FIRST CHOICE SERVICES	118052	03/15/18- CITYWIDE COFFEE SUPPLIES	Citywide Conf Room Supplies	101-1007-60403	209.53
DEPARTMENT OF JUSTICE	118053	02/22/18- BLOOD ANALYSIS	Blood/Alcohol Testing	101-2001-60174	70.00
DESERT SUN, THE	118055	04/2018- SUBSCRIPTION SERVICE	Subscriptions & Publications	101-6001-60352	48.93
DESERT SUN, THE	118055	04/2018- SUBSCRIPTION SERVICE	Subscriptions & Publications	101-3002-60352	65.58
EISENHOWER OCCUPATIONAL...	118056	02/23/18- RANDOM TESTING	Consultants	101-1004-60104	165.00
ESGIL CORPORATION	118057	ON CALL BUILDING PLAN REVIEW & INSPE...	Plan Checks	101-6003-60118	705.00
FIRE SPRINKLER SYSTEMS, INC	118059	03/20/18- FIRE INSP RNFD FAA2017-0041,...	Fire Plan Review Deposits	101-0000-22811	1,228.00
FIRE SPRINKLER SYSTEMS, INC	118059	03/20/18- FIRE INSP RNFD FAA2017-0041,...	Fire Plan Review Fee	101-0000-42420	-468.00
GIZMO BEACH	118062	02/09/18- WEBSITE UPDATE REMAINING ...	Community Experiences	101-3003-60149	850.00
KEPLER, KRISTOFFER	118066	03/19/18- PERSONAL TRAINER	Instructors	101-3002-60107	520.00
LA QUINTA HISTORICAL SOCIE...	118067	02/09/18- TOAST OF LA QUINTA TICKET S...	Due to Other Agencies	101-0000-20300	1,751.30
MCLEAN COMPANY	118068	02/08/18-REFUND APPLICATION VOIDED ...	Temporary Use Permit	101-0000-42439	257.00
MCLEAN COMPANY	118068	02/08/18-REFUND APPLICATION VOIDED	Credit Card Fee Revenue	101-0000-43505	4.63
MEDEIROS, JOYCELEEN	118069	03/19/18- TAI CHI CHUAN	Instructors	101-3002-60107	269.50
MORENO, ANTHONY	118071	04/30/2018- EXCEL TRAINING REGISTRATI...	Travel & Training	101-6004-60320	79.00
OFFICE DEPOT	118074	02/16/18- POLICE BUSINESS CARDS	LQ Police Volunteers	101-2001-60109	241.43
OFFICE DEPOT	118074	02/16/18- POLICE BUSINESS CARDS	LQ Police Volunteers	101-2001-60109	80.48
OFFICE DEPOT	118074	03/07/18- 8 1/2X11 CITYWIDE COPY PAPER	Forms	101-1007-60402	363.31
OFFICE TEAM	118075	03/09/18- CC TEMP SERVICES	Temporary Agency Services	101-1005-60125	474.60
ONTRAC	118076	03/03/18- OVERNIGHT MAIL	Postage	101-1007-60470	13.18
PALM SPRINGS PRIDE	118077	05/18/18- PROCLAMATION PRESENTING	Travel & Training	101-1001-60320	65.00
PALM SPRINGS VACATION H...	118078	03/05/18- REFUND TOT OVERPAYMENT	Cash Over/Short	101-0000-42300	62.88
POWERS AWARDS INC	118080	03/08/18- PILLARS OF COMMUNITY BRASS..	Community Experiences	101-3003-60149	253.31
RADEVA, MONIKA	118081	03/13-03/16/18- IIMC SERIES 200 REIMB	Travel & Training	101-1005-60320	598.69
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- POLICE SERVICE BP#4	Sheriff Patrol	101-2001-60161	622,864.09
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- PATROL DUTY OT	Police Overtime	101-2001-60162	13,066.51
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- TARGET TEAM	Target Team	101-2001-60163	133,357.25
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- COMMUNITY SERVICES ...	Community Services Officer	101-2001-60164	50,414.00
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- GANG TASK FORCE	Gang Task Force	101-2001-60166	12,316.80
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- NARCOTICS TASK FORCE	Narcotics Task Force	101-2001-60167	12,316.80
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- MOTOR OFFICER	Motor Officer	101-2001-60169	84,771.96
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- DEDICATED SARGEANT	Dedicated Sargeant	101-2001-60170	33,190.10
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- DEDICATED LIEUTENANT	Dedicated Lieutenant	101-2001-60171	14,126.56
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- SHERIFF MILEAGE	Sheriff - Mileage	101-2001-60172	31,699.94
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- SPECIAL ENFORCEMENT ...	Special Enforcement Funds	101-2001-60175	3,754.94
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- SHERIFF PATROL	Sheriff Patrol	101-2001-60161	605,220.64
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- PATROL DUTY OT	Police Overtime	101-2001-60162	18,729.77
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- TARGET TEAM	Target Team	101-2001-60163	124,418.71
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- COMMUNITY SERVIC...	Community Services Officer	101-2001-60164	51,577.40
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- GANG TASK FORCE	Gang Task Force	101-2001-60166	12,316.80
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- NARCOTICS TASK FO...	Narcotics Task Force	101-2001-60167	12,316.80
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- MOTOR OFFICER	Motor Officer	101-2001-60169	87,222.85
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- DEDICATED SARGEA...	Dedicated Sargeant	101-2001-60170	34,822.40
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- DEDICATED LIEUTEN...	Dedicated Lieutenant	101-2001-60171	20,180.80

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Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- SHERIFF MILEAGE	Sheriff - Mileage	101-2001-60172	34,073.48
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- SPECIAL ENFORCEM...	Special Enforcement Funds	101-2001-60175	10,713.88
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- SHERIFF PATROL	Sheriff Patrol	101-2001-60161	645,870.99
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- PATROL DUTY OT	Police Overtime	101-2001-60162	30,473.13
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- TARGET TEAM	Target Team	101-2001-60163	132,636.40
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- COMMUNITY SERVICES ...	Community Services Officer	101-2001-60164	50,318.16
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- GANG TASK FORCE	Gang Task Force	101-2001-60166	12,316.80
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- NARCOTICS TASK FORCE	Narcotics Task Force	101-2001-60167	12,316.80
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- MOTOR OFFICER	Motor Officer	101-2001-60169	87,799.53
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- DEDICATED SARGEANT	Dedicated Sargeant	101-2001-60170	34,822.40
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- DEDICATED LIEUTENANT	Dedicated Lieutenant	101-2001-60171	18,162.72
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- SHERIFF MILEAGE	Sheriff - Mileage	101-2001-60172	34,277.81
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- SPECIAL ENFORCEMENT ...	Special Enforcement Funds	101-2001-60175	6,357.15
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- POLICE SERVICE BP #05	Sheriff Patrol	101-2001-60161	633,968.31
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- PATROL DUTY OT	Police Overtime	101-2001-60162	17,139.17
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- TARGET TEAM	Target Team	101-2001-60163	114,398.90
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- COMMUNITY SERVICES ...	Community Services Officer	101-2001-60164	49,583.00
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- GANG TASK FORCE	Gang Task Force	101-2001-60166	12,316.80
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- NARCOTICS TASK FORCE	Narcotics Task Force	101-2001-60167	12,316.80
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- MOTOR OFFICER	Motor Officer	101-2001-60169	83,979.03
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- DEDICATED SARGEANT	Dedicated Sargeant	101-2001-60170	35,910.60
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- DEDICATED LIEUTENANT	Dedicated Lieutenant	101-2001-60171	15,135.60
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- SHERIFF MILEAGE	Sheriff - Mileage	101-2001-60172	33,205.24
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- SPECIAL ENFORCEMENT ...	Special Enforcement Funds	101-2001-60175	3,049.16
RIVERSIDE DEPARTMENT OF C...	118086	GARNISHMENT	Garnishments Payable	101-0000-20985	200.00
ROADRUNNER POOLS INC	118087	01/31/18- REFUND CANCELLED PERMIT	Miscellaneous Permits	101-0000-42404	10.00
ROADRUNNER POOLS INC	118087	01/31/18- REFUND CANCELLED PERMIT	Credit Card Fee Revenue	101-0000-43505	0.18
ROADRUNNER POOLS INC	118087	01/31/18- REFUND CALCELLED PERMIT	Miscellaneous Permits	101-0000-42404	10.00
ROADRUNNER POOLS INC	118087	01/31/18- REFUND CALCELLED PERMIT	Credit Card Fee Revenue	101-0000-43505	0.18
ROJAS, MIGUEL ANGEL	118088	03/19/18 TAEKWONDO	Instructors	101-3002-60107	1,166.20
ROYAL GYM SERVICES, LLC	118089	03/13/18- WC GYM PREVENATIVE MAINT	Operating Supplies	101-3002-60420	315.00
RUTAN & TUCKER	118090	800890- MCVEIGH CEQA	Developer Deposits	101-0000-22810	31,258.09
RUTAN & TUCKER	118090	800892- GUNNETT FPPC	Attorney	101-1003-60153	24.00
RUTAN & TUCKER	118090	800882- RETAINER MATTER	Attorney	101-1003-60153	11,000.00
RUTAN & TUCKER	118090	800891- DUNE PALMS PRJT ROW ACQ	Attorney	101-1003-60153	717.50
RUTAN & TUCKER	118090	800880- CODE ENFORCEMENT	Attorney	101-1003-60153	5,421.42
RUTAN & TUCKER	118090	800877- GENERAL ACCOUNT	Attorney	101-1003-60153	20,997.12
RUTAN & TUCKER	118090	800883- GENERAL IP	Attorney	101-1003-60153	67.00
RUTAN & TUCKER	118090	800879- LITIGATION GENERAL	Attorney/Litigation	101-1003-60154	520.39
RYAN, JOAN FRANCIS	118091	03/19/18- WATERCOLOR	Instructors	101-3002-60107	189.00
SALCEDO, KATHLEEN KENNEDY	118092	03/19/18- ZUMBA	Instructors	101-3002-60107	182.00
SHIRY, TERESA	118093	03/19/18- BALLROOM DANCING	Instructors	101-3002-60107	450.80
SNYDER, JANICE	118094	03/19/18- PERSONAL TRAINER	Instructors	101-3002-60107	569.60
SPARKMAN, STANLEY KEITH	118095	03/19/18- COMPUTER LITERACY	Instructors	101-3002-60107	180.00
STAPLES ADVANTAGE	118096	02/27/18- FLASH DRIVES & SUPPLIES	Office Supplies	101-7003-60400	98.91
STAPLES ADVANTAGE	118096	03/09/18- MUSEUM & IT SUPPLIES	Office Supplies	101-3001-60400	193.00
STAPLES ADVANTAGE	118096	03/09/18- OFFICE SUPPLIES	Operating Supplies	101-1004-60420	1.90
STAPLES ADVANTAGE	118096	03/09/18- OFFICE SUPPLIES	Office Supplies	101-3001-60400	23.26
STAPLES ADVANTAGE	118096	03/23/18- COBRA FOLDER FILES	Office Supplies	101-1004-60400	30.77
STAPLES ADVANTAGE	118096	03/13/18- OFFICE SUPPLIES	Operating Supplies	101-6001-60420	56.13
STAPLES ADVANTAGE	118096	03/13/18- OFFICE SUPPLIES	Operating Supplies	101-6006-60420	53.46
TIME WARNER CABLE	118097	03/16-04/15/18- FS #32 CABLE	Utilities - Cable	101-2002-61400	70.12
TIME WARNER CABLE	118097	03/05-04/04/18- FS #32 CABLE	Utilities - Cable	101-2002-61400	3.16
TIME WARNER CABLE	118097	03/03-04/02/18- FS#93 CABLE SERVICE	Utilities - Cable	101-2002-61400	119.98
TIME WARNER CABLE	118097	03/2018- FS #32 INTERNET	Utilities - Cable	101-2002-61400	59.99
TRUE, ARTHUR ALLEN	118099	03/19/18- SUNSET YOGA	Instructors	101-3002-60107	156.80
UNITED WAY OF THE DESERT	118101	CONTRIBUTION	United Way Deductions	101-0000-20981	62.00
WILLDAN	118104	ON-CALL TRAFFIC ENGINEERING SERVICES	Contract Traffic Engineer	101-7006-60144	2,447.24
WILLDAN	118104	ON-CALL TRAFFIC ENGINEERING SERVICES	Contract Traffic Engineer	101-7006-60144	1,404.50
XPRESS GRAPHICS	118105	03/12/18- EVENT SIGNS	Printing	101-3007-60410	97.98

Demand Register

Packet: APPKT01533 - DA 03/23/18

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
YOUNG ENGINEERING SVC	118106	Young Engineering- On-Call Building Inspe...	Plan Checks	101-6003-60118	1,532.50
Fund 101 - GENERAL FUND Total:					4,198,299.59
Fund: 201 - GAS TAX FUND					
AUTOZONE	118045	03/13/18- DRIP TRAY	Materials/Supplies	201-7003-60431	11.84
TOPS'N BARRICADES INC	118098	03/06/18- REFLECTIVE GLASS BEADS	Materials/Supplies	201-7003-60431	31.54
Fund 201 - GAS TAX FUND Total:					43.38
Fund: 202 - LIBRARY & MUSEUM FUND					
STAPLES ADVANTAGE	118096	03/09/18- MUSEUM & IT SUPPLIES	Operating Supplies	202-3006-60420	14.13
STAPLES ADVANTAGE	118096	03/09/18- OFFICE SUPPLIES	Operating Supplies	202-3006-60420	15.20
Fund 202 - LIBRARY & MUSEUM FUND Total:					29.33
Fund: 212 - SLESA (COPS) FUND					
RIVERSIDE COUNTY SHERIFF D...	118082	09/14-10/11/17- COPS BURGLARY/THEFT ...	COPS Burglary/Theft Preventi...	212-0000-60179	1,649.33
RIVERSIDE COUNTY SHERIFF D...	118083	12/07/17-01/03/18- COPS BURG/THEFT P...	COPS Burglary/Theft Preventi...	212-0000-60179	18,369.89
RIVERSIDE COUNTY SHERIFF D...	118084	11/09-12/06/17- COPS BURGLARY/THEFT ...	COPS Burglary/Theft Preventi...	212-0000-60179	12,537.66
RIVERSIDE COUNTY SHERIFF D...	118085	10/12-11/08/17- COPS BURGLARY/THEFT ...	COPS Burglary/Theft Preventi...	212-0000-60179	12,537.65
Fund 212 - SLESA (COPS) FUND Total:					45,094.53
Fund: 215 - LIGHTING & LANDSCAPING FUND					
ATCO MANUFACTURING COM...	118044	03/02/18- NITRILE GLOVES	Materials/Supplies	215-7004-60431	238.31
FASTENAL COMPANY	118058	11/14/17- ELECTRICAL MATERIALS	Materials/Supplies	215-7004-60431	12.93
HORIZON LIGHTING	118064	01/23/18- ELECTRICAL SERVICE	Consultants	215-7004-60104	979.30
TRULY NOLEN INC	118100	03/13/18- BEE REMOVAL	Maintenance/Services	215-7004-60691	150.00
WALTERS WHOLESALE ELECTR...	118103	02/23/18- ELECTRICAL MATERIAL	Materials/Supplies	215-7004-60431	686.37
WALTERS WHOLESALE ELECTR...	118103	03/25/18- ELECTRICAL MATERIAL	Materials/Supplies	215-7004-60431	1,264.24
Fund 215 - LIGHTING & LANDSCAPING FUND Total:					3,331.15
Fund: 221 - AB 939 - CALRECYCLE FUND					
PALMS TO PINES PRINTING	118079	03/14/18- RECYCLED COFFEE TUMBLER	AB 939 Recycling Solutions	221-0000-60127	1,606.52
Fund 221 - AB 939 - CALRECYCLE FUND Total:					1,606.52
Fund: 241 - HOUSING AUTHORITY					
OFFICE TEAM	118075	03/09/18- HA TEMP SERVICE	Temporary Agency Services	241-9101-60125	477.40
RUTAN & TUCKER	118090	800881- HOUSING AUTH MISC	Attorney	241-9101-60153	2,077.50
Fund 241 - HOUSING AUTHORITY Total:					2,554.90
Fund: 270 - ART IN PUBLIC PLACES FUND					
METALREVELATIONS	118070	APP PURCHASE - 3 PLAQUES & 1 SCULPTU...	Art Purchases	270-0000-74800	6,750.00
Fund 270 - ART IN PUBLIC PLACES FUND Total:					6,750.00
Fund: 401 - CAPITAL IMPROVEMENT PROGRAMS					
DESERT BUSINESS INTERIORS	118054	03/14/18- OFFICE FURNITURE	Construction	401-0000-60188	2,755.73
NEW CONSTRUCTION SOLUTI...	118073	PO# 1718-0125 RETENTION 2017-03	Retention Payable	401-0000-20600	-2,627.75
NEW CONSTRUCTION SOLUTI...	118073	NEW CONSTRUCTION SOLUTIONS INC., P...	Construction	401-0000-60188	52,555.00
Fund 401 - CAPITAL IMPROVEMENT PROGRAMS Total:					52,682.98
Fund: 501 - FACILITY & FLEET REPLACEMENT					
HONDA YAMAHA OF REDLAN...	118063	03/07/18- MOTOR ST1300 REPAIR	Motorcycle Repair & Mainten...	501-0000-60679	194.82
MOUNTAIN VIEW TIRE	118072	03/07/18- C.O.P FORD EXPLORER REPAIR	Vehicle Repair & Maintenance	501-0000-60676	950.44
Fund 501 - FACILITY & FLEET REPLACEMENT Total:					1,145.26
Fund: 502 - INFORMATION TECHNOLOGY					
CONVERGEONE, INC	118050	FY 17/18 RIM MGMT INFORMATION TEC...	Consultants	502-0000-60104	13,050.00
FRONTIER-INTERNET	118060	03/04-04/03/18- DSL SERVICE	Utilities - Cable	502-0000-61400	177.64
INNOVATIVE DOCUMENT SOL...	118065	12/01/17-02/28/18- COPIER CONTRACT	Copiers	502-0000-60662	6,937.46
STAPLES ADVANTAGE	118096	03/09/18- MUSEUM & IT SUPPLIES	Operating Supplies	502-0000-60420	29.34
TIME WARNER CABLE	118097	02/15-03/14/18- CABLE SERVICE	Utilities - Cable	502-0000-61400	130.19
VERIZON WIRELESS	118102	02/26-03/25/18- LQPD WIRELESS	Technical	502-0000-60108	978.82
Fund 502 - INFORMATION TECHNOLOGY Total:					21,303.45
Fund: 601 - SILVERROCK RESORT					
GARDAWORLD	118061	02/2018- SRR ARMORED SERVICE	Bank Fees	601-0000-60455	7.50
GARDAWORLD	118061	02/2018- SRR ARMORED SERVICE	Bank Fees	601-0000-60455	55.20
Fund 601 - SILVERROCK RESORT Total:					62.70
Grand Total:					4,332,903.79

Fund Summary

Fund	Expense Amount
101 - GENERAL FUND	4,198,299.59
201 - GAS TAX FUND	43.38
202 - LIBRARY & MUSEUM FUND	29.33
212 - SLESA (COPS) FUND	45,094.53
215 - LIGHTING & LANDSCAPING FUND	3,331.15
221 - AB 939 - CALRECYCLE FUND	1,606.52
241 - HOUSING AUTHORITY	2,554.90
270 - ART IN PUBLIC PLACES FUND	6,750.00
401 - CAPITAL IMPROVEMENT PROGRAMS	52,682.98
501 - FACILITY & FLEET REPLACEMENT	1,145.26
502 - INFORMATION TECHNOLOGY	21,303.45
601 - SILVERROCK RESORT	62.70
Grand Total:	4,332,903.79

Account Summary

Account Number	Account Name	Expense Amount
101-0000-13600	Prepaid Expense	303.06
101-0000-20300	Due to Other Agencies	1,751.30
101-0000-20304	Sales Taxes Payable	-17.50
101-0000-20949	LT Care Insurance Pay	196.05
101-0000-20981	United Way Deductions	62.00
101-0000-20985	Garnishments Payable	200.00
101-0000-22810	Developer Deposits	31,258.09
101-0000-22811	Fire Plan Review Deposits	1,228.00
101-0000-42300	Cash Over/Short	62.88
101-0000-42404	Miscellaneous Permits	20.00
101-0000-42420	Fire Plan Review Fee	-468.00
101-0000-42439	Temporary Use Permit	257.00
101-0000-43505	Credit Card Fee Revenue	4.99
101-1001-60320	Travel & Training	65.00
101-1003-60153	Attorney	38,227.04
101-1003-60154	Attorney/Litigation	520.39
101-1004-60104	Consultants	165.00
101-1004-60400	Office Supplies	30.77
101-1004-60420	Operating Supplies	1.90
101-1005-60125	Temporary Agency Servic...	474.60
101-1005-60320	Travel & Training	598.69
101-1007-60402	Forms	363.31
101-1007-60403	Citywide Conf Room Suppl..	399.08
101-1007-60470	Postage	13.18
101-1007-60663	Typewriters	151.52
101-2001-60109	LQ Police Volunteers	321.91
101-2001-60161	Sheriff Patrol	2,507,924.03
101-2001-60162	Police Overtime	79,408.58
101-2001-60163	Target Team	504,811.26
101-2001-60164	Community Services Offic...	201,892.56
101-2001-60166	Gang Task Force	49,267.20
101-2001-60167	Narcotics Task Force	49,267.20
101-2001-60169	Motor Officer	343,773.37
101-2001-60170	Dedicated Sargeant	138,745.50
101-2001-60171	Dedicated Lieutenant	67,605.68
101-2001-60172	Sheriff - Mileage	133,256.47
101-2001-60174	Blood/Alcohol Testing	70.00
101-2001-60175	Special Enforcement Funds	23,875.13
101-2002-61400	Utilities - Cable	253.25
101-3001-60135	Boys & Girls Club	8,670.00
101-3001-60400	Office Supplies	216.26
101-3002-60107	Instructors	4,505.30
101-3002-60352	Subscriptions & Publicati...	65.58

Account Summary

Account Number	Account Name	Expense Amount
101-3002-60420	Operating Supplies	315.00
101-3003-60149	Community Experiences	1,103.31
101-3007-60410	Printing	97.98
101-6001-60352	Subscriptions & Publicati...	48.93
101-6001-60420	Operating Supplies	56.13
101-6003-60118	Plan Checks	2,237.50
101-6004-60320	Travel & Training	79.00
101-6006-60420	Operating Supplies	53.46
101-7003-60400	Office Supplies	98.91
101-7006-60144	Contract Traffic Engineer	3,851.74
101-7006-60145	Traffic Counts/Studies	560.00
201-7003-60431	Materials/Supplies	43.38
202-3006-60420	Operating Supplies	29.33
212-0000-60179	COPS Burglary/Theft Prev...	45,094.53
215-7004-60104	Consultants	979.30
215-7004-60431	Materials/Supplies	2,201.85
215-7004-60691	Maintenance/Services	150.00
221-0000-60127	AB 939 Recycling Solutions	1,606.52
241-9101-60125	Temporary Agency Servic...	477.40
241-9101-60153	Attorney	2,077.50
270-0000-74800	Art Purchases	6,750.00
401-0000-20600	Retention Payable	-2,627.75
401-0000-60188	Construction	55,310.73
501-0000-60676	Vehicle Repair & Mainte...	950.44
501-0000-60679	Motorcycle Repair & Main...	194.82
502-0000-60104	Consultants	13,050.00
502-0000-60108	Technical	978.82
502-0000-60420	Operating Supplies	29.34
502-0000-60662	Copiers	6,937.46
502-0000-61400	Utilities - Cable	307.83
601-0000-60455	Bank Fees	62.70
Grand Total:		4,332,903.79

Project Account Summary

Project Account Key	Expense Amount
None	4,248,962.72
16-013E	31,258.09
201703CT	52,555.00
201703FFE	2,755.73
201703RP	-2,627.75
Grand Total:	4,332,903.79



City of La Quinta, CA

Payment Reversal Register

APPKT01522 - DA 03/15/18

Canceled Payables

Vendor Set: 01 - Vendor Set 01

Bank: APBNK - APBNK

Vendor Number	Vendor Name				Total Vendor Amount
08329	PALMS TO PINES PRINTING				-3,985.84
Payment Type	Payment Number	Original Payment Date	Reversal Date	Cancel Date	Payment Amount
Check	117944	03/09/2018	03/15/2018	03/15/2018	-3,985.84
Payable Number:	Description	Payable Date	Due Date	Payable Amount	
209CLQE-FA-R	02/23/18- RECYCLING GIVEAWAYS AB 939	02/23/2018	03/09/2018	874.17	
210CLQPT-FA-R	02/23/18- RECYCLING GIVEAWAYS AB 939	02/23/2018	03/09/2018	2,845.29	
223CLOSP-FA-R	03/02/18- MISSION LQ EVENT	03/02/2018	03/09/2018	266.38	

Bank Code Summary

Bank Code	Canceled Payables	Payables Left To Pay Again	Total
APBNK	-3,985.84	0.00	-3,985.84
Report Total:	-3,985.84	0.00	-3,985.84

City of La Quinta

Attachment 2

Bank Transactions 3/10/18 – 3/23/18

Wire Transaction

Listed below are the wire transfers from 3/10/18 – 3/23/18

Wire Transfers:

03/12/2018 - WIRE TRANSFER - LA QUINTA HOUSING AUTHORITY	\$ 1,536,201.34
03/13/2018 - WIRE TRANSFER - TASC	\$ 1,224.96
03/19/2018 - WIRE TRANSFER - LANDMARK	\$ 163,791.89
03/23/2018 - WIRE TRANSFER - PERS	\$ 36,881.05
03/23/2018 - WIRE TRANSFER - ICMA	\$ 5,909.53
03/23/2018 - WIRE TRANSFER - LQCEA	\$ 486.00
TOTAL WIRE TRANSFERS OUT	<u>\$ 1,744,494.77</u>

[Click here to return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: APPROVE REIMBURSEMENT AGREEMENT WITH THE COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS FOR DESIGN AND CONSTRUCTION OF THE WASHINGTON STREET INTERSECTION WITH FRED WARING DRIVE (PROJECT NO. 2017-01)

RECOMMENDATION

Approve reimbursement agreement with the Coachella Valley Association of Governments for the design and construction of the Washington Street intersection with Fred Waring Drive Project and authorize the City Manager to execute the agreement.

EXECUTIVE SUMMARY

- The estimated cost of the Design and Construction Phases of the Washington Street Intersection with Fred Waring Drive Project (Project) is \$1,860,745.
- As a part of its regional share, the Coachella Valley Association of Governments (CVAG) will reimburse the City 75% of the Project cost (not-to-exceed \$1,395,555).
- Staff will work with the Cities of Palm Desert and Indian Wells to prepare a separate reimbursement agreement for the remaining 25% of the Project cost. La Quinta will pay 50% of the local agency costs with Palm Desert and Indian Wells splitting the other 50%.
- Project construction is estimated to start in summer of 2019, but must commence within two years of execution of this agreement (Agreement) (Attachment 1).

FISCAL IMPACT

The City would pay \$232,595. This represents 50% of the local agency costs and is based on the City's percentage of ownership Project of this intersection. The remaining 50% of the local cost would be shared by the cities of Palm Desert and Indian Wells. The City's share is budgeted in the Capital Improvement Program.

BACKGROUND/ANALYSIS

The proposed project will create triple left turn lanes on all four approaches to the Washington Street and Fred Waring Drive intersection. The work will include the adjustment of median curb locations and the reconstruction of curb, gutter and sidewalk at the intersection corners.

The most recent update to the City's general plan acknowledged that Washington Street has operational deficiencies. Staff determined that placing triple left turn lanes at critical intersections would help traffic flow and has successfully placed triple lefts at the intersections of Calle Tampico, Eisenhower Drive and Highway 111.

The Project was proposed to the cities of Palm Desert and Indian Wells. Both cities voiced support for adding an additional left turn lane on all approaches to the intersection to help with traffic flow and to reduce delays at the intersection. An intersection improvements analysis was submitted to CVAG and the executive committee approved the project on February 26, 2018.

ALTERNATIVES

Council may choose not to approve the agreement. This would require the local agencies to pay the full cost of the project.

Prepared by: Bryan McKinney, P.E., City Engineer
Approved by: Chris Escobedo, Acting City Manager

Attachment: 1. Agency Reimbursement Agreement

**AGENCY REIMBURSEMENT AGREEMENT
BY AND BETWEEN CVAG AND THE CITY OF LA QUINTA**

WASHINGTON STREET INTERSECTION WITH FRED WARING DRIVE

THIS AGREEMENT is made and entered into this 26th day of February, 2018, by and between the **City of La Quinta ("Agency")**, and the **Coachella Valley Association of Governments**, a California joint powers agency, ("**CVAG**"), and is made with reference to the following background facts and circumstances:

RECITALS

The "Coachella Valley Area Transportation Study", a valley-wide study prepared under the auspices of CVAG, has identified various transportation and highway projects throughout the Coachella Valley to be projects of regional importance. This intersection is listed in the 2016 Transportation Project Prioritization Study (TPPS) document as part of the Traffic Signal Interconnect Master Plan; and,

Approval of a highway financing measure by the voters of Riverside County in November of 1988, as well as the approval of an extension of Measure A by the voters in November of 2002, has created a source of funds with which to construct such projects; and,

CVAG by agreement with its member agencies and with the Riverside County Transportation Commission ("RCTC"), has been designated as the agency through which such funds are to be conveyed and disbursed for the purpose of completing said regional transportation projects; and,

CVAG Executive Committee, on July 31, 2006, approved the implementation of the amended Transportation Uniform Mitigation Fee "TUMF" Fee Ordinance to increase the collected TUMF Fee, effective January 1, 2007; and,

Under CVAG's policy of funding eligible projects with member jurisdictions, effective January 1, 2007, the responsible jurisdiction(s) will be responsible for paying Twenty-five Percent (25%) of the Project costs (the Local Share), as well as any ineligible project costs, and CVAG will be responsible for Seventy-five Percent (75%) of eligible Project costs (the Regional Share). Historically, the CVAG Regional Share has been paid as a reimbursement to the Jurisdiction, as invoices are submitted and approved; and,

Agency desires to proceed with the **Design and Construction phases of the project known as WASHINGTON STREET INTERSECTION WITH FRED WARING DRIVE PROJECT**. The estimated cost of the Design and Construction Phases of the Project is **\$1,860,745**. CVAG's share of the Project cost is not-to-exceed **\$1,395,555**, being 75% of the anticipated Regional Share of the Project costs.

Agency will work with the City of Palm Desert and the City of Indian Wells in the design and construction of this Project, and will develop and execute a separate agreement assigning proportional cost shares of the \$465,190 25% local share of the Project. Agency

will be responsible for the administration of this separate funding agreement.

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, the parties do agree as follows:

1. The program embodied in this agreement for the reimbursement of funds by CVAG shall apply only to those regional arterial projects that have heretofore been identified in CVAG's TPPS. The Project is one of the intersections contained within the Traffic Signal Interconnect Master Plan identified in the TPPS, and is therefore eligible.

2. The Project is generally described as and consists of the following: **Engineering and Design phases of the project known as WASHINGTON STREET INTERSECTION WITH FRED WARING DRIVE PROJECT.** These services will hereinafter be referred to as the "Project".

Any excess property purchased to secure the necessary right-of-way for the Project will be shared between the Agency and the Regional Arterial Program proportionately according to the funding of the purchase by each jurisdiction participating in the Project.

3. The scope of work of the Project is more particularly described in Exhibit "A", entitled "Scope of Services " attached hereto and made a part hereof. The cost estimate for the Project is more particularly described in Exhibit "B" - "Estimate of Cost", attached hereto and made a part hereof. The cost estimates include a calculation intended to allow Agency to recover an amount representing the time of its employed staff in working on the Project as well as amount Agency shall pay to outside contractors in connection with the Project. The amount of the Jurisdiction One-Quarter and the CVAG Three-Quarters shall be calculated by reference to the cost estimates as shown on Exhibit "B" unless amended pursuant to the provisions of Paragraph 6.

This Agreement shall establish a Time Trigger, which will require the start of the Construction Phase of the Project, must begin within two years of the date of execution of the Reimbursement Agreement with the City of La Quinta.

4. It is the agreement between CVAG and Agency that of the total estimated cost of the Project Design and Construction Phases of the project will be approximately \$1,860,745, CVAG' Regional Share will equal \$1,395,555, and the Local share shall be \$465,190, as well as one-hundred percent (100%) of all costs not eligible for reimbursement by CVAG. This Agreement shall establish that CVAG may decline or delay regional funds should it be determined that such action is necessary to maintain a minimum balance of regional funds.

5. Agency agrees to seek reimbursement of seventy-five percent of only those costs which are eligible for reimbursement by CVAG, as outlined in the CVAG Policies and Procedures Manual for the Regional Arterial Program, as most recently amended.

6. Agency shall be responsible for initial payment of all covered costs as they are incurred. Following payment of such costs, Agency shall submit invoices to CVAG requesting reimbursement of seventy-five percent of those eligible costs associated with the Project. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to Agency, and documents evidencing Agency's payment of the invoices or demands for payment. Agency shall also submit a Project Completion Report, in a form acceptable to CVAG, with each statement. Agency shall submit invoices not more often than monthly and not less often than quarterly.

6.1 Upon receipt of an invoice from Agency, CVAG may request additional documentation or explanation of the Project costs. Undisputed reimbursement amounts shall be paid by CVAG to Agency within thirty (30) days.

6.2 If a post-payment audit or review indicates that CVAG has Provided reimbursement to Agency in an amount in excess of Seventy-five Percent of eligible costs, or has provided reimbursement of ineligible Project costs, Agency shall reimburse CVAG for the excess or ineligible payments within thirty (30) days of notification by CVAG.

7. Prior to any final payment to Agency by CVAG, a final report shall be submitted to CVAG by Agency containing a record of all payments made for said Project and the source of funds of all such payments, together with a record of all change orders, cost over-runs, and other expenses incurred. Final payment will thereafter be paid by CVAG in accordance with its rules, regulations and policies concerning project cost determination and expense eligibility.

8. The format used for all bids solicited by Agency for the Project shall require itemization sufficient to allow quantities of each bid item to be easily discernible.

9. The parties agree that should unforeseen circumstances arise which result in new work not covered in Exhibit "A," an increase of any costs over those shown in Exhibit "B," or other changes in the Scope of Work are proposed, CVAG will in good faith consider an amendment to this Agreement to provide for further appropriate reimbursement if the proposed amendment is in accordance with the policies, procedures, and cost determination/expense eligibility criteria adopted by CVAG. Non-substantive changes may be made to this agreement subject to CVAG's General Counsel's approval.

10. Agency shall maintain an accounting of all funds received from CVAG pursuant to this Agreement in accordance with generally accepted accounting principles. Agency agrees to keep all Project contracts and records for a period of not less than three years from the date a notice of completion is filed by the Agency on such Project; or, if the Project is not one as to which a notice of completion would normally be recorded, for three years from the date of completion. Agency shall permit CVAG, at any reasonable time, upon reasonable notice, to inspect any records maintained in connection with the Project. CVAG shall have no duty to make any such inspection and shall not incur any liability or obligation by reason of making or not making any such inspection.

11. The occurrence of any one or more of the following events shall, at CVAG's option, constitute an event of default and Agency shall provide CVAG with immediate notice thereof.

11.1 Any warranty, representation, statement, report or certificate made or delivered to CVAG by Agency or any of Agency's officers, employees or agents now or hereafter which is incorrect, false, untrue or misleading in any material respect;

11.2 Agency shall fail to pay, perform or comply with, or otherwise shall breach, any obligation, warranty, term or condition in this Agreement or any amendment to this Agreement, or any agreement delivered in connection with the Project; or,

11.3 There shall occur any of the following: dissolution, termination of existence or insolvency of Agency; the commencement of any proceeding under any bankruptcy or insolvency law by or against Agency; entry of a court order which enjoins, restrains or in any way prevents Agency from paying sums owed to creditors.

12. No waiver of any Event of Default or breach by one party hereunder shall be implied from any omission by the other party to take action on account of such default, and no express waiver shall affect any default other than the default specified in the waiver and the waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by one party to or of any act by the other party shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent or similar act.

13. This Agreement is made and entered into for the sole protection and benefit of CVAG and Agency and no third person shall have any right of action under this Agreement.

14. It is the intent of the Agency and CVAG that the Project be represented as being funded by Measure "A"/TUMF funds. All public notices, news releases, and documents shall indicate that the Project is being cooperatively developed by the Agency, RCTC, and CVAG using Measure "A"/TUMF funds. Prior to initiation of on-site construction, Agency agrees to provide at least one "Project Sign" to be placed in a safe and visible location near the site of construction so that all travelers passing the location have the opportunity to observe who the agencies are that are providing funds for the construction of the Project. CVAG's Policy and Procedures Manual provides a guide for Project Sign format.

15. This Agreement is for funding purposes only and nothing herein shall be construed so as to constitute CVAG as a party to the construction or in ownership or a partner or joint venturer with Agency as to the Project. The Agency shall assume the defense of, indemnify and hold harmless CVAG, its member agencies, and their respective officers, directors, agents, employees, servants, attorneys, and volunteers, and each and every one of them, from and against all actions, damages, claims, losses and expenses of every type and description to which they may be subjected or put by

reason of or resulting from the actions or inactions of the Agency related to the Project or taken in the performance of this Agreement or any agreement entered into by Agency with reference to the Project. CVAG shall assume the defense of, indemnify and hold harmless the Agency, its officers, directors, agents, employees, servants, attorneys, and volunteers, and each of them, from and against all actions, damages, claims, losses, and expenses of every type and description to which they may be subjected or put by reason of or resulting from the actions of CVAG taken in the performance of this Agreement.

16. Agency agrees to include in its contract specifications and bid documents a requirement that all prime contractors shall name CVAG and its member agencies as "also insured" on all liability insurance coverage required by Agency on each contract. Agency will provide a copy of the Insurance Certificate to CVAG, depicting CVAG and its member agencies as "also insureds," within 30 days of signing a contract with the prime contractor.

17. Any dispute concerning a question of fact arising under this Agreement that is not disposed of by voluntary negotiations between the parties shall first be decided by the CVAG Executive Director or designee, who may consider any written or verbal evidence submitted by Agency. This decision shall be issued in writing. However, no action in accordance with this Section shall in any way limit either party's rights and remedies through actions in a court of law with appropriate jurisdiction. Neither the pendency of dispute nor its consideration by CVAG will excuse Agency from full and timely performance in accordance with the terms of this Agreement.

18. Any agency receiving federal funds must have an approved Disadvantaged Business Enterprise program. All recipients of Federal Highway Administration (FHWA) funds must carry out the provisions of Part 26, Title 49 of the Code of Federal Regulations (CFR) which established the Federal Department of Transportation's policy supporting the fullest possible participation of firms owned and controlled by minorities and women in the Department of Transportation programs. Except to the extent that such or other contrary federal regulations may apply, Agency covenants that, by and for itself and all persons claiming under or through it, there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the performance of this Agreement.

19. Agency warrants that all aspects of the Project shall be undertaken in compliance with all applicable local, state and federal rules, regulations and laws. Agency will execute and deliver to CVAG such further documents and do other acts and things as CVAG may reasonably request in order to comply fully with all applicable requirements and to effect fully the purposes of this Agreement.

20. This Agreement may not be assigned without the express written consent of CVAG first being obtained.

21. Agency, its successors in interest and assigns shall be bound by all the provisions contained in this Agreement.

22. No officer or employee of CVAG shall be personally liable to Agency, or any successor in interest, in the event of any default or breach by CVAG or for any amount with may become due to Agency or to its successor, or for breach of any obligation of the terms of this Agreement.

23. Notwithstanding any other provision herein, CVAG shall not be liable for payment or reimbursement of any sums for which CVAG has not first obtained the necessary and appropriate funding from TUMF and/or Measure "A" monies.

24. No officer or employee of CVAG shall have any personal interest, direct or indirect, in this Agreement; nor shall any such officer or employee participate in any decision relating to this Agreement which effects his or her personal interest or the interest of any corporation, partnership or association in which she or he is, directly or indirectly, interested, in violation of any state, federal or local law.

25. Agency warrants that the funds received by CVAG pursuant to this Agreement shall only be used in a manner consistent with CVAG's reimbursement policy and all applicable regulations and laws. Any provision required to be included in this type of agreement by federal or state law shall be deemed to be incorporated into this Agreement.

26. All notices or other communications required or permitted hereunder shall be in writing and shall be either personally delivered (which shall include delivery by means of professional overnight courier service which confirms receipt in writing, such as Federal Express or UPS); sent by telecopier or facsimile machine capable of confirming transmission and receipt; or sent by certified or registered mail, return receipt requested, postage prepaid to the following parties at the following addresses or numbers:

if to **the City of La Quinta:** Frank J. Spevacek
City Manager
City of La Quinta
78-495 Calle Tampico
La Quinta, CA 92253
Telephone: (760) 777-7000

If to **CVAG:** CVAG
73-710 Fred Waring Drive
Palm Desert, CA 92260
Telephone: (760) 346-1127

Notices sent in accordance with this paragraph shall be deemed delivered upon the next business day following the: (i) date of delivery as indicated on the written confirmation of delivery (if sent by overnight courier service); (ii) the date of actual receipt (if personally delivered by other means); (iii) date of transmission (if sent by telecopier or facsimile machine); or (iv) the date of delivery as indicated on the return receipt if sent by certified or registered mail, return receipt requested. Notice of change of address shall be given by written notice in the manner detailed in this paragraph.

27. This Agreement and the exhibits herein contain the entire agreement between the parties, and is intended by the parties to completely state the agreement in full. Any agreement or representation respecting the matter dealt with herein or the duties of any party in relation thereto, not expressly set forth in this Agreement, is null and void.

28. If any term, provision, condition, or covenant of this Agreement, or the application thereof to any party or circumstance, shall to any extent be held invalid or unenforceable, the remainder of the instrument, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

29. In the event either party hereto brings an action or proceeding for a declaration of the rights of the parties, for injunctive relief, for an alleged breach or default, or any other action arising out of this Agreement, or the transactions contemplated hereby, the prevailing party in any such action shall be entitled to an award of reasonable attorneys' fees and costs incurred in such action or proceeding, in addition to any other damages or relief awarded, regardless of whether such action proceeds to final judgment.

30. Time is of the essence in this Agreement, and each and every provision hereof in which time is an element.

31. This Agreement and all documents provided for herein shall be governed by and construed in accordance with the laws of the State of California. Any litigation arising from this Agreement shall be adjudicated in the courts of Riverside County, Desert Judicial District, State of California.

32. Agency warrants that the execution, delivery and performance of this Agreement and any and all related documents are duly authorized and do not require the further consent or approval of any body, board or commission or other authority.

33. This Agreement may be executed in one or more counterparts and when a counterpart shall have been signed by each party hereto, each shall be deemed an original, but all of which constitute one and the same instrument.

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

The parties hereto have caused this Reimbursement Agreement to be executed by their duly authorized representatives on the above-referenced date.

ATTEST:

AGENCY:

CITY OF LA QUINTA

By: _____
City Manager

By: _____
Mayor

CVAG

By: _____
Tom Kirk
Executive Director

By: 
Marion Ashley
CVAG Chair

EXHIBIT "A"

SCOPE OF SERVICES

**AGENCY REIMBURSEMENT AGREEMENT
BY AND BETWEEN CVAG AND THE CITY OF LA QUINTA**

WASHINGTON STREET INTERSECTION WITH FRED WARING DRIVE

The Scope of Services for this Project includes the Design and Construction Phases of the Project.

EXHIBIT "B"

**AGENCY REIMBURSEMENT AGREEMENT
BY AND BETWEEN CVAG AND THE CITY OF LA QUINTA**

WASHINGTON STREET INTERSECTION WITH FRED WARING DRIVE

The total estimated cost of the Project Approval/Environmental Document Phase of the Project is \$1,860,745.

In accordance with CVAG policy, CVAG agrees to pay 75% of the qualified project costs, in this case estimated as not-to-exceed \$1,395,555.

The City of La Quinta as Lead Agency agrees to invoice CVAG for 75% of the eligible project costs.

The proportional cost shares for the City of Indian Wells and the City of Palm Desert for the Project will be established in a separate agreement that will be administered by the Agency.

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: ACCEPT ON-SITE IMPROVEMENTS ASSOCIATED WITH THE MADISON CLUB RESIDENTIAL DEVELOPMENT (TRACT MAP NO. 33076-2) LOCATED SOUTH OF AVENUE 52, EAST OF MADISON STREET, AND WEST OF MONROE STREET

RECOMMENDATION

Accept the on-site improvements associated with Tract Map No. 33076-2, the Madison Club; authorize Staff to release the performance security; and direct Staff to release the labor and materials security 90 days after City Council acceptance of the improvements.

EXECUTIVE SUMMARY

- The Madison Club residential development is located south of Avenue 52, east of Madison Street, and west of Monroe Street (Attachment 1).
- East of Madison, LLC (Developer) has requested release of the performance, labor and materials securities.
- Since all on-site improvements have been completed, Staff recommends acceptance and release of the performance, labor, and materials securities.

FISCAL IMPACT – None.

BACKGROUND/ANALYSIS

The Developer has completed all on-site improvements required by Tract Map No. 33076-2. The improvements include grading, pavement, curb and gutter, curb ramps, signing and striping, storm drains, catch basins, water and sewer improvements, landscaping, and survey monumentation. Staff inspected the improvements and verified they meet City-approved plans and standards.

ALTERNATIVES

Staff does not recommend an alternative action.

Prepared by: Bryan McKinney, P.E., City Engineer

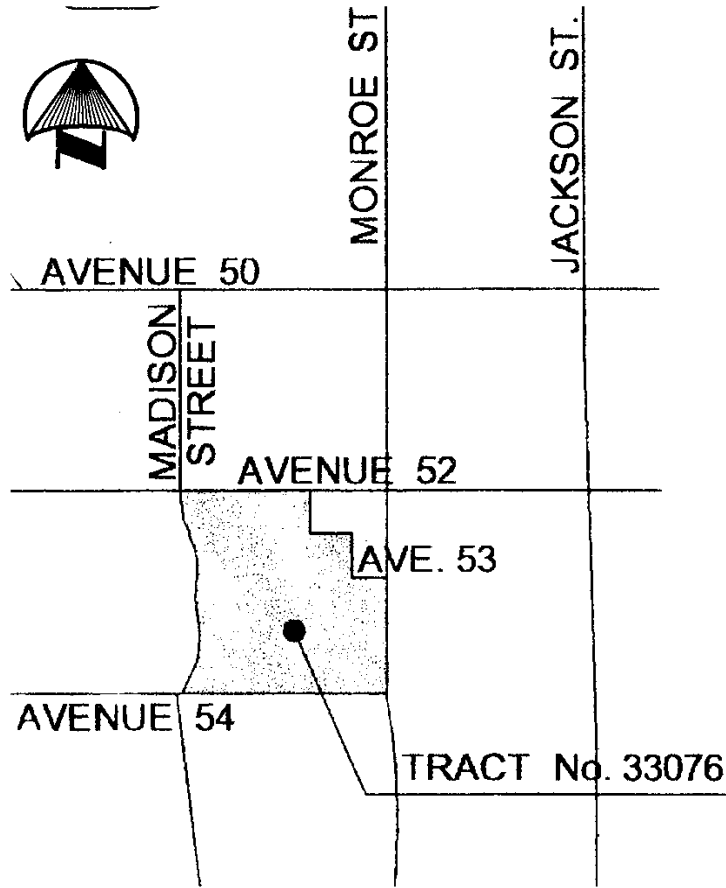
Approved by: Chris Escobedo, Acting City Manager

Attachment: 1. Vicinity Map

[Click here to return to Agenda](#)

ATTACHMENT 2

TM 33076-2 THE MADISON CLUB



VICINITY MAP

NOT TO SCALE

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City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: ADOPT A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO EXECUTE A SIDE LETTER AGREEMENT WITH LA QUINTA CITY EMPLOYEE ASSOCIATION IMPLEMENTING THE CITY'S EMPLOYEE PERFORMANCE ONLY PAY PLAN

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a Side Letter Agreement with La Quinta City Employee Association implementing the City's Employee Performance Only Pay Plan.

EXECUTIVE SUMMARY

- The City's Performance Only Pay Plan will recognize employees' performance with incentives for employee success, retention, and professional development.
- The Performance Only Pay Plan will open the salary schedule beyond the job rate to incorporate discretionary performance only steps, "Merit Max."
- The City met and conferred with the La Quinta City Employees Association (LQCEA) and reached agreement on a Side Letter Agreement.

FISCAL IMPACT

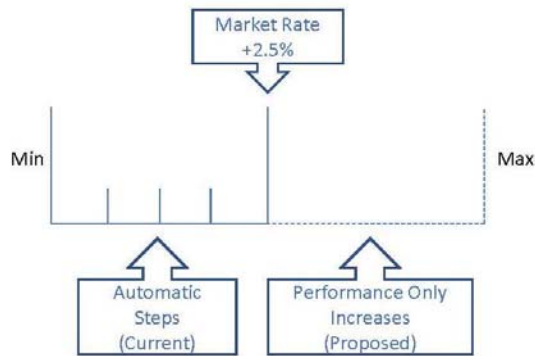
The 2018 Class and Compensation Study report and Labor Negotiations will determine the fiscal impact of the implementation of the Performance Only Pay Plan ("Plan"). Staff anticipates findings from the 2018 Class and Compensation Study and Labor Negotiations to be finalized by June 2018.

BACKGROUND/ANALYSIS

The City's mission is to be a high performing organization that provides optimal programs and services to residents and businesses. Retaining and attracting high performing employees is critical to achieving the City's objectives and is dependent upon ensuring the City has in place a comprehensive compensation and performance reward program for employees.

The proposed Plan would allow for employees at job rate whose performance exceeds the standard for the job class to be eligible for a one-time award or a performance only increase to their base compensation (Merit Max Salary Schedule). The performance only increase is not an automatic increase to an employee's salary. Employees must meet all requirements before being granted the award. LQCEA and

the City have agreed to meet and confer to establish policies and guidelines for the proposed Plan.



Implementation of the Plan will help the City to reduce CalPERS pension costs and retain high performing employees. The LQCEA and the City met and agreed to the attached Side Letter Agreement.

ALTERNATIVES

Council could elect not to adopt the resolution approving the proposed Side Letter Agreement between LQCEA and the City. Doing so would impact the upcoming negotiation process between the City and LQCEA.

Prepared by: Angela Scott, Human Resources Analyst
Approved by: Chris Escobedo, Acting City Manager

RESOLUTION NO. 2018 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A SIDE LETTER AGREEMENT WITH LA QUINTA CITY EMPLOYEES ASSOCIATION TO IMPLEMENT PERFORMANCE ONLY PAY PLAN

WHEREAS, the purpose of the City’s Performance Only Pay Plan is to support the success and retention of productive employees and to encourage and reward activities that promote the City’s mission, vision and values as a highly performing organization; and

WHEREAS, the City desires to retain individuals who are customer oriented, demonstrate initiative, are team players, and accept responsibility, authority and accountability for work performance. The City believes that incentives are critical if the employees are to be successful in achieving the mission, goals and objectives of the City; and

WHEREAS, the City will offer appropriate developmental and advancement opportunities and recognize performance with incentives for employee success, retention and professional development. The City will administer this in an open, fair, and equitable fashion; and

WHEREAS, employees who receive “Exceeds Expectations” rating will be eligible for performance pay in the form of a one-time award or base salary increase dependent on guidelines to be negotiated.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta, California, as follows:

The City Manager is authorized to execute a Side Letter Agreement (Exhibit A) with La Quinta City Employees Association implementing the Performance Only Pay Plan.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta City Council held on this 3rd day of April 2018, by the following vote:

AYES:

NOES:

ABSENT:

Resolution No. 2018-
Performance Only Pay Plan
Adopted: April 3, 2018
Page 2 of 2

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

SUSAN MAYSELS, City Clerk
City of La Quinta, California

(CITY SEAL)

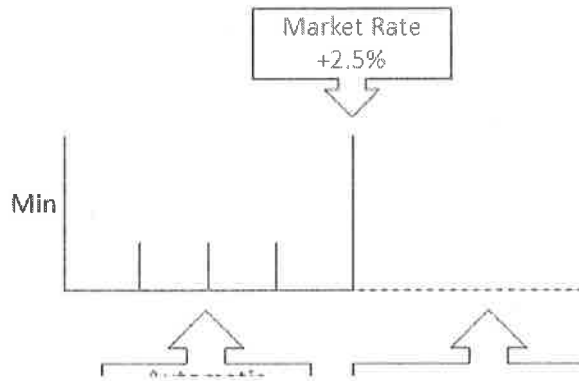
APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

**LETTER OF AGREEMENT BETWEEN THE CITY OF LA QUINTA AND
THE LA QUINTA CITY EMPLOYEES ASSOCIATION
RE: PERFORMANCE ONLY PAY PLAN**

The City of La Quinta (CITY) and the La Quinta City Employees Association (LQCEA), hereby agree as follows:

1. The City's Performance Only Pay Plan is to support the success and retention of productive employees and to encourage and reward activities that promote the City's mission, vision and values as a highly performing organization.
2. The City desires to retain individuals who are customer oriented, demonstrate initiative, are team players, and accept responsibility, authority and accountability for work performance.
3. The City believes that incentives are critical if the employees are to be successful in achieving the mission, goals and objectives of the City. The City will offer appropriate developmental and advancement opportunities and recognize performance with incentives for employee success, retention and professional development. The City will administer this in an open, fair, and equitable fashion.
4. Employees who receive "Exceeds Expectations" rating will be eligible for performance pay in the form of a one-time award or base salary increase dependent on guidelines to be negotiated.



5. The parties agree to meet and confer on this item for creation of policies and guidelines pertaining to the Performance Only Pay plan.

WE AGREE TO THE ABOVE:

CITY

Frank J. Spevacek, City Manager

Dated: _____

LQCEA

Moises Rodarte

Moises Rodarte, LQCEA President

Dated: 3/28/18

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City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION TO RECLASSIFY VARIOUS POSITIONS

RECOMMENDATION

Adopt a Resolution to reclassify the Accountant, Administrative Technician, Customer Services Manager, Deputy City Clerk, Human Resources Analyst, Management Specialist, Marketing & Events Supervisor, and Permit Operations Supervisor positions.

EXECUTIVE SUMMARY

- As a part of their review of the city's classification and compensation system, Fox Lawson identified 16 positions that have evolved since the original classification system was implemented.
- Fox Lawson has requested that 3 positions receive amended pay grades and 5 positions receive title and classification changes.
- These actions will reflect the appropriate classifications of work being performed by staff.

FISCAL IMPACT

Annual salary and benefit costs associated with these changes are estimated at \$42,500. Implementation of changes would be effective April 16, 2018 and be an additional \$8,860 cost to the current fiscal budget. Funds are available in the savings from the employee contingency account. Funds for 2017/18 are available in the Contingency for Staffing account (101-1007-50115).

BACKGROUND/ANALYSIS

Since September 2017 the City has been working with Fox Lawson on the 2018 Classification and Compensation update. This process includes the identification of positions that may need to be classified differently due to role changes since the original classification study in 2014.

The position assessment was done by providing Position Description Questionnaires to 16 identified staff. Those questionnaires were then reviewed by the consultant and follow up questions were made to staff where needed. The following recommendations were received from Fox Lawson:

POSITION	CURRENT GRADE	RECOMMENDED GRADE	NEW TITLE
Accountant	B32	B25	N/A
Administrative Technician	B21	B22	Management Assistant
Customer Services Manager	D61	C43	Management Analyst
Deputy City Clerk	B24	B25	N/A
Human Resources Analyst	C42	D61	Human Resources Manager
Management Specialist	B24	B25	N/A
Marketing & Events Supervisor	B24	C41	Marketing Management Coordinator
Permit Operations Supervisor	B32	C42	Management Analyst

With the implementation of these changes, staff will be aligned with the correct classification for the duties they are performing.

The City's Classification Plan and Salary Schedule establish job classifications and salary schedules. The Plan and Schedule were adopted via Council resolution and amendments require Council action.

ALTERNATIVES

The Council could elect to delay, modify, or reject the requested revisions. Doing so would impact the ability to continue to deliver internal and external services, and comply with regulatory requirements.

Prepared by: Chris Escobedo, Community Resources Director

Approved by: Frank J. Spevacek, City Manager

RESOLUTION NO. 2018 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, AMENDING THE PAY GRADE OF ACCOUNTANT MANAGEMENT SPECIALIST AND DEPUTY CITY CLERK, AND WORKING TITLES AND CLASSIFICATIONS OF MARKETING & EVENTS SUPERVISOR TO MARKETING MANAGEMENT COORDINATOR; ADMINISTRATIVE TECHNICIAN TO MANAGEMENT ASSISTANT; PERMIT OPERATIONS SUPERVISOR TO MANAGEMENT ANALYST; HUMAN RESOURCES ANALYST TO HUMAN RESOURCES MANAGER; AND CUSTOMER SERVICES MANAGER TO MANAGEMENT ANALYST

WHEREAS, the City Council previously approved and adopted the 2017/18 Classification Plan; and

WHEREAS, the City's Personnel Policy Section 2.05, Preparation and Amendment of Classification Plan, requires amendments to the Classification Plan be adopted by a Resolution of the City Council; and

WHEREAS, amendment of the Accountant, Deputy City Clerk, Management Specialist, Marketing & Events Supervisor, Administrative Technician, Permit Operations Supervisor, Human Resources Analyst, and Customer Services Manager will allow the City to continue to achieve benefits, efficiencies and expanded duties.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta, California, as follows:

SECTION 1. The City does hereby approve and adopt the revisions to the Classification Plan for Fiscal Year 2017/18, attached hereto as Exhibit A and incorporated herein by reference.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta City Council held on this 3rd day of April, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

SUSAN MAYSELS, City Clerk
City of La Quinta, California

(CITY SEAL)

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California



2017/18 Salary Schedule

Working Title	Rating		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Administrative									
Administrative/Office Assistant	A11	Annually	38,625.89	40,557.18	42,488.47	44,419.77	46,351.06		
Administrative Technician	B21	Annually	50,249.87	52,762.36	55,274.86	57,787.35	60,299.84		
Executive Assistant	B22	Annually	54,120.65	56,826.68	59,532.71	62,238.75	64,944.78		
Code Administration									
Building Inspector I	B22	Annually	\$54,120.65	\$56,826.68	\$59,532.71	\$62,238.75	\$64,944.78		
Code Compliance Officer I	B22	Annually	\$54,120.65	\$56,826.68	\$59,532.71	\$62,238.75	\$64,944.78		
Permit Technician	B22	Annually	\$54,120.65	\$56,826.68	\$59,532.71	\$62,238.75	\$64,944.78		
Code Compliance Officer II	B23	Annually	\$57,991.44	\$60,891.01	\$63,790.59	\$66,690.16	\$69,589.73		
Building Inspector II	B23	Annually	\$57,991.44	\$60,891.01	\$63,790.59	\$66,690.16	\$69,589.73		
Construction Inspection	B23	Annually	\$57,991.44	\$60,891.01	\$63,790.59	\$66,690.16	\$69,589.73		
Animal Control/Code Compliance Officer Supervisor	B32	Annually	\$68,650.63	\$72,083.16	\$75,515.70	\$78,948.23	\$82,380.76		
Permit Operations Supervisor	B32	Annually	\$68,650.63	\$72,083.16	\$75,515.70	\$78,948.23	\$82,380.76		
Plans Examiner/Inspector Supervisor	B32	Annually	\$68,650.63	\$72,083.16	\$75,515.70	\$78,948.23	\$82,380.76		
Construction Manager/Inspections Supervisor	C43	Annually	\$77,989.82	\$81,239.65	\$84,489.49	\$87,739.33	\$90,989.16	\$94,235.10	\$97,487.27
Maintenance and Operations									
Buildings Worker	A11	Annually	\$38,625.89	\$40,557.18	\$42,488.47	\$44,419.77	\$46,351.06		
Maintenance Worker I	A11	Annually	\$38,625.89	\$40,557.18	\$42,488.47	\$44,419.77	\$46,351.06		
Parks Worker	A11	Annually	\$38,625.89	\$40,557.18	\$42,488.47	\$44,419.77	\$46,351.06		
Maintenance Worker II	A12	Annually	\$42,496.68	\$44,621.51	\$46,746.35	\$48,871.18	\$50,996.01		
Traffic Signal Technician	B21	Annually	\$50,249.87	\$52,762.36	\$55,274.86	\$57,787.35	\$60,299.84		
Buildings Coordinator	B23	Annually	\$57,991.44	\$60,891.01	\$63,790.59	\$66,690.16	\$69,589.73		
Maintenance Foreman	B24	Annually	\$62,838.64	\$65,980.57	\$69,122.51	\$72,264.44	\$75,406.37		
Parks Foreman	B24	Annually	\$62,838.64	\$65,980.57	\$69,122.51	\$72,264.44	\$75,406.37		
Buildings Superintendent	B32	Annually	\$68,650.63	\$72,083.16	\$75,515.70	\$78,948.23	\$82,380.76		
Parks Superintendent	B32	Annually	\$68,650.63	\$72,083.16	\$75,515.70	\$78,948.23	\$82,380.76		
Management Administration									
Community Resources Coordinator	B21	Annually	\$50,249.87	\$52,762.36	\$55,274.86	\$57,787.35	\$60,299.84		
Management Assistant	B21	Annually	\$50,249.87	\$52,762.36	\$55,274.86	\$57,787.35	\$60,299.84		
Account Technician	B22	Annually	\$54,120.65	\$56,826.68	\$59,532.71	\$62,238.75	\$64,944.78		
Finance Assistant	B22	Annually	\$54,120.65	\$56,826.68	\$59,532.71	\$62,238.75	\$64,944.78		
Vacation Rental/License Assistant	B22	Annually	\$54,120.65	\$56,826.68	\$59,532.71	\$62,238.75	\$64,944.78		
Management Assistant	B22	Annually	\$54,120.65	\$56,826.68	\$59,532.71	\$62,238.75	\$64,944.78		
Deputy City Clerk	B24	Annually	\$62,838.64	\$65,980.57	\$69,122.51	\$72,264.44	\$75,406.37		
Junior Accountant	B24	Annually	\$62,838.64	\$65,980.57	\$69,122.51	\$72,264.44	\$75,406.37		
Management Specialist	B24	Annually	\$62,838.64	\$65,980.57	\$69,122.51	\$72,264.44	\$75,406.37		
Marketing and Events Supervisor	B24	Annually	\$62,838.64	\$65,980.57	\$69,122.51	\$72,264.44	\$75,406.37		
Deputy City Clerk	B25	Annually	\$68,650.63	\$72,083.16	\$75,515.70	\$78,948.23	\$82,380.76		
Management Specialist	B25	Annually	\$68,650.63	\$72,083.16	\$75,515.70	\$78,948.23	\$82,380.76		
Accountant	B32-B25	Annually	\$68,650.63	\$72,083.16	\$75,515.70	\$78,948.23	\$82,380.76		
Marketing Management Coordinator	C41	Annually	\$70,557.91	\$73,498.06	\$76,438.21	\$79,378.36	\$82,318.51	\$85,255.13	\$88,197.39

EXHIBIT A



2017/18 Salary Schedule

Working Title	Rating	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	
<i>Continued on Next Page</i>									
Management Administration (continued)									
Associate Planner	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Business Analyst	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Community Resources Analyst	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Financial Services Analyst	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Human Resources Analyst	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Management Analyst	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Public Safety Analyst	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Senior Accountant	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Traffic Operations Analyst	C42	Annually	\$74,273.87	\$77,368.86	\$80,463.85	\$83,558.84	\$86,653.83	\$89,745.11	\$92,842.33
Management Analyst	C43	Annually	\$77,989.82	\$81,239.65	\$84,489.49	\$87,739.33	\$90,989.16	\$94,235.10	\$97,487.27
Senior Planner	C44	Annually	\$82,643.13	\$86,086.87	\$89,530.61	\$92,974.35	\$96,418.09	\$99,857.70	\$103,303.91
Management									
Building Official	D61	Annually	\$92,875.95	\$96,746.10	\$100,616.24	\$104,486.38	\$108,356.52	\$112,222.02	\$116,094.94
Community Resources Manager	D61	Annually	\$92,875.95	\$96,746.10	\$100,616.24	\$104,486.38	\$108,356.52	\$112,222.02	\$116,094.94
Customer Service Center Manager	D61	Annually	\$92,875.95	\$96,746.10	\$100,616.24	\$104,486.38	\$108,356.52	\$112,222.02	\$116,094.94
Human Resources Manager	D61	Annually	\$92,875.95	\$96,746.10	\$100,616.24	\$104,486.38	\$108,356.52	\$112,222.02	\$116,094.94
Maintenance Manager	D61	Annually	\$92,875.95	\$96,746.10	\$100,616.24	\$104,486.38	\$108,356.52	\$112,222.02	\$116,094.94
Planning Manager	D61	Annually	\$92,875.95	\$96,746.10	\$100,616.24	\$104,486.38	\$108,356.52	\$112,222.02	\$116,094.94
Public Safety Manager	D61	Annually	\$92,875.95	\$96,746.10	\$100,616.24	\$104,486.38	\$108,356.52	\$112,222.02	\$116,094.94
Senior Civil Engineer	D61	Annually	\$92,875.95	\$96,746.10	\$100,616.24	\$104,486.38	\$108,356.52	\$112,222.02	\$116,094.94
City Clerk	D62	Annually	\$97,519.75	\$101,583.40	\$105,647.05	\$109,710.70	\$113,774.34	\$117,833.12	\$121,899.69
City Engineer	D65	Annually	\$112,891.31	\$117,595.49	\$122,299.67	\$127,003.85	\$131,708.03	\$136,406.57	\$141,114.13
Community Resources Director	E82	Annually	\$124,462.66	\$129,649.01	\$134,835.37	\$140,021.73	\$145,208.09	\$150,388.23	\$155,578.32
Design and Development Director/Engineer	E82	Annually	\$124,462.66	\$129,649.01	\$134,835.37	\$140,021.73	\$145,208.09	\$150,388.23	\$155,578.32
Facilities Director	E82	Annually	\$124,462.66	\$129,649.01	\$134,835.37	\$140,021.73	\$145,208.09	\$150,388.23	\$155,578.32
Finance Director/Treasurer	E82	Annually	\$124,462.66	\$129,649.01	\$134,835.37	\$140,021.73	\$145,208.09	\$150,388.23	\$155,578.32
City Manager	F101*	Annually	\$168,260.80	\$175,272.23	\$182,283.66	\$189,295.08	\$196,306.51	\$203,309.52	\$210,326.00
Part-Time Employees									
Recreation Leader	A01	Hourly	\$11.00	\$11.55	\$12.10	\$12.65	\$13.20		
Senior Recreation Leader	A02	Hourly	\$15.00	\$15.75	\$16.50	\$17.25	\$18.00		
Office Assistant	A11	Hourly	\$18.57	\$19.50	\$20.43	\$21.36	\$22.28		
Administrative Technician	B21	Hourly	\$24.16	\$25.37	\$26.57	\$27.78	\$28.99		
Plans Examiner	B24	Hourly	\$30.21	\$31.72	\$33.23	\$34.74	\$36.25		
Software Program Report Writer	B24	Hourly	\$30.21	\$31.72	\$33.23	\$34.74	\$36.25		
Elected Official Positions									
Mayor		Monthly	\$2,800.00						
Council Members		Monthly	\$2,300.00						



2017/18 Salary Schedule

Working Title	Rating	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Boards and Commission Members								
Meeting Stipend								
Community Services Commission	Per Meeting		\$75.00					
Construction Appeals Board	Per Meeting		\$0.00					
Housing Commission	Per Meeting		\$50.00					
Financial Advisory Commission	Per Meeting		\$75.00					
Oversight Board	Per Meeting		\$0.00					
Planning Commission	Per Meeting		\$100.00					

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 CITY OF LA QUINTA
 AUTHORIZED POSITIONS
 EFFECTIVE APRIL 16, 2018

CLASSIFICATION SPECIFICATION	AUTHORIZED WORKING TITLE	RATING
<u>Administrative</u>	Administrative Assistant	Administrative/Office Assistant A11
	Administrative Technician	Administrative Technician B21
		Executive Assistant B22
<u>Code Administration</u>	Code Administration Technician	Building Inspector I B22
		Code Compliance Officer I B22
		Permit Technician B22
	Code Administration Specialist	Building Inspector II B23
		Code Compliance Officer II B23
		Construction Inspector B23
	Code Administration Supervisor	Animal Control/Code Compliance Supervisor B32
		Permit Operations Supervisor B32
	Code Administration Coordinator	Plans Examiner/Inspection Supervisor B32
		Construction Manager/Inspection Supervisor C43
<u>Maintenance & Operations</u>	Maintenance & Operations Worker	Buildings Worker A11
		Maintenance Worker I A11
		Parks Worker A11
		Maintenance Worker II A12
	Maintenance & Operations Technician	Traffic Signal Technician B21
		Buildings Coordinator B23
	Maintenance & Operations Coordinator	Maintenance Foreman B24
		Parks Foreman B24
	Maintenance & Operations Superintendent	Buildings Superintendent B32
		Parks Superintendent B32
<u>Management Administration</u>	Management Assistant	Community Resources Coordinator B21
		Management Assistant B21/B22
		Account Technician B22
	Management Specialist	Vacation Rental/License Assistant B22
		Deputy City Clerk B24/B25
		Junior Accountant B24
		Management Specialist B24/B25
	Management Coordinator	Marketing & Events Supervisor B24
		Accountant B32 B25
	Management Analyst	Marketing Management Coordinator C41
		Associate Planner C42
		Business Analyst C42
		Community Resources Analyst C42
Financial Services Analyst C42		
Human Resources Analyst C42		
Management Analyst C42/C43		
Public Safety Analyst C42		
Senior Accountant C42		
Traffic Operations Analyst C42		
Associate Engineer C43		
Senior Planner C44		
<u>Management</u>	Manager	Building Official D61
		Community Resources Manager D61
		Customer Service Center Manager D61
		Human Resources Manager D61
		Maintenance Manager D61
		Planning Manager D61
		Public Safety Manager D61
		Senior Civil Engineer D61
		City Clerk D62
		City Engineer D65
	Director	Community Resources Director E82
		Design & Development Director/City Engineer E82
		Facilities Director E82
		Finance Director/Treasurer E82
	City Manager	City Manager F101*

* City Manager salary is determined by City Council contract

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City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: APPROVE AMENDMENT NO. 3 TO THE FACILITY USE AGREEMENT WITH THE LA QUINTA ARTS FOUNDATION EXTENDING THE TERM TO 2019 FOR THE ANNUAL ARTS FESTIVAL

RECOMMENDATION

Approve Amendment No. 3 to the Facility Use Agreement with the La Quinta Arts Foundation and authorize the City Manager to execute the Amendment.

EXECUTIVE SUMMARY

- The La Quinta Arts Foundation (Foundation) has a Facility Use Agreement (Agreement) with the City for use of the Civic Center Campus, portions of City Hall and Library parking lots, Wellness Center, and undeveloped parcels used as parking lots for the La Quinta Arts Festival (LQAF).
- The Agreement expires June 30, 2018.
- Amendment No. 3 (Amendment) (Attachment 1) would extend the Agreement term through March 31, 2019.
- The Foundation has approved the proposed Amendment.

FISCAL IMPACT

The fees and costs to the Foundation would be the same as under the existing agreement. The Foundation would be exempt from facility use fees, which is approximately \$28,000 and the City would incur the Burrtec charges of approximately \$3,000 paid from the Recycling Fund. The Foundation would continue to pay all other applicable services and fees including traffic, police, fire, and business license to conduct the Festival. In 2018, the Festival generated \$6,800 in business license revenue and approximately \$66,000 in sales tax.

BACKGROUND/ANALYSIS

In 2008, the City entered into a Facility Use Agreement with the Foundation for use of City facilities. This Amendment would allow the 2019 festival to take place at Civic Center Campus. In 2020, the City will be implementing roadway, intersection, and flood control improvements per the Active Transportation Planning (ATP) grant, which will impact the use of Civic Center Campus for the Festival. The City and Foundation are working on developing a location called the SilverRock Event Site in La Quinta that could

accommodate the festival in 2020 and beyond. An Ad Hoc SilverRock Event Site committee has been created to develop design concepts for Council consideration in the near future.

The Amendment would make the following changes:

- Amends Section 2 (Period of Use of Property) to provide use of City property for the 2019 La Quinta Arts Festival;
- Amends Section 3 (Term) to extend the agreement until March 31, 2019;
- Removes all references to the “Blues & Brews Event” and “Art Under the Umbrellas” as the Foundation no longer produces those events.

The Amendment makes the following clarifications:

- Clarifies the properties used as depicted on Exhibit A. This better identifies all properties used by the Foundation for the Festival, taking into account property acquired by the City since the last amendment;
- Confirms that construction activity relating to the Village Advanced Transportation Program (ATP) project will not begin until after the 2019 Festival;
- Affirms the City’s waiver of fees for facility use and City payment of Burrtec solid waste removal charges in exchange for City sponsorship recognition for the 2019 Festival.

[ALTERNATIVES](#)

Council may elect to not approve this Amendment.

Prepared by: Chris Escobedo, Director – Community Resources
Approved by: Frank Spevacek, City Manager

Attachment: 1. Amendment No. 3

**AMENDMENT NO. 3 TO FACILITY USE AGREEMENT
WITH LA QUINTA ARTS FOUNDATION**

This Amendment No. 3 to Facility Use Agreement with La Quinta Arts Foundation ("Third Amendment") is made and entered into as of the 1st day of April, 2018 ("Effective Date") by and between the CITY OF LA QUINTA ("City"), a California municipal corporation, and La Quinta Arts Foundation ("Foundation").

RECITALS

WHEREAS, on or about September 16, 2008, the City and Foundation entered into a Facility Use Agreement (the "Original Agreement") for the use of Properties for the La Quinta Arts Festival ("Festival"). Among other provisions, the term of the Original Agreement was extended through June 30, 2018 in that certain Amendment No. 1 To Facility Use Agreement on or about September 18, 2012 (the "First Amendment"); and

WHEREAS, on or about December 18, 2013, the parties modified the insurance requirements in Section 14 of the Original Agreement in that certain Amendment No. 2 To Facility Use Agreement (the "Second Amendment"). The Original Agreement, First Amendment, and Second Amendment are collectively referred to herein as the "Facility Use Agreement."

WHEREAS, the City and Foundation wish to amend the Facility Use Agreement to extend the term for one (1) additional year through March 31, 2019, and make other clarifying revisions, as set forth in this Third Amendment.

AMENDMENT

In consideration of the foregoing Recitals, which are a substantive part of this Third Amendment, and the covenants and promises hereinafter contained, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Amend Section 2 – Period of Use of Property – to read:

Foundation shall have use of the Property and the Additional Properties (as both of such terms are defined in Section 3 below), for the following Festival periods for the Festival break-down and clean-up (collectively referred to in the singular as the "Use Period"):

	2019
Set up & strike	Feb. 27 - Mar. 11
Festival Dates	Mar. 7-10

During the Use Period, the Foundation shall use the Property and Additional Properties for purposes of organizing and putting on the Festival. The Festival set up, operation, and tear down shall be undertaken in substantially the same manner as the 2018

Festival.

2. Amend Section 3 – Term – to read:

The term of the Facility Use Agreement shall be valid from the date of execution until March 31, 2019 (the “Renewed Term”).

3. For purposes of the Facility Use Agreement, as amended by this Third Amendment, the term: (a) “Property” or “Properties” shall mean the Civic Center Campus and Wellness Center and is depicted on Exhibit A attached to the Original Agreement; and (b) the term “Additional Properties” shall mean the properties historically used for parking identified as 770123011, 770124010, 770123012, 770125003, 770125002, depicted on Exhibit 1 attached to this Third Amendment.

4. All references in the Facility Use Agreement to, and rights and obligations of the parties hereto relating to, the “Blues & Brews Event” and “Art Under the Umbrellas Event” (as referred to in the First Amendment) are hereby deleted from the Facility Use Agreement and of no force and effect.

5. By executing this Third Amendment, City confirms City’s proposed drainage and street improvement project impacting the use of the Property and the Additional Properties will not commence (which term shall include staging for the same) until after the expiration of the Extended Term, it being the intent of the parties that the same will not impact the operation of the 2019 Festival.

6. In exchange for a sponsor recognition for the 2019 Festival, City agrees: (a) to pay all waste collection and removal fees imposed by Burrtec to service Festival 2019; and (b) the fees and other costs charged to the Foundation for the 2019 Festival shall not exceed the same paid by the Foundation with respect to the 2018 Festival.

In all other respects, the Facility Use Agreement shall remain in full force and effect.

[signatures on next page]

IN WITNESS WHEREOF, the City and Foundation have executed this Amendment No. 3 to the Facility Use Agreement on the respective dates set forth below.

CITY OF LA QUINTA a California municipal corporation

Frank Spevacek, City Manager

Dated:_____

ATTEST:

Susan Maysels, City Clerk

APPROVED AS TO FORM:

William Ihrke, City Attorney

LA QUINTA ARTS FOUNDATION

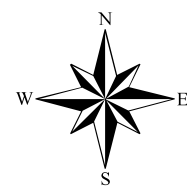
By:
Christi Salamone
Name:
President & Chief Executive Officer
Title:

Dated:_____

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City Owned Properties



September 2017

City of La Quinta
Planning Division

Exhibit 1
Amendment No. 3
Facility Use Agreement

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City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: APPROVE MULTI AGENCY PARTICIPATING AGREEMENT FOR COACHELLA VALLEY REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM BETWEEN COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS AND PARTICIPATING CITIES OF LA QUINTA, CATHEDRAL CITY, DESERT HOT SPRINGS, COACHELLA, RANCHO MIRAGE, INDIO, PALM DESERT, PALM SPRINGS, AND THE COUNTY OF RIVERSIDE

RECOMMENDATION

Approve Multi Agency Participating Agreement for Coachella Valley Regional Traffic Signal Synchronization Program between Coachella Valley Association of Governments and participating cities of La Quinta, Cathedral City, Desert Hot Springs, Coachella, Rancho Mirage, Indio, Palm Desert, Palm Springs, and the County of Riverside and authorize the City Manager to execute the agreement.

EXECUTIVE SUMMARY

- The Multi Agency Participating Agreement (Agreement) outlines each agency's responsibility for the Coachella Valley Regional Traffic Signal Synchronization Program.
- Key Agreement points for consideration: 1) City required to waive fees to implement program; 2) City must allow the Coachella Valley Association of Governments (CVAG) access to its signal controllers and equipment; and 3) if City pulls out of agreement, it must reimburse CVAG for costs expended within La Quinta traffic corridors.
- At the February 26, 2018 CVAG Executive Committee Meeting, the Signal Synchronization Master Plan and Participating Agreement (Attachment 1) was approved and now must be approved by participating Cities.

FISCAL IMPACT

The estimated cost of waiving encroachment permit fees is \$4,000

BACKGROUND/ANALYSIS

In 2013, CVAG issued a call for projects for the Congestion Management Air Quality (CMAQ) grant and received numerous applications for traffic signal synchronization projects. CVAG determined that the best use of the \$7.7 million in grant funding was to establish a regional signal synchronization project. CVAG would serve as the lead agency and a masterplan was prepared by Advantec Consulting Engineers for regional traffic signal synchronization.

If this agreement is approved, it would waive encroachment fees in the amount of \$4,000 to be paid by CVAG. The nominal expense of the fee waiver is offset by the estimated \$500,000 in new traffic signal equipment that the City will receive under this agreement. The Agreement would also provide CVAG access to the signal controllers and equipment in the City, which CVAG would need to monitor regional traffic. The City would still retain control over the system and any changes to signal timing and coordination. In the event the City withdrew from this agreement, the Agreement would require the City to reimburse CVAG for the costs of the new equipment and software provided by this Agreement.

A Transportation Systems Management and Operations Committee comprised of participating agency engineering staff would oversee and work out future signal timing issues and protocols.

This agreement establishes a Transportation Systems Management and Operations Committee to oversee and work out future signal-timing issues and protocols.

ALTERNATIVES

Staff does not recommend an alternative.

Prepared by: Bryan McKinney P.E., City Engineer
Approved by: Chris Escobedo, Acting City Manager

Attachment: 1. Participating Agreement between CVAG and the Participating Agencies

ATTACHMENT 1

MULTI-AGENCY PARTICIPATING AGREEMENT FOR COACHELLA VALLEY REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM

THIS PARTICIPATING AGREEMENT (Agreement), is effective this _____ day of _____, 201__, by and between the Coachella Valley Association of Governments (CVAG), 73-710 Fred Waring Drive, Palm Desert, CA, a California joint powers agency (herein referred to as "LEAD AGENCY") and the City of Cathedral City, City of Coachella, City of Desert Hot Springs, , City of Indian Wells, City of Indio, City of La Quinta, City of Palm Desert, City of Palm Springs, City of Rancho Mirage, and County of Riverside, a political subdivision of the State of California (hereinafter collectively referred to as "PARTICIPATING AGENCIES", and individually as "PARTICIPATING AGENCY").

RECITALS:

WHEREAS, the LEAD AGENCY in cooperation with the PARTICIPATING AGENCIES are working cooperatively together to synchronize traffic signals across multiple jurisdictional boundaries as a part of the Coachella Valley Regional Traffic Signal Synchronization Program (hereinafter referred as "PROGRAM") including establishing traffic signal parameters and timing; and developing signal timing synchronization plans for the project corridors defined in the Coachella Valley Traffic Signal Interconnect Master Plan; and

WHEREAS, the LEAD AGENCY in cooperation with the PARTICIPATING AGENCIES are cooperatively promoting, demonstrating, and integrating inter-agency traffic signal synchronization, Intelligent Transportation Systems (ITS) technologies, and transportation management programs to improve safety, multi-modal mobility, the environment, and enhance health and quality of life in the Coachella Valley; and

WHEREAS, the LEAD AGENCY in cooperation with the PARTICIPATING AGENCIES will develop inter-agency policies, guidelines, and responsibilities, and formalize procedures to manage,

implement, maintain, operate, and update traffic signal synchronization, intelligent transportation systems and transportation management programs throughout the Coachella Valley; and to plan and prepare upcoming integration of connected/autonomous/automated vehicles and smart cities technologies to maximize regional transportation corridor capacity, and improve multi-modal efficiency, safety, environment, and enhance health and quality of life in the Coachella Valley; and

WHEREAS, the LEAD AGENCY in cooperation with the PARTICIPATING AGENCIES will create a Transportation Systems Management and Operations (TSMO) Sub-Committee to develop minimum equipment standards (hardware and software), and define responsibilities and procedures to implement the PROGRAM. The TSMO will report to the LEAD AGENCY's Transportation Technical Advisory Sub-Committee (TTAS). The TSMO shall initially meet as needed to review the operating characteristics of the PROGRAM. The TSMO shall be comprised of the Transportation Engineer of LEAD AGENCY, or his/her designee, and the various Agencies' Traffic Engineers, or their designated representatives, and any other individual mutually agreed to by the parties.

WHEREAS, the LEAD AGENCY and PARTICIPATING AGENCIES agree that the LEAD AGENCY shall establish and fund, design, implement, operate, maintain, and manage a Regional Traffic Management Center (TMC); and Sub-Regional Data Aggregation Centers (DACs) as defined in the Coachella Valley Traffic Signal Interconnect Master Plan. The LEAD AGENCY shall establish, fund, design and implement Local TMCs to be operated, maintained and managed by the PARTICIPATING AGENCIES.

WHEREAS, the LEAD AGENCY will consider providing regional transportation funding to all approved corridor PROGRAM projects identified in the Coachella Valley Traffic Signal Interconnect Master Plan consistent with the Transportation Project Prioritization Study (TPPS) funding process for implementation of inter-agency signal synchronization, transportation management systems, and ITS technologies.

WHEREAS, for an agency to be considered as participating, it must accomplish three criteria: It must provide an active representative to the TSMO; It must purchase ITS equipment consistent with the TSMO menu of approved hardware and software for constructed PROGRAM corridors; and

it must agree to synchronize its multi-jurisdictional signal timing with adjacent PARTICIPATING AGENCIES.

WHEREAS, this Agreement defines the specific terms, conditions, and funding responsibilities between the LEAD AGENCY and the PARTICIPATING AGENCIES for the implementation of the PROGRAM.

NOW, THEREFORE, it is mutually understood and agreed by LEAD AGENCY and the PARTICIPATING AGENCY as follows:

ARTICLE 1. COMPLETE AGREEMENT

A. This Agreement, including any attachments incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the term(s) and conditions(s) of this Agreement between LEAD AGENCY and PARTICIPATING AGENCIES and it supersedes all prior representations, understandings, and communications. The invalidity in whole or in part of any term or condition of this Agreement shall not affect the validity of other term(s) or conditions(s) of this Agreement. The above referenced Recitals are true and correct and are incorporated by reference herein.

B. LEAD AGENCY's failure to insist on any instance(s) of PARTICIPATING AGENCIES' performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of LEAD AGENCY's right to such performance or to future performance of such term(s) or condition(s), and PARTICIPATING AGENCIES's obligation in respect thereto shall continue in full force and effect. Changes to any portion of this Agreement shall not be binding upon LEAD AGENCY except when specifically confirmed in writing by an authorized representative of LEAD AGENCY by way of a written amendment to this Agreement and issued in accordance with the provisions of this Agreement.

C. PARTICIPATING AGENCY'S failure to insist on any instance(s) of LEAD AGENCIES' performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of PARTICIPATING AGENCY'S right to such performance or to future

performance of such term(s) or condition(s), and LEAD AGENCY'S obligation in respect thereto shall continue in full force and effect. Changes to any portion of this Agreement shall not be binding upon PARTICIPATING AGENCIES except when specifically confirmed in writing by an authorized representative of PARTICIPATING AGENCIES by way of a written amendment to this Agreement and issued in accordance with the provisions of this Agreement.

ARTICLE 2. RESPONSIBILITIES OF LEAD AGENCY

The LEAD AGENCY agrees to the following responsibilities for the PROGRAM:

A. To fund, plan, design, implement the PROGRAM; operate, maintain and manage the Sub-Regional DACs and Regional TMC. The PROGRAM, as distinct from actual traffic signals, would include construction of Master Plan projects, procurement of hardware and software, and hosting of the TSMO.

B. To provide annual funding for procurement and updating of hardware and software for signal synchronization, including ITS elements, Local TMCs, Sub-Regional DACs, and a Regional TMC.

C. To provide and file all documentation necessary to comply with California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) regulations for PROGRAM.

D. To track PROGRAM funds allocated to regional arterials that are in the signal synchronization program and report them back to the PARTICIPATING AGENCIES.

E. To create and maintain a Transportation Systems Management and Operations (TSMO) Sub-Committee that will report to CVAG's Transportation Technical Advisory Sub-Committee (TTAS). The purpose of the TSMO is to develop minimum equipment standards (hardware and software), and define responsibilities and procedures to implement and operate

K. To prepare “Before and After Studies” when new signal timing plans are incorporated along corridors for inter-agency signal synchronization, as necessary to measure and report the effectiveness of signal timing changes.

L. To provide training to PARTICIPATING AGENCIES for various intelligent transportation systems including inter-agency signal synchronization, arterial management systems, special events management systems, integrated corridor management systems, and ITS technologies, including hardware and software.

M. To provide training to PARTICIPATING AGENCIES on the next generation of intelligent transportation technologies and programs, including connected/autonomous/automated vehicles and smart cities technologies and provide updates as advances are made in these areas.

N. To share traffic data for the purpose of integrating connected/autonomous/automated vehicle and smart cities technologies.

ARTICLE 3. RESPONSIBILITIES OF THE PARTICIPATING AGENCIES

PARTICIPATING AGENCIES agree to the following responsibilities for the PROGRAM:

A. To adopt the Coachella Valley Traffic Signal Interconnect Master Plan.

B. To provide a technical representative to meet and participate as a member of the PROGRAM’s TSMO Committee.

C. To authorize the LEAD AGENCY to manage, procure, implement and maintain all aspects of the PROGRAM. The PROGRAM, as distinct from the actual traffic signals, would include construction of the Master Plan projects, procurement of hardware and software, and hosting of the TSMO.

D. To maintain full control of operations and maintenance of their traffic signals, including traffic signal controllers, ITS technologies and traffic signal communications. Multi-jurisdictional traffic signal timing and traffic signal communications revisions, ITS equipment and software replacement and/or upgrades on Master Plan constructed corridors shall be coordinated and approved by the TSMO prior to making changes. Jurisdictions have the ability

to review and approve proposed traffic signal synchronization plans.

E. To share real-time arterial and intersection traffic data and traffic video images/streams with LEAD AGENCY and PARTICIPATING AGENCIES.

F. To share real-time traffic video images/streams for viewing only by other agencies for the purpose of the PROGRAM. Recording of shared traffic video images/streams shall not be allowed by PARTICIPATING AGENCY'S transportation staff and shall only be used for PARTICIPATING AGENCY'S law enforcement purposes consistent with local jurisdiction policy.

G. To authorize the LEAD AGENCY to share travel information to the public and media via mobile applications.

H. To authorize the LEAD AGENCY to share traffic data including Signal Phasing and Timing (SPaT) to the automobile industry or their representatives for integration of connected/autonomous/automated vehicles.

I. To waive fees associated with any permits for the design, installation, testing, commissioning, operations, and maintenance of the PROGRAM.

J. To allow LEAD AGENCY, or designated representative, to access PARTICIPATING AGENCIES signal controllers, signal communication systems, traffic management system, arterial management systems, video management systems, and other ITS technologies (hardware and software) to construct the PROGRAM projects

K. To pay back all funds utilized on PROGRAM corridors within the PARTICIPATING AGENCY'S boundaries in the event that the PARTICIPATING AGENCY is determined to have become non-participating.

ARTICLE 4. DELEGATED AUTHORITY

The actions required to be taken by PARTICIPATING AGENCIES in the implementation of this Agreement are delegated to their respective City Manager, or County Transportation Director,

or their designee(s), and the actions required to be taken by LEAD AGENCY in the implementation of this Agreement are delegated to LEAD AGENCY's Executive Director or designee.

ARTICLE 5. INDEMNIFICATION

A. To the fullest extent permitted by law, each PARTICIPATING AGENCY shall defend (at PARTICIPATING AGENCY' sole cost and expense with legal counsel reasonably acceptable to LEAD AGENCY), indemnify, protect, and hold harmless LEAD AGENCY, its officers, directors, employees, and agents (collectively the "Indemnified Parties"), from and against any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, penalties, and expenses including legal costs and reasonable attorney fees (collectively "Claims"), including but not limited to Claims arising from injuries to or death of persons (PARTICIPATING AGENCY' employees included), for damage to property, including property owned by LEAD AGENCY, or from any violation of any federal, state, or local law or ordinance, alleged to be caused by the negligent acts, omissions or willful misconduct of PARTICIPATING AGENCY, its officers, directors, employees or agents in connection with or arising out of the performance of this Agreement.

B. To the fullest extent permitted by law, LEAD AGENCY shall defend (at LEAD AGENCY's sole cost and expense with legal counsel reasonably acceptable to PARTICIPATING AGENCIES), indemnify, protect, and hold harmless PARTICIPATING AGENCIES, its officers, directors, employees, and agents (collectively the "Indemnified Parties"), from and against any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, penalties, and expenses including legal costs and reasonable attorney fees (collectively "Claims"), including but not limited to Claims arising from injuries to or death of persons (LEAD AGENCY' employees included), for damage to property, including property owned by PARTICIPATING AGENCIES, or from any violation of any federal, state, or local law or ordinance, alleged to be caused by the negligent acts, omissions or willful misconduct of LEAD AGENCY, its officers, directors, employees or agents in connection with or

arising out of the performance of this Agreement.

C. The indemnification and defense obligations of this Agreement shall survive its expiration or termination.

ARTICLE 6. ADDITIONAL PROVISIONS

A. LEAD AGENCY and PARTICIPATING AGENCIES shall comply with all applicable federal, state, and local laws, statues, ordinances and regulations of any governmental authority having jurisdiction over the PROGRAM.

B. Legal Authority: LEAD AGENCY and PARTICIPATING AGENCIES hereto consent that they are authorized to execute this Agreement on behalf of said Parties and that, by so executing this Agreement, the Parties hereto are formally bound to the provisions of this Agreement.

C. Severability: If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law provided that the fundamental objectives of this Agreement are not materially impaired.

D. Counterparts of Agreement: This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same agreement.

E. Governing Law: The laws of the State of California and applicable local and federal laws, regulations and guidelines shall govern this Agreement.

F. Dispute Resolution: The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiations between the parties' authorized representatives. The disputing party shall give the other party written notice of any dispute. Within twenty (20) days after delivery of such notice, the authorized representatives shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If the matter has not been resolved within thirty

(30) days of the first meeting, any party may initiate a mediation of the dispute. The mediation shall be facilitated by a mediator that is acceptable to both parties and shall conclude within sixty (60) days of its commencement, unless the parties agree to extend the mediation process beyond such deadline. Upon agreeing on a mediator, the parties shall enter into a written agreement for the mediation services with each party paying a pro rate share of the mediator's fee, if any. Each party shall bear its own legal fees and expenses. If, after good faith efforts to mediate a dispute the parties cannot agree to a resolution of the dispute, any party may pursue whatever legal remedies may be available to it at law or in equity, before a court of competent jurisdiction and with venue in Riverside County.

G. Litigation fees: Should litigation arise out of this Agreement for the performance thereof, the court shall award costs and expenses, including reasonable attorney's fees, to the prevailing party.

This Agreement shall be made effective upon execution by all Parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first written above.

CITY OF LA QUINTA

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

By: _____
Linda Evans
Mayor

By: Marion Ashley
Marion Ashley
Chairman

ATTEST:

APPROVED AS TO FORM:

By: _____
City Clerk

By: _____
General Counsel

APPROVED AS TO FORM

Approval Recommended:

By: _____
City Attorney

By: _____
Tom Kirk
Executive Director

Dated : _____

Dated : _____

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: ADOPT A RESOLUTION TO APPROVE A DEBT MANAGEMENT POLICY

RECOMMENDATION

Adopt a resolution to approve a Debt Management Policy.

EXECUTIVE SUMMARY

- The Debt Management Policy (Policy) provides guidelines for debt issuance practices, management of debt, and adherence to various laws and regulations.
- The Policy governs all current and future debt issued by the City or its related entities.
- The City does not plan to issue bonds at this time and any future bonds would require voter approval.
- Staff, City Attorney, and two independent auditing firms have reviewed the proposed Policy. The Policy conforms to current laws.

FISCAL IMPACT - None

BACKGROUND/ANALYSIS

Debt management policies are written guidelines, allowances, and restrictions that guide the debt issuance practices, management of debt, and adherence of various laws and regulations. The policy signals to rating agencies and the capital markets that the City is well managed and likely to meet its debt obligations in a timely manner.

Senate Bill 1029 requires issuers of debt to formally adopt debt management policies addressing:

- The purpose for which the debt proceeds may be used;
- The types of debt that may be issued;
- The relationship of the debt to, and integration with, the issuer's capital improvement program or budget;
- The policy goals related to the issuer's planning goals and objectives; and
- The internal control procedures that the issuer has implemented to ensure that the proceeds of debt issuance will be directed to their intended use.

The City does not plan on issuing bonds at this time and any future general obligation bonds would require voter approval. However, the City currently has one general obligation lease revenue bond, which matures in October 2018. The Successor Agency to the former Redevelopment agency holds four tax allocation bonds, which are not General Fund debt

obligations. This policy governs all debt issued by the City or its related entities for which the governing body consists of the same individuals as the City Council of the City (including, but not limited to, the La Quinta Finance Authority, Successor Agency to the La Quinta Redevelopment Agency, and the Housing Authority of the City of La Quinta).

To ensure compliance with current laws and regulatory requirements, the proposed Policy was reviewed by staff, City Attorney, and two independent governmental accounting auditing firms.

ALTERNATIVES

The Council may approve as presented, incorporate changes, or request further review.

Prepared by: Karla Campos, Finance Director

Approved by: Chris Escobedo, Acting City Manager

RESOLUTION NO. 2018 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, ADOPTING A DEBT MANAGEMENT POLICY

WHEREAS, the Debt Management Policy sets forth debt management objectives and guidelines for the issuance and administration of debt and other financing obligations of the City of La Quinta; and

WHEREAS, the debt management policy provides transparency and consistency; and

WHEREAS, debt management policies demonstrate a commitment to long-term capital and financial planning for the efficient use and expenditure of public funds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta, California, as follows:

SECTION 1. The debt management policy attached hereto as Exhibit A and incorporated herein by reference shall govern debt issuance guidelines, allowances, and restrictions.

SECTION 2. This policy is consistent, with Section 8855(i) of the California Government Code as amended by SB 1029 enacted as Chapter 307, Statutes of 2016.

SECTION 3. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declare that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 4. This Resolution shall become effective upon adoption. The Debt Management Policy adopted by this Resolution shall go into effect immediately.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta City Council held on this _____ day of April 2018 by the following vote:

AYES:

NOES:

Resolution No. 2018-
Debt Management Policy
Adopted:
Page 2 of 2

ABSENT:

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

SUSAN MAYSELS, City Clerk
City of La Quinta, California

(CITY SEAL)

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

Exhibit A to Council Resolution No. 2018-
Debt Management Policy
Adopted:



DEBT MANAGEMENT POLICY

1. PURPOSE: This Debt Management Policy (the "Policy") sets forth debt management objectives and guidelines for the issuance and administration of debt and other financing obligations of the City of La Quinta and its related entities for which the governing body consists of the same individuals as the City Council of the City (including, but not limited to, the La Quinta Finance Authority, Successor Agency to the La Quinta Redevelopment Agency, and the Housing Authority of the City of La Quinta). As used in this Policy, "City" shall mean the City and/or the City and its related entities, as the context may require.

As used in this Policy, "debt" shall be interpreted broadly to mean bonds, notes, certificates of participation, financing leases, or other financing obligations, but the use of such term in this Policy shall be solely for convenience and shall not be interpreted to characterize any such obligation as an indebtedness or debt within the meaning of any constitutional debt limitation where the substance and terms of the obligation comport with exceptions thereto.

Prudent management of the City's debt program is necessary to achieve cost-effective access to capital markets.

2. SCOPE: This Policy establishes the policies of the City of La Quinta and its related entities with respect to the issuance and administration of debt.

3. GENERAL POLICY:

Objectives:

This section of the Policy sets forth certain equally important objectives for the City and establishes overall parameters for responsibly issuing and administering the City's debt. Additionally, this Policy is intended to facilitate compliance by the City, and is consistent, with Section 8855(i) of the California Government Code as amended by Senate Bill 1029 ("SB 1029"), enacted as Chapter 307, Statutes of 2016.

- Minimize debt service and issuance costs
- Maintain access to cost-effective borrowing
- Achieve and maintain highest reasonable credit rating
- Full and timely repayment of debt
- Maintain compliance with financial disclosure and reporting undertakings

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Adopted:

- Ensure compliance with state and federal laws and regulations

4. RELATIONSHIP TO CAPITAL IMPROVEMENT PROGRAM OR BUDGET, PLANNING GOALS AND OBJECTIVES

The City is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The City may issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the City's annual operations and capital budgets and the City's five-year capital improvement plan. This Policy is intended to ensure that debt levels and their related annual costs will advance the City's planning goals and objectives.

5. GOVERNING AUTHORITY AND RESPONSIBILITY

Pursuant to the provisions of the City of La Quinta Charter and sections 37209 and 40805.5 of the Government Code of the State of California, the Finance Director shall be responsible for all of the financial affairs of the City. This Policy grants the Finance Director the authority to select the financing team (subject to City Council approval, if required), coordinate the administration and issuance of debt, communicate with the rating agencies, as well as to fulfill all the pre-issuance and post-issuance disclosure information.

The Finance Director or its designee will use the Request for Proposal (RFP) process to select various Financing Team Members. Requests for Proposals for Financial Advisors should be done on a periodic basis not to exceed ten (10) years but is subject to review after four (4) years. Below is a brief description of the main Financing Team, along with their functions.

The typical Debt Financing Team consists of:

- A. Financial Advisor
- Assists with capital planning and long term financial planning.
 - Coordinates the financing and debt issuance process.
 - Helps evaluate underwriter proposals and provides financial analysis and recommendations.
 - Assists with the securing of other professional services and other members of the financing team.
 - Monitors and evaluates market conditions for opportunities to issue debt at low interest rates.
 - Works with the City and underwriter to develop investor outreach and market approach.
 - Manages competitive bid process.
 - Ensures negotiated prices are fair and reasonable in the marketplace.

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B. Bond Counsel

- Prepare an approving legal opinion.
- Provide expert and objective legal opinion and advice.
- Prepare and review documents necessary to authorize, issue, sell and deliver the bonds, as well as coordination of the authorization and execution of closing documents.
- Review legal issues relating to the structure of the bond issue.
- Prepare election proceedings or pursue validation proceedings if necessary.
- Review or prepare those sections of the official statement that relate to the bonds, financing documents, bond counsel opinion, and tax exemption.
- Assists the City with presenting information to bond rating organizations and credit enhancement providers relating to legal issues affecting the issuance of the bonds.
- Review or prepare the Notice of Sale or Bond Purchase Contract for the bonds and review or draft the continuing disclosure undertaking of the City.
- Post-issuance advice for bond covenant compliance.

C. Underwriter

- Serves as the original purchaser of the bonds and assumes the risk of selling the bonds to the public.
- Provides the City with market knowledge.
- Assist with credit analysis and preparation.
- Premarketing of the bonds.
- Pricing and original purchase of bonds from the City.
- Sale to public market of the bonds.

D. Placement Agent

- Usually a registered underwriter acting in the more limited capacity of placement agent when a direct placement is used as the method of sale.
- Provides the City with proposed financial institutions eligible for direct purchase.
- Assist the City with requests for proposals for direct purchase by financial institutions.

E. Trustee/Fiscal Agent/Paving Agent

- Establishes and holds the funds and accounts relating to the bond issue.
- Maintains the list of names and addresses of all registered owners of the bonds and recordings of transfers and exchanges of the bonds.
- Acts as the authenticating agent.
- Acts as the paying agent.

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- Protects the interests of the bondholders by monitoring compliance with covenants and acts on behalf of the bondholders in the event of default.
- As the escrow agent holds proceeds or the investments acquired with the proceeds of a refunding bond issue and uses those funds, or payments received on those investments, to pay debt service on the refunded bonds.

6. TYPES OF DEBT

The City recognizes that there are numerous types of financing structures and funding sources available, each with specific benefits, risks, and costs. All potential funding sources are reviewed by management within the context of this Policy and the overall portfolio to ensure that any financial product or structure is consistent with the City's objectives. Regardless of what financing structure(s) is utilized, due diligence review must be performed for each transaction, including the quantification of potential risks and benefits, and analysis of the impact on City creditworthiness and debt affordability and capacity.

Prior to the issuance of debt or other financing obligations to finance a project, the City will carefully consider the overall long-term affordability of the proposed debt issuance and alternative financing sources, such as grants. The City shall not assume debt or other financing obligations without conducting an objective analysis of the City's ability to assume and support additional debt service payments. The City will consider its long-term revenue and expenditure trends and the impact on operational flexibility. The evaluation process shall include a review of generally accepted measures of affordability and will strive to achieve and or maintain debt levels consistent with its current operating and capital needs. In addition, the City's future borrowing capability is limited by the debt coverage ratio and debt limitations required by bond covenants.

The following are the types of debt the City could issue:

A. New Money Bonds

New Money bonds are bonds issued to finance the cost of capital improvement projects or other large and extraordinary costs as approved by the City Council.

B. Refunding Bonds

Refunding bonds are bonds issued to refinance (refund) previously issued outstanding debt. The City may issue refunding bonds to refinance the principal of and interest on outstanding bonds or other debt to achieve debt service savings, restructure scheduled debt service, convert from or to a variable or fixed interest rate, change or modify the source(s) of payment and security for the refunded debt, or modify covenants otherwise binding upon the City. Refunding bonds may be issued either on a current or advance basis. See also the "Refunding" subsection contained in Section 7 of this Policy.

C. Revenue Bonds and Certificates of Participation

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Adopted:

Revenue Bonds are generally issued by enterprise funds that are financially self-sustaining without the use of taxes and therefore rely on the revenues collected by the enterprise fund to repay the debt. Sometimes, Certificates of Participations ("COPs") are issued instead of revenue bonds, which in this case would typically be secured by an installment sale arrangement between the City and another public entity and by the revenues collected from the enterprise fund. Each COP represents a fractional share of an issuer's installment payment to be received by the investor.

D. Assessment Bonds

The Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 et seq.) allows the City to issue bonds to finance the "special benefit" improvements on the real property within its jurisdiction provided by the City. Assessment installments typically are collected through the secured property tax roll of the county.

E. Community Facilities District

Mello-Roos is a form of financing for a variety of local agencies, including but not limited to cities and joint powers authorities. Mello-Roos Community Facilities Districts (referred to as "CFDs") raise money through special taxes that must be approved by 2/3rds of the voters within the district. While a CFD may be formed to finance public improvements and services within the district, bonds cannot be issued to pay for services financed through a CFD. The taxes are secured by a continuing lien and typically are levied annually against property within the district through the secured property tax roll of the county.

F. General Obligation (GO) Bonds

In California, GO Bonds require a 2/3 voter approval. GO Bonds are secured by a dedicated, voter-approved property tax override rate (i.e., a property tax more than the 1% basic *ad valorem* property tax rate) in amounts sufficient to meet debt service requirements. While the dedicated revenue stream to repay the debt makes GO Bonds an attractive option, additional considerations for this financing mechanism include the time and expense of an election, the possibility that the electorate will not approve the ballot measure, and the legal bonding capacity limit for GO Bonds.

G. General Fund-Supported Debt

General Fund Supported Debt generally includes Certificates of Participation (COPs) and Lease Revenue Bonds (LRBs) that are lease obligations secured by a lease-back arrangement between the City and another public entity. Typically, the City appropriates available General Fund moneys to pay the lease payments to the other public entity and, in turn, the public entity uses such lease payments received to pay debt service on the bonds or COPs.

General Fund Supported Debt may also include bonds issued to refund obligations imposed by law, such as judgments obligation bonds (JOBs), unfunded accrued actuarial liabilities for pension plans (pension obligation bonds (POBs), or operating leases (such as computers, printers, hardware). These obligations do not constitute indebtedness under the state constitutional debt limitation and, therefore, are not subject to voter approval.

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Payments to be made under valid leases are payable only in the year in which use, and occupancy of the leased property is available, and lease payments may not be accelerated. Lease financing requires the fair market rental value of the leased property to be equal to or greater than the required debt service or lease payment schedule. The lessee (City) is obligated to include in its annual budget and appropriate the rental payments that are due and payable during each fiscal year the lessee has use of the leased property.

H. Tax Increment Financing

Tax Increment Financing is a financing method whereby a portion of *ad valorem* property taxes (commonly called the "tax increment") is allocated to an entity, such as a successor agency to redevelopment agency (Successor Agency), an enhanced infrastructure financing district (EIFD), or a community revitalization and investment authority (CRIA), and the entity is permitted to incur debt payable from and secured by the tax increment revenues. Tax increment debt for redevelopment agencies and Successor Agencies is entitled to the benefits of Article XVI, Section 16, of the California Constitution.

I. Fixed vs. Variable Rate Debt

Fixed interest rate debt is typically preferred to maintain a more predictable debt service burden.

Variable rate debt obligations ("VRDOs") can be utilized on a limited basis when the potential advantages of capturing the lowest interest rates available in the current market outweigh forecasted risks (including interest rate risk, remarketing risk, liquidity risk, and risk of expiration of credit support instruments prior to the final maturity of the VRDOs).

While VRDOs sometimes can provide a lower cost of borrowing in the short run, they generally involve greater medium-term or long-term risk. Due diligence review must be performed for each transaction, including the quantification of potential risks and benefits, analysis of the impact on City creditworthiness and debt affordability and capacity, and an evaluation of the ability of the City to withstand the medium-term or long-term risk attendant to VRDOs, including the feasibility of exit strategies.

J. Derivative Products

The use of certain derivative products, such as interest rate swaps, may be considered to hedge the risks of VRDOs, to the extent the City has such debt outstanding or under consideration. The City will exercise extreme caution in the use of derivative instruments for hedging purposes and will consider their utilization only when sufficient understanding of the products and sufficient expertise for their appropriate use has been developed.

K. Conduit Debt

Conduit financing provides for the issuance of securities by a government agency to finance a project of a third party, such as a non-profit organization or other private entity. The City may sponsor conduit financings for those activities that have a general public purpose and

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are consistent with the City's overall service and policy objectives. Unless a compelling public policy rationale exists, such conduit financings will not in any way pledge the City's faith and credit.

L. Interfund Borrowing

The City may borrow internally from other funds with surplus cash in lieu of issuing bonded debt. Purposes, warranting the use of this type of borrowing could include short-term cash flow imbalances due to grant terms, interim financing pending the issuance of bonds, or capital financing in lieu of bonds. Interfund loans will be evaluated on a case by case basis. Any borrowing between two City funds which exceeds 12 months require a repayment schedule approved by City Council and shall include an interest rate based on market conditions at the time the loan was taken out.

M. Joint Powers Authority (JPA)

In addition to some of the long and short-term financing instruments, the City may also consider joint arrangements with other governmental agencies when a project serves the public interest beyond City boundaries.

7. PURPOSE OF DEBT

Long-term Debt – Long-term debt may be used to finance the purchase or improvement of land, infrastructure, facilities or equipment when it is appropriate to spread these costs over more than one budget year. Long-term debt may also be used to fund capitalized interest, costs of issuance, required reserves, and any other financing related costs which may be legally capitalized. Long-term debt may not be used to fund City operating costs.

Short-term Debt - Short-term debt, such as notes, commercial paper, and lines of credit, will be studied as an interim source of funding in anticipation of long term borrowing. Short-term debt may be issued for the same purpose as long-term debt, including capitalized interest and other financing related costs. In addition, short-term debt borrowing may be considered to address justifiable cash flow requirements to meet short-term operating needs to provide necessary public services, subject to applicable restrictions in California law.

Refunding – Periodic reviews of existing debt will be undertaken to identify refunding opportunities. Refunding will be considered (within state law and federal tax law constraints) if and when there is a net benefit of the refunding. Non-economic refunding may be considered to achieve City goals relating to changes in covenants, call provisions, operational flexibility, tax status, or the debt service profile. The City may purchase its bonds in the open market for the purpose of retiring the obligation when the purchase is cost effective.

Except for instances in which a bullet payment or spike in debt service is being refinanced, the City will generally seek to achieve debt service savings which, on a net present value

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basis, are at least 3% of the debt being refinanced. Refunding's which produce a net present value savings of less than 3% will be considered on a case-by-case basis. Notwithstanding the foregoing, a refunding of Successor Agency bonds shall be determined based on the requirements of Health and Safety Code Section 34177.5.

8. MANNER OF SALE

There are several market factors that will affect the success of a bond offering, and each should be carefully considered before selecting a method of sale. These factors include, but are not limited to, the following: 1) market perception of the City's credit quality, 2) interest rate volatility, 3) size of the proposed issue, 4) complexity of the proposed issue, and 5) competition with other issuers for investor interest (bond supply).

Competitive Sales of Bonds

The terms and prices of the bonds are determined by the City, with the assistance of its financial advisor, through a bidding process by which the City publishes a notice of sale for the bonds, and interested underwriters submit bids for the respective terms upon which they propose to purchase the bonds. The sale is awarded to the underwriter judged to have submitted the best bid that offers the lowest interest rate, considering underwriting spread, interest rates and any discounts or premiums.

Negotiated Sale of Bonds

A method of sale for bonds, notes, or other financing vehicles in which the City selects in advance, based on proposals received or by other means, one of more underwriters to work with it in structuring, marketing and finally offering an issue to investors. The negotiated sale method is often used when the proposed debt is a first-time sale by a issuer (a new credit), the issuer of the debt is a relatively small entity, the proposed debt involves a complex security structure, such as a variable rate transaction, the proposed debt is an unusually large issue, or in a highly volatile or congested market.

Direct or Private Placement

A direct placement or private placement is a variation of a negotiated sale in which the City, with the help of a financial advisor and a placement agent, will attempt to place the entire new issue directly with an investor (typically, a financial institution). The investor will negotiate the specific terms and conditions of the financing before agreeing to purchase the issue. Direct or private placements are sometimes undertaken when the transaction is complex or unique, requiring direct negotiations with the investor, when market conditions indicate that a direct or private placement may result in a lower interest rate on the debt, or because the issue is small, and a direct offering provides economies of scale.

9. PERFORMANCE STANDARDS

The City of La Quinta strives to maintain 'investment grade' ratings in the municipal market of "A" (without regard to numerical or "+" or "-" modifiers within the "A" category). Ratings assigned by a nationally-recognized statistical rating organization of "BBB"

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or higher are considered an adequate investment grade.

10. MARKET RELATIONSHIPS

The Finance Director will be responsible for maintaining relationships with investors, credit analysts, and rating agencies.

11. ON-GOING DEBT ADMINISTRATION

The Finance Director will regularly review the City's outstanding obligations, particularly in declining interest rate environments. When rates begin to approach levels at which refunding is cost-effective, the City shall select a financing team to begin preparations for a refunding issue.

Continuing Disclosure

The Finance staff will ensure that the City's annual financial statements and associated reports are posted on the City's web site. The City will also contract with Consultant(s) to comply with its contractual undertakings entered into pursuant to the Securities and Exchange Commission Rule 15c2-12 by filing its annual financial statements, disclosure material events, and other financial and operating data for the benefit of its bondholders on the Electronic Municipal Market Access (EMMA) website of the Municipal Securities Rulemaking Board (MSRB).

Arbitrage Rebate Compliance and Reporting

The use and investment of bond proceeds must be monitored to ensure compliance with applicable arbitrage restrictions. Existing regulations for tax-exempt debt require that issuers calculate rebate liabilities related to any bond issues, with rebates paid to the Federal Government every five years and as otherwise required by applicable provisions of the Internal Revenue Code and regulations. The Finance Director shall contract and work with a specialist to ensure that proceeds and investments are tracked in a manner that facilitates accurate, complete calculations, and if necessary, timely rebate payments.

Compliance with Other Bond Covenants

In addition to financial disclosures and arbitrage, the City is also responsible for verifying compliance with all undertakings, covenants, and agreements of each bond issuance on an ongoing basis. This typically includes ensuring:

- Annual appropriation of revenues to meet debt service payments;
- Taxes/fees are levied and collected where applicable;
- Timely transfer of debt service payments to the trustee; and
- Compliance with insurance requirements.

The City shall comply with all covenants and conditions contained in governing law and any legal documents entered into at the time of the bond offering. The Finance Director will coordinate verification and monitoring of covenant compliance.

12. INTERNAL CONTROL PROCEDURES REGARDING USE OF DEBT PROCEEDS

Exhibit A to Council Resolution No. 2018-
Debt Management Policy
Adopted:

One of the City's priorities in the management of debt is to assure that the proceeds of the debt will be directed to the intended use for which the debt has been issued. In furtherance of this priority, the following procedures shall apply:

A. The Finance Director shall retain a copy of each annual report filed with the California Debt and Investment Advisory Commission (CDIAC) pursuant to Section 8855(k) of the California Government Code concerning (1) debt authorized during the applicable reporting period (whether issued or not), (2) debt outstanding during the reporting period, and (3) the use during the reporting period of proceeds of issued debt.

B. In connection with the preparation of each annual report to be filed with CDIAC pursuant to Section 8855(k) of the California Government Code, the Finance Director or the designee of the Finance Director shall keep a record of the original intended use for which the debt has been issued, and indicate whether the proceeds spent during the applicable one-year reporting period for such annual report conform with the intended use (at the time of original issuance or as modified pursuant to the following sentence). If a change in intended use has been authorized after the original issuance of the debt, the Finance Director or the designee of the Finance Director shall indicate in the record when the change in use was authorized and whether the City Council, City Manager, or another City official has authorized the change in intended use. The Finance Director shall report apparent deviations from the intended use in debt proceeds to the City Manager for further discussion, and if the City Manager determines appropriate in consultation with legal counsel (which may be bond counsel, if applicable, or the City Attorney), to the City Council. Additionally, an annual update of all outstanding debt and its adherence to this policy shall be reported to the City Council with the Comprehensive Annual Financial Report.

C. If the debt has been issued to finance a capital project and the project timeline or scope of project has changed in a way that all or a portion of the debt proceeds cannot be expended on the original project, the Finance Director shall consult with the City Manager and legal counsel (which may be bond counsel, if applicable, or the City Attorney) as to available alternatives for the expenditure of the remaining debt proceeds (including prepayment of the debt). If deemed advisable by the City Manager after such consultation, direction of the City Council may be sought as to an alternative for the expenditure or use of such remaining debt proceeds.

13. DEBT MANAGEMENT POLICY REVIEW

The Finance Director shall review this Policy at a minimum of every five (5) years and recommend any changes to the City Manager and City Council.

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: ADOPT A RESOLUTION TO APPROVE REVISIONS TO THE CITY'S PURCHASING AND CONTRACTING POLICY

RECOMMENDATION

Adopt a resolution to approve revisions to the City's Purchasing and Contracting Policy.

EXECUTIVE SUMMARY

- The last update to the City's Purchasing and Contracting Policy (Policy) was October 2015. A review of the Policy was conducted to align it with other City policies, and to incorporate necessary regulatory requirements.
- Staff, City Attorney, and two independent auditing firms have reviewed the proposed Policy revisions. The Policy conforms to current laws, risk management, and governmental accounting best practices.

FISCAL IMPACT – None.

BACKGROUND

In October 2015, the Council amended the City's Purchasing and Contracting Policy to adopt Resolution No. 2015-45 setting forth policies and procedures regulating purchasing and contracting. Staff has identified areas of the Policy that require amendments to provide consistency, clarification, meet regulatory requirements, and would facilitate a more efficient process. Exhibit A to the resolution has been redlined, showing the changes to the previous policy.

The primary updates and additions include:

- The addition of the Administrative Guidelines section to address fraud protection, vendor limit, and vendor preferences;
- The expansion of the Equal Bids section to clarify the process of award selection;
- The definition of Maintenance and Repair services;
- Additional definitions under the Emergency Purchases section to clarify purchasing requirements in the event of an emergency;

- The addition of General Procurement Standards (Section VII) to comply with the Office of Management and Budget's (OMB) new guidance requirement *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Title 2 U.S. Code of Federal Regulations Part 200*.

To ensure compliance with current laws and regulatory requirements, the amended Policy was reviewed by staff, City Attorney, and two independent governmental accounting auditing firms.

ALTERNATIVES

Council may approve as presented, incorporate changes, or request further review.

Prepared by: Claudia Martinez, Senior Accountant

Approved by: Karla Campos, Finance Director

RESOLUTION NO. 2018 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, ADOPTING A PURCHASING AND CONTRACTING POLICY

WHEREAS, purchasing and contracting policies provide a guideline to city employees for purchasing and contracting for goods, services and projects to support, enhance and supplement city operations, and

WHEREAS, purchasing and contracting policies provide transparency and consistency, and

WHEREAS, purchasing and contracting policies enable the Finance department to maintain a system of financial controls for the efficient use and expenditure of public funds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta, California, as follows:

SECTION 1. The purchasing and contracting policy attached hereto as Exhibit A and incorporated herein by reference shall govern the purchase of city supplies, goods, equipment, services and construction projects.

SECTION 2. This policy, as applicable, shall constitute the procedures and rules governing the solicitation of bids and award of contracts for public works projects pursuant to Chapter 3.12, and shall constitute the procedures and rules governing the solicitation and selection of firms for services pursuant to Chapter 3.12, of the La Quinta Municipal Code.

SECTION 3. Resolution No. 2015-045 is hereby repealed. This Resolution supersedes and replaces Resolution No. 2015-045.

SECTION 4. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 5. This Resolution shall become effective upon adoption. The Purchasing and Contracting Policy adopted by this Resolution shall go into effect immediately.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta City Council held on this 3rd day of April 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

SUSAN MAYSELS, City Clerk
City of La Quinta, California

(CITY SEAL)

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

CITY OF LA QUINTA, CALIFORNIA
PURCHASING AND CONTRACTING POLICY

I. GENERAL RULES; EXCEPTIONS:

This Purchasing and Contracting Policy (Policy) shall apply for the solicitation and selection of all purchases and contracts within the City of La Quinta (City). Any exceptions to this Policy must be approved by the City Council. The City Council may, by majority vote and in accordance with its fiduciary responsibilities, approve expenditures of any amount, for any length of term, not otherwise inconsistent with any applicable law.

A. ADMINISTRATIVE GUIDELINES

1. **Vendor Limit.** Combined purchase orders cannot exceed \$50,000 per vendor, per fiscal year except in the case of major expenditures in which a vendor has participated in a public formal bidding process.
2. **Change Orders or Amendments.** A change order or amendment is a change in a contract term, other than as specifically provided for in the contract, that authorizes or necessitates any increase or decrease of the cost of the contract or in the time of completion that can be authorized by the City Manager or Department Director. A valid request for a change order or amendment must meet the following criteria:
 - a. the change was not reasonably foreseeable at the time that the contract was signed;
 - b. the change must be relevant to the original contract; and
 - c. the change is authorized by the contract provisions and in the best interest of the City.
3. **Conflict of Interest.** No employee, officer, Councilmember, or agent shall participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, Councilmember, agent, or any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated, herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

Nothing in this Policy does or is to be construed as limiting the applicability of any other federal, state, or local laws and regulations governing prohibitions against financial conflicts of interest, including but not limited to the Political Reform Act (Government Code Section 81000 *et seq.*) and implementing regulations from the

Fair Political Practices Commission (Title 2, Section 18110 *et seq.*, of the California Code of Regulations), and Government Code Sections 1090-1999 and 1126. All such laws and regulations shall apply to every employee, officer, Councilmember, and agent of the City.

- 4. Local Vendors. Purchasing goods and services from local vendors which stimulate the local economy is encouraged but not required.
- 5. Green Purchasing Practices. The City is committed to Green Purchasing practices in obtaining goods and services. The City shall consider environmentally-preferable products when appropriate. Nothing in this policy requires the procurement of products that do not adequately perform their intended use, requires procurement that excludes adequate competition, or requires the procurement of products that are unavailable at a reasonable price or at a reasonable time. An environmentally-preferable product means a product that meets any of the following criteria:
 - a. is durable, repairable, reusable, or recyclable;
 - b. has minimal packaging, toxic content, or chemical-hazard potential;
 - c. is resource or energy efficient in any or all phases of its manufacture, use, or disposal; or
 - d. its use or disposal minimizes or eliminates the City’s potential environmental liability.

II. EXPENDITURE CATEGORIES

Purchases, which include those made by purchase order (PO), written agreement, **amendment** or change order that require city expenditures, are classified into five categories based on the anticipated expenditure amount. Each category establishes an authorization level, procurement method, and maximum term, which shall apply unless specifically exempted in accordance with this Policy.

- A. Expenditures of \$50 or less (petty cash)
- B. Expenditures of \$51 to \$5,000 (operational)
- C. Expenditures of \$5,001 to \$15,000 (minor)
- D. Expenditures of \$15,001 to \$50,000 (intermediate)
- E. Expenditures over \$50,001 (major)

A. EXPENDITURES OF \$50 OR LESS

Authorization: Department Director, who may delegate to a department manager

Procurement: No bids or PO necessary; petty cash advances or reimbursement

Term Limit: **N/A**

Note: These transactions take the place of ordinary ongoing purchases and shall be limited in use.

A cash disbursement or reimbursement may be obtained from the Finance department and must not exceed \$50. A petty cash request form shall be completed and signed by the department director before submittal. The form shall include the date, description of the item to be purchased, and account number. Petty cash amounts will be advanced to accommodate miscellaneous minor expenditure amounts of \$50 or less and for which normal payment provisions are not practical. The Finance department will periodically audit petty cash expenditures as to form and regulations and may confirm purchases.

B. EXPENDITURES OF \$51 to \$5,000 DURING THE INITIAL TERM¹

Authorization: Department Director, who may delegate to a department manager⁴
Procurement: No PO necessary; 3 informal bids/proposals² whenever possible
Term Limit: 3 years plus one 3-year extension

C. EXPENDITURES OF \$5,001 to \$15,000 DURING THE INITIAL TERM

Authorization: Department Director
Procurement: PO required plus 3 **written** informal bids/proposals
Term Limit: 3 years plus one 3-year extension

D. EXPENDITURES OF \$15,001 to \$50,000 DURING THE INITIAL TERM

Authorization: City Manager
Procurement: PO **required** plus 3 **written** informal bids/proposals plus city contract³
Term Limit: 3 years plus one 3-year extension

E. EXPENDITURES OVER \$50,001

Authorization: City Council
Procurement: PO required plus formal bids/proposals plus city contract
Term Limit: no limit, any term approved by majority vote of the City Council

III. PROCUREMENT PROCEDURES - MAJOR EXPENDITURES (over \$50,001)

For purposes of this Policy, the "Initial Term" shall be either (i) a term under the contract or PO not to exceed one year, or (ii) a term longer than one year but not to exceed the maximum number of years authorized under a "Term Limit" (set forth below) as long as the contract includes a continuing obligation for performance by a contracting party and the City has an obligation for payment only for the services actually performed and accounted for by invoice or other monthly or regular periodic documentation acceptable to the City. Under any contract or PO, either the contracting party or City may terminate the contract or PO prior to the expiration of the Initial Term for the other party's nonperformance.

² "Informal" bid/proposal means verbal or written, via telephone, e-mail or other casual medium.

³ The city's templates for contracts, agreements, **amendments** and change orders shall be used for category D and E purchases. The City Manager may allow for modifications of these templates or use of other contracts, agreements, **amendments** and change orders, or may require use of city templates for category B and C purchases when the City Manager determines it is prudent due to the level of risk exposure to the city, the need to spell out a complex scope of work, or any other reason s/he believes to be in the best interest of the city. To meet prevailing wage requirements any maintenance or repair project over \$15,000 or construction project over \$25,000 will require a written contract.

⁴ Designee must have signature authorization form on file with the Finance department, or active designation letter for a specific date range.

A. FORMAL BIDS FOR MAJOR PUBLIC WORKS PROJECTS AND MAJOR SUPPLIES AND EQUIPMENT PURCHASES. Major public works projects and supplies and equipment as referenced in Chapter 3.12 of the La Quinta Municipal Code, are defined as purchases and projects having an actual or estimated value of greater than fifty thousand **and one** dollars (\$50,001). The solicitation and selection of bids and award of contracts shall comply with Section 3.12.030 of the La Quinta Municipal Code (public works contracts), and this Policy, and shall be administered through each City Department, according to the following procedures:

1. Invitation for bids. An invitation for bids (the “invitation”) shall be published in a newspaper, electronic bulletin board or **online submission source, City website, World Wide Web site** or other generally-recognized source of local public works contract information, at least ten days prior to the date of the opening of bids. Invitations shall include general descriptions of the work to be performed, the time and place of the opening of bids, the place where bidders may obtain bid documents, the amount of bid security required, and the amount and nature of performance and labor materials security that will be required.
2. Form of bids. Bids conforming to the requirements of the invitation shall be submitted to the Department Director (the “Director”) in sealed packages or by other means which will prevent the divulging of bids prior to the stated time for opening of bids, all as specified in the invitation or the bid documents. Unopened bids should be clearly marked or otherwise identifiable as bids for the project to which they apply.
3. Bid security for public works projects. Bids for public works projects shall be accompanied by cash, cashier’s check, certified check, surety bond, or other form of security stated in the invitation or bid documents, in a sum equal to **at least** ten percent (10%) of the amount of the bid.
4. Opening of bids. At the time and place stated in the invitation, the bids shall be publicly opened and announced. The bid amounts shall be tabulated and the tabulation shall be available for public inspection at the Public Works Department during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.
5. Review of bids. The Director shall review all bids received for completeness, accuracy, responsiveness to the invitation and the bid documents, and the City’s experience with or knowledge of the qualification and reliability of each bidder and shall prepare a recommendation to the City Council. Written amounts shall take precedence over associated numeric amounts. Mathematical errors, if found, shall be corrected and shall not disqualify a bid. The corrected total shall

be the bid amount considered in determining the lowest responsible bidder and shall be the contract amount awarded if the bid is selected.

6. Award of contract. Contracts shall be awarded by the City Council to the lowest responsible bidder. Determination of the lowest responsible bidder shall be at the sole discretion of the City Council pursuant to findings and recommendations presented by the Director at the time of the award of contract.
7. Equal bids. If two or more equal low bids are received, the City Council may award the contract to any one of the equal low bidders **by the following:**
 - a. **Select one bid; or**
 - b. **Reject all bids and re-solicit for bids; or**
 - c. **Reject all bids and authorize negotiated agreement if consistent with federal and state laws; or**
 - d. **Select one bid, which is the most responsible bidder; or**
 - e. **Take any other action that the City Council deems to serve the best interest of the City.**
8. No bids. When no bids are received from responsible firms, the City Council may accomplish the project in any manner it sees fit.
9. Rejection of bids. The City Council may reject any or all bids presented and may then direct that the project be re-advertised, may authorize negotiation of a contract with one or more responsible firms, or may resolve that the project can be performed more economically by City forces, day labor, time and materials contract, or other method.
10. Execution of contract. The successful bidder shall execute the contract and furnish required performance security and labor and materials security when required pursuant to the bid document.
11. Forfeiture of bid security for public works projects. If the successful bidder fails to execute the contract and furnish security within the stated time, and said failure is not primarily due to actions or omissions of the City or to acts of god, the bidder shall forfeit the bid security provided. The City Council may then consider the bid of the next lowest responsible bidder.
12. Release of bid security for public works projects. Bidders are entitled to the return of their bid security unless forfeited as provided herein. The City shall retain all bid security until a contract has been executed or until the City Council rejects all bids at which time all bid security not forfeited shall be returned to the appropriate bidders.

13. Disposition of forfeited bid security for public works projects. The City shall retain forfeited bid security until a contract is awarded to another firm or the project is cancelled. The City shall retain an amount equal to the difference between the forfeiting firm's bid and the new contract amount, if any, and an additional amount equal to administrative and other costs incurred as a result of the failure of the forfeiting bidder to enter into a contract and provide required security, and shall return any remaining amount of the bid security to the forfeiting bidder.
14. Performance security and labor and materials security for public works projects. The bidder to whom the contract is awarded (the "successful bidder") shall furnish performance security and labor and materials security in amounts specified in the Invitation or Bid Documents.

B. FORMAL PROPOSALS FOR MAJOR PROFESSIONAL AND TECHNICAL SERVICES.

Major professional and technical services are defined as services having an actual or estimated value of greater than fifty thousand **and one** dollars (\$50,001). The solicitation and selection of proposals and award of contracts shall comply with Section 3.12.020 of the La Quinta Municipal Code (service contracts), and this Policy, and shall be administered through each City Department, according to the following procedures:

1. **Maintenance and Repair Services. Services intended to preserve and/or restore a public work to a clean, safe, efficient, and/or continually usable condition. Maintenance and repair services include, but are not limited to: carpentry, electrical, painting, plumbing, glazing, and other craftwork to preserve a facility in the condition for which it was intended; repairs, cleaning and other operations on machinery and other equipment permanently attached to a facility as fixtures; the mowing, pruning, and trimming of lawns, grass, trees, shrubs, bushes and hedges; and the regular removal or relocation of by-products or waste products accumulated at City facilities as the result of ongoing environmental processes.**
2. The City Manager shall approve the preparation and release of all Requests for Proposals (RFP) and Requests for Qualifications (RFQ).
3. City staff shall determine, based on professional judgment, whether an RFP or an RFQ process best suits its needs and City staff, or a city-authorized consultant, shall prepare the RFP/RFQ document.
4. City staff, or a city-authorized consultant, or both shall prepare a list of suitable firms from known registries, professional organizations, and/or any other source.
5. City staff shall issue the RFP/RFQ to suitable firms, and may also advertise for competitive proposals.

6. City staff shall form a selection committee, which may include private consultants, to review the RFPs/RFQs received, and the selection committee may conduct interviews and/or hold discussions with proposing firms.
7. The selection committee shall rank the proposing firms according to the criteria specified in LQMC Section 3.12.020 (service contracts) and City staff shall notify firms of their position in the ranking. For design-build projects, the selection committee may also take into account the criteria for selection of public works contracts specified in LQMC Section 3.12.030.
8. City staff, or a city-authorized consultant, shall negotiate with the top-ranked firm to arrive at mutually-acceptable contract terms.
9. City staff, or its authorized consultant shall terminate negotiations and begin negotiations with the next-ranked firm if an agreement cannot be reached and continue this process until negotiations are successfully concluded or until the list of qualified firms submitting proposals is exhausted and an agreement cannot be reached.
10. The City Council shall award or reject the contract negotiated by City staff.

IV. PROCUREMENT PROCEDURES – NON-MAJOR EXPENDITURES (\$50,000 & under)

INFORMAL BIDS OR PROPOSALS - Intermediate, Minor, and Operational Expenditure category projects, including minor public works projects, supplies, goods, equipment and minor services as referenced in Chapter 3.12 of the La Quinta Municipal Code, are defined as projects having an actual or estimated value of fifty thousand dollars (\$50,000) or less. The solicitation and selection of bids and award of contracts shall comply with Section 3.12.030 of the La Quinta Municipal Code (public works projects), Section 3.12.020 of the La Quinta Municipal Code (service contracts), and this Policy, and shall be administered through each City Department, according to the following procedures:

1. Informal bids shall be obtained verbally or in writing as dictated by this Policy from the open market and a written record of informal bids shall be kept with the related PO.
2. Bid security. Security and labor and material security shall conform to the requirements for major public works projects but may be modified or waived by the City staff person authorized to make the purchase if warranted and in the best interest of the City.

3. Execution and Award of Contracts. The City Council, may award contracts, or the City Manager, or designated City Director, or staff personnel **may award and execute contracts**, set forth in Categories A, B, C or D of Section II above, ~~may award and execute contracts~~ and may waive competitive bidding requirements if in the best interest of the City, provided there are unencumbered appropriations in the fund accounts against which the expenses are to be charged.

V. EXEMPTION TO ANY PROCUREMENT METHOD

Justification for exemption to any required procurement method may be submitted to the City Manager or in the case of a major expenditure, to the City Council under the following circumstances:

- a. Sole-source or select-source purchase. **To determine that a sole-source or select-source purchase exists, rationale and/or proof must be provided in the purchase requisition.**
 - Acquisition of brand name to insure compatibility with other city products and equipment. For example standardization of fleet inventory (select-source).
 - Change orders - additions to an original scope of work when the original source is the only reasonable one to provide the additional goods, construction work or service needed (select-source).
 - Only one manufacturer or vendor makes and/or sells the required equipment (sole-source).
- b. State, County, or other public agency cooperative purchasing program or contracts utilizing funding or other participation from agencies which require conformance with state, federal or other contracting regulations.
- c. **The City does not require a contract for equipment purchases such as a specific type or brand of supply or part necessary for acceptable operation of a machine or device, or as required by warranty or contract on the machine or device; written documentation supporting a purchase must be provided.**
- d. Emergency purchases made necessary by an immediate threat to life or property or a substantial disruption of a vital public service.
 - **In advance of any local emergency, the City seeks to retain a list of available local businesses willing to provide necessary supplies, materials, equipment, services, food, care or shelter to the City through the Office of Emergency Management. Once the Emergency Operations Center (EOC) is activated, these memorandums will be activated.**
 - **In the event of an emergency, the City Manager or designee may make immediate purchases of goods and services. Emergency purchases include any purchase required to prevent imminent danger or to prevent or**

- mitigate the loss or impairment of life, health, property, or essential public services. Every effort shall be made to obtain advance approvals or to obtain approvals as soon as possible following the purchase.
- The City is not required to engage in either formal or informal competitive bidding in an emergency. The City Council delegates to the City Manager and City Manager’s designee the authority to waive any procedures in the Policy that are not statutorily mandated when making emergency purchase of supplies, equipment, materials or services.
 - The City Council shall ratify emergency suspension of procedures at the next properly noticed Council meeting following the emergency procurement and consider whether further suspension of procedures is required to abate the impacts of the emergency.
- e. The awarding officer(s) may waive irregularities in formal or informal bids received provided that it is in the best interest of the City to do so, and it does not result in unfair advantage to any bidder.
- e. The City Council may authorize the award and execution of contracts without competitive bidding provided that such award is in the best interest of the City, or of the public health, safety and welfare.

VI. CITY CREDIT CARD USE

A. Authorization and Acknowledgement. Approval to use, issue and revoke a City credit card is at the discretion of the City Manager. Unless otherwise authorized by the City Manager, City credit cards shall have a credit limit of \$5,000. The City Manager shall have the authority to set credit limits on a case by case basis up to \$25,000.

City credit cards shall be kept by the Finance Department and/or City Manager’s Office for safekeeping and prudence. Users authorized by the City Manager **or designee** (“Authorized Users”) must be City employees. Authorized Users may check credit cards in and out **as necessary, but are encouraged to limit usage only when necessary.** All credit cards shall be returned to Finance or the City Manager’s Office in a timely manner after use.

The Finance Department requires Authorized Users to sign a **Signature Authorization Form** acknowledging his/her understanding of the policies and procedures for the use of the City credit card and acknowledging the receipt of the credit card.

- B. Appropriate City Credit Card Use.** City credit cards may be used for the following:
1. Traveling on City business;
 2. Purchasing goods and services from vendors where use of a check is not practical, such as the case with many internet purchases in which no actual storefront exists;

3. Securing reservations and locations for various City activities, meetings and conference fees, community events, honoree luncheons, marketing promotions, and sales missions;
4. Paying for meals in conjunction with official City business such as meetings with City Council, developers, or consultants.

C. Inappropriate City Credit Card Use. The credit card shall not be used for the following:

1. Cash advances, money orders, wire transfers, etc.;
2. Routine gasoline purchases;
3. Alcoholic beverages, **tobacco products, and prescription drugs;**
4. **Political or religious organizations;**
5. **Firearms or ammunition;**
6. **Gifts including gift cards, flowers, etc.;**
7. Long-term rentals or lease agreements;
8. Heavy-duty machinery that requires a maintenance agreement;
5. Use of the City credit card is not intended to replace effective procurement planning which enables volume discounts or to circumvent established competitive purchasing procedures. This means no purchases for goods or services should be made that would otherwise require competitive bidding;
6. Employees shall not use City credit cards for personal expenses. Charging personal items, services, entertainment or expenses of any kind on City cards is a misuse of City funds and a serious breach of City's ethics policy. Doing so will result in disciplinary action, up to and including termination. Employees should use care in selecting between using their business and personal credit cards.

D. Travel, Meetings, & Conferences. The uses of the City credit card for travel, local meetings, and conferences shall at all times comply with the standards and practices set forth within the City travel and meeting policy. All credit card charges must be supported by detailed charge receipts and submitted on an expense report ~~within ten (10) days of return from a business trip~~ to the Finance Department **upon return from a business trip.**

E. Obtaining Goods and Services. Authorized purchases may be made in person, via approved internet site, or by telephone. Authorized Users must require vendors to itemize the receipt/invoice. An itemized receipt/invoice consists of the following information:

- Date of purchase
- Detailed description of goods or services purchased
- Price per item
- Amount of sales tax and total amount
- Shipping charges, if any

Upon completing the credit card transaction, the employee shall submit the itemized receipt with appropriate account numbers to the Finance Department.

F. Monthly Statement. At the end of a billing cycle, the Finance Department will provide to Authorized Users a statement showing all transactions made during the billing cycle for which receipts/invoices have not already been turned into the Finance Department. Authorized Users are responsible to review and reconcile monthly credit card statements. Once reconciled, the Authorized User will attach the supporting detailed charge receipts and related invoices to the monthly credit card statement and turn it into the Finance Department within two (2) working days of receipt. Falsification of receipts will subject the employee to disciplinary action, up to and including termination of employment. The Finance Director reserves the right to review each credit card statement and determine if the expenses were purchased in accordance with the City policy.

G. Disputed Charges. Authorized Users are responsible for ensuring that the vendor, the issuing bank, and the Finance Director are notified immediately of any disputed charges. Authorized Users will be responsible for resolving the disputed charge directly with the credit card company.

H. Returned Items. If items purchased with the credit card are found defective or the repair or services faulty, the cardholder has the responsibility to return the item to the merchant for replacement or credit to the card. Cash refunds or store credit will not be permitted.

I. Timely Payment. Based on the statement cycle date, the Finance Department will ensure timely payments. Credit card charges will be paid once reconciled by the Authorized Users and approved by the Finance Department.

To avoid late fees and finance charges, the Finance Department reserves the option to pay all credit card charges, even if supporting documentation is not yet received. When subsequently received, the supporting documentation will be retroactively reconciled to the payment.

J. Lost or Stolen Cards. Authorized Users are responsible for ensuring that the issuing bank and the Finance Department are notified immediately if the card is lost or stolen. Failure to do so may result in holding the Authorized User responsible for any fraudulent use of the card.

K. Disciplinary Action. The ~~City Manager~~ Human Resources department is responsible for all disciplinary action surrounding misuse of cards, including cancellation of card privileges.

L. Surrender upon Request or Separation. The credit card will be immediately surrendered upon separation from City employment, retirement, termination or upon request of the City Manager. Use of the credit card for any purpose after its surrender is prohibited.

FEDERALLY FUNDED PROCUREMENTS

This section pertains to federal-funded projects and purchases.

VII. GENERAL PROCUREMENT STANDARDS

A. Code of Conduct. As representatives of the City of La Quinta, all employees are expected to conduct themselves in a professional and ethical manner, maintaining high standards of integrity and the use of good judgement. Employees are expected to be principled in their business interactions and act in good faith with individuals both inside and outside the City. The following Code of Conduct shall govern the performance, behavior and actions of the City, including employees, directors, appointed or elected officials, volunteers, or agents who are engaged in any aspect of procurement, including, but not limited to, purchasing goods and services, awarding contracts and grants, and the administration and supervision of contracts:

1. No employee, director, appointed or elected official, volunteer, or agent of the City shall participate in the selection, award, or administration of contracts supported by a federal award if a conflict of interest is real or apparent to a reasonable person.
2. Conflicts of interest may arise when any employee, officer, or agent of the City, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a real or apparent financial or other interest in or a tangible personal benefit from a firm considered for the contract.
3. No employee, director, appointed or elected official, volunteer, or agent of the City shall do business with, award contracts to, or show favoritism toward a member of his or her immediate family, spouse's family, or to any company, vendor, contractor, or parties to subcontractors who either employ or has any relationship to a family member; or award a contract or bid which violates the spirit or intent of federal, state and local procurement laws and policies established to maximize free and open competition among qualified vendors.
4. The City's employees, directors, appointed or elected officials, volunteers, or agents shall neither solicit nor accept gratuities, favors, gifts, consulting fees, trips, or anything having a monetary value in excess of twenty-five dollars (\$25.00) from a vendor, potential vendor, family or employees of a vendor, contractor or parties to subcontractors.
5. Disciplinary measures for violations of the Code of Conduct by employees, directors, appointed or elected officials, volunteers, or agents who are engaged in any aspect of procurement, including, but not limited to, purchasing goods and services, awarding contracts and grants, and the administration and supervision of

contracts could lead to disciplinary measures, up to and including possible termination of employment.

B. Solicitation Procedures

1. Acquisition of unnecessary or duplicative items must be avoided. Consideration should be given to consolidating or dividing procurements to obtain a more economical purchase. When appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
2. To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services, the City shall enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
3. Procuring federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs shall be utilized.
4. Value engineering clauses may be used in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
5. Contracts shall only be awarded to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
6. Records will be maintained sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. The City Clerk will be the repository for said records and shall be maintained for period of no less than seven (7) years.
7. Time and material type contracts (open-ended) may be used only after a determination that no other contract is suitable. Time and material type contract means a contract where the cost to the City is the sum of the actual cost of materials and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expense, and profit. Each time and material contract will set a ceiling price that the contractor exceeds at its own risk. A higher degree of oversight is required in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

6. The City alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the City of any contractual responsibilities under its contracts. The federal awarding agency will not substitute its judgment for that of the City unless the matter is primarily a federal concern. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

C. Competition

1. All procurement transactions must be conducted in a manner providing full and open competition. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals will be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include, but are not limited to:
 - a. Placing unreasonable requirements on firms in order for them to qualify to do business;
 - b. Requiring unnecessary experience and excessive bonding;
 - c. Noncompetitive pricing practices between firms or between affiliated companies;
 - d. Noncompetitive contracts to consultants that are on retainer contracts;
 - e. Organizational conflicts of interest;
 - f. Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance or other relevant requirements of the procurement; and
 - g. Any arbitrary action in the procurement process.
2. Procurements shall be conducted in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
3. All solicitations will incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of

the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standard to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a brand name or equivalent description may be used as a means to define the performance or other relevant requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated.

4. Bids and proposals shall identify all the requirements which the offerors must fulfill and all other factors to be used in evaluation bids or proposals

D. Methods of Procurement. In addition to the City's purchasing policy approval limits, one of the following methods should be used:

1. **Micro-purchase:** Purchases where the aggregate dollar amount does not exceed \$3,500, or the current limitation set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1, where this threshold is periodically adjusted for inflation.
2. **Small purchase:** Purchases up to the Simplified Acquisition threshold, which is currently \$150,000. Informal purchasing procedures are acceptable, but price or rate quotes must be obtained from an adequate number of sources.
3. **Sealed bid:** Purchases over the Simplified Acquisition threshold, which is currently \$150,000. Under this purchase method, formal solicitation is required, and the fixed price (lump sum or unit price) is awarded to the responsible bidder who conformed to all material terms and is the lowest in price. This method is the preferred procurement method for construction contracts, if the following conditions apply:
 - a. A complete, adequate, and realistic specification or purchase description is available;
 - b. Two or more responsible bidders are willing and able to compete effectively for the business, and,
 - c. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally based on price.

If this method is used, the following requirements shall apply:

- d. The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date for opening the bids;

- e. The invitation for bids, which will include any specifications and pertinent attachments, must define the terms or services in order for the bidder to properly respond;
- f. All bids will be publicly opened at the time and place prescribed in the invitation for bids;
- g. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts will only be used in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- h. Any or all bids may be rejected if there is a sound documented reason.

4. Competitive proposals: Purchases over the Simplified Acquisition threshold, which is currently \$150,000. This procurement method requires formal solicitation, fixed-price or cost-reimbursement contracts, and is used when sealed bids are not appropriate. The contract should be awarded to the responsible firm whose proposal is most advantageous to the program, with price being one of the various factors. If this method is used, the following requirements apply:

- a. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- b. Proposals must be solicited from an adequate number of qualified sources;
- c. The methods for conducting technical evaluations of the proposals received and for selecting recipients may include, but not limited to: oral interviews, references, past performance, availability to perform work, and certifications as determined by project scope.
- d. Any response that takes exception to any mandatory items in this proposal process may be rejected and not considered;
- e. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and,
- f. Competitive proposal procedures may be used for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and

reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services, though A/E firms are a potential source to perform the proposed effort.

5. Noncompetitive proposals: Also known as sole-source procurement, this may be appropriate only when one or more of the following criteria are met:

- a. The item is available only from a single source;
- b. The public emergency for the requirement will not permit a delay resulting from competitive solicitation;
- c. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-federal entity; or
- d. After solicitation of a number of sources, competition is determined inadequate.

E. Contract Cost and Price. A cost or price analysis shall be performed in connection with every procurement action in excess of the Simplified Acquisition threshold (\$150,000) including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, independent estimates shall be made prior to receiving bids and proposals.

1. Profit shall be negotiated as a separate element of the price for each contract in which there is a no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

2. Costs or prices based on estimated costs for contracts under the federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the City under Subpart E- Cost Principles of Part 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

3. The cost plus a percentage of cost and percentage of construction cost methods of contracting shall be used.

F. Federal Awarding Agency or Pass-Through Entity Review.

1. The City shall make available, upon request of the federal awarding agency or pass-through entity, technical specifications on proposed procurements where the federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the City desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

2. The City will make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

- a. Procurement procedures or operations fails to comply with the procurement standards in this part;
- b. The procurement is expected to exceed the Simplified Acquisition Threshold (\$150,000) and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
- c. The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a “brand name” product;
- d. The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
- e. A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

3. The City is exempt from the pre-procurement review in paragraph 2 of this section if the federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

4. The City may request that its procurement system be reviewed by the federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third-party contracts are awarded on a regular basis;

5. The City may self-certify its procurement system. Such self-certification must not limit the federal awarding agency's right to survey the system. Under a self-certification procedure, the federal awarding agency may rely on written assurances from the City that it is complying with these standards. The City must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

G. Bonding Requirements. For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold (\$150,000), the federal awarding or pass-through entity may accept the bonding policy and requirements of the City provided that the federal awarding agency or pass-through entity has made a determination that the federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

1. A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The bid guarantee must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified;
2. A performance bond on the part of the contractor for 100 percent (100%) of the contract price. A performance bond is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract; and,
3. A payment bond on the part of the contractor for 100 percent (100%) of the contract price. A payment bond is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

H. Contract Provisions. All federal funding source compliance provisions shall include the following:

1. Equal Employment Opportunity- All contracts, when funded in whole or partly by monies derived from the federal government (either directly or indirectly), shall contain a provision requiring compliance with Equal Employment Opportunity.
2. Davis-Bacon Act- Applies to construction contracts in excess of \$2,000. It requires contracts to pay laborers and mechanics wages not less than the prevailing wage as determined by the Secretary of Labor and must be required to pay wages not less than once a week. Each bid solicitation published by the City must contain the current prevailing wage determination. Any award of the contract must be conditioned on contractor's acceptance of that wage determination and suspected or reported violations of this act shall be immediately reported to the Federal awarding agency.
3. Copeland "Anti-Kickback" Act- Applies to construction contracts in excess of \$2,000. It prohibits kickbacks in construction contracts funded with Federal monies. Contractors and subcontractors or subrecipients shall be prohibited from inducing any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled and suspected or reported violations shall be immediately reported to the Federal awarding agency.

4. Clean Air Act & Federal Water Pollution Control Act- Applies to contracts and sub grants in excess of \$150,000. Contractor shall be required to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act. Suspected or reported violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

5. Debarment and Suspension- Contracts funded with federal grant monies may not be awarded to contractors that have been debarred or suspended from receiving federal monies pursuant to the System for Award Management (SAM).

6. Byrd Anti-Lobbying Amendment- Contractors that apply or bid for an award of \$100,000 must certify that they will not and have not used federal funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award.

I. Contracting with small and minority business, women’s business enterprises, and labor surplus area firms. All necessary affirmative steps will be taken to assure that minority business, women’s business enterprises, and labor surplus area firms are used when possible. Affirmative steps include:

1. Placing qualified small and minority businesses and women’s business enterprises on solicitation lists;
2. Assuring that small and minority businesses and women’s business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women’s business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses and women’s business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and,
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: DISCUSS PICKLEBALL COURTS PLACEMENT

RECOMMENDATION

Discuss the placement of new pickleball courts.

EXECUTIVE SUMMARY

- The Tennis and Pickleball Court Conversion project was completed in October 2017. There are currently seven tennis courts and four pickleball courts at Fritz Burns Park.
- Pickleball players have requested additional courts due to high demand.
- In March 2018, Staff presented to Council the option to convert an existing tennis court into four pickleball courts at Fritz Burns Park. Council directed Staff to research alternatives.

FISCAL IMPACT

The cost to convert an existing tennis court into four pickleball courts at Fritz Burns Park is approximately \$30,000. This cost includes in-ground sleeves, net posts, nets, and surface coating. Funds are available in the Park Equipment Replacement account (501-0000-71060).

BACKGROUND/ANALYSIS

At the March 6, 2018 Council meeting, Staff presented a study session item to discuss the pickleball players' request for additional pickleball courts at Fritz Burns Park. Staff provided the option to convert one more tennis court to four pickleball courts. Council directed staff to research alternatives such as partnering with private clubs in La Quinta and discuss the possibility of pickleball at Desert Recreation District's La Quinta Community Park and placement of courts at another City owned property.

Staff contacted private clubs in La Quinta to determine their number of tennis and pickleball courts. Staff also asked each private club if their courts were open to the public. The chart below summarizes the information obtained.

PRIVATE LA QUINTA CLUBS	ORIGINAL NUMBER OF TENNIS COURTS	TENNIS COURTS CONVERTED TO PICKLEBALL COURTS	CURRENT NUMBER OF PICKLEBALL COURTS	OPEN TO PUBLIC
PGA West	18	4	16	No public, members only
La Quinta Resort	22	2	8	No public (except for lessons)
Andalusia at Coral Mountain	6	1	4	Open for lessons & guest invite only
Palm Royale	4	1	3	No public, members only
Rancho La Quinta	7	0	0	Tennis program is too large. Will not convert courts at this time.
La Quinta Country Club	0	0	0	Tennis courts were taken out many years ago.

Staff discussed with Desert Recreation District (DRD) the possibility of installing pickleball courts at La Quinta Community Park. DRD will consider site planning and evaluate configuration and report back their findings.

Council may elect to direct Staff to convert one more tennis court at Fritz Burns Park into four pickleball courts within the 2017/18 fiscal year; leave the current pickleball and tennis courts as is; or direct Staff to include additional pickleball or tennis courts as part of the Capital Improvement Program.

Prepared by: Robert Ambriz, Jr., Parks Superintendent
 Approved by: Steve Howlett, Facilities Director

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: DISCUSS SENATE BILL 1 FUNDS FOR ROAD MAINTENANCE AND REHABILITATION ACT

RECOMMENDATION

Discuss use of Senate Bill 1 funds for road maintenance and rehabilitation act.

EXECUTIVE SUMMARY

- Senate Bill 1 (SB-1), the Road Maintenance and Rehabilitation Act of 2017 will provide approximately \$3,515,042 for use on eligible transportation related improvements during the next five fiscal years.
- In order to receive SB-1 funds, the City must comply with the following requirements: show an annual Maintenance of Effort (MOE) expenditure from the City's General Fund in the amount of \$1,786,109; and adopt a Council resolution of projects to be funded the following fiscal year with SB-1 funds.
- The required Resolution would include each project's location, description, and useful life. The project list will be submitted for Council's consideration on April 17, 2018.

FISCAL IMPACT

The following table represents the estimated SB-1 funding by fiscal year:

2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
\$675,500	\$689,010	\$702,790	\$716,846	\$730,896	\$3,515,042

BACKGROUND/ANALYSIS

SB-1 created a new funding source for road maintenance and rehabilitation projects for cities and counties. The project list must be submitted to the California Transportation Commission (CTC) by May 1, 2018 to be eligible for SB-1 funding for the following fiscal year.

After factoring in the City's current expenditures on the Landscape and Lighting District, Gas Tax Fund, and required spending for the Measure A sales tax, the remaining annual MOE expenditure would be approximately \$49,102 to meet the required \$1,786,109. The projects listed in this report would put the City's MOE expenditure above the required amount.

City may spend its apportionment of SB-1 funds on transportation priorities other than priorities outlined within the Senate Bill if the City’s average Pavement Condition Index (PCI) meets or exceeds 80. The City’s PCI is 85, which provides maximum flexibility for use of these funds on transportation needs.

The draft fiscal year 2018/19 through 2022/23 Capital Improvement Plan proposes to use the SB-1 funding for the following transportation improvements (Attachment 1):

Project Description	2018/19	2019/20	2020/21	2021/22	2022/23	Total
La Quinta Village Complete Streets Improvement	\$318,000	\$689,010				\$1,007,010
Jefferson St/Ave 53 Roundabout	\$357,500					\$357,500
Hwy 111 at La Quinta Center Drive Left Turn Lanes			\$702,790			\$702,790
Dune Palms Road Pavement Rehabilitation				\$716,846		\$716,846
Fred Waring Drive Pavement Rehabilitation					\$730,896	\$730,896
TOTAL:	\$675,500	\$689,010	\$702,790	\$716,846	\$730,896	\$3,515,042

The two projects proposed to receive SB-1 funding in 2018/19 are as follows:

La Quinta Village Complete Streets Project

The proposed improvements will convert the La Quinta Village into a bicycle and pedestrian friendly environment and include the installation of five new roundabouts. The project’s construction phase is 100% funded with State Advanced Transportation Program (ATP) funds. Project components such as right of way and enhanced landscaping and drainage improvements are not eligible for the grant funding. Staff is recommending the use of SB-1 funds, in the amount of \$318,000 to supplement the existing project budget.

Jefferson Street at Avenue 53 Roundabout

Recently, the Council appropriated \$225,000 to initiate the design phase of the proposed roundabout on Jefferson Street at Avenue 53 (future SilverRock Way). The proposed roundabout is estimated to cost approximately \$2,086,000. Staff is recommending the project be funded with a mixture of Measure A, Transportation DIF, Developer Contributions, Unassigned CIP General Fund Savings, and SB-1 funds. If accepted, SB-1 funds in the amount of \$357,500 will be used to supplement the anticipated project budget.

Council could choose to install a traditional traffic signal at this location at a cost of approximately \$1,100,000, which would require the current roundabout at Jefferson Street and Avenue 52 to be converted back to a traditional signalized intersection at a cost of approximately \$2,800,000.

Projects for futures include:

Highway 111 at La Quinta Center Drive (Dual Left Turn Lanes)

Project will construct dual left turn lanes on Highway 111 and La Quinta Center Drive. Cost is estimated at \$1,530,600 with \$702,790 of SB-1 funds proposed.

Dune Palms Road Pavement Rehabilitation (Miles Avenue to Fred Waring Drive)

Staff is recommending SB-1 funds, in the amount of \$716,846, be used to rehabilitate the pavement during FY 2021/22.

Fred Waring Drive Pavement Rehabilitation (Palm Royale to Washington Street)

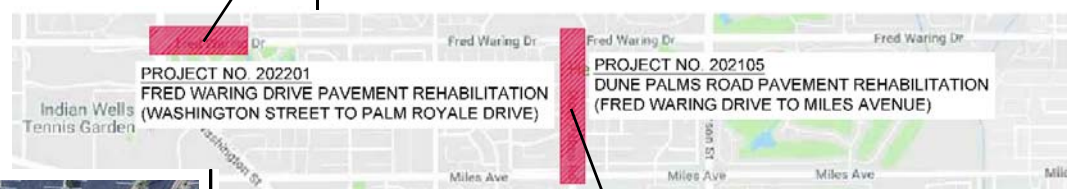
Staff is recommending SB-1 funds, in the amount of \$730,896, be used to rehabilitate the pavement during FY 2022/23.

Prepared by: Bryan McKinney, P.E. City Engineer
Approved by: Chris Escobedo, Acting City Manager

Attachment: 1. Vicinity Map

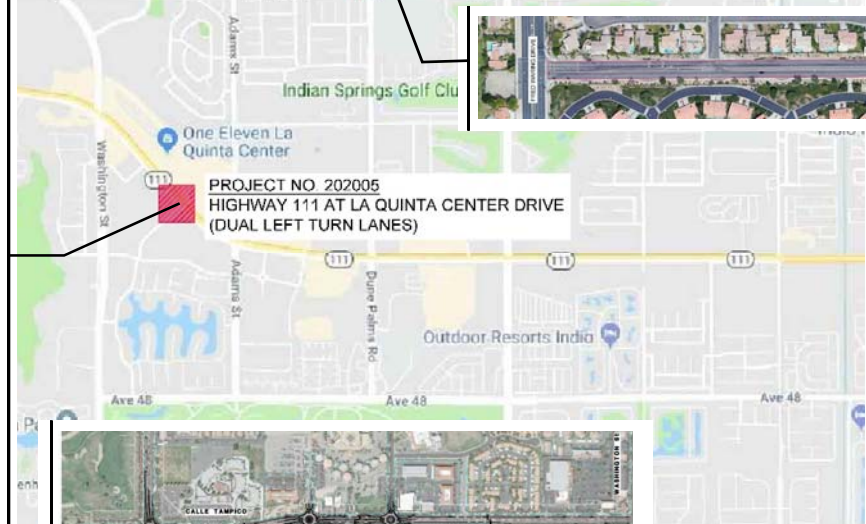
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PROJECT NO. 202201
FRED WARING DRIVE PAVEMENT REHABILITATION
(WASHINGTON STREET TO PALM ROYALE DRIVE)

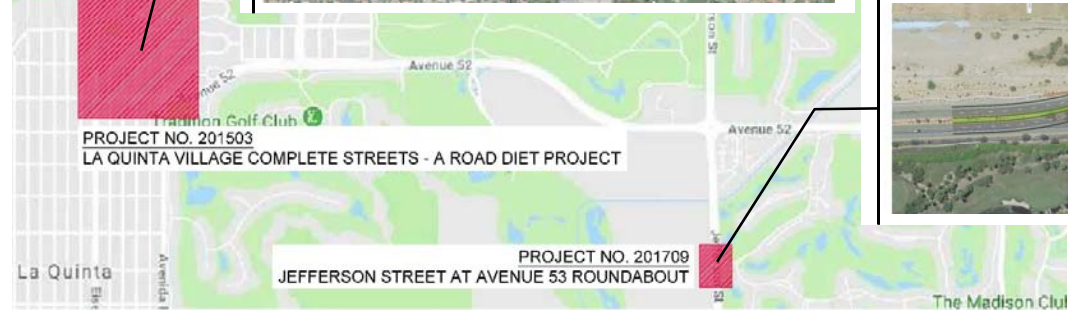
PROJECT NO. 202105
DUNE PALMS ROAD PAVEMENT REHABILITATION
(FRED WARING DRIVE TO MILES AVENUE)



PROJECT NO. 202005
HIGHWAY 111 AT LA QUINTA CENTER DRIVE
(DUAL LEFT TURN LANES)



PROJECT NO. 201503
LA QUINTA VILLAGE COMPLETE STREETS - A ROAD DIET PROJECT



PROJECT NO. 201709
JEFFERSON STREET AT AVENUE 53 ROUNDABOUT



[Click here to return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: DEVELOPMENT SERVICES 2018 UPDATE

RECOMMENDATION

Receive Development Services 2018 Update.

EXECUTIVE SUMMARY

- In October 2013, the City invested in development permit, project, business license and short-term vacation rental process improvements by acquiring and implementing TRAKiT, a permit software system.
- 2018 key goals are to further improve customer service, internal and external communications, accessibility and transparency, and trans-divisional process uniformity.

FISCAL IMPACT – None

BACKGROUND/ANALYSIS

This Study Session was scheduled to update the Council and community on the City's efforts to further streamline processes and to outline initiatives proposed for 2018. The City's "Hub" locates all staff involved in permit, project, and licensing transactions in one place so that customers do not need to roam from department to department.

Fire permit reviews have been brought in-house where previously customers had to go to a County facility to pay and submit for fire review. This facilitated a common vision and enabled uniform implementation of operational goals and objectives.

2017 was the first year of offering project and permit applications online. Of the total submitted applications, 32% have been done online. This online service has generated more efficient and simple entitlement, plan check, permit/license issuance and inspection processes.

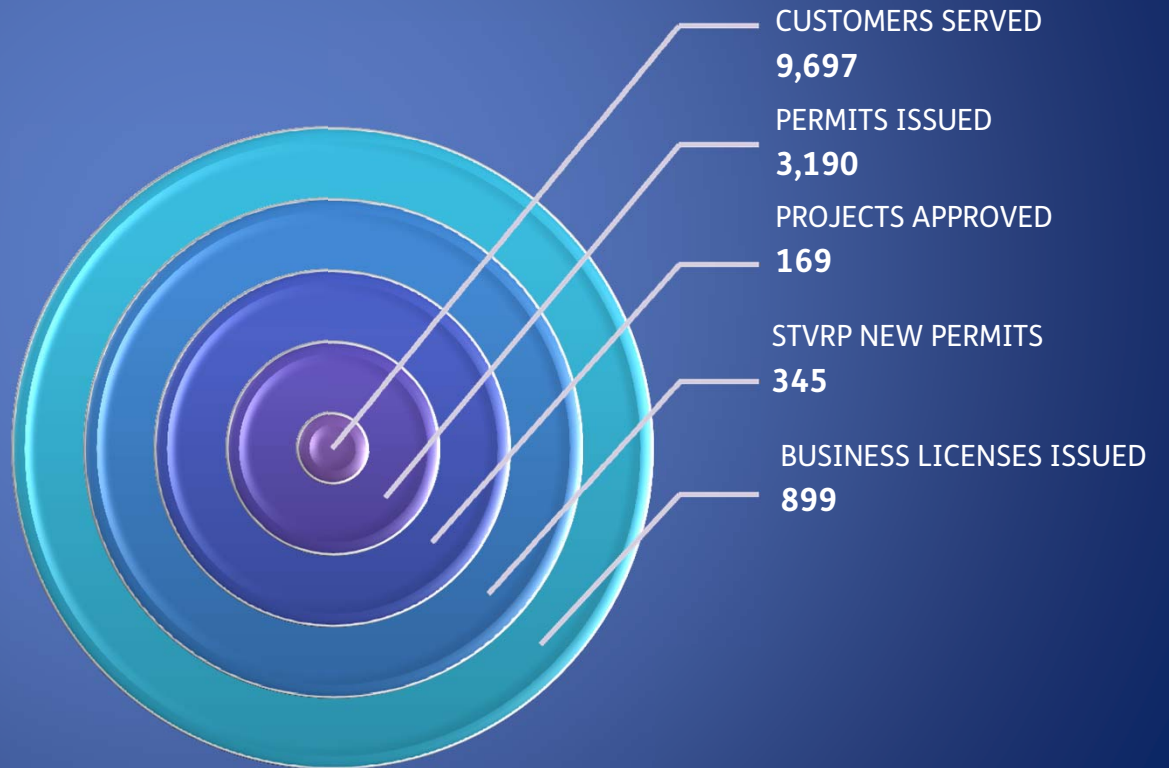
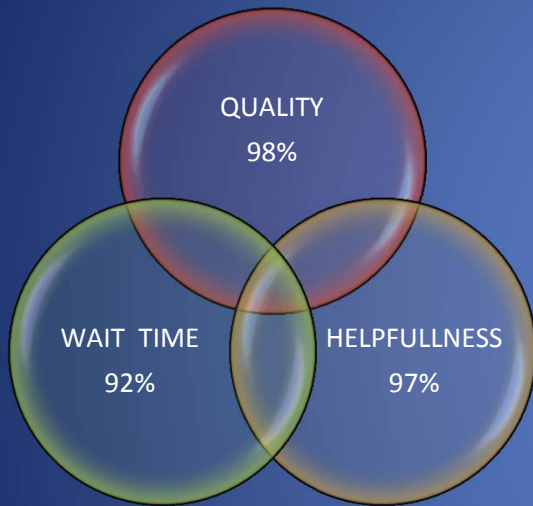
During the study, session Staff will present information regarding transaction statistics and performance metrics such as:

- 2017 Accomplishments
- 2017 Performance Metrics/Dynamic Reporting (Attachment 1)
- 2018 Goals
- 2018 Upcoming Development

Prepared by: Bryan McKinney, City Engineer
Approved by: Chris Escobedo, Acting City Manager

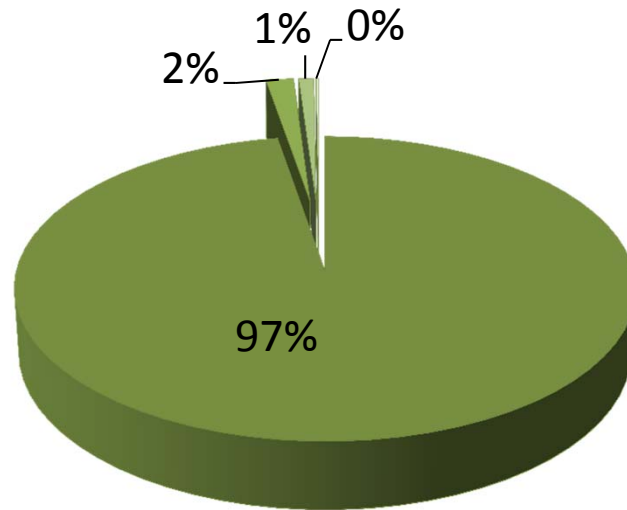
Attachment: 1. 2017 Performance Metrics

2017 HUB STATISTICS



PUBLIC WORKS DEVELOPMENT

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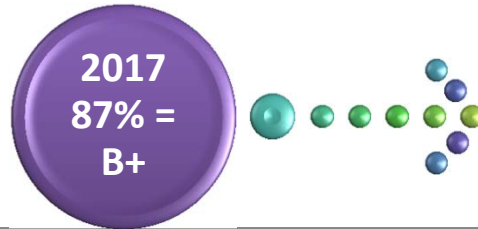
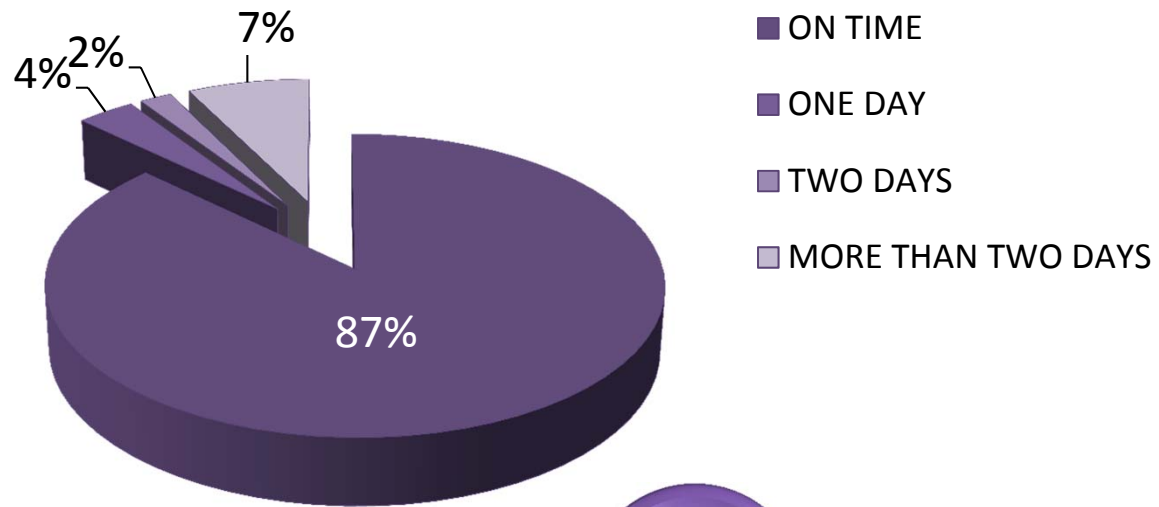
- ON TIME
- ONE DAY
- TWO DAYS
- MORE THAN TWO DAYS

Average Review Time	
Dept	2017
Public Works	70.68%



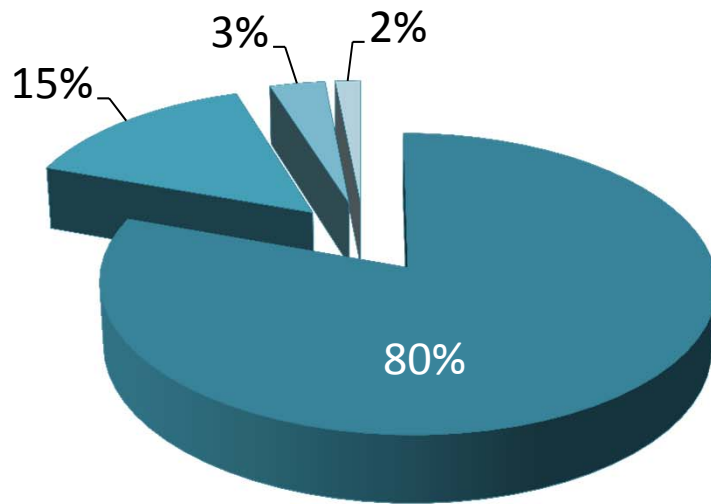
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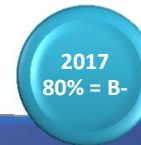
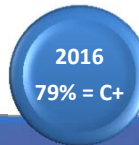
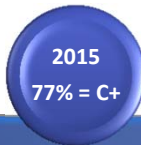
BUILDING

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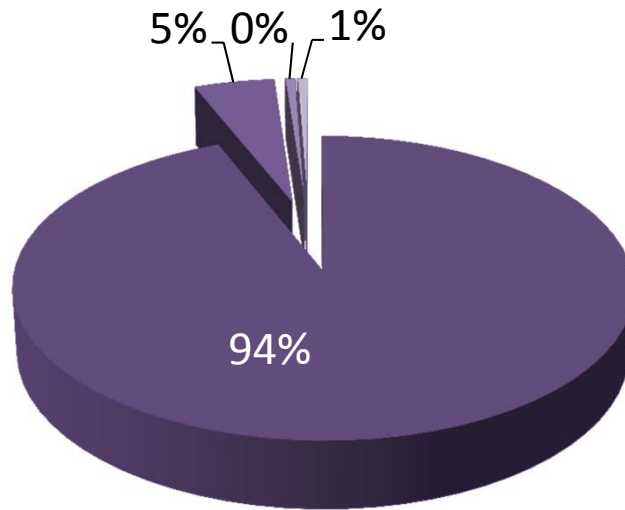
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Average Review Time	
Dept	2017
Building	90.57%



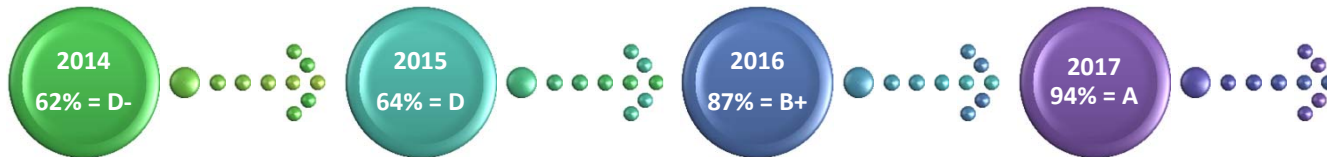
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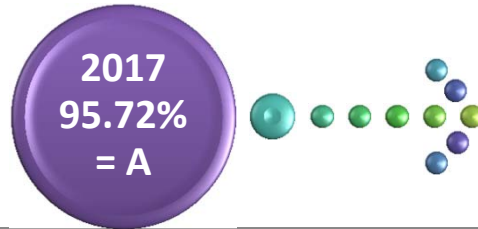
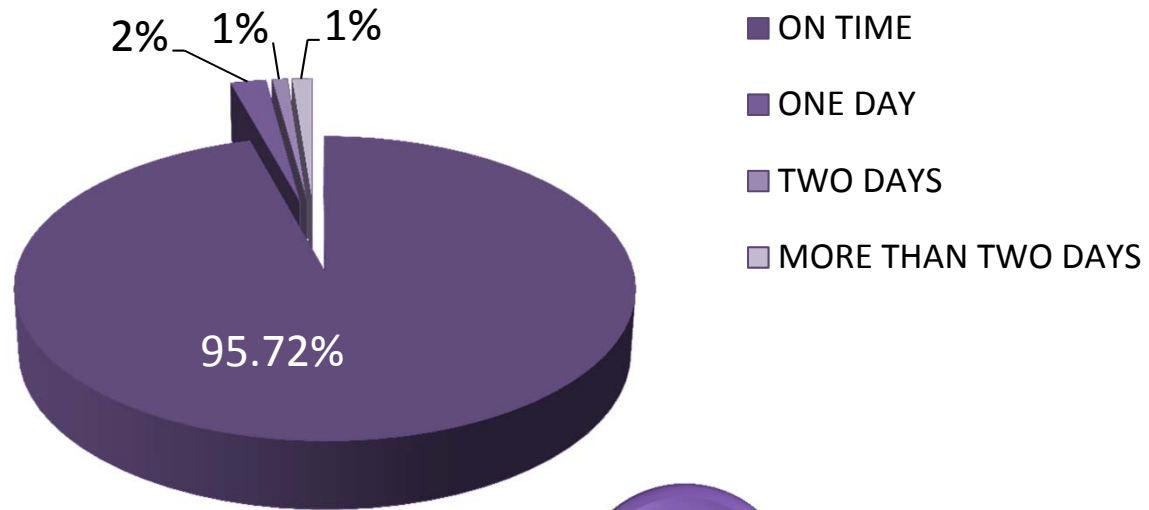
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Average Review Time	
Dept	2017
Planning	76.42%



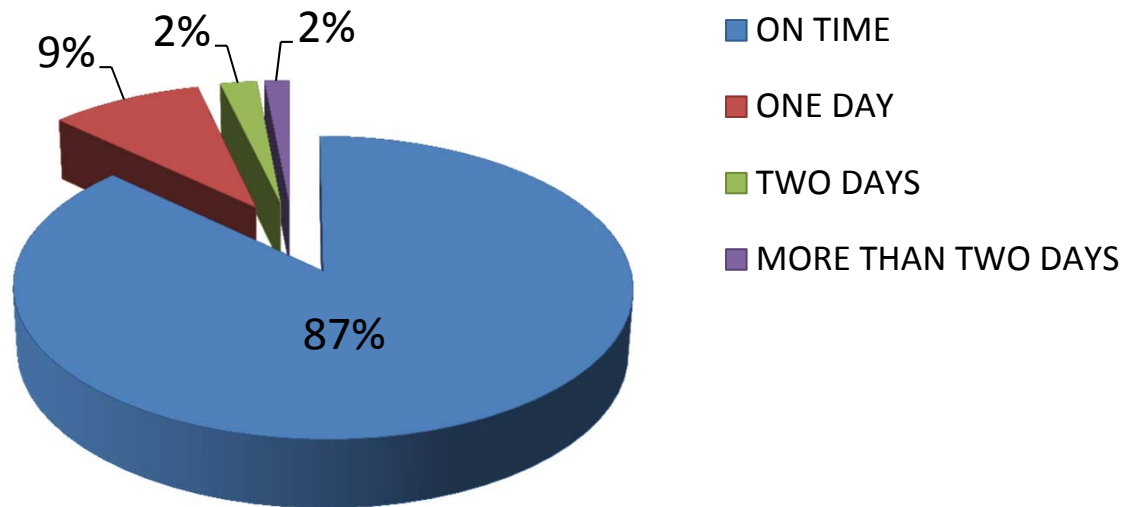
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[Click here to return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: April 3, 2018

STAFF REPORT

AGENDA TITLE: DISCUSS RESERVE POLICY ANALYSIS REPORT AND FINDINGS

RECOMMENDATION

Discuss Reserve Policy Analysis Report and Findings.

EXECUTIVE SUMMARY

- Council requested an analysis of the City's reserves by the Financial Advisory Commission (FAC).
- The FAC established a subcommittee that prepared a Reserve Policy Analysis Report (Report).

BACKGROUND/ANALYSIS

During the 2017/18 budget process Council requested an analysis of the City's reserves. Three members of the FAC joined the Finance staff to conduct an in-depth analysis with additional hours of independent research. The scope of the analysis included review of:

- current reserve policy and funding;
- reserve categories;
- Coachella Valley wide comparison of reserves and funding;
- best practices recommended by accounting standards boards;
- City demographics, revenues, expenditure volatility, other funds dependency on the General Fund, growth projections, and unfunded capital projects;
- risk mitigation - including a review of insurance policies; and
- City infrastructure and vulnerability to extreme events.

The Report (Attachment 1) outlines recommendations to establish four reserve categories and a Pension Trust Fund (Attachment 2). Finance also updated the 10-year cash flow projections to incorporate identified capital improvement project priorities and outlined how the City may fund the recommended reserves over a period of time (Attachment 3).

ALTERNATIVES

Council could identify additional financial matters the FAC should evaluate, provide direction to draft a reserve policy, or request additional time to review the Report and funding options.

Prepared by: Karla Campos, Finance Director

Approved by: Chris Escobedo, Acting City Manager

Attachments: 1. Reserve Policy Analysis Report
 2. Reserve Categories and Allocation Methods
 3. Reserve Funding Options and Five-Year Projections

[Click here to return to Agenda](#)

City of La Quinta



Reserve Policy Analysis ~~DRAFT Interim~~ Report

Financial Advisory Commission Reserve Policy Subcommittee

~~April~~February 2018

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City of La Quinta Financial Advisory Commission Reserve Policy Sub-Committee **Interim Report**

Executive Summary

The City of La Quinta (City) formed the La Quinta Financial Advisory Commission (FAC) in June 2017 to replace the long-standing Investment Advisory Board (IAB).

At the regular FAC meeting on August 9, 2017, the FAC appointed Commissioners Dick Mills, Daniel Twohey and Mark Johnson to serve on a sub-committee to analyze and recommend improvements to the City's Reserve Policy.

The Reserve Policy Subcommittee met with City Finance Staff ~~six~~four times and met/communicated together as a group on several occasions. The Subcommittee focused on developing a pragmatic methodology to determine the appropriate reserve levels as opposed to utilizing a percentage. This process establishes a rationale and protocol that allows for an annual review of reserves based on actual economic conditions.

The ~~following~~ interim recommendations were reviewed and approved by the FAC on November 15, 2017. [This updated Report will be presented to the FAC on April 11, 2018.](#)

Recommendations

The following Reserve Policy changes are recommended and summarized in Table 1:

1. Utilize a **Ten-Year Projection** to evaluate the City's financial condition and update it annually.
2. **Fund Balances and Reserves** should be referenced separately in presentations to eliminate confusion and give true picture of Reserves.
3. **Emergency Reserve** with two components: **Natural Disaster and Economic**
 - a. **Emergency Reserve Natural Disaster Component**
 - i. Modify the **City Ordinance** to simplify access to the Emergency Reserve.
 - ii. ~~Utilize~~**undertake** a comprehensive **Asset/Risk/Insurance/Government Funding Study (Study)**, which is essential to setting this reserve level.

- iii. Establish an **Asset Management Program** as part of this Study to better track, maintain and replace assets and develop a long-term Capital Improvement Program (CIP).
- ~~iv. Fund this reserve initially with \$1.5 million and set the reserve level after the Study is complete.~~
- b. **Emergency Reserve Economic Disaster Component**-set at \$11 million and fund with \$1.0 million annually and define use of funds.
- 4. **Cash Flow Reserve**. Set at \$5 million initially and, reset annually using the formula.
- 5. ~~Capital Replacement~~ **Sinking Fund Reserve**. Set at \$10 million and fund with \$1.0 million annually.
- 6. ~~CalPERS~~ **Pension Trust**. Form an irrevocable trust and fund with \$1 million annually for 10 years as a General Fund Expense.
- 7. **Current Unassigned Reserves**-utilize to fund the recommended Reserve/Trust targets and/or operating expenses at the discretion of the Council.

Table 1-Reserve/Trust Recommendations

Reserve/Trust	Reserve Target	Current Funding	Over/(Under) Funded	Annual Target
Emergency Reserve				
Natural Disaster	10,000,000	16,534,000	16,534,000	1,500,000
Economic Disaster	11,000,000	-	(11,000,000)	1,000,000
Total	21,000,000	16,534,000	5,534,000	2,500,000
Cash Flow Reserve	5,000,000	4,134,000	(866,000)	-
Capital Replacement	10,000,000	-	(10,000,000)	1,000,000
Total Reserves	26,000,000	20,668,000	(5,332,000)	3,500,000
Pension Trust Fund	10,000,000	-	(10,000,000)	1,000,000
Unassigned Reserves	-	14,865,926	14,865,926	-
Overall Total	36,000,000	35,533,926	(466,074)	4,500,000

1.0 Background

1.0 Financial Advisory Commission & Reserve Analysis Subcommittee

The principal functions of the FAC are: (1) review at least annually the City's investment policy and recommend appropriate changes; (2) review monthly treasury reports and note compliance with the investment policy and adequacy of cash and investments for anticipated obligations; (3) receive and consider other reports provided by the City Treasurer; (4) meet with the independent auditor after completion of the annual audit of the city's financial statements, and receive and consider the auditor's comments on auditing procedures, internal controls, and findings for cash and investment activities; (5) review annually the revenue derived from the one percent (1%) transactions and use tax (Measure G) instituted by voters in November 2016 to ensure these funds are used to provide services, programs and capital projects in the City, and (6) serve as a resource for the City treasurer on matters such as proposed investments, internal controls, use of financial institutions, custodians, brokers and dealers.

The current FAC members include; George Batavick (Chairman), Richard (Dick) Mills (Vice-Chairperson), Steven Rosen, Javier Lopez, Sherwyn Turbow, Daniel Twohey and Mark Johnson.

1.1 Reserve Policy Subcommittee

At the regular FAC meeting on August 8, 2017, the FAC appointed Dick Mills, Daniel Twohey and Mark Johnson to serve on a sub-committee to analyze and recommend improvements to the City's Reserve Policy.

2.0 Reserve Policy

2.1 Background

Financial Reserves provide the City with financial flexibility and strength to deal with planned and unplanned expenditures. Reserve levels must balance realistic financial need and risk. The Reserve Policy should strive to establish reserve levels that are not over or under-funded, specify the intended use of reserves, and the replenishment of underfunded reserves.

2.2 Current Reserve Policy

The current Reserve Policy includes the following major Reserve Fund Descriptions:

- **Non-spendable**: not available to fund operating expenditures of the organization because they are in the form of land and receivables.
- **Restricted**: limited to special purpose funds such as Measure A (transportation), Gas Tax Fund (streets) and Quimby Funds (parks).
- **Committed**: cash flow (currently working capital), emergency, and operating carryovers.
- **Assigned**: constrained by the City’s intent to use funds for public safety or capital projects.
- **Unassigned (Unappropriated)**: net reserves available after satisfying the other reserve categories.

Table 2 depicts the General Fund Reserve/Fund Balances as of June 30, 2017.

Table 2 - General Fund Reserve/Fund Balances-6/30/17

Reserve/Fund Balance	Amount (\$)
Non-Spendable	
Prepaid Costs	10,578
Land Held for Resale	8,320,000
Advances to Other Funds	15,022,660
Due from Other Governments	29,154,040
Total Non-Spendable	52,507,278
Committed	
Working Capital Reserve (10%)	4,134,000
Emergency Reserve (40%)	16,534,000
Post Retirement Health Benefits	1,523,400
Carryovers	120,000
Total Committed	22,311,400
Assigned	
Public Safety Fire Services	9,371,699
Capital Projects	6,322,570
Total Assigned	15,694,269
Unassigned	16,949,526
TOTAL FUND BALANCE	107,462,473

Current Reserve Policy includes the following targets:

- Working Capital Reserve: 10% of Adopted Operating Budget
- Emergency Reserve: 40% of Adopted Operating Budget

The General Accounting Standards Board (GASB) is the organization that establishes standards for accounting and financial reporting for state and local governments. GASB provides that it is common practice for governments to put aside resources to be used in a financial emergency or for cash flow purposes. Reserve funds are crucial to the financial viability and stability of a municipality.

Deferred maintenance, increased debt, and cash flow problems are common indicators of weak reserve balances. While strong reserve funds:

- manage cash flows and volatility in revenue and expenditures
- address unexpected economic fluctuations with long-term solutions
- provide needed money if a municipality should find itself facing unexpected financial difficulties
- reduce the cost of borrowing money.

There is no guidance for a “maximum” reserve limit but rather each organization should evaluate reserves depending upon their unique circumstances. There will always be more needs and unanticipated events than there are resources; therefore, governments must balance the need to be fiscally responsible with what are reasonable reserves. The amount of reserves a municipality maintains is determined by the community’s risk tolerance; a low-risk tolerance will result in higher reserves while a high-risk tolerance will result in lower reserves.

2.3 Guiding Principles, City of La Quinta Reserves

The City follows the following budgetary and cash management principles:

- One-time revenues should not be utilized for on-going expenditures. One-time revenues should be put into reserves or appropriated for one-time expenditures.
- Reserves for capital improvements, equipment replacement, and infrastructure should be part of the on-going budget process. Based on depreciation, or other relevant criteria, contributions should be made annually (into a revolving fund) as part of the budget process toward replacement of equipment, buildings, infrastructure, etc.
- When authorizing the use of reserves, developing a plan to replenish those reserves should also be considered.

- The Reserve Policy can be amended by resolution and requires a 4/5th approval of the Council.

2.4 Ten-Year Financial Projection

A Ten-Year Financial Projection is essential to aid in determining [an](#) appropriate Reserve Policy. The La Quinta Advisory Committee¹ developed this tool to analyze various Revenue and Expenditure Scenarios in FY 2015/16. Updated Ten-Year Financial Projections (Exhibits 1 and 2) are in the Appendix.

The Ten-Year Financial Projection is an Excel model that utilizes the FY 2017/18 Budget as the Base Year and applies a specific inflator (growth projection) for most revenue and expenditure line items to each of the remaining ten years.

The Model includes the following key features:

- **14 Revenue line items:** All revenue line items have a 1% inflator except for Motor Vehicle In-Lieu, Fire Service Credit, Property Tax, and Transient Occupancy Tax which have a 2% inflator. The largest revenue line items are Property Tax, Sales Tax, and Transient Occupancy Tax (TOT).
- **13 Expenditure line items:** Most expenditure line items have a 2% inflator except for Salaries and Medical Insurance Costs which have a 3% inflator and Police Contract which has an 8% inflator (Exhibit 1) to resemble historical increases or a 10% inflator (Exhibit 2) based on current police contract projections. The Capital Improvements line item is not inflated as these costs represent the annual minimum General Fund contribution for road maintenance to secure Measure A and SB1 Gas Tax Funding (restricted funds for road improvements). The Fire Service Contract is anticipated to increase by 4% annually.
- **Additional Revenue Sources:** These revenues include (1) Measure G Sales Tax and (2) Redevelopment Agency (RDA) payback (ending in FY 2029/30). Please note, any potential TOT tax increase was not used for this analysis.

The Model shows that before any Additional Revenue Sources are applied, there is a cumulative Revenues/Expenditure deficit of ~~-\$58.821~~ million at the end of the ten-year period (Exhibit 1) or a deficit of ~~-\$88.72~~ million (Exhibit 2).

After the Additional Revenue Sources are applied [and \\$3 million a year for capital improvements](#), there is a cumulative ~~+\$24.151.8~~ million Revenues/Expenditure surplus (Exhibit 1) or ~~-\$5.7+\$21.9~~ million [deficit](#) (Exhibit 2).

¹ The La Quinta Advisory Committee Report of January 2016 is a good reference for the City's financial system.

The Ten-Year Projection demonstrates the importance of the RDA loan repayment and the impact of Measure G sales tax to the City's financial future. It also shows that there is about \$5 million/year available to fund the Reserve accounts during the [next five years](#)~~is Ten-Year period~~ (Exhibit 1). However, if Police Contract services escalate to 10% the available funding is reduced to [an average of \\$4](#) ~~\$21.9 million or \$2.19 million annually~~ [over the next five years](#) (Exhibit 2).

In addition to the projected Ten-Year surplus ([Exhibit 1](#)), [as of June 30, 2017](#) the city [currently has](#) an unassigned fund balance of approximately \$16.9 million. These funds are non-restrictive and can be used to fund the recommended Reserve/Trust targets, capital projects, or operating expenses at the discretion of the Council.

The Ten-Year Projection provides an easy tool for the City to periodically analyze its financial condition as new information becomes available. One can easily glean the impact on City finances by simply changing an inflator assumption or line item starting balance. It is clear that small changes in some of the inputs can result in significant changes in the financial projections.

Recommendation: *Utilize a Ten-Year Projection to evaluate the City's financial condition and [evaluate reserve funding options](#)~~update the reserve levels/policy~~. The Ten-Year Projection should be updated annually.*

Recommendation: *Utilize Current Unassigned Reserves to fund the recommended Reserve/Trust targets and/or operating expenses at the discretion of the Council.*

2.5 Reserves versus Fund Balances

The financial terminology utilized for the current Reserve Policy can be confusing, but is regulated by GASB Statement No. 54. The terms "reserve" and "fund balance" are used interchangeably and can lead to a misunderstanding of actual financial condition. For example, Table 2 shows a total General Fund Reserve/Fund Balance of \$107 million at the end of FY 2016/17. The only line items in Table 2 classified as "reserves" are Emergency Reserve (\$16.5 million) and Cash Flow Reserve (\$4.1 million) for a total of \$20.6 million. Therefore, true "reserves" are much less than the reported \$107 million level.

Recommendation: *To eliminate this confusion, the following classifications are suggested and should be re-categorized to place actual reserves together (at the top) in the Committed Fund Balance category:*

General Fund Balances

- Non-Spendable

General Fund Committed Reserves²

- Emergency
- Cash Flow (replaces Working Capital)
- Capital Improvement Program (CIP) Sinking Fund
- Carryovers

This provides a grouping representation of reserves by re-categorizing the items of which there is no reserve funding potential. Fund balance reporting is governed by GASB. The GASB regulation is intended to provide a uniform method for reporting reserved and unreserved fund balances for all government agencies. Fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purpose for which amounts in those funds can be spent. The proposed General Fund Reserve line items are further discussed in Section 3 of this report.

3.0 General Fund Reserves

The subcommittee focused on developing a pragmatic methodology to determine the appropriate reserve levels as opposed to utilizing a percentage-based methodology. This process establishes a rationale and protocol that allows for an annual review of reserves based on actual economic conditions.

3.1 Emergency Reserve

As defined in the City’s municipal code (§ 2.20.020 A), the terms emergency and disaster mean:

“ The actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within this City caused by such conditions as air pollution, fire, flood, storm, epidemic, riot, earthquake or other conditions, including conditions resulting from war or imminent threat of war but other than conditions resulting from a labor controversy, which conditions are or are likely to be beyond the control of the services, regular personnel, equipment and facilities of the City and which may require the combined forces of other political jurisdictions to combat.”

Fiscal emergencies can be caused by natural disasters or swings in the economy.

² Note the Post-Retirement Health Benefits Fund is now an OPEB Trust-being funded directly from the General Fund Budget.

Recommendation: One Emergency Reserve with two components---Natural Disaster and Economic. Modify the city ordinance to simplify access to the Emergency Reserve.

3.1.1 Natural Disaster Component

The Emergency Reserve-Natural Disaster component will provide funding for floods, earthquakes and other natural disasters. The determination of the level of this reserve component requires the following analysis:

1. **Capital Asset Inventory & Valuation:** What do we have and what is it worth?
2. **Capital Asset Risk Assessment:** Which assets are more critical in a disaster?
3. **Insurance Coverage:** How do we evaluate risk versus premium?
4. **Government Disaster Funding:** How much will Federal, state and/or county government contribute in a disaster?

The City conducted a comprehensive Asset/Insurance/Government Funding Study (Study) analyzing these four items. Exhibit 4 summarizes the results from the Study. The City’s insured assets total \$366 million. In an emergency, individual assets with insurance coverage do not qualify for federal or state reimbursement. Furthermore, federal reimbursement is limited to 75% and state reimbursement is limited to 18.75% of total expenditures. Based on current insurance coverage the potential city liability could be \$19.2 million.

Assets that are not covered by insurance or government natural disaster funding are depicted in the column labeled require 100% reserve funding. Non-critical assets require 50% reserve funding for a total recommended reserve of \$10 million. A proper Emergency Reserve-Natural Disaster component cannot be established until these four items are researched and analyzed.

Recommendation: Undertake a comprehensive Asset/Risk/Insurance/Government Funding Study as soon as possible. Establish an Asset Management Program to expand on the as part of this Study to better track, maintain and replace assets and develop long-term Capital Improvement Program (CIP). Consider hiring a consultant to perform these functions.

Once the Study is complete, the Subcommittee will reconvene, evaluate, and recommend an Emergency Reserve-Natural Disaster component reserve level.

Recommendation: Fund this reserve initially with the current Emergency Reserve balance. \$1.5 million annually and set the reserve level after the Study is complete.

3.1.2 Economic Disaster Component

The Emergency Reserve-Economic Disaster component will provide funding to respond to a downturn in the economy.

To establish this reserve level, the City's financial data was analyzed from 2000 to 2017 as this period included probably the worst economic downturn since the Great Depression. Figure 1, [on the following page](#), (Long-Term Economic History) plots Revenue, Expenditures and Net Income adjusted for inflation during this period.

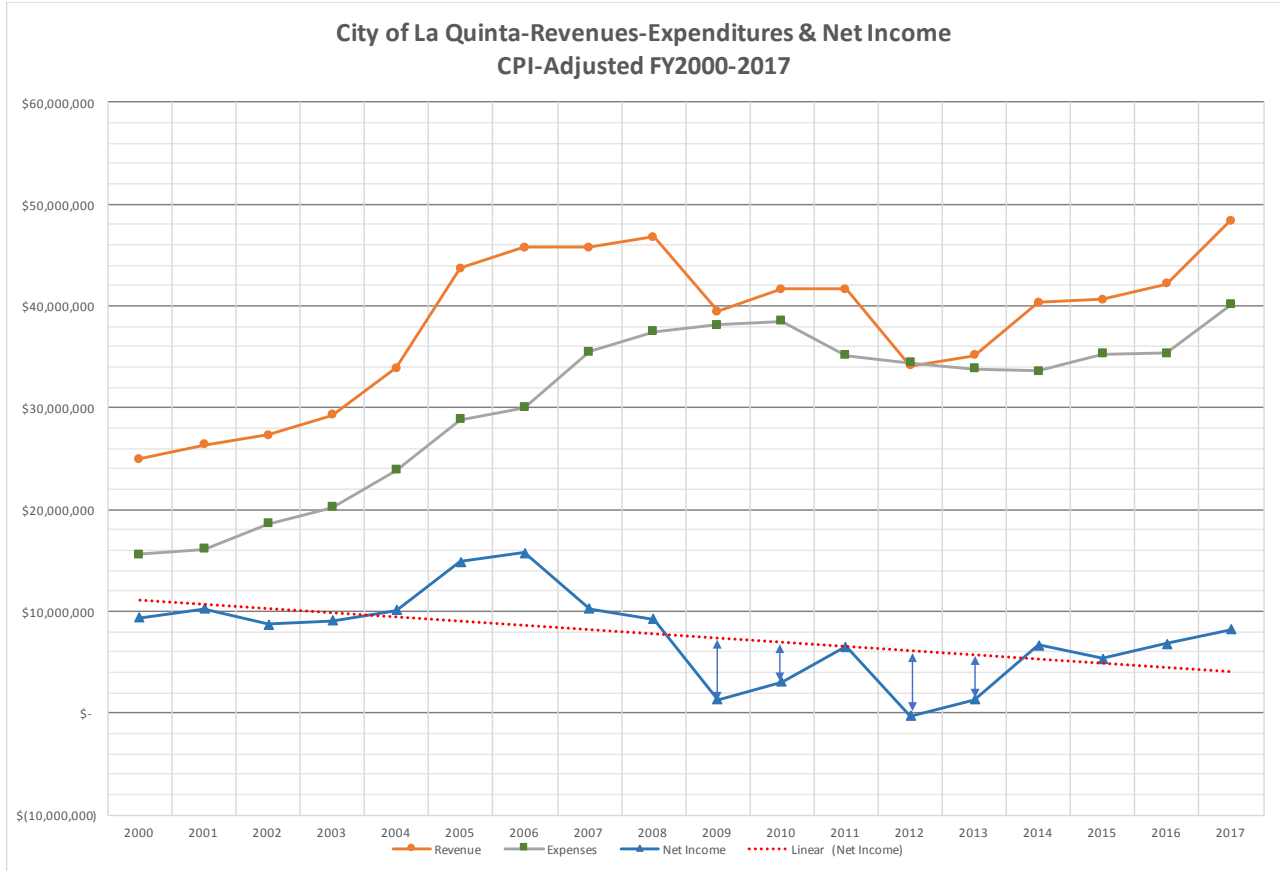
The Net Income line is the key data as this gives a good indication of the financial health of the City in any given year. A linear regression line was applied to the Net Income data to establish the normalized level of Net Income for this Seven-Year period. Any Net Income below the Linear Regression curve indicates the need for economic input to recover. During the period from 2008 to 2014, there are two troughs. The period between 2008 and 2011 (economic recession) would require approximately \$10 million to recover and the period from 2011 to 2014 (redevelopment dissolution) would require \$11 million to recover. This was a very unusual economic period and back-to-back downturns are unlikely in the future.

Access to this reserve should be granted for economic stabilization and volatility as a direct result of economic conditions during periods of unanticipated economic downturns or unanticipated spikes in operating costs. Use of emergency reserves due to economic pressures should be limited to maintaining essential day-to-day services, such as public safety or responding to adverse circumstances, while the City formulates a longer-term strategy.

Use of the economic disaster reserves should be defined in policy and may include:

- Used to balance the budget if revenues are projected to be 10% less than prior year actual revenues
- Or if operating expenses are projected to be 10% more than prior year actual expenses.

Figure 1-Long-Term Economic History

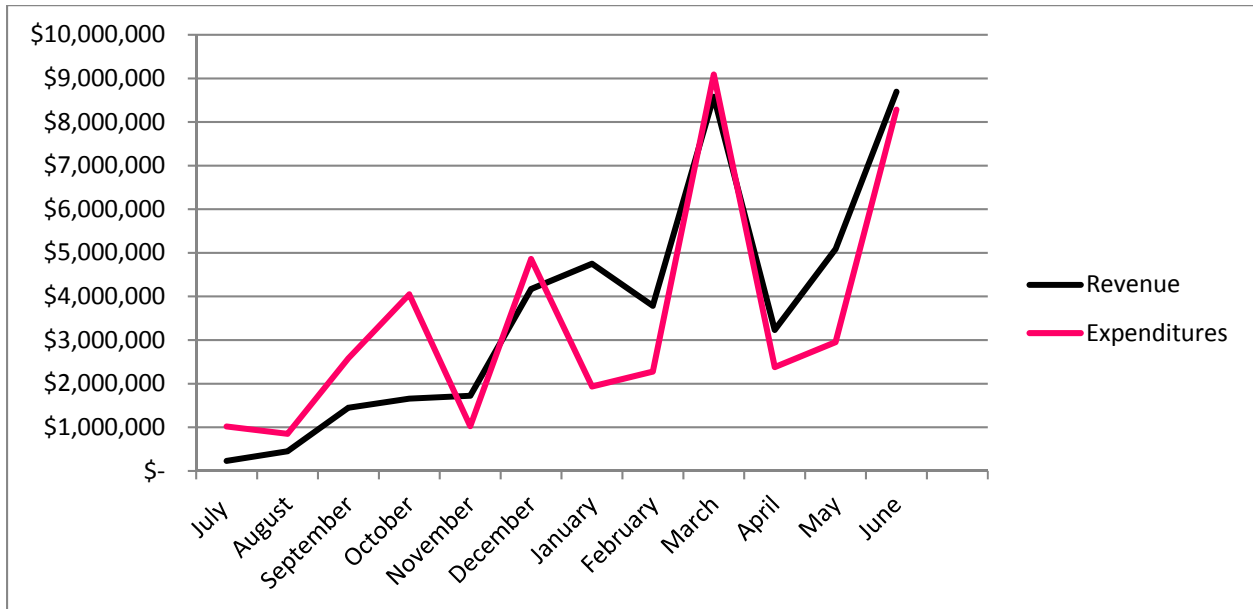


Recommendation: Set the Emergency Reserve-Economic Disaster component at \$11 million, fund with \$1.0 million annually and define the intended use of funds.

3.2 Cash Flow Reserve

The Cash Flow Reserve replaces the existing terminology and calculation of Working Capital Reserve (currently based on 10% of the operating budget). This reserve covers the inherent mismatch of revenues versus expenditures due primarily to tax revenue receipts. This reserve also serves as a funding source for capital projects with various state and federal grants, which are typically reimbursement based. Reserves allows for capital projects to incur costs and stay on track with reimbursement, typically within 90-180 days.

Figure 2-Cash Flow Imbalance for FY 2016/17



It is recommended that the Cash Flow Reserve be updated annually by calculating the prior fiscal year monthly surplus/(deficit) of revenues versus expenditures; with the largest cumulative deficit becoming the updated Cash Flow Reserve. Figure 2 above shows the monthly cash imbalances whereby revenues are not received uniformly throughout the year, which results in peaks and valleys depending upon large payments that are received throughout the year. For example, large property tax payments are usually received in December and May. Similarly, transient occupancy tax payments increase during months with large festivals and events. The timing imbalance of revenue receipts versus expenditures is funded from the City’s cash flow reserves. For FY 2016/17 this analysis yielded a \$4.7 million cash flow imbalance.

Recommendation: Set Cash Flow Reserve at \$5 million initially and fund annually subject to the calculation.

3.3 [Capital Replacement~~IP Sinking Fund~~ Reserve](#)

Exhibit 3 (Appendix) is page 47 from the FY 2016/17 Comprehensive Annual Financial Report (CAFR) describing the City’s capital assets. Table 3 below summarizes the Depreciable Assets from this information.

Table 3-Depreciable Assets

Depreciable Assets	Balance as of 6/30/2017 (\$ million)
Total Assets	301
Accumulated Depreciation	149
Net Capital Assets	152
Annual Depreciation	9

The total Ten-Year Capital Improvement Program (CIP) budget utilized for Exhibits 1 and 2 includes minimum funding to secure Measure A and Gas Tax revenue for road improvements (\$1.5 million annually). Capital expenses are typically supplemented with restricted funds such as those for road improvements, Quimby Funds for parks, developer impact fees (DIF), and grant funds. In addition to the General Fund, the City also maintains ten-year revenue and expenditure projections on these additional CIP funding sources.

For FY 2017/18 General Fund capital expenses budgeted total \$6.53 million or approximately 73% of depreciation ($6.53/9.00=73$) and are a reasonable barometer for evaluating the proper level of investment in capital assets. Additionally, \$2.3 million is budgeted under special funds, for a total CIP budget of \$8.83 or 98% of depreciation ($8.83/9=98$).

Special revenue funds are derived from gas tax sales, property tax valuations, and developer impact fees; these revenue projections can vary greatly from year to year. Ideally, it would be desirable to match annual depreciation with capital spending, therefore it is recommended to establish a [Capital Replacement~~IP Sinking Fund~~ Reserve](#) to set aside funds to supplement funding gaps.

Recommendation: Set [Capital Replacement~~IP Sinking Fund~~ Reserve](#) at \$10 million and fund with \$1.0 million annually.

3.4 Unfunded Pension Liability

As of June 30, 2017, the CalPERS Net Pension Liability was \$10.8 million (7.65% discount rate). Exhibits 1 and 2 shows the actual CalPERS Unfunded Liability cost of \$454,756 in FY 2016/17. However, the CalPERS Net Pension Liability is a moving target and is dependent on the CalPERS discount rate. For example, if the discount rate lowers to 6.65%, the Net Pension Liability increases to \$16.5 million.

In December 2016, CalPERS lowered the discount rate (rate of return for investments) from 7.5% to 7%, which will increase the CalPERS total unfunded pension liability for all participating agencies, including the city. The City's annual unfunded pension liability payment will further increase starting in FY 2018/19 continuing through 2021/22. In addition, every four years CalPERS evaluates all pension plans to ensure financial stability. This evaluation has been completed and was presented to the CalPERS Board on November 13-15, 2017. Results from this valuation confirmed lowering the discount rate to 7%.

Eliminating or reducing the CalPERS Net Pension Liability is prudent as it will improve the financial condition of the City and send a message that the City is addressing this issue in a fiscally responsible manner.

Assuming the CalPERS Net Pension Liability is \$10 million (between \$8.7 and \$14.0 million), the liability could be eliminated or reduced in this Ten-Year period by contributing another \$1.0 million/year.

If the city chose to open and fund a pension trust, any additional discretionary payments would offset the unfunded pension liability and could be used for future contributions.

In general, paying earlier reduces long-term pension costs because additional contributions have more time to compound investment returns, reducing the need for future contributions. The extent to which any additional contributions would lower future payments would depend largely on realized investment returns.

Recommendation: Form an irrevocable ~~CalPERS~~ Pension Trust, ~~and set at \$10 million target,~~ and fund with \$1.0 million annually as a General Fund Expense.

Appendix

List of Exhibits

Exhibit 1–Ten-Year Financial Projection with an 8% Increase in Police Service Contract

Exhibit 2–Ten-Year Financial Projection with a 10% Increase in Police Service Contract

Exhibit 3–FY 2016/17 CAFR Page 47-Capital Assets

[Exhibit 4 – Summary of All Insured City Assets](#)

CITY OF LA QUINTA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 4: CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2017, is as follows:

	Beginning Balance at July 1, 2016	Additions	Deletions	Transfers	Ending Balance at June 30, 2017
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 69,816,674	\$ 4,500,000	\$ -	\$ -	74,316,674
Right of way	284,928,794	-	-	-	284,928,794
Construction-in-progress	8,692,612	4,587,553	-	(3,310,670)	9,969,495
Total Capital Assets, Not Being Depreciated	363,438,080	9,087,553	-	(3,310,670)	369,214,963
Capital assets, being depreciated:					
Buildings and improvements	74,176,560	199,856	-	264,395	74,640,811
Equipment and furniture	3,442,965	39,957	-	-	3,482,922
Vehicles	1,751,819	452,067	329,500	-	1,874,386
Infrastructure	218,399,541	-	-	3,046,275	221,445,816
Total Capital Assets, Being Depreciated	297,770,885	691,880	329,500	3,310,670	301,443,935
Less accumulated depreciation for:					
Buildings and improvements	28,159,909	2,361,480	-	-	30,521,389
Equipment and furniture	2,216,710	237,744	-	-	2,454,454
Vehicles	1,563,715	68,123	329,500	-	1,302,338
Infrastructure	108,789,321	6,506,746	-	-	115,296,067
Total Accumulated Depreciation	140,729,655	9,174,093	329,500	-	149,574,248
Total Capital Assets, Being Depreciated, Net	157,041,230	(8,482,213)	-	3,310,670	151,869,687
Governmental Activities Capital Assets, Net	\$ 520,479,310	\$ 605,340	\$ -	\$ -	521,084,650

Depreciation expense was charged to the following functions in the Statement of Activities:

General governments	\$ 634,400
Planning and development	115,832
Community services	1,820,841
Public works	6,603,020
	<u>\$ 9,174,093</u>

SUMMARY OF ALL INSURED CITY ASSETS

Asset	Estimated Replacement Value	Property Coverage (Flood, Fire, Wind)	Earthquake Coverage	Estimated Replacement Costs Funding Sources		Natural Disaster Reserve	% of City Coverage
		Recommended Coverage	Recommended Coverage	FEMA/State	City Coverage		
14 Parks	19,966,204	-	-	18,718,316	1,247,888	623,944	50%
			0%	94%	6%		
12 City Buildings	60,322,936	31,197,068	52,562,286	1,678,125	111,875	111,875	100%
		52%	87%	3%	0.19%		
SilverRock	6,317,571	3,034,645	2,592,501	3,651,397	243,426	121,713	50%
		48%	41%	58%	4%		
Streets, Signals, Signs, Landscaping	266,775,219	-	823,394	248,557,904	16,570,527	8,285,263	50%
		0%	0.31%	93%	6%		
Fleet Vehicles	693,182	693,182	-	-	693,182	693,182	100%
		100%	0%		100%		
Housing Assets	12,059,000	12,059,000	5,199,000	6,431,250	428,750	428,750	100%
		100%	43%	53%	4%		
TOTALS	366,134,112	46,983,895	61,177,181	279,036,992	19,295,648	10,264,728	
Percentage of Total Value		13%	17%	76%	5%	3%	

Reserve Categories and Allocation Methods

OPTIONS -

A - Keep the current allocation method.

B - Implement the alternative allocation method.

C - Keep the current allocation methods and use the alternative method for verification.

Reserve Category	Current Allocation Method	Alternative Allocation Method	Additional Considerations
Natural Disaster	40% of annual operating budget	Comprehensive Asset Management Study performed every 5 years	Modify City Ordinance to simply access to funds.
Economic Disaster	N/A	10 year historical financial analysis of the General Fund using revenue, expenditures and net income adjusted for inflation	<ul style="list-style-type: none"> - Define access to funds in City Ordinance - economic downturns. * Used to balance the budget if revenues are projected to be 10% less than prior year actual revenues * Used to balance the budget if expenses are projected to be 10% more than prior year actual expenses - Intended to maintain essential daily operations while a long-term recovery strategy is formulated
Cash Flow Reserve	10% of annual operating budget	Update annually by calculating the prior fiscal year monthly surplus/deficit of revenues versus expenditures; with the largest cumulative deficit becoming the reserve target	With budget adoption prior to the end of the fiscal year, a lag of one fiscal year would be required.
Capital Replacement Reserve	N/A	Annual depreciation from total depreciable General Fund assets	<ul style="list-style-type: none"> - Audited financial statements are completed six months after the fiscal year-end, a lag of one fiscal year would be required. - City also uses restricted funds for infrastructure improvements - Define access to funds in City Ordinance * Matching CIP grant funds, supplement CIP funding gaps
Pension Trust Fund	N/A	<ul style="list-style-type: none"> - Target based on current CalPERS net pension liability - Subject to CalPERS actuarial studies, asset allocations, investment returns, and policies - Pension obligations will continue to increase 	<ul style="list-style-type: none"> - Funds available for reimbursement of up to two years of pension costs at any time (\$2.2M today) - Section 115 Trust, restricted for pension obligations - All funds available for transfer to CalPERS at any time
Unassigned Reserves	GASB 54	GASB 54	<ul style="list-style-type: none"> - Unrestricted funds available to the City - Funding comes from annual savings (total revenue - total expenses) or budget surpluses - Has been used for: <ul style="list-style-type: none"> *Matching CIP funds *Land purchases *Cover minor or temporary anticipated budget shortfalls

Reserve Funding Options and Five-Year Projections													
Reserve Category	Target Funding	Current Funding	Over/(Under) Balance	Other Funding Sources	Funding Sources	Funding Options	Over/(Under) Funding	2017/18	2018/19	2019/20	2020/21	2021/22	Estimated Over/(Under) Funding
Natural Disaster	10,000,000	16,534,000	6,534,000	FEMA, State of CA, Special Funds	-20% of realized year end surplus	-	-	-	-	-	-	-	-
Economic Disaster	11,000,000	-	(11,000,000)	N/A	-Reallocate overage from natural disaster - 20% of realized year end surpluses	-One time \$6,534,000 -One time \$1,000,000 (A)	(3,466,000)	488,324	498,091	508,052	799,378	807,737	(364,418)
Cash Flow Reserve	5,000,000	4,134,000	(866,000)	N/A	-Lump sum from unassigned reserves	-One time \$866,000 (B)	-	-	-	-	-	-	-
Capital Replacement Reserve	10,000,000	-	(10,000,000)	Special Funds	-CIP savings - Measure G funds -20% of realized year end surpluses	-One time \$1,051,966 (C) -One time Measure G reserve \$717,556	(8,230,478)	2,206,836	2,551,247	1,977,928	-	-	-
Pension Trust Fund	10,000,000	-	(10,000,000)	N/A	-Annual salary and employee benefits savings -20% of realized year end surplus	-One-time FY 16/17 savings \$315,621 (J) -One-time \$1,000,000 (D)	(8,684,379)	488,324	498,091	508,052	799,378	807,737	(5,582,797)
Unassigned	-	14,865,926	14,865,926	N/A	-20% of realized year end surplus	-Allocate \$3,917,966 of unassigned reserves	10,947,960	976,648	996,181	1,410,623	2,398,134	2,423,212	-
Total	46,000,000	35,533,926	(10,466,074)				(9,432,897)	4,648,456	5,041,700	4,912,708	3,996,890	4,038,687	(5,947,214)

No allocation of year end surplus for fully funded reserves. Surplus would remain in unassigned reserves. Surplus includes General Fund savings and unassigned RDA loan repayments which end in FY 2029/30.

	2016/17	2017/18	2018/19	2019/20	2021/22	2022/23	One-time Allocation of Unassigned Reserves	
		E	F	G	H	I	Current Unassigned Balance	
Surplus/(Deficit)*	2,544,437	4,648,456	5,041,700	4,912,708	3,996,890	4,038,687	14,865,926	
Measure G	(717,556)	(2,206,836)	(2,551,247)	(2,372,446)			Economic Disaster	(1,000,000) A
S & B Savings (J)	(315,621)						Cash Flow Reserve	(866,000) B
Available for allocation	1,511,260	2,441,620	2,490,453	2,540,262	3,996,890	4,038,687	CIP Sinking Fund	(1,051,966) C
20% allocation	20%	20%	20%	20%	20%	20%	Pension Trust Fund	(1,000,000) D
Reserve Distribution	302,252	488,324	498,091	508,052	799,378	807,737	Use of Unassigned Reserves	(3,917,966)
							Anticipated Unassigned Balance	10,947,960

* Based on General Fund 10-Year Projections, subject to change.